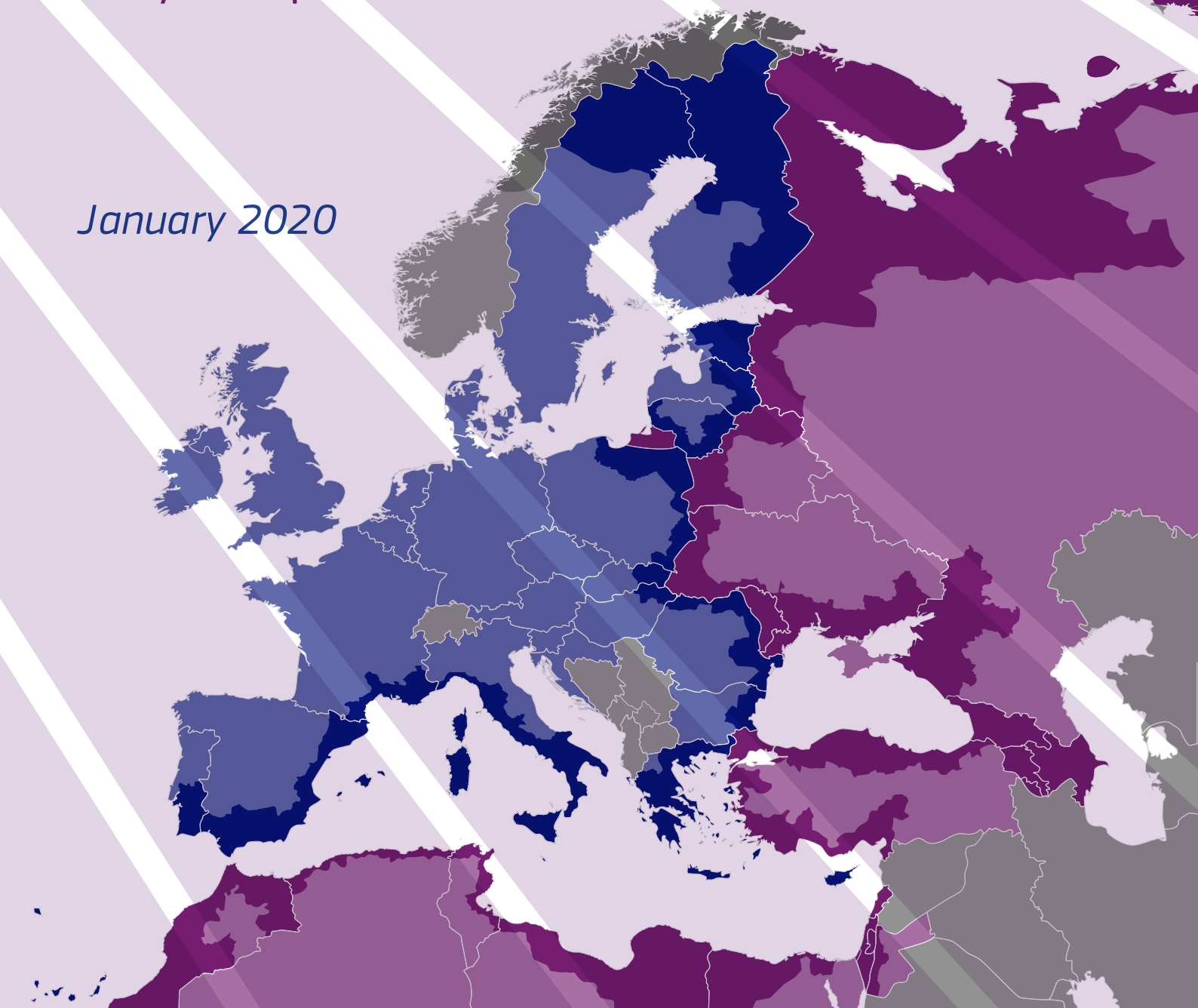


# Territorial analysis of Interreg NEXT programmes

Key steps and recommendations

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**DISCLAIMER**

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# Introduction

According to the recent Espon Policy brief on the territorial dimension of future policies ([www.espon.eu/future-policies-brief](http://www.espon.eu/future-policies-brief)), “*shaping the territorial dimension of future policies requires understanding the territorial diversity – key challenges and development perspectives – of different places as well as formulating policy approaches and implementation tools that can help to maximise their development potentials with the aim of promoting the well-being of European populations*”.

