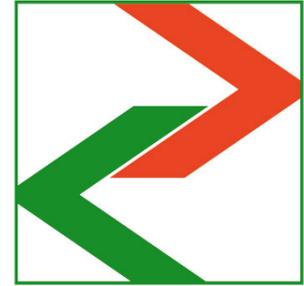


Arbeitsgemeinschaft Europäischer Grenzregionen (AGEG)
Asociación de Regiones Fronterizas Europeas (ARFE)
Association des régions frontalières européennes (ARFE)
Association of European Border Regions (AEBR)
Comunità di lavoro delle regioni europee di confine (AGEG)
Europæiske grænseregioners Arbejdsfællesskab (AGEG)
Werkgemeinschaft van Europese grensgebieden (WVEG)
Associação das Regiões Fronteiriças Europeias (ARFE)
Σύνδεσμος Ευρωπαϊκών Συνοριακών Περιφερειών (ΣΕΣΠ)
Stowarzyszenie Europejskich Regionów Granicznych (SERG)



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Coherence and Complementarity

- optimal allocation of all EU funds -

1. Introduction

AEBR has regularly addressed the development of rural areas since its beginnings. The last time there was a report of Mr Von Malchus on rural development within the new Common Agricultural Policy (CAP) on the occasion of the Executive Committee meeting on 17 June 2005 in Karlstad (Värmland, Sweden).

A key task of the European Union is among others to maintain European regions with their urban and rural centres attractive. This implies also the development of rural areas that are offered different subsidies by the EU. The reform of the Common Agricultural Policy (CAP) for the years 2007-2013 paves the way for important new actions promoting the development of rural areas. In chapter 3.6 the Community's Strategic Guidelines for rural development lay down that the synergies between structural, employment and rural development policies need to be encouraged. Member states should ensure complementarity and coherence between actions that are financed in particular geographical areas and in particular fields of action by the European Regional Development Fund, the Cohesion Fund, the European Social Fund, the European Fisheries Fund and the EAFRD.

Major guiding principles as regards the **demarcation line** and **the coordination mechanisms** between actions supported by the different funds should be defined in **the national strategic plans for EAFRD** and **the national strategic reference framework**.

2. Recommendations of the Director General of DG REGIO

The new Director General of DG REGIO Mr Dirk Ahner was previously Deputy Director General in the DG AGRI. Accordingly, he is familiar with both subsidy programmes of the EU.

In an interesting article in the magazine: "EUROPA communal" (EUROPE locally) of April 2007 he presented very clearly the different subsidies, their internal coherence and their mutual complementarity. The following are instruments of the cohesion policy: the European Regional Development Fund (ERDF), the European Social Fund (ESF) as well as the European Agriculture Fund for Rural Development (EAFRD). All instruments are based on the Lisbon Agenda and allow for coherence and complementarity in their political implementation.

While planning and implementing cohesion policies and rural development programmes an optimal **funding mix from the different funds** should be ensured in order to achieve a **maximal added value**. The local / regional actors play a **key coordinating role**. In the programming period 2007-2013 the rural development funding was transferred to EAFRD. Also in the rural development policy the main objectives of the EU - more competitiveness, higher employment, and sustainability - should be better taken into account.

EAFRD has three priorities:

- Improving the competitiveness of rural and forestry sectors through funding, restructuring, modernisation and quality generation (axis 1),

- Improving the environment and countryside by means of an appropriate and sustainable land management including agri-environmental measures and environment protection, e.g. encouraging organic farming or within NATURA-2000 network (axis 2),
- Improving the quality of life and encouraging diversification of the rural economy (axis 3).

The three thematic axes are supplemented by the “Leader-axis.” Consequently, the previous Community initiative is now part of the overall programme.

3. Conclusions

According to the regulations governing EU funds **coherence and complementarity** play an **important role** while negotiating and implementing the national strategic plans and based on them, the mostly regional programmes. With reference to all financial instruments of the EU the regulations and guidelines recommend the definition of selection criteria (demarcation lines) for the national and regional plans and programmes due to the possibility of **interferences**. Clear demarcation lines should be developed in the rural development strategies depending primarily **on regional / local considerations**. These criteria are important in particular in axis 3 of the EAFRD-programme.

From EAFRD and ERDF could be supported for example:

- mini-enterprises,
- development of tourism offers,
- small-scale infrastructures encouraging entrepreneurship,
- measures improving the quality of life in rural areas,
- basic services (including cultural events and leisure activities),
- village modernisation,
- preservation of cultural heritage,
- development of NATURA 2000-areas.

Theoretically EAFRD and ESF could support:

- education and training for rural development actors,
- training and information of employees in agriculture.

As recommendation the demarcation lines defined by member states and the funds managing authorities the funds could be based on:

- action and target group related criteria (agriculture versus non-agricultural sectors),
- their spatial impact (regional versus local),
- project size or involved communities.

As general recommendation actions in rural areas supported from **ERDF and ESF** should focus on **areas and target groups not related to agriculture** (e.g. improved connection between urban and rural areas through broad band services). In order to avoid the risk of

overlapping or funding gaps for rural development it's of crucial importance to ensure the coherence and complementarity of the EU funds by means of a comprehensive strategy development and a coordinated assistance and assessment by the funds managing authorities.

In this context **the main questions addressed to border and cross-border regions** are as follows:

- To what extend regional/local bodies will be/are involved in the development/implementation of the national strategic plans?
- Have border and cross-border regions examined, to what extend the funds managing authorities have eliminated the risk of overlapping / funding gaps?
- To what extent border and cross-border regions have helped/can help avoid overlapping and funding gaps with conceptualisation, elaboration and implementation of cross-border programmes?

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