

EUROPEAN COMMISSION

> Brussels, 14.7.2021 COM(2021) 393 final

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

EU Border Regions: Living labs of European integration

1. INTRODUCTION

When the European Commission adopted its Communication "Boosting Growth and Cohesion in EU Border Regions"¹ (the 2017 Communication), little did anyone know that three years later, we would become acutely aware of the existence of internal borders when many crossing points closed and unprecedented measures were taken that limited our freedom of movement and impeded cross-border life.

The 2017 Communication highlighted that border regions have a vital role to play in the European integration process. Many border regions' representatives see their regions as "laboratories of European integration" because they are hot spots of intense cross-border interaction, where many people carry out daily activities on both sides of the border. They are regions where the advantages of the single market and freedom of movement are very visible, and where new ideas and solutions for European integration are often tested for the first time.

The 2017 Communication also highlighted persistent difficulties affecting many aspects of crossborder life: the lack of cross-border public transport, difficulties with the recognition of skills and diplomas, limited access to nearby public services, frequent absence of genuine cross-border governance systems to jointly manage shared resources, challenges and opportunities. The ambitions of cross-border regions have often been impeded by diverging national rules due to differences in implementing the EU's legal framework, for instance EU directives.

In 2020 and 2021, the **COVID-19 pandemic** emphatically demonstrated how interdependent EU Member States and regions are. Sadly, it also demonstrated at times how fragile our internal borders can be and how quickly we can lose the benefit of an open space with freedom of movement, albeit temporarily. In many Member States, some of the first measures taken were to bring back internal border controls and ban access to their territories for neighbours who, in normal times, cross borders frequently for multiple reasons. The negative impact of these measures quickly became very visible in many border regions². It paralysed services, including healthcare facilities, because cross-border workers could not access their workplaces. Impediments to the free movement of goods disrupted supplies of much-needed medical equipment. The public echoed these negative effects: in the public consultation on overcoming border obstacles³ carried out by the Commission in 2020, 65% of respondents stated that border closures increased their perception of the border as an obstacle. Therefore the recently adopted Strategy for an Area of Freedom, Security and Justice⁴ without internal borders takes due consideration of the experiences and lessons-learnt from the COVID-19 pandemic. Furthermore, the Commission is in the early stages of preparing an amendment to the Schengen Borders Code which should address the identified shortcomings in the current system.

But decades of good neighbourly relations and constructive cross-border cooperation have also resulted in remarkable acts of solidarity. Member States less seriously affected by extremely high numbers of patients in need of intensive care offered help by taking on in their facilities patients from neighbouring countries with greater needs. Along some borders, established cross-border

¹ Communication from the Commission to the Council and the European Parliament 'Boosting growth and cohesion in EU border regions' - COM(2017) 534 final, 20.9.2017.

² See: "The effects of Covid-19 induced border closures on cross border regions" -ISBN 978-92-76-28398-0 and 978-92-76-28400-0

³ Public consultation on overcoming border obstacles (2020) available at: https://ec.europa.eu/regional_policy/en/newsroom/consultations/border-2020/

⁴ Communication from the Commission to the European Parliament and the Council 'A strategy towards a fully functioning and resilient Schengen area without internal border controls' - COM(2021) 277, 2.6.2021.

structures coordinated crisis response and proved a precious source of reliable information for people often puzzled by changing and inconsistent rules. And we saw regular demonstrations of simple human empathy among neighbouring communities.

COVID-19 solidarity in cross-border regions⁵

The Greater Region (LU-BE-FR-DE) created a Pandemic Task Force to coordinate a response to the pandemic on multiple levels (e.g. monitoring the availability of intensive care beds).

The neighbouring towns of Görlitz (DE) and Zgorzelec (PL) ran joint emergency exercises (e.g. on action to take when faced with a mass outbreak of measles) and used this experience to set up a cross-border information exchange system during the COVID-19 pandemic.

The Bánát Triplex Confinium European Grouping of Territorial Cooperation (BTC EGTC) brings together local authorities located on the Hungary-Romania-Serbia trilateral border region. The EGTC got together to deliver urgently needed face masks and hand sanitisers from Hungary to the 37 Romanian authorities involved in the EGTC.

On the Austria-Italy border, the Süd Tirol region sent protective equipment to the autonomous provinces of Bolzano and Trentino; hospitals in the Tyrolean towns of Innsbruck, Hall and Linz took care of Italian patients in need of intensive care.

The European Commission reacted swiftly within the limits of its legal mandate, by rapidly opening up 'green corridors' for the transit of essential goods and adopting two sets of guidelines on the free movement of workers⁶ and emergency assistance in cross-border healthcare⁷.

In addition, based on a Commission proposal, Council Recommendation (EU) 2020/1475⁸, and its amendment (EU) 2021/119⁹, took a coordinated approach to the restriction of free movement in response to the COVID-19 pandemic. The amendment provides special provisions for residents of border areas who cross the border frequently to work, go to school, seek medical care, or take care of family. They should not be required to quarantine when crossing borders for essential purposes. In addition, if a testing requirement on cross-border travel is introduced in these regions, its frequency should be proportionate. If the epidemiological situation on both sides of the border is comparable, no travel-related testing requirements should be imposed.

However, the crisis demonstrated that the degree of resilience of border areas depends largely on the institutional set up and on the level of preparedness, which is often designed and decided at national level. This would merit further reflection.

This report is therefore structured around two sections. First, it reviews progress made in implementing the actions announced in the 2017 Communication's action plan. Second, based on analytical work and consultations with stakeholders and drawing on the lessons learnt during the COVID-19 crisis, the report revisits the 2017 action plan to increase its effectiveness and adjust it to new realities. No new actions are proposed, but the European Commission examines how initiatives and programmes under the Multi-Annual Financial Framework 2021-2027 can be used to stimulate the recovery of border areas, whose economies have often been particularly severely

⁵ <u>https://cor.europa.eu/en/engage/Pages/covid19-stories.aspx#cooperation</u>

⁶ Communication from the Commission 'Guidelines concerning the exercise of the free movement of workers during COVID-19 outbreak' - OJ C 102I, 30.3.2020, p. 12.

