

## CONTRIBUTION PAPER OF CESCI TO THE PIT-ITI-CLLD PROPOSAL

On behalf of CESCI we consider the proposal being very useful in starting to develop cross-border ITIs. The experiences of the ALCOTRA programme might be beneficial for all border regions and all CBC programmes accross Europe. It is evident when trying to develop an ITI in an international context. CESCI is involved in development of several cross-border ITIs around Hungary and we have experiences which might be useful for other stakeholders as well.

### **The biggest problems and obstacles of cross-border ITIs**

(1) When enumerating the biggest problems hindering the development of cross-border integrated projects one can face with the reluctance of the governments concerning the spending of money on the other side of the border. While the derogation on location defined in the Art. 60 of the CPR gives an opportunity to allocate financial resources outside the eligible territory of a programme, the management structures of the main stream programmes are not interested in using this opportunity. By our experiences there is a so-called „sectorial chauvinistic” approach which is not favour for considerations of territorial aspects.

(2) It is even more problematic if the decisions on the allocation of the financial support of the national main stream programmes is made partly in a foreign country (as it is the situation in the case of CBC ITIs). Managing authorities of those programmes consider the stakeholders of a border region being not competent parties in making this kind of decisions.

(3) There is a lack of human capacity and programme management experiences at local level. Therefore, instead of realization of capacity building trainings, the MAs of the programmes do not want to delegate the entirety or a part of the management tasks of a programme to an institution operating at local level.

(4) There is no a clear guidance on ITIs at the level of European institutions. Sometimes it seems, the European Commission is waiting for clarification from the ground. At first glance it seems to be a good opportunity to determine the structure and the content of ITI. But when building ITI in the system of the national programmes (as it has happened in Hungary) the EC - instead of providing professional support - requests further clarifications which frightens the representatives of the programming.

(5) By our experiences there is a general fear of realization of multi-fund programmes. In our opinion it is caused by the lack of experiences and knowledge of proper operation. In the case of ITIs multi-fund financing is evident.

#### **How the experiences on PIT can help to overcome these barriers?**

(1) PIT is a very good model for piloting the management of cross-border integrated developments. It is a proper way to gain experiences on partnership, on the use of integrated territorial approach and on the management of interconnected projects at local level. It is for strengthening cross-border cooperation and develop capacities at local level.

(2) In the case of PIT the management tasks are delegated to local level within the framework of a particular project. In this way the problem of competency is avoided, nevertheless, the management is partly delegated to local level.

(3) PIT might be an intermediary solution if the authorities are not favour of ITIs. As a certain sort of „ITI light” the PIT can demonstrate the preparedness of local actors for managing ITI sas well. It can resolve discredit of national level authorities concerning the viability of territorial projects. Therefore, in the case the national authorities do not support the use of ITI in cross-border context we strongly recommend to start to develop and realize PITs which can be included in the CBC programmes.

(4) The PIT is a mono-fund model avoiding thus the problems frightening the representatives of MAs.

(5) The use of the PIT model gives the opportunity of developing of integrated territorial strategy to the stakeholders of a particular border region. It is a proper tool to insist them to work together to take into consideration of the interest of people living on the other side of the border and to build up a common vision on their future. ITI is a harder task to do, PIT is a first step toward the realization of CBC ITIs.

### **The problems occurring at CBC CLLD**

Compared with the case of ITI, in our opinion PIT is not a proper model for CLLD. It is obvious that in preparing cross-border integrated plans the stakeholders of different sectors (Triple Helix model) should be involved. So the CLLD as a method might be used then. Nevertheless, the project of cross-border CLLD is not viable because of the lack of proper institutional-legal background. According to the Community law there is no legal entity which can be formed at cross-border level involving public, non-profit és forprofit sectors at the same time.

It is possible to establish an association on one side but if there are decisions made to be disputed it is very complicated to resolve those disputes within the framework of international law. Therefore we do not agree that PIT or other tools can be used as models for the creation of CBC CLLDs as we do not recommend to establish cross-border LAGs in the absence of proper rules.