Otherwise said, the territorial thinking should become an integral part of the future policy orientations and guide the design and implementation of cross-border cooperation development strategies. This should apply also to the cooperation between Europe and its neighbouring countries under the Interreg NEXT programmes.

Indeed, the new regulatory approach to post-2020 programming is permeated by the concept of territoriality, which incorporates a series of new ways of conceiving programming. By answering the crucial question to “why we need these specific measures in this area”, the territorial dimension translates into a series of approaches and consequent methodologies.

Among these:

- ◆ the consolidated need for a bottom-up approach;
- ◆ the need to insert the relevant geographical dimension in the development of cooperation strategies;
- ◆ the role of future programmes as more extensive cooperation hubs;
- ◆ the concept of functional areas in a perspective of widespread territorial development;
- ◆ the identification of missing links;
- ◆ the development of territories with geographical specificities based on their development assets and not only their obstacles/barriers.

The screening of previous and current cooperation programmes highlighted certain weaknesses, such as the presence of a limited territorial narration, or the fact that the programme texts are often very much alike and, during their implementation, there is hardly any debate on the territorial context of interventions. In a post-2020 perspective instead, taking the territorial approach into account should help to identify cross-border needs more concisely and make the programmes more specific and unique.

Consistently with this new approach, TESIM has developed this paper, presenting a limited number of guiding principles that programme bodies, national authorities and programme partners could take into account during the drafting phase for a relevant and effective territorial analysis.

# Purpose and steps of the territorial analysis

The primary objective of a territorial analysis is to provide evidence to define the future programme strategy. The key steps are:



**1.** Design of the territorial analysis



**2.** Data collection



**3.** Data rendering



**4.** Data analysis



**5.** Synthesis

# 1. Design of the territorial analysis

The very initial part of the territorial analysis should refer to a set of horizontal themes which will be used to provide a general description of the area. More precisely, the territorial analysis shall first illustrate the main characteristics of the area regarding, inter alia:

*Start with a general description of the area*

- ◆ administrative and geographic definition (Nuts-3, districts, main cities and countries involved, specific basins and territories covered, etc.);
- ◆ demographic structure and dynamics (population in absolute value and growth, population density, concentration of the population from the countries in the bordering area, etc.);
- ◆ social structure and dynamics (dependency ratio, ethnic minorities, social exclusion, etc);
- ◆ economic structure (GDP per capita, employment conditions, etc.).

*Cover all the relevant policy objectives*

The territorial analysis shall also include an in-depth analysis of more specific topics, notably in relation to the policy objectives as proposed by the EU regulation for the 2021-2027 programming period ([https://ec.europa.eu/commission/publications/regional-development-and-cohesion\\_en](https://ec.europa.eu/commission/publications/regional-development-and-cohesion_en)).

Looking at the policy objectives, there are at least two options to design the territorial analysis:

- ◆ Covering all the policy objectives. In this case, the territorial analysis shall be organized in different chapters (one per each policy objective) describing and analysing a specific set of indicators / data / information. Common output and notably result indicators (see p. 10) from the Annex of the ERDF Regulation could be used as a reference to identify the relevant dimensions to be measured and to guide data collection for each policy objective. Similarly, Sustainable Development Goal indicators (<https://unstats.un.org/sdgs>) could be likewise considered.
- ◆ Considering only the policy objectives which participating countries have common interest to invest in. This second option implies a preliminary step where the key actors (i.e., representatives of the participating countries) define a common understanding about the key challenges and opportunities. This preliminary step shall provide a justification for discarding some policy objectives.

