

EUROPEAN UNION



Committee of the Regions

Conclusions of the Committee of the Regions about the joint consultation



The Review
of Regulation (EC) 1082/2006
on the European Grouping
of Territorial Cooperation

Consultation launched jointly with:



European
Commission



CONSULTATION



The review of the EGTC Regulation (European Grouping for Territorial Cooperation)

This consultation has been a joint initiative of the Committee of the Regions, the Trio of Presidencies of the Council of the European Union (Spain-Belgium-Hungary), the European Commission and the INTERACT programme. With a view to the revision of Regulation (EC) 1082/2006 on the EGTC, it is intended to gather the views of Member States, established EGTC and EGTC under preparation, local and regional authorities and other stakeholders. The consultation focuses mainly on the legislative aspects that should be improved or modified for the next revision, and also considers the added value and potentialities of this legal instrument. The consultation was launched on 3 May 2010 in Cáceres, Spain, and was published in the EGTC portal of the Committee of the Regions; contributions could be submitted until 20 July.

Contributions have fed into the own-initiative opinion "The review of the EGTC Regulation" to be delivered by the Committee of the Regions at the beginning of 2011¹, and the subsequent legislative work of the institutions. Regulation (EC) 1082/2006 lays down that by 1 August 2011 the Commission will forward a report to the European Parliament and the Council on the application of the EGTC Regulation and proposals for amendments, where appropriate.

¹

CDR 100/2010, rapporteur Mr Alberto Nuñez Feijoo (EPP/ES), President of Galicia.

Acknowledgements:

The CoR wishes to thank the teams of the partners involved in this joint consultation.

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For more information, visit the EGTC portal of the Committee of the Regions:

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Summary of the conclusions:

- The consultation attracted a significant amount of interest. Of the **91 contributions received**, 15 came from existing EGTCs (out of a current total of 16 EGTCs) while a further 15 came from EGTCs which are being set up. **Almost all EGTC stakeholders took part.**
- The respondents consider that **the Regulation needs to be changed** and focus on making it easier to operate EGTCs and by improving how they are set up.
- The principal legal issue concerns the **differences in the legislation of the individual Member States**. In particular, this relates to the diverse legal status of existing EGTCs, which stem from the divergent decisions taken by Member States as part of the national implementation process, as permitted under the Regulation. Difficulties have also been reported with defining the content of conventions and statutes as well as their approval procedures. In general, there is a need to simplify procedures.
- **Information, communication and technical assistance** are needed at European and national level. Respondents are in favour of a European structure and support the networking, communication and support carried out by the CoR.
- Most respondents have drawn attention to the need for EGTCs to hire their own **staff** and to identify which legislation is applicable. The staff issue represents one of the main legal concerns.
- Most respondents are in favour of allowing **private entities to participate** in EGTCs, but only under specific conditions.
- The issue of **third country** participation reveals a stark difference between the position of the Member states, which believe that the participation of third countries should be limited, and that of the other stakeholders (EGTCs, LRAs, Associations and experts) who are in favour of revising the present rule and introducing less stringent provisions.
- Most respondents are very positive about EGTCs acting as a **managing authority** and joint technical secretariat, as this embodies the principle of subsidiarity. Some national authorities are reluctant to delegate programme management. There are many advantages to using EGTCs to implement European territorial Cooperation TC projects; the main problem, however, concerns EGTC eligibility.
- The EGTCs' tasks encompass a wide range of activities. In practice, EGTCs are either taking on the role of policy coordination and cooperation structures, or acting as new tiers of governance.
- The respondents consider the EGTC to be the EU's main legal instrument for **territorial cohesion**. It is also a laboratory for **multi-level governance**, creating a two-tier communication channel and acting via a bottom-up approach. It may act as facilitators to solve various border issues.

1. Participation

The Committee of the Regions has received 91 contributions. This proves that the EGTC is a subject of strong interest and the representativeness of the data compiled is very high. Virtually all the effective EGTC stakeholders have participated.