⁷ Guidelines on EU Emergency Assistance in Cross-Border Cooperation in Healthcare related to the COVID-19 crisis - COM(2020) 2153 final, 3.4.2020.

⁸ Council Recommendation (EU) 2020/1475 of 13 October 2020 on a coordinated approach to the restriction of free movement in response to the COVID-19 pandemic (OJ L 337, 14.10.2020, p. 3).

⁹ Council Recommendation (EU) 2021/119 of 1 February 2021 amending Recommendation (EU) 2020/1475 on a coordinated approach to the restriction of free movement in response to the COVID-19 pandemic (OJ L 36I, 2.2.2021, p. 1).

disrupted by the crisis. The report also considers the EU's external borders with neighbours that have an agreed accession path to join the European Union.

2. IMPLEMENTING THE ACTION PLAN – KEY ACHIEVEMENTS

Work to implement the 2017 10-point action plan, coordinated by the Border Focal Point, has now been ongoing for just over three years. A detailed assessment of each action is presented in the table at the end of this report. The 2020 public consultation carried out to understand the impact of these actions and the current situation in cross-border regions gathered 453 responses, which provided input to this report.

Several outcomes are of particular importance and are therefore highlighted separately below. They have been significant in several ways: some of them contributed to improving our understanding of persisting difficulties faced by people living in border regions; others created fresh impetus in developing joint initiatives across borders. Globally, these responses provided a positive contribution to the Report.

1. An enriched tool box for cross-border interaction

In 2018, the Commission adopted the 'European Cross-Border Mechanism' (ECBM) legislative proposal to offer a legal tool for practical solutions to overcome cross-border obstacles of a legal or administrative nature¹⁰. In 2019, to pioneer work to overcome these obstacles, the Commission launched *b-solutions*¹¹, an innovative initiative that provides legal support to public authorities in border regions to identify the root causes of legal or administrative obstacles affecting their cross-border interactions and to explore potential solution(s). This has been a successful process, which has resolved 90 cases of border obstacles. The cases covered 27 cross-border regions in 21 Member States and tackled obstacles mainly in employment, public transport, healthcare and institutional cooperation.

The key lessons learnt from the 'b-solutions' initiative show that:

- 1) solutions must be tailored to each specific context, though experience in handling similar obstacles in other border regions can often be useful;
- 2) implementing solutions is typically a complex and lengthy process, only possible with the involvement and political commitment of multi-level decision-making authorities;
- 3) a range of tools can be used to identify solutions; some may be European, others may already be available at national level. But these solutions frequently require changes in the legal framework.

Overall, the success of b-solutions is also due to the fact that it paves the way for longer-term agreements between Member States and regions to definitively remove barriers, as illustrated in the box overleaf. These pilot projects also show the potential of the ECBM. In 13 of the first 43 cases for b-solutions (30%), participants and experts clearly expressed the view that an EU legal tool such as the ECBM would have made a difference to resolving recurring border obstacles had it been available¹². The ECBM is still being discussed in Council, after the European Parliament established its broadly positive position¹³ in 2019. The Commission remains convinced of the positive benefits that the proposal would bring.

¹⁰ Proposal for a Regulation of the European Parliament and of the Council on a mechanism to resolve legal and administrative obstacles in a cross-border context – COM(2018) 373 final, 29.5.2018.

¹¹ https://www.b-solutionsproject.com/

¹² A compendium with more information on the experience is published under ISBN 978-92-76-13300-1 and 978-92-76-13302-5.

¹³ European Parliament legislative resolution of 14 February 2019 on the proposal for a Regulation of the European Parliament and of the Council on a mechanism to resolve legal and administrative obstacles in a cross-border context [COM(2018) 373 – C8- 0228/2018 – 2018/0198(COD)].

Good practice: emergency medical services along the French-Spanish border

Despite the existence of the first European bi-national Hospital de Cerdanya, doctors were until recently prevented from responding to medical emergencies on the other side of the border due to the lack of automatic mutual recognition of their status as doctors. A **b-solutions** project identified the way to overcome this administrative barrier in 2019. In 2020, the local bodies in charge implemented the solution. Following the Franco-Spanish summit of 15 March 2021, there is now a new political commitment to further develop a common framework for cross-border healthcare in the cross-border region.

2. Developments in cross-border healthcare

The healthcare sector has been the subject of increased attention over the past few years. As a result, there is now a much better understanding of cross-border health services, their added value (for example by offering facilitated access to cross-border health services in the proximity of the patients) and the recurring problems they face (often linked to reimbursement of treatment costs). Policy developments and financial support, including under Interreg cross-border cooperation programmes funded by the European Regional Development Fund (ERDF), work hand in hand to facilitate the development of cross-border health services that often can save lives (e.g. by providing to cross-border population much faster access to specialised care or to emergency services).

Good practice: HealthAcross project

After years of preparation and collaboration between Austria and Czechia, a brand new joint medical centre has opened in the Austrian town of Gmünd, where Czech patients can also receive in- and out-patient treatment.

3. New cross-border public transport links

In addition to legal obstacles, one of the most challenging difficulties faced by people living in border regions is limited access by public transport to areas on the other side of the border. Too many services still stop at the border and too many administrative obstacles affect joint public transport systems. After having carried out a comprehensive mapping of missing links in the rail sector and a series of concrete projects financed by the EU budget, this problem is being tackled in several cross-border regions. Partnerships have been established in some border regions to develop joint services, including the integration of timetables and ticketing. Much remains to be done, but significant progress has been made.

Good practice: new cross-border rolling stock

Along the French-German border, the Interreg programme finances the development of a crossborder train prototype – Coradia polyvalent – that will function on both regional rail networks. 30 such trains are due to operate across the border by 2024.