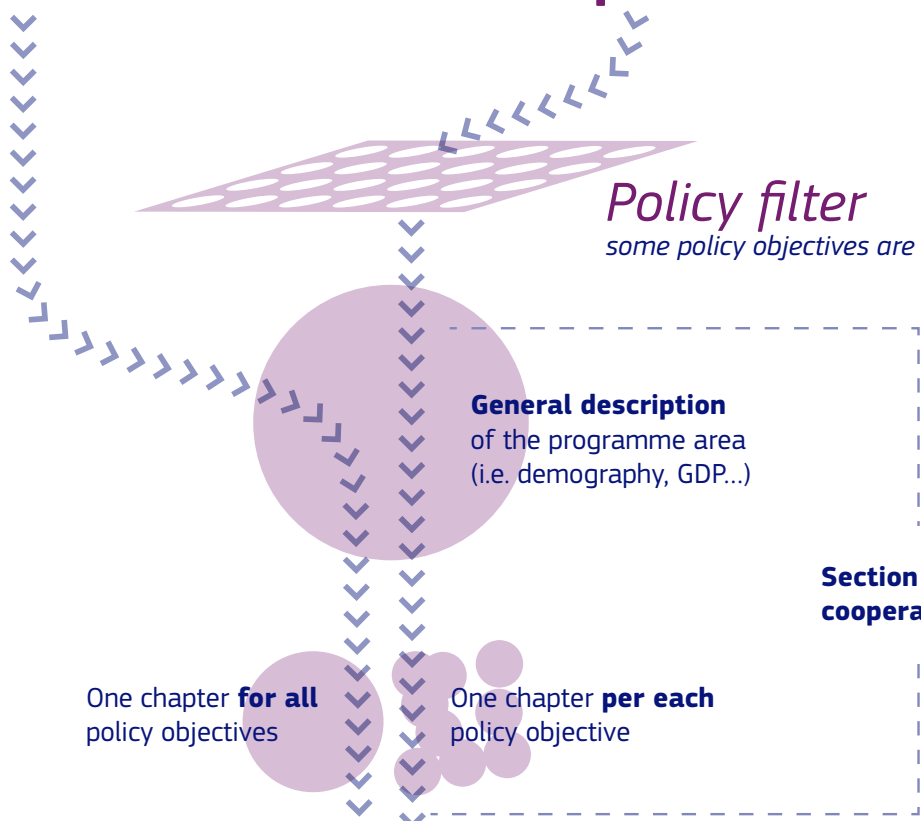
**Option 1**

**Option 2**



*Policy filter*

*some policy objectives are discarded*



**General description**  
of the programme area  
(i.e. demography, GDP...)

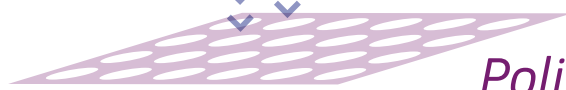
**Section 1.2 of the  
cooperation programme**

One chapter **for all**  
policy objectives

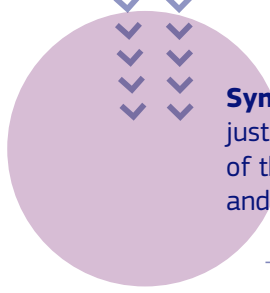
One chapter **per each**  
policy objective



**Stakeholders' consultation**  
presentation and validation  
of the key findings



*Policy filter*



**Synthesis**  
justification for the selection  
of the most relevant policy  
and specific objectives

**Section 1.3  
of the cooperation  
programme**

This second option would reduce the number of key thematic areas to be investigated but would imply to reach, from the very initial step of the programming phase, a strong consensus about what policy objectives to invest in. On the contrary, under the first option, political choices are all left at the end of the analysis process. Both options facilitate the provision of information for the justification of the future programme strategy contributing directly to sections 1.2 and 1.3 of the cooperation programme.

### *Territorial analysis takes time!*

Based on the experience gained through ENPI CBC and ENI CBC, programme authorities are more than aware that the definition of the future programme strategy requires time. Time is needed not only time to carry out the territorial analysis but also to consult with stakeholders of the area.

Always based on this experience, the overall process can normally take at least one year, with no significant differences between the two options:

**Option 1** does not require any preliminary step for consulting the decision makers, but implies more time to carry out the territorial analysis on all the policy objectives.

**Option 2** reduces the timing for the territorial analysis but implies to set up a preliminary consultation of the decision makers.

Both options, as illustrated above, require a step where the key findings emerging from the territorial analysis are presented and discussed with the stakeholders of the area.

Territorial analyses are (often) developed with reference to themes and sub themes. It is of importance to establish a common and agreed glossary, clarifying the terms/concepts used in the territorial analysis. For instance, terms/concepts such as innovation, business development, energy efficiency, blue growth and others are used consistently with the definitions proposed at EU level. But it may not be the case with other terms/concepts. To address these cases, Sustainable Development Goals, the Eurostat glossary and the EU legal framework can provide internationally widely recognized definitions and metadata. Among these, the definitions proposed in the list of indicators used for the Sustainable Development Goals are suggested.