The contributions are distributed as follows:

- 15 EGTC setups, out of 16 existing ones.
- 15 EGTCs in the process of being set up.
- 13 cross-border structures of other kinds (mostly euroregions).
- 26 local and regional authorities.
- 8 national governments (7 Member States and Switzerland).
- 7 associations, including the Association of European Border Regions, the Assembly of European Regions, the *Mission Operationnelle Transfrontalière* and the Central European Service for Cross Border initiatives.
- 7 contributions from experts and stakeholders, including INTERACT.

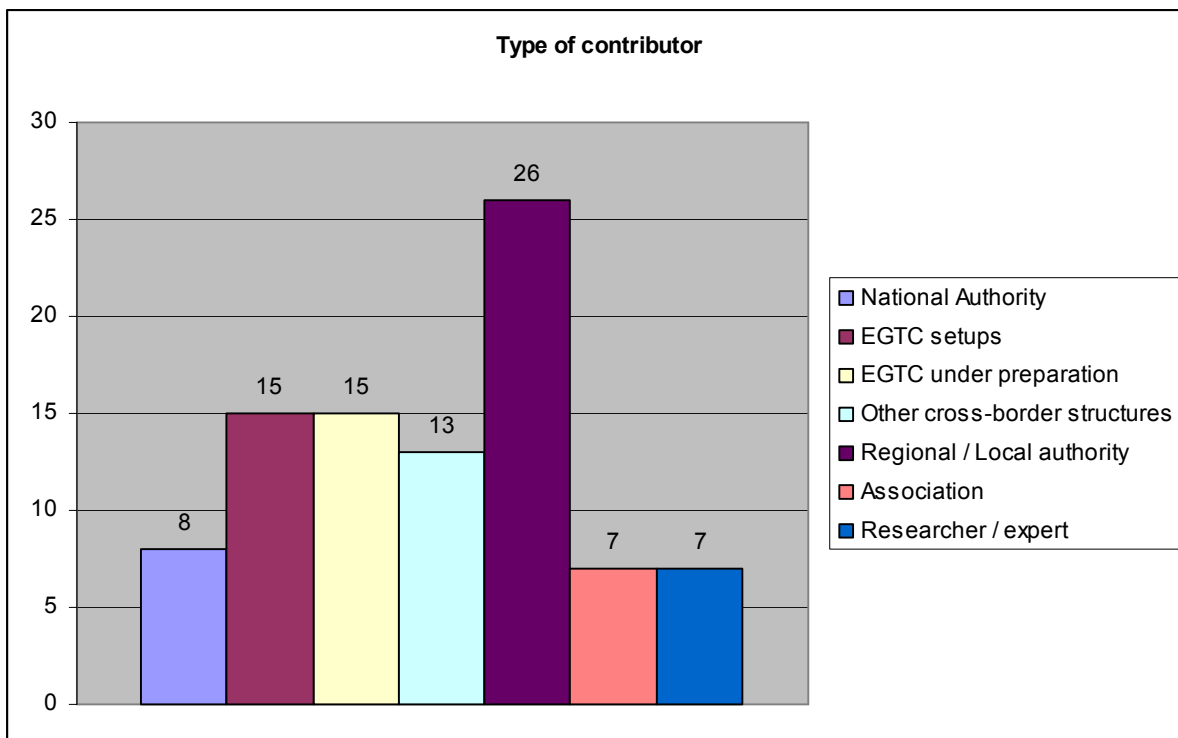


Table 1: Breakdown of the contributors to the consultation.