4. A clear financial support framework

The new Interreg Regulation to support the 2021-2027 cross-border cooperation programmes entered into force on 1 July 2021^{14.} It includes a new Interreg-specific objective on *Better Cooperation Governance* which enhances the potential for Interreg cross-border cooperation programmes (both along internal and external borders) to actively remedy border obstacles in those regions. In addition, the European Commission has shared with future programme authorities border orientation papers, drawn up to guide Member States, regions and partner countries through the programming process, mainly based on knowledge gained by implementing

¹⁴ Regulation (EU) 2021/1059 of the European Parliament and of the Council on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments (OJ L 231, 30.6.2021, p. 94).

the 2017 action plan. In parallel, the new ERDF Regulation¹⁵ strongly encourages Member States and regions to make use of their own national and regional ERDF programmes to invest in crossborder initiatives and infrastructure projects. Making use of synergies with investments in neighbouring regions would be a major step to increase the effectiveness of cohesion policy in border regions.

3. FUTURE DEVELOPMENTS

Cross-border regions need tailor-made solutions and policies that can maximise their potential, remove existing barriers and boost their economic recovery and resilience. This was also the view expressed by Europeans in the 2020 public consultation. 79%¹⁶ of respondents reported that "European action in favour of border regions is important because it contributes to trust-building among individuals and organisations and because it highlights that national legal frameworks frequently do not take into consideration the territories across the border". Furthermore 42% agreed that action taken by the European Commission over the past five years had stimulated cross-border regions as never before and should continue. Lastly, 65% of respondents disagreed that Commission action should be limited to the provision of Interreg funding.

Based on the lessons learnt since 2017, including those from the COVID-19 crisis, in particular the need for more and deeper institutional cross-border cooperation, and on the urgent challenges facing Europe and the world in terms of climate change, the Commission proposes to refocus the actions along **four clusters:**

- i. Resilience through deeper institutional cooperation
- ii. More and better cross-border public services
- iii. Vibrant cross-border labour markets
- iv. Border regions for the European Green Deal

Action in these clusters must enable border regions to test innovative solutions in the crossborder context, enabling them to continue to act as hot spots and laboratories of European integration. Cross-border territories make both the benefits of European integration and the shortcomings visible and real to the general public. Therefore, the Commission and the Member States must work with these regions in the joint development of innovative approaches to deepen their integration and increase cross-border exchanges. The approaches and solutions to increase European integration developed and tested in cross-border regions could then also be used more widely in other regions.

Innovative actions to develop cross-border regions can be implemented when, in different fields of work, public institutions and other organisations look at the cross-border region as a whole instead of the sum of two separate parts. This can be achieved by using new policy and 2021-2027 financial tools. Innovative solutions are being deployed in several policy areas, for example:

- European Digital Innovation Hubs (EDIH) as well as a reinforced interoperability policy, funded by the Digital Europe Programme¹⁷ can stimulate increased cooperation between neighbouring countries and provide support for digital innovation of public services and companies in cross-border regions.
- Coordinated administrative processes for public procurement can boost business links across borders. Cross-border projects on 'Connected public administration' under the flagship initiative 'Modernise' of the Recovery and Resilience Facility could deepen

¹⁵ Regulation (EU) 2021/1058 of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion Fund (OJ L 231, 30.6.2021, p. 60).

¹⁶ Sum of answers "totally agree" 57.4% and "agree" 21.4%.

¹⁷ <u>https://digital-strategy.ec.europa.eu/en/activities/digital-programme</u>.

cooperation amongst administrations of neighbouring regions. The 2014 Public Procurement Directives¹⁸ created specific provisions on occasional joint procurement and on procurement involving contracting authorities from different Member States, in particular by joint legal entities, including European Groupings of Territorial Cooperation.

- The SME strategy¹⁹ provides a framework for border regions to explore solutions to solve cross-border issues faced by SMEs.
- The Connecting Europe Facility²⁰ for the TEN-T network includes targeted action on cross-border connections to integrate transport networks on both sides of the border and digital infrastructures and services²¹.
- The focus on sustainability and the impact of the pandemic are shaping a new generation of consumers, who seek opportunities to go on low-carbon or plastic-free holidays. This offers new scope for cross-border cooperation, in terms of joint tourism and local networks of smart and sustainable tourism destinations.

The Commission will support cross-border regions in innovating when planning future developments, making it attractive for border communities to not only stay where they are but also to thrive by maximising the potential of their home regions.

Young people too have an important role to play to boost border regions. Their keen interest in cross-border cooperation is demonstrated by the high take-up of the Interreg volunteering scheme²² set up when the European Volunteer Service was created. Since 2019, over 500 young people have volunteered in Interreg programmes and projects. Some also co-authored the Youth Manifesto for Cooperation²³.

Most of the aspects outlined in the four clusters below can be supported financially along all EU internal and external borders by the new Interreg Cross-Border Cooperation, the IPA Cross-Border Cooperation, and the Interreg Next programmes. In particular, the new objective 'A better cooperation governance' introduced in the Interreg Regulation was designed specifically for this purpose. Of the 65 cross-border cooperation programmes due to be implemented in 2021-2027 along EU internal and external borders, at least 50 will use this objective to strengthen cross-border governance. For instance, the programmes could envisage setting up small project funds to resolve obstacles or invest in co-designing development strategies or joint spatial planning mechanisms. Financial support could also be dedicated to explore the need for joint public services or to invest in developing robust cross-border statistics, as has recently been recommended by the European Court of Auditors²⁴.

3.1. Resilience through deeper institutional cooperation

Any action taken to support cross-border regions needs to be underpinned by robust governance mechanisms to ensure the sustainability and durability of the action and to ensure it does not depend on individual goodwill only. There is much scope to further develop the joint management of our cross-border regions, from organising joint public consultations on future investments, to considering joint land use planning and joint public services based on proximity.

¹⁸ Directive 2014/24/EU (Articles 38 and 39) and Directive 2104/25/EU (Articles 39 and 57).

¹⁹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0103.

²⁰ <u>https://ec.europa.eu/inea/en/connecting-europe-facility</u>.

²¹ https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/CEF+Digital+Home

²² <u>https://www.interregyouth.com/.</u>

²³ <u>https://europa.eu/youth/get-involved/democratic%20participation/manifesto-youth-youth-shape-european-territorial-cooperation_en.</u>

²⁴ <u>https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=58917</u>

In the 2020 public consultation, 56% of respondents indicated that the main obstacles linked to legislative processes were linked to institutional cooperation.