### *Use common definitions*

<https://sustainabledevelopment.un.org/content/documents/11803Official-List-of-Proposed-SDG-Indicators.pdf>

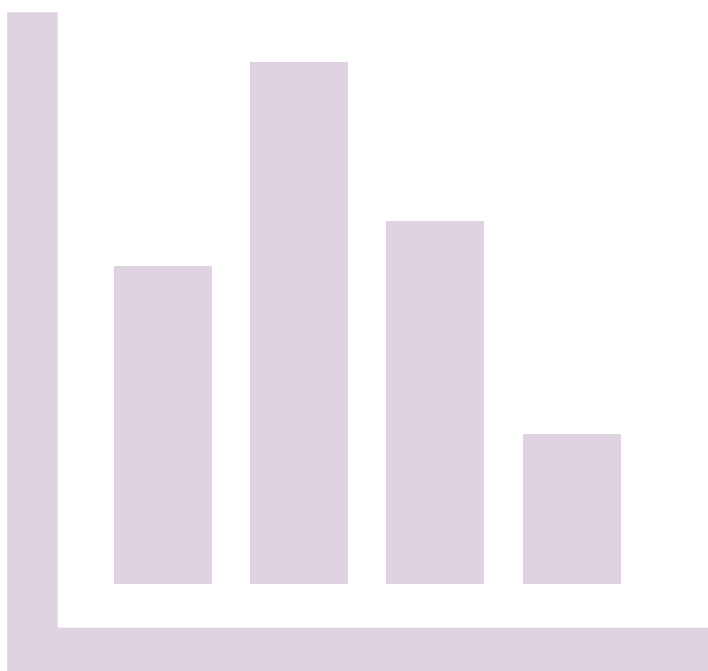
## 2. Data collection

*Be flexible!*

In order to perform the territorial analysis, programmes shall create a database with data on the cooperation area. The primary sources of information shall be regional and national statistical offices. In case of Member States it is important to remember that Eurostat provides a rich set of statistics at Nuts 2 and Nuts 3 levels covering different types of themes (<https://ec.europa.eu/eurostat/web/regions/data/database>); and that for Member States, statistics and analyses on regional dynamics are also provided by ESPON studies. Other important sources to be considered are the statistics of Sustainable Development Goals proposed by the United Nations (<https://unstats.un.org/sdgs/indicators/database>). These last statistics offer the main advantage of covering both EU Member States and Partner Countries; however, they mainly offer statistics only at national level, which limits their potential in the context of cross-border cooperation programmes.

In case of Interreg NEXT programmes, one of the key challenges is the availability of similar types of data across the border, both for Member States and for Partner Countries. Statistics can differ in the definition, availability over time and territorial level (as said, data could be available at national but not at regional/local level). Statistical shortcomings can be also due to other factors (e.g., political instability), preventing in-depth data collection.

Territorial analysis most likely will present some difficulties. Sometimes it could be necessary to give up some indicators which are available only in some countries and opt instead for proxies in order to ensure availability across the border. In other cases, it could be necessary to use different indicators for the Member States and Partner Countries or to refer to other non-statistical sources. For instance, data harvesting platforms can provide data on transport flows and access to (and perceived quality of) touristic attractions which might be unavailable from statistical offices. In this regard, the Cultural and Creative Cities Monitor (<https://composite-indicators.jrc.ec.europa.eu/cultural-creative-cities-monitor/>) provides some interesting examples.





## *Capitalise on information from the on-going programmes*

Territorial analysis shall not start from scratch. Programmes can count on the experience gathered during the performance of previous territorial analysis for ENPI and ENI CBC. On top of these, experiences from the implementation of the 2014-2020 programmes should be leveraged and used as key reference point for the territorial analysis of the future programmes.

This is particularly important when analysing themes/areas which the past and on-going programmes have already covered. Data coming from the programme monitoring system (for example data on the number of applications received under the different calls, progresses of output and result indicators) can be used to illustrate the attractiveness of specific themes and the demand from potential applicants.

Moreover, evidence on the results achieved by the projects can be used to describe what is still missing in the cooperation area.

In this sense it is of extreme importance to use the evidence coming from the ex-post evaluation of ENPI CBC programmes and the evaluation of the on-going ones (e.g. ROM reports, mid-term evaluations).