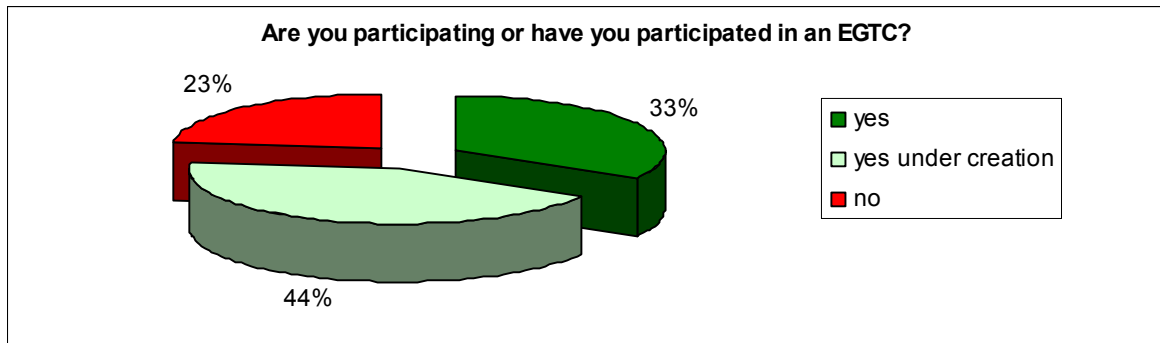


Table 2: Among the respondents, percentage of cross-border, interregional and transnational structures that participate in EGTCs.

The geographical scope of the contributions encompasses 23 Member States, directly or indirectly. Bulgaria, Ireland, Latvia and Malta are not mentioned explicitly, although the participation of entities from these countries via the associations is not excluded. The participation is higher in those States where there are EGTCs.

The EGTCs created or being set up that have responded encompass 20 Member States. Bulgaria², Estonia, Finland, Ireland, Latvia, Lithuania and Malta do not report to participate in any EGTC. The countries with more respondents involved in EGTCs or EGTCs being set up are France (14), Italy (11) and Spain (8).

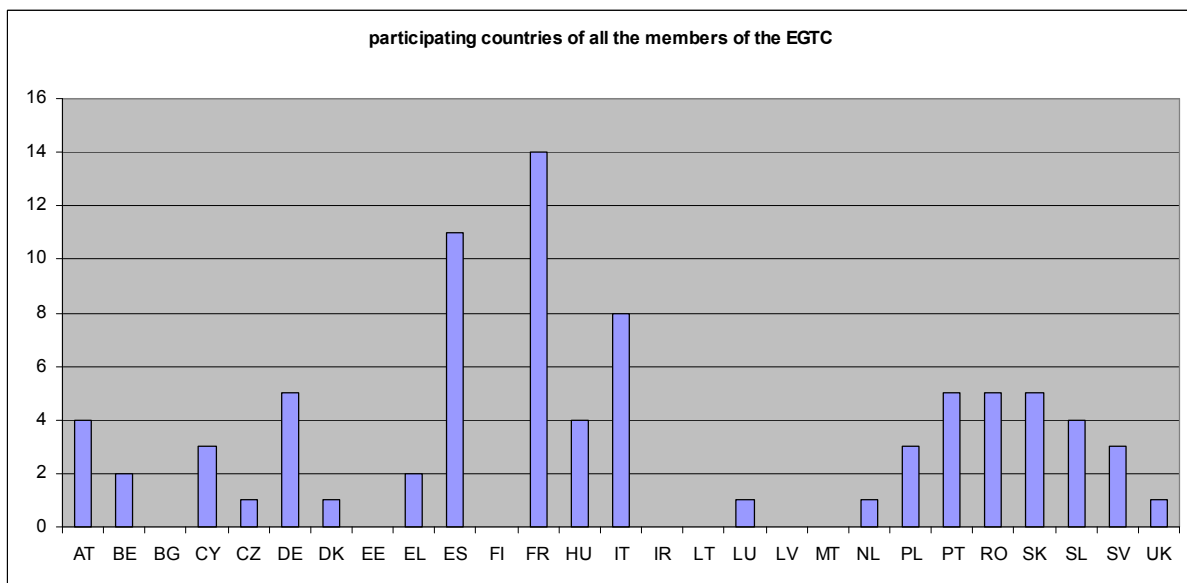


Table 3. Nationality of the partners of the EGTCs

Considering third countries, one EGTC in the process of being set up has Croatian partners and another has Ukrainian partners; one euroregion has Norwegian partners and one eurodistrict has Swiss partners; the government of Switzerland has contributed directly; one Swiss canton and one Croatian region have contributed; one of the experts is Swiss.