EU tools for cooperation are already available, most notably in the shape of **European Groupings of Territorial Cooperation** (EGTC) which provide a stable legal framework for joint initiatives and investments. The 80 existing EGTCs cover a wide range of activities, including the management of public services. However, to step up cross-border cooperation, it is necessary to work more closely with the national authorities in charge of implementation. Together with the EGTC Platform²⁵ hosted by the Committee of the Regions, the Commission will work to promote their use across the EU. Other forms of cooperation supported by the EU budget, such as the European Universities Alliances²⁶ under the Erasmus+ programme or the EDIH, can use the EGTC legal tool to sustain cross-border cooperation, thereby expanding its impact beyond cohesion policy.

The **European Cross-Border Mechanism** (ECBM) proposed by the Commission in 2018 also offers ways to unlock the potential of cross-border regions by putting in place a legal framework to resolve border obstacles. Where established cooperation already provides this framework, the ECBM is an additional option. Where there is no institutionalised mechanism to resolve obstacles, the ECBM provides an off-the-shelf solution.

At Member State level, existing formal agreements facilitate cooperation by providing a joint, agreed legal framework in which to operate. Regional groupings such as the Benelux Union or the Nordic Council of Ministers have a key role to play in providing a seamless framework for interaction. Bilateral agreements such as the Treaty of Aachen between France and Germany or the Estonian-Latvian Intergovernmental Commission have similar objectives. More could be achieved by for example exploring possibilities of jointly performing border-proofing tests when developing new legislation or transposing European directives. The Territorial Impact Assessment tool currently used by the Commission via its Better Regulation Toolbox provides a useful basis for this. In bilateral contacts, Member States should also consider ways to facilitate cross-border interaction, notably by making it possible to derogate from national rules or by enhancing mutual recognition based on mutual knowledge, standards and trust.

The Commission is ready to support the development of stronger governance systems for crossborder regions. This can be achieved in several ways, some listed in the box below. Member States and regions are encouraged to participate in this process, notably by using the next generation of Interreg CBC programmes to invest in sustainable cooperation systems that are tailored to their specific circumstances.

Actions:

- The Commission will extend the **b-solutions** initiative introduced in 2019 to cover the 2021-2027 period and to cover pre-accession border regions. The results will be shared on the online platform Border Focal Point Network²⁷, and on other channels.
- To achieve a greater awareness of the **added value of cooperating across borders,** the Commission will develop a self-assessment method to analyse both the intensity of cross-border cooperation and its contribution to European integration in border areas.
- The Commission will continue to support the work of **statistical offices** in producing and analysing cross-border data for evidence-based policy making: one current pilot project seeks to define cross-border cities and functional urban areas with the aim of collecting data

²⁵ <u>https://portal.cor.europa.eu/egtc/Platform/Pages/welcome.aspx</u>

²⁶ <u>https://ec.europa.eu/education/education-in-the-eu/european-education-area/european-universities-initiative_en</u>

²⁷ <u>https://futurium.ec.europa.eu/en/border-focal-point-network/b-solutions</u>

on them over the medium term. It will continue to support the work carried out by the European Cross-border Monitoring Network²⁸.

3.2. More and better cross-border public services

People living in border regions often find themselves located far away from services within their national boundaries and digitally insufficiently connected, but close to proximity services on the other side of the border. Some border regions already have a long tradition of sharing public services or even of pooling resources to offer proximity services to all residents living on both sides of a national border. In the 2020 public consultation, respondents identified difficulties in accessing reliable public transport as the main obstacle to using cross-border public services, closely followed by the lack of joint digital services.

The COVID-19 pandemic has made visible two aspects of cross-border public services in the health sector²⁹. On the one hand, the sudden introduction of restrictions on cross-border movement has prevented patients, but also medical staff, from accessing healthcare facilities. Paradoxically, these restrictions made the importance of daily cross-border flows highly visible. On the other hand, the acute need for medical services has fostered displays of solidarity across borders and demonstrated that border regions' resilience to crises is dependent on working with each other across national boundaries.

Similar conclusions have been reached for access to education, culture and leisure services, without forgetting the need to enable physical access to the services via low-carbon transport systems such as trains, trams, and buses. For instance, the EU strategy for energy system integration³⁰ identifies the persistent lack of cross-border interoperability of charging services for electric vehicles, which stands in the way of developing greener transport services across borders.

A recent study³¹ financed by the Interreg programme European Spatial Planning Observatory Network compiled information about 580 cross-border public services along EU internal borders. Currently, most of these cross-border public services deal with environment protection, civil protection, disaster management and transport. Future trends show new cross-border public services are expected especially in the fields of spatial planning, economic development, tourism, and culture. Many regions are exploring the scope to provide cross-border public services in healthcare and the labour market. The pandemic has also put the spotlight on the importance of digitalisation. Supporting border regions means ensuring that digital public services are interoperable and cross-border by default, in line with the vision and principles set out in the European Interoperability Framework and the EU's eGovernment action plan³².

The Committee of the Regions (in an opinion it issued in 2020³³) and the European Parliament (as part of the pilot project 'Cross-Border Crisis Response Integrated Initiative (CB-CRII)³⁴) have both highlighted the need to provide a stronger and more stable framework for cross-border public services. The European Commission fully shares this objective and proposes specific actions in this area.

²⁸ <u>https://www.bbsr.bund.de/BBSR/EN/research/specialist-articles/spatial-development/eu-council-presidency/network-crossborderdata/main.html</u>

²⁹ See: "The effects of COVID-19 induced border closures on cross-border regions" -ISBN 978-92-76-28397-3 and ISBN 978-92-76-28399-7

³⁰ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Powering a climate-neutral economy: An EU Strategy for Energy System Integration' - COM(2020) 299 final, 8.7.2020.