## *Perceptions also matter!*

When looking to data, it is important not to forget the reference to perceptions. It is important to remember that, for example, the EC study on administrative obstacles ([https://ec.europa.eu/regional\\_policy/en/information/publications/studies/2017/easing-legal-and-administrative-obstacles-in-eu-border-regions](https://ec.europa.eu/regional_policy/en/information/publications/studies/2017/easing-legal-and-administrative-obstacles-in-eu-border-regions)) is mainly based on information collected via web survey about the perceptions on the respondents. This means that programmes can overcome the lack of statistics by collecting and aggregating information about the perceptions of the stakeholders of the area. This could be done via web surveys or during events addressed to stakeholders.

For instance, programmes could consider to collect information on how a specific physical obstacle (mountain / river) limits cross-border accessibility. Similarly, opinions of the stakeholders of the area can facilitate the measurement of cultural obstacles (e.g., the level of trust in people on the other side of the border).

*Pay attention  
to the new rules  
on monitoring*

With respect to 2014-2020 the major change refers to result indicators.

In particular,

- 1.** the draft regulation for the future programming period includes not only common output indicators, but also a set of common result indicators.
- 2.** Moreover, the definition of result indicators also changes:
  - ◆ 2014-2020 result indicators measure “*the change sought in the programme area, capturing the contribution of both programme interventions and external factors. They do not measure the direct effects of the interventions but refer to the overall change in the programme area*”.\*
  - ◆ 2021-2027 result indicators are “*direct result indicators and measure direct effects of intervention with reference to direct addressees*”. In other terms they are supposed to measure “*the effect of the use of the outputs*”\* which means that their monitoring implies the collection of information directly from the programme beneficiaries.

The programming exercise should focus on setting the programme performance framework.

This implies that programme authorities should be capable to:

- ◆ Quantify the expected targets, milestones (and also baselined in the case of result indicators).
- ◆ Reflect on the most suitable approach for monitoring the indicators during the implementation of the programme, by also considering the possible burden on beneficiaries. Result indicators seem to represent a key challenge, as results often require additional time after realization of the outputs. This means that their monitoring implies the capacity of the beneficiaries (and of the programme) to measure the effects of the projects “*for instance 6, 12 or more months after project completion*”.\*

Differently than the output and result indicators that should be used for setting up the programme monitoring system, data/statistics used in the territorial analysis shall mainly provide information on the dynamics characterizing the cooperation area (and not only on the direct outputs and results produced by the cooperation programme).

\* See EC 2018 “Development of a system of common indicators for European Regional Development Fund and Cohesion Fund interventions after 2020” ([https://ec.europa.eu/regional\\_policy/sources/docgener/studies/pdf/indic\\_post2020/indic\\_post2020\\_p1\\_en.pdf](https://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/indic_post2020/indic_post2020_p1_en.pdf)).

### 3. Data rendering

*Territorial analysis  
is not for technicians,  
but for policy makers!*

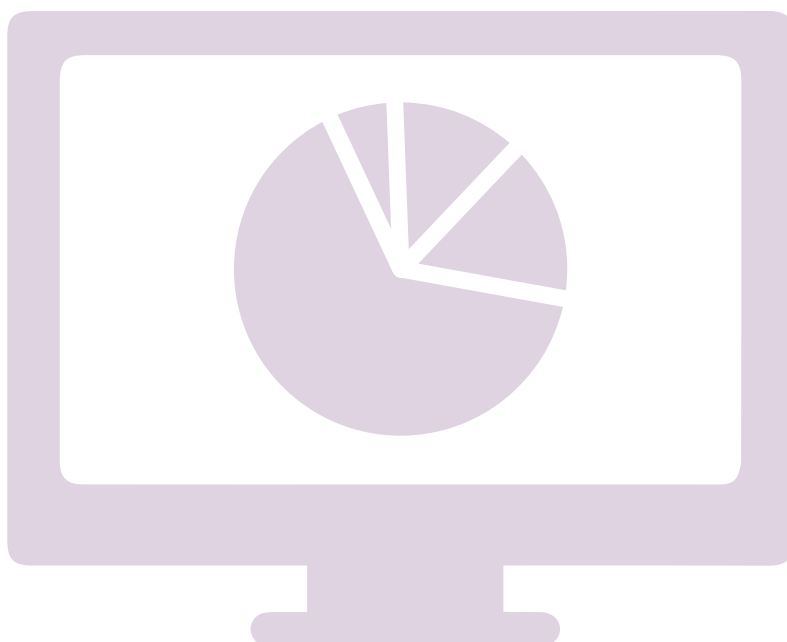
It is important to keep in mind that the territorial analysis should facilitate better choices and decisions. It is not to be considered as an academic paper, but as a tool supporting policy making, based on sound techniques and reliable data. In this sense, data and numbers shall be 'readable' and 'easy to understand'.