² The CoR has information about 2 EGTC projects with Bulgarian participation. Those projects have not contributed to this consultation.

In all, the effective participation is bigger than the figures mentioned above, considering that some structures have compiled their contribution on the basis of contributions from their own partners and stakeholders (case of INTERACT with some 30 participating organisations).

2. Structure of the consultation

The consultation has quantitative and qualitative questions referring to the following aspects:

- Legal aspects related to the EGTC, including Regulation (EC) 1082/2006 and its implementation by the Member States. Legal and political suggestions to enhance the EGTC.
- The EGTC and the European Territorial Cooperation.
- Experience of EGTC, tasks performed, obstacles met and future development.
- The role of the EGTC in European integration.

Some participants have submitted position papers. The contents have been integrated into the qualitative aspects of the consultation, although not in the quantitative statistics.

3. Legal aspects

➤ Overall estimation

Nobody has considered the scenario of 'no changes'. 64% of respondents estimate that Regulation (EC) 1082/2006 needs 'minor changes', the rest think that these changes should be 'major' (35%) or 'total' (1%), mostly because they feel concerned by one or two main points. The opinion transmitted in various meetings, position papers and questionnaires is that changes are needed to facilitate functioning and improve the EGTC, but that these changes should not affect the essential elements and that the work performed so far by the different setups and Member States cannot be stopped now due to in-depth changes in legislation.

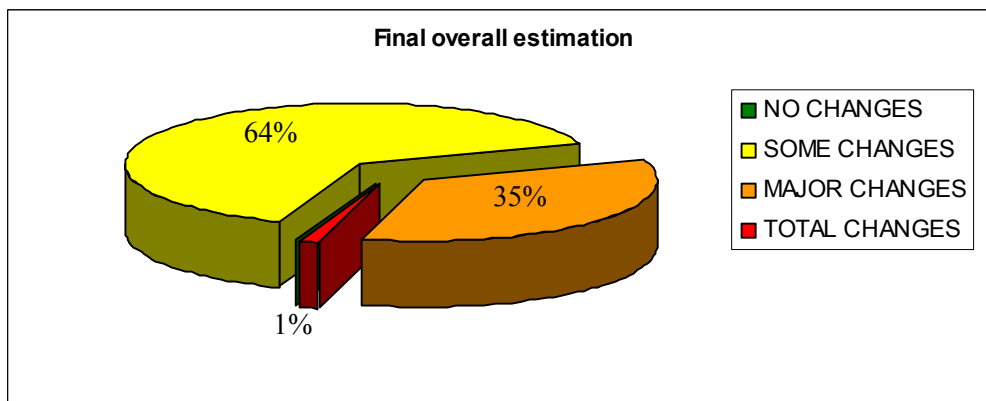


Table 4. Estimation of the respondents about what kind of changes are needed in the legislative framework of the EGTC.

➤ Main legal aspects identified

The main legal aspects identified as problematic are related to the differences between the legislations of the Member States, followed by issues related to the law applicable (mainly the rule of the country in which the EGTC is set up, which governs staff, procurement and VAT), the procedure for setting up, the convention and statutes and the participation of entities from third countries (see annex fig. 1).