³¹ www.espon.eu/cps

³² https://ec.europa.eu/digital-single-market/en/european-egovernment-action-plan-2016-2020

³³ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:C:2021:106:TOC

³⁴ <u>https://www.europarl.europa.eu/cmsdata/214920/budg2021-doc6-tab-en.pdf</u>

Actions:

- The Commission will support the resilience of cross-border regions, notably through the **development of strong cross-border public services**, including via digitisation and interoperability. Two ongoing studies (one on public services and one on public transport) will provide the basis for sharing good practices and solutions to recurring issues. Cross-border regions will be able to access comprehensive information via a **platform** to be set up under the European Parliament's CB-CRII pilot project mentioned above.
- The Commission will step up the actions already taken on cross-border health care:
 - 1. evaluation of the directive on the application of patients' rights in cross-border healthcare to assess how effectively it has met its goal to facilitate public access to safe and high-quality cross-border healthcare in another EU country (looking notably at the remaining legal and administrative barriers);
 - **2. the EU4Health programme** funding opportunities for cross-country cooperation in transferring knowledge and good practice;
 - **3.** The planned creation of the European Health Data Space for better health policymaking, to support evidence-based regulatory activities and better health research and innovation, including joint access to cross-border healthcare services³⁵.

3.3. Vibrant cross-border labour markets

Many border regions are characterised by socioeconomic asymmetries on both sides of the national border. Creating genuine cross-border labour markets presents many advantages for both businesses and job seekers: employers have access to a larger pool of skills and competences and job seekers can access more job vacancies. In addition, SMEs wishing to test the neighbouring markets will have direct access to job seekers with potentially different language skills. As a result, cross-border commuting can avoid the social costs of migration, which otherwise could lead to an exodus of a well-qualified labour force from border regions.

But for this to be a success, cross-border regions should be seen as a 'single' territory when it comes to education and training, skills and competences, employment, and access to social security. This is not yet the case: in the 2020 public consultation, respondents indicated language differences and difficulties in the recognition of diplomas, skills and qualifications as the main difficulties encountered in terms of education, training and employment in cross-border regions.

Moreover, at present promoting training and job-seeking across the border is rarely done systematically, which makes it hard to maximise the potential of demand and supply available across the broader cross-border region. Examples of difficulties include³⁶:

- Obstacles related to the recognition of qualifications, despite the existence of transparency tools such as the European Qualifications Framework and legal tools such as the professional qualifications Directive, including a lack of information or knowledge of the relevant administrative procedures.
- Difficulties in identifying available jobs or reaching out to potential employees due to the lack of job market integration and of coordination amongst employment services. Very often job vacancies available on both sides of a border are not publicised in a coordinated manner. The lack of interoperability of digital systems is also a hindrance.

³⁵ To be financed by different programmes at EU and national level, such as the EU4health programme, the Digital Europe Programme, Horizon Europe, the European Regional Development Fund, InvestEU and the Recovery and Resilience Facility.

³⁶ As documented by the b-solutions initiative. See: "b-solutions: Solving Border Obstacles - A compendium of 43 cases" (ISBN 978-92-76-1300-1), pp 26-31.

- Complexity of national tax and on access to social security regimes, as well as of applicable legislation can contribute to commuter-specific problems.
- Obstacles linked to teleworking practices for cross-border commuters resulting from complexity in the determination of applicable legislation and from lack of fast reliable internet connection in border areas of a rural nature.

These difficulties are experienced by cross-border commuters, despite significant steps taken. For instance, in the context of increased teleworking, the Administrative Commission for the Coordination of Social Security Systems³⁷ provided guidance to find pragmatic solutions allowing the social security affiliation of workers to remain in the country of the 'normal' workplace (i.e. usually where the company is located).

Commuting across a border and returning home every day should be as simple as commuting from the suburbs of a large city. There is a clear need for cross-border commuters to have the same rights in practice as those who do not cross the border daily for work. National and regional legal frameworks should be screened and revised whenever there is evidence that they put cross-border commuters in a more fragile position than other workers. Administrative procedures for cross-border commuters should be equivalent to those applying in the national context in order to prevent inconsistent or unnecessarily complex situations. Member States should consider adopting fiscal policies and agreements that do not penalise any region, for instance as suggested by the Congress of local and regional authorities of the Council of Europe³⁸.

The European Labour Authority (ELA) facilitates easier access to information on labour mobility services for individuals and employers. It will strengthen cooperation and will have a mediating role between national authorities on aspects related to labour law and social security. Labour markets should gain a more European perspective. The Commission will consider cross-border issues more systematically, for instance for the structured and sustained development of statistics on cross-border commuting.

The same applies to education, training and skills. It means that people may have access to a school or a kindergarten in the country where they live, but they may face administrative procedures or legal hurdles to access these services where they work. The same occurs with access to traineeships or professional training opportunities. In higher education, European Universities Alliances with partners in neighbouring border regions may have an important role in promoting multilingualism.

People living in cross-border regions should be granted access to education and training on both sides of the border. In sparsely populated regions, or in those suffering from depopulation, exploring the opportunity of coordinated education and training offer can help maintain such services where they are at risk. Sharing education resources across border regions also contributes to bilingualism, mutual trust and common skill sets, which are all benefits of European integration.

The European Education Area (EEA)³⁹ shows it is essential to prevent structural barriers to learning and skills development. Part of this initiative, the European Universities Alliances, integrates ambitions such as multilingualism, which will be beneficial to the aim of coordinating the provision of education in such regions, though it has a much broader scope.

There are already several good examples in the European Union of regions providing joint education services or mutual recognition of skills and qualifications based on knowledge of each

³⁷ <u>https://ec.europa.eu/social/main.jsp?catId=849&langId=en</u>

³⁸ https://rm.coe.int/09000016809f79d2

³⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on achieving the European Education Area by 2025 - COM(2020) 625 final, 30.9.2020.

other's curricula and on trust⁴⁰. More such examples are needed, and Member States should work hand in hand with the European Commission to strengthen border regions in providing cross-border education offers.