Maps, boxplots and other tools can be used to facilitate the understanding of the key characteristics and key dynamics of the cross-border area and shall contain sources, elaboration methods and full explanations.

When considering the need to investigate the possible presence of specific functional areas (see next chapter) the territorial analysis should map, inter alia, the following key elements:

- A.** Main urban centers and transport infrastructure.
- B.** Universities and research centers.
- C.** Main hospitals.
- D.** Main green sites/areas.
- E.** Cultural sites and touristic attractions.

Such presence could be investigated at different extent depending on the option followed by the programme about which policy objectives it will invest on, in accordance with the two options presented in page 6.



## 4. Data analysis

The territorial analysis requires data interpretation to identify cross-border dynamics. This can be done from several perspectives: 'territorial', 'sectoral', 'target / vulnerable groups', 'temporal', 'mixed'.

*Data should serve to identify cross-border dynamics*

**The territorial perspective** implies that the various chapters of the territorial analysis include, inter alia:

- ◆ Comparison between the urban and rural areas within the cross-border area.
- ◆ Comparison between the cross-border area and the national levels (e.g., level of innovation in the cross-border area against the level of innovation at national level).
- ◆ Comparison with other cross-border areas, to verify if a need/challenge is specific to this cross-border area or is common to other external cross-border areas. Evidence coming from the evaluations of other cross-border programmes as well as analysis presented in the DG Regio Joint Orientation papers could be used to make comparisons with other areas.

**The sectoral perspective** could help to identify:

- ◆ Mature vs promising domains of specialisation;
- ◆ Common domains of specialisation which can represent either risks of zero-sum competition or a potential for joint development.

**The 'vulnerable / target group'** focus would be useful to identify any minorities or groups of stakeholders which can benefit from the policy interventions or are more in need.

**The temporal perspective** could highlight whether a challenge is increasing / decreasing overtime.

By definition, a **mixed approach** covers more than one of the aforementioned perspectives. For instance, if a specific challenge has increased over time and/or is more concentrated in the poorest rural areas and regards mainly specific groups (e.g., ethnic minorities, children, families at risk of poverty and social exclusion).



*Pay attention to the possible presence of specific functional areas*

“Functional area” is a key concept for the preparation of 2021-2027 programmes. The term was initially used in the urban context to define the area composed of a city and its commuting zone (<https://ec.europa.eu/eurostat/web/cities/spatial-units>). The use of the term was then extended to other fields with the aim of enhancing the narrative of the future programmes by describing the spatial units characterized by strong interconnections and dynamics.

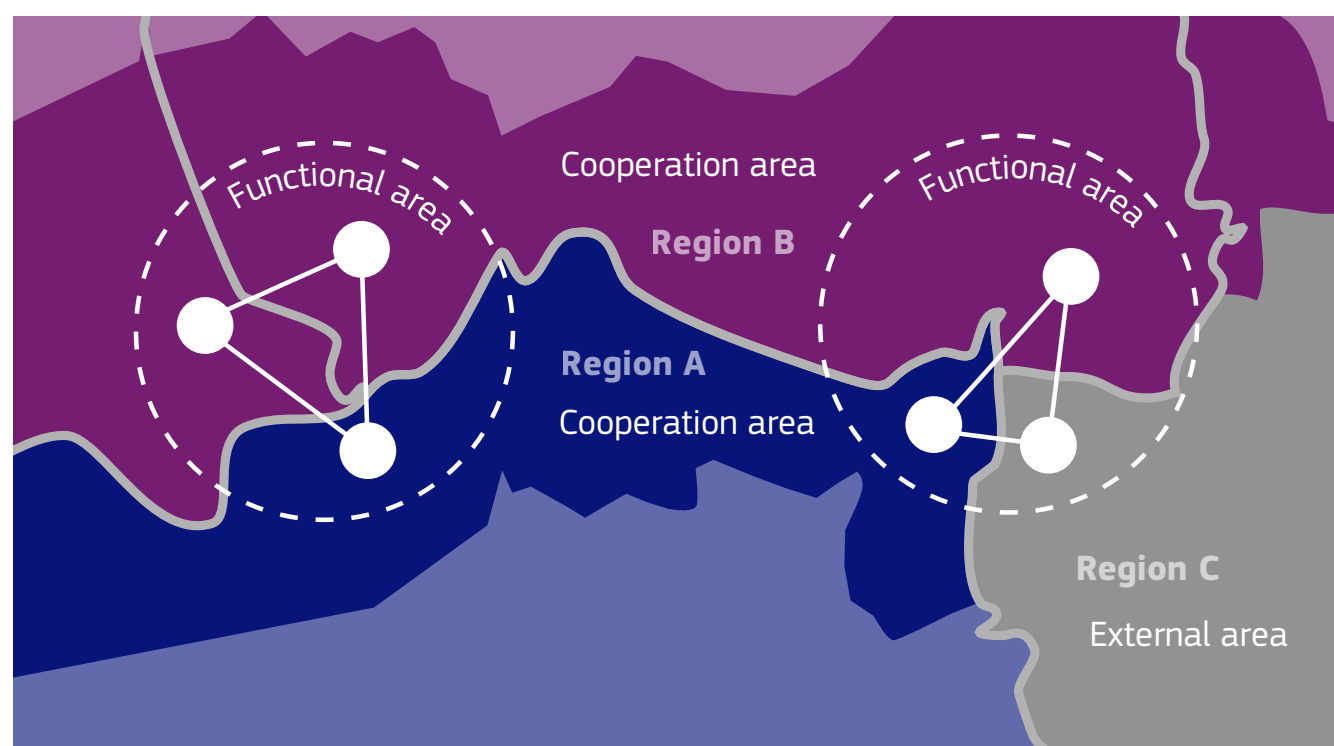
It is important to underline that:

**Functional areas may differ by policy objectives.** As a title of example, cross-border cities may be relevant for the purpose of increasing the economic cohesion, while the entire sea basin can be relevant for environmental issues.

**Functional areas may or may not overlap** with the geographical scope of a given programme. So, we can have:

- ◆ programmes characterized by the presence of functional areas corresponding to specific portions of the overall cross-border territories;
- ◆ other programmes where specific functional areas also involve territories outside the geographical scope of the programme area (see Region C in the map below);
- ◆ other programmes where the functional areas exactly overlap with the geographical scope of the cross-border/sea basin programme.

From a practical perspective we recommend representing graphically (i.e. with maps) the most relevant infrastructure of the area, which shall help in verifying if in some sub-areas there is the potential for joint services (e.g., joint health services, joint rescue services, joint management of green infrastructures, etc.).



## *Pay special attention to maritime borders*

If the cross-border area encompasses a maritime border, a few points shall be considered in drafting the territorial analysis:

### **Definition**

Eurostat defines maritime regions as statistical NUTS 3 regions having a coastline or more than half of their population living less than 50 km from the sea [ec.europa.eu/eurostat/web/coastal-island-outermost-regions/background](https://ec.europa.eu/eurostat/web/coastal-island-outermost-regions/background)

The definition clearly goes beyond the mere presence of the sea: it is also about population localisation. The territorial analysis shall provide a clear definition of maritime borders and information on the extension of coastal areas and the population living there.

### **Border obstacles**

Maritime border regions usually face more relevant obstacles than land borders. The territorial analysis could investigate whether language, physical, cultural and administrative obstacles are persistent, perceived relevant and higher than in other (land) borders.

### **Cross-border development potential**

Development potential is usually related to the sustainable use of the shared natural resources located in the border area and the networking of relevant coastal economic stakeholders. The territorial analysis could:

- ◆ map the localisation of population in the coastal areas (compared to the rest of the borders);
- ◆ show cities;
- ◆ illustrate accessibility potential and basic infrastructure (bridges, tunnels, seaports, ICT networks, projects of common interest); <https://ec.europa.eu/energy/en/topics/infrastructure/projects-common-interest/key-cross-border-infrastructure-projects>
- ◆ highlight shared natural resources (lakes, rivers, seas);
- ◆ identify potential cross-border functional areas and economic networks (e.g., networks of ports, universities, clusters and natural parks).

Bearing in mind the difference in terms of geographical units covered, the contents above can be easily adapted to the reality of sea basins.