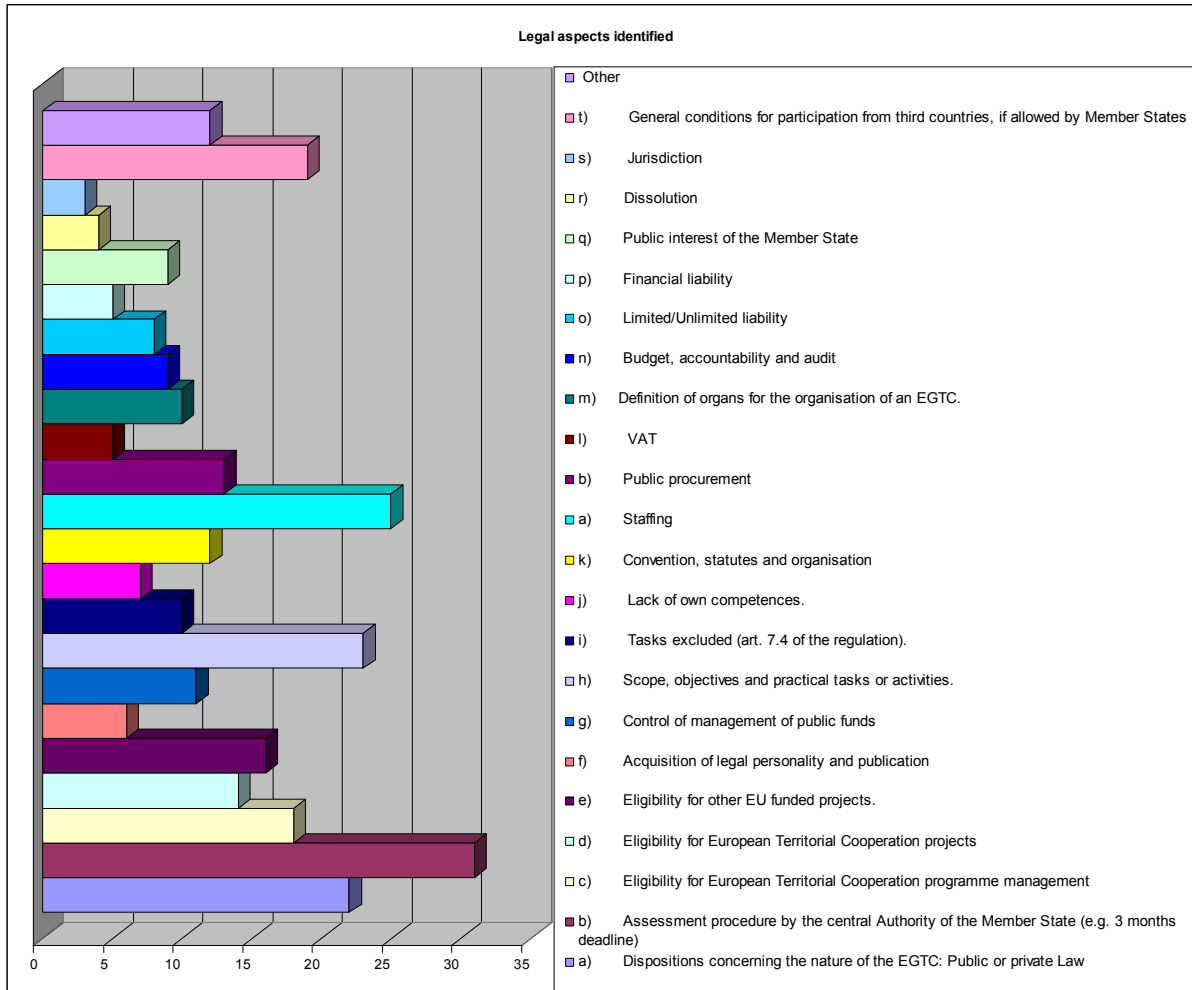


Table 5. Main legal aspects identified as problematic in the Regulation (EC) 1082/2006.

The rules of applicable law established in Art. 2 of the Regulation give preference to the law of the country in which the EGTC is established. This generates problems when this legislation is applied to staff from other countries, to public procurement carried out in other countries and to a small extent to the fiscal obligations of the EGTC.

The fact that the Regulation allows the Member States to take different decisions in the process of national implementation has led to differences of legal status (public or private law, limited or unlimited liability) so in two neighbouring States the regime may be radically different: Slovenian EGTCs are entities of private law, Italian ones fall under public law; the Czech Republic does not allow EGTCs with limited liability, but Poland rejects unlimited liability; France counts EGTCs as ‘syndicats mixtes’ under French law so in practice all the EGTCs set up with French partners must be established in France. Italian EGTCs do not last indefinitely.

The majority of EGTC, cross-border structures, local and regional authorities and associations insist on the need to harmonise national regulations, either by demanding *ex ante