Actions:

- The **EURES cross-border partnerships** will continue to promote labour mobility in cross-border regions.
- ELA will continue to facilitate **access to information** and further transparency of rules applicable for cross-border mobile workers.
- The Commission will also cooperate with the research community and regional labour market observatories to **increase knowledge** on issues faced by cross-border commuters.
- The Commission will set up structured partnerships of volunteering border regions that have already acknowledged and experienced **market access barriers** due to regulatory or administrative obstacles and help those develop solutions in the spirit of a bottom-up single market.
- The Commission will continue raising awareness about the **European Qualifications Framework** and help improve implementation in cross-border regions to support understanding, transparency, comparability and recognition of all types and levels of qualifications, including those acquired outside higher education institutions.
- In the area of taxation, the Commission announced in its Action Plan for **Fair and Simple Taxation** supporting the Recovery Strategy⁴¹ from July 2020, a Communication taking stock of taxpayers' existing rights under EU law together with a Recommendation to Member States to improve the situation of citizens as taxpayers facing cross-border tax obstacles, as for example cross-border commuters⁴². The aim is to list existing rights based on case law and practice, to make taxpayers and tax administrations aware of these rights and obligations and thereby enhancing the relationship between taxpayers and tax administrations.

3.4. Border regions for the European Green Deal

Nature and climate do not recognise human-made borders. The challenges linked to climate change and the environment epitomise the benefits of cooperation across borders. The European Green Deal⁴³ is the EU's response to climate and environmental-related challenges, and it includes action to step up cooperation across borders in several sectors. National borders between Member States often fragment natural territories, making their management and protection less effective, especially when different legal frameworks apply. This has an impact on biodiversity and resource efficiency, amongst other issues. In the 2020 public consultation, respondents indicated that their main concerns were the circular economy, joint management of natural parks and the supply and distribution of renewable energy.

The EU's biodiversity strategy for 2030⁴⁴ demonstrates that protecting biodiversity cannot be limited to national boundaries. For example, it requires setting up ecological corridors to maintain and enhance healthy ecosystems. For this, cooperation across borders is essential. In the

⁴⁰ https://www.benelux.int/files/4815/1721/2154/M20181 FR .docx.pdf

⁴¹ COM(2020) 312 final.

⁴² <u>https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12627-EU-taxpayers%E2%80%99-rights-simplified-procedures-for-better-tax-compliance-Recommendation-en</u>

⁴³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'The European Green Deal' - COM(2019) 640 final, 11.12.2019.

⁴⁴ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'EU Biodiversity Strategy for 2030 - Bringing nature back into our lives' - COM(2020) 380 final, 20.5.2020.

same vein, the Water Framework Directive calls for coordination of measures covering the whole river basin district, including across borders. However, such cooperation does not always function as best it could. Under the Birds and Habitats Directives establishing the Natura 2000 network, differing national implementation rules can have negative impacts on the environmental management of cross-border territories. Along some border rivers, the two banks can be managed in quite different ways, depending on whether they are designated as Natura 2000 sites. When this happens, environmental protection measures are applied differently, which may undermine their effectiveness. The same applies to many cross-border natural parks. A more coordinated and coherent protection of Natura 2000 sites should ensure more integrated implementation measures. European legal bodies of a cross-border nature, such as EGTCs, should be involved in work to this end.

Disaster risk management planning is another area where cooperation across borders is vital. The Union Civil Protection Mechanism⁴⁵ requires Member States to report regularly on priority prevention and preparedness measures for key risks that have cross-border impacts. Furthermore, sectoral strategies can also be important in addressing risks, including across borders, for instance flood risk management plans, forest protection plans, or national and regional climate change adaptation strategies. These are supported by provisions in EU legislation, e.g. the need for transboundary coordination for river basins as provided for in the Floods Directive⁴⁶.

The EU-wide assessment of national energy and climate plans⁴⁷ shows that there remains much potential to tap for cross-border regional initiatives in the energy sector by improving cooperation between Member States and using EU funds. Few countries plan better renewable energy deployment and energy efficiency measures in cooperation with others. The assessment also identified the need to build on regulatory advances. The proposed European Cross-Border Mechanism could make a significant contribution, as it would facilitate such regulatory advances in a cross-border context.

The penetration of renewable energies implies a significant change of paradigm. However, energy markets do not yet function across borders as seamlessly as they do within a country. For example, cross-border electricity transactions are frequently limited because legal frameworks do not allow for low-voltage exchanges of electricity across the border. Renewable energy communities can play a significant role in charting the way ahead. European legislation already sets the conditions for Member States to include options for cross-border implementation of such communities in their national transpositions. Likewise, there may also be legal impediments to rolling out joint smart district heating and cooling systems in cross-border agglomerations.

- The project "SEREH The Smart Energy Region of Emmen-Haren", under the Interreg CBC programme between Germany and the Netherlands, is already leading the way. It is developing a decentralised cross-border electricity and energy market, and other border regions will be able to build on its findings and recommendations.
- A b-solutions advice case explored how cross-border (NL-BE) transport of CO₂ could be used as a resource for industrial processes in the North Sea Port.

⁴⁵ Decision (EU) 2019/420 of the European Parliament and of the Council of 13 March 2019 amending Decision No 1313/2013/EU on a Union Civil Protection Mechanism (OJ L 77I, 20.3.2019, p. 1).

⁴⁶ Directive 2007/60/EC of the European Parliament and of the Council of 23 October 2007 on the assessment and management of flood risks (OJ L 288, 6.11.2007, p. 27).

⁴⁷ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'An EU-wide assessment of National Energy and Climate Plans - Driving forward the green transition and promoting economic recovery through integrated energy and climate planning' - COM(2020) 564 final, 17.9.2020.

The EU strategy for energy system integration⁴⁸ identified new challenges from increased electrification of the energy system, including in transport and industry. Coordination between Member States in border regions will be essential to overcome these challenges. A fully integrated electricity grid in areas such as a twin city stretching across national borders will offer major benefits and complementarities in areas such as renewable energy production or storage solutions.

Other legal or administrative inconsistencies affect the development of renewable energy in border areas, such as the recognition of qualifications of photovoltaic or wind turbine installers, or even different rules governing the minimum distance from wind turbines to residential buildings.

Member States should make the most of existing opportunities for cooperation under the applicable EU legal framework. For example, the recast Renewable Energy Directive (RED II) already provides for joint support schemes, and for support schemes for renewable electricity to be open to producers located in different Member States. Take-up of these schemes should be strongly encouraged in border regions. In cross-border functional areas, for example in twin cities, the Electricity Market Directive⁴⁹ already allows national regulatory frameworks to open up citizen energy communities to cross-border participation.