# 5. Synthesis

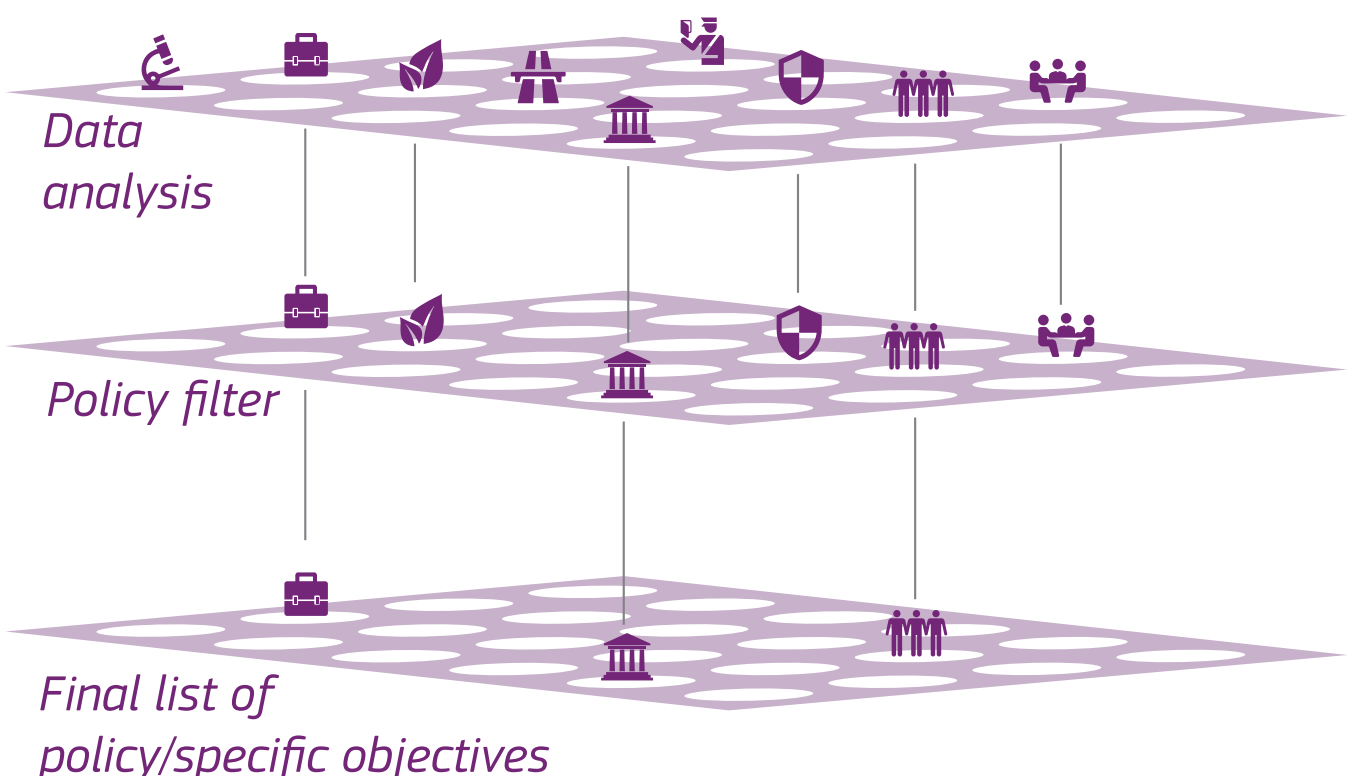
## Make the choice of the policy and specific objectives clear and transparent!

The final part should synthesize the results of the territorial analysis by providing clear inputs for justifying the selection of the policy objectives and specific objectives (see section 1.3 of the draft template for Interreg programmes).

At this step, the evidence collected shall be presented and discussed with the stakeholders of the area. In order to facilitate the discussion, it is recommended, for each policy and specific objective analysed, to synthetically summarise:

- ◆ the key needs and opportunities from a cross-border cooperation perspective, as well as the key barriers limiting it;
- ◆ conditions that are necessary to ensure effective cross-border cooperation (e.g., capacity of the actors, financial resources);
- ◆ the possible presence of specific functional areas within the cross-border region;
- ◆ the potential impacts of actions financed by cross-border cooperation programmes.

Based on this, programmes authorities and decision makers can decide to discard some policy and specific objectives and to give priority to others. The figure below summarizes the logic to be adopted when selecting the relevant policy and specific objectives. From this perspective, the objectives selected should be fully justified by the evidence coming from the previous chapters, but it is still possible for the decision makers to discard some relevant objectives (e.g., due to a possible lack of political consensus or limited cross-border cooperation added value). Table 1 of the template for Interreg programmes - Annexe 1 COM (2018) 374 final - should make transparent the reasons leading to the selection of specific objectives.





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