Actions:

- The Commission will provide support for prevention and preparedness to address risks with an impact on cross-border cooperation under the framework of the Union Civil Protection Mechanism.
- The Commission will stimulate cooperation regionally and across borders and enhance the guidelines on **national adaptation strategies** in cooperation with the Member States⁵⁰.
- The Commission will draw and disseminate lessons learnt from the pilot project "Luxembourg in transition: a vision for a zero-carbon cross-border functional region" in the framework of the intergovernmental **Territorial Agenda 2030** process and take an active part in disseminating its results to the wider border community.
- Through the **Natura 2000 biogeographical process**⁵¹, the Commission will support and improve cross-border coordination and implementation of the Natura 2000 network and help achieve the goals of the EU biodiversity strategy for 2030.
- Regional coordination centres, as provided for in the **Electricity Market Regulation**, should continuously consider the implications for energy markets in border regions.
- The Commission will explore and develop the promising initiatives under the recast **Renewable Energy Directive** (RED II) to achieve a higher share of cross-border projects, including hybrid projects combining renewable energy with storage.

⁴⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'An EU-wide assessment of National Energy and Climate Plans - Driving forward the green transition 'Powering a climate-neutral economy: An EU Strategy for Energy System Integration' - COM(2020) 299 final, 8.7.2020.

⁴⁹ Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (OJ L 158, 14.6.2019, p. 125).

⁵⁰ The new EU Climate Adaptation Strategy includes this and other references to borders. See Communication COM(2021)82final, of 24.2.2021

⁵¹ <u>https://ec.europa.eu/environment/nature/natura2000/seminars_en.htm</u>

4. CONCLUSION

Although border regions are often geographically peripheral and rural, they are places with a high potential for economic growth, encouraged by their cultural and linguistic diversity, complementary competitive advantages, unspoilt nature and less trodden tourism destinations. Their distance from the core can often be compensated by cross-border exchanges with neighbours, cooperation and joint action. For this to happen, border regions need to be at the forefront of and fully benefit from European integration.

What Europe offers to its border regions is emblematic of its commitment to further integration. History, including very recent times, shows that no country is an island. This is why the Commission takes the view that it is time to step up cross-border cooperation on all fronts, in all sectors and across sectors. This view is shared by border stakeholders who have voiced their wishes for more integration, notably via the European Cross-Border Citizens' Alliance⁵².

To build resilience in cross-border regions, they need support from all levels of government. Their unique position should receive increased attention through a range of initiatives, pilot projects or test cases where the objective should be to allow border regions to draw from what works best on either side of the national boundaries. They should be given more freedom and flexibility to test ideas and solutions, and be able to play a more active role in their development, especially in co-designing, co-sharing and co-managing projects and services for the benefit of all people living along the borders.

Lastly, the European Commission is of the opinion that cross-border regions bordering on the accession countries need to have a stronger voice that will enable them to be more closely involved in the process of European integration. To this end, the Commission will seek to associate these regions to the initiatives and actions outlined in the previous sections of this report. This will help improve the conditions for civil society development, for more efficient local governance and public administration, reform and democratic transitions, and promote good neighbourly relations and reconciliation.

⁵² <u>https://cor.europa.eu/en/engage/Pages/cross-border-alliance.aspx</u>

	Name	Progress
1	Deepening cooperation and exchanges	 An online platform has been created to share good practice, useful documentation, and events between cross-border stakeholders. The platform was revamped and relaunched in January 2021⁵³ including a new communication strategy for the Border Focal Point Network and a series of targeted online events. The European Commission cooperated with the Committee of the Regions and other organisations in identifying the effects of COVID-19 induced border closures and issued a report. Pilot projects tackling border obstacles (under the brand name b-solutions⁵⁴) were supported throughout the period. This work is still ongoing following the success of the first call (43 cases concluded and documented⁵⁵, 47 extra cases being implemented in 2021).
2	Improving the legislative process	 The Better Regulation Package guiding the European Commission's legislation-making process contains a specific tool for territorial impact assessments, including a border-blindness test. Since its introduction it has, however, not been possible to apply the test to many legislative proposals, even less so with the arrival of the COVID-19 pandemic that has required emergency responses. There have been limited exchanges with Member States on bringing in border-blindness tests and more coordination when transposing EU directives. However, some interesting initiatives have emerged. For instance, the Netherlands and Belgium (Flanders) have set up an administrative working group on border barriers to seek solutions to legislative bottlenecks in the development of cross-border infrastructure. The Dutch administration has also issued a guidance document on border effects as a tool for the Government to understand the implications of new or changed policies, laws and regulations for people, businesses, and administrations in border regions.
3	Enabling cross- border public administration	 The eGovernment action plan sets the framework conditions for implementing the once-only principle. Its <i>building blocks</i> allow for regional authorities in border regions to implement eGovernment solutions. The main challenge has been to identify the specific elements of a border region nature. Some b-solutions cases have addressed the interoperability of procedures, like the use of a common tax form.

The 2017 action plan – outline of progress made in implementing the 10 actions:

⁵³ 54 55

https://futurium.ec.europa.eu/en/border-focal-point-network www.b-solutions.eu https://futurium.ec.europa.eu/en/border-focal-point-network/b-solutions/b-solutions-solving-border-obstacles-compendium-now-accessible

		 The Commission is working on pilot projects promoting cross-border public procurement. Through the digital Europe programme, the Commission supports the implementation of European Digital Innovation Hubs, to support SME in digital innovation. It is promoting the idea that some of these hubs would be of a cross-border nature.
4	Providing reliable and understandable information and assistance	 In October 2018, the Regulation establishing a single digital gateway (SDG) to provide EU citizens and businesses with a single access to information, procedure, assistance and problem-solving services came into force. The importance of the SDG to border regions was fully taken on board in the process. The Commission has started to promote SDG services to end users and multipliers through digital events, including in border regions. SOLVIT will strive to be part of the SDG services for assistance to people whose rights have been breached by public authorities in another Member State. This is a powerful tool; however, all registered cases are difficult to search from a cross-border perspective. The Commission will strive to integrate some search terms that could be of use for the Border Focal Point. Nonetheless, cooperation with the relevant services has been good and information always shared. The Your Europe Advice service has seen a steep increase in queries from people living in border regions, following the introduction of uncoordinated and fast-changing border control measures to counter the effect of the COVID-19 pandemic. Work and family life have been particularly negatively affected.
5	Support cross- border employment	 Promotion and facilitation of cross-border employment: The EU has close to 2 million frontier workers (mostly from FR, DE and PL who work mainly in DE, CH, LU and AT)⁵⁶. Some borders in these countries are equipped to provide vital information to some of these workers (e.g. EURES cross-border partnerships, 'Infobest' Network, 'Groupement transfrontalier européen', 'Die Grenzgänger', 'GrensInfo', etc.). However, many borders still do not have information services thus hampering the potential for cross-border employment, e.g. coverage of the EURES cross-border partnerships is still partial. Furthermore, the lack of integration of labour market data from both sides of a border hampers labour market integration in cross-border regions, namely by not facilitating actions for promotion of cross-border employment. Guidelines following COVID-19. The Commission issued guidelines to urge Member States to allow entry to cross-border workers. Data on cross-border employment. See below, under point 10 'Building evidence'. Cross-border cooperation dimension of EU initiatives. The Border Focal Point has screened several key initiatives (e.g. the action plan of the European Pillar of Social Rights, the EURES activity report) to ensure they address the cross-border

⁵⁶ 2019 Report on intra-EU mobility: <u>https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8242&furtherPubs=yes</u>

		dimension adequately.
6	Promoting border multilingualism	 The European Language Label initiative⁵⁷ awards the most innovative language learning initiatives in Erasmus+ programme countries. "Removing language barriers to create more dynamic border regions" was one of its two priorities for 2018-2020. Projects in the 2019 compendium illustrate possible actions to be implemented in border regions⁵⁸. Erasmus+ provided funding for 25 cooperation projects in the field of school education that encourage early language learning and awareness and develop bilingual teaching options, especially in border regions⁵⁹. Publications at the School Education Gateway, the online Erasmus+ funded platform for professionals working in school education, stressed the importance of cross-border cooperation and language learning⁶⁰.
7	Facilitating cross- border accessibility	 The European Commission has made available a mapping of missing cross-border rail links (2018). This resulted in a major conference bringing stakeholders from the cross-border and from the public transport communities in 2019⁶¹. Further work is ongoing on exploring the extent to which cross-border public transport services already exist, identifying the gaps and preparing guidance. Under the b-solutions initiative, 10 of the 43 first projects looked at cross-border transport and identified solutions to existing legal problems.
8	Promoting greater pooling of health care facilities	 A comprehensive mapping of such cross-border healthcare services along internal borders has led to a higher degree of awareness and understanding widely shared with the health sector and with cross-border regions alike. It also provided a set of specific tools to be used in deploying similar veins of cooperation. There is now a recognised and growing cross-border health care community that actively pursues improvements in this sector (e.g. thematic healthcare networks set up by EUREGHA⁶² and the Association of European Border Regions). A major conference "Enhancing healthcare cooperation in cross-border regions" showcased cases of cooperation in cross-border healthcare⁶³ in support to similar cooperation to be implemented in other territories. One b-solutions project addressing the lack of automatic recognition of medical doctors across a border led to bilateral agreements between French and Spanish authorities to provide cross-border healthcare services.

57 58

https://ec.europa.eu/education/policies/multilingualism/european-language-initiatives_en https://op.europa.eu/en/publication-detail/-/publication/276c4d9e-433c-11eb-b27b-01aa75ed71a1/language-en/format-PDF/source-180951865

⁵⁹ https://ec.europa.eu/programmes/erasmus-plus/projects en

⁶⁰

https://www.schooleducationgateway.eu/en/pub/latest/news/border-regions-learning-the-n.htm https://op.europa.eu/en/publication-detail/-/publication/7bdaacc0-05cb-11ea-8c1f-01aa75ed71a1/language-en/format-PDF/source-108771252 61

⁶² http://www.euregha.net/crossborderhealthcare/

⁶³ https://ec.europa.eu/futurium/en/system/files/ged/booklet_enhancing_healthcare_cooperation.pdf

		• The financial framework to develop such initiatives has also been stepped up and will become even more important with the next generation of Interreg programmes . The European Commission has recommended investing in this sector as it brings many benefits to users and providers alike.
9	Considering the legal and financial framework for cross-border cooperation	 The financial framework for cross-border cooperation in 2021-2027 was established in the Multi-Annual Financial Framework and translated into a new Interreg Regulation. This includes new elements to promote better governance practices in cross-border regions. The Commission engaged early with Member States on programming the next generation of Interreg cross-border cooperation programmes via 'Border Orientation Papers', which set out key characteristics and opportunities for all EU internal cross-border areas and emphasises the need to treat them as functional areas. The Commission made a proposal to strengthen the legal framework for cross-border cooperation with a Regulation to establish a European Cross-Border Mechanism. Its main objective is to propose a way for Member States to resolve legal and administrative obstacles impeding the implementation of cross-border projects (either investments or services). Negotiations are ongoing.
10	Building evidence of cross-border interaction to inform decision- making	 A pilot project with statistical offices was implemented to explore best ways to identify flows of cross-border workers throughout the EU, with promising progress on the use of administrative data and big data. A follow-up project is in the pipeline. The European Commission supported the establishment of a network of cross-border statistical offices and regional data portals which investigates good practices to develop cross-border data. The network is currently focused on developing data on cross-border commuting. Based on such cooperation, Eurostat released an improved set of regional tables from the Labour Force Survey, which provides richer information on cross-border labour. It will provide further support to measure the number of cross-border workers based on administrative data. The Commission will support enhanced analysis of regional labour market data, with a focus on the whole cross-border region, to provide information to Member States on cases where cross-border commuting has the potential to balance uneven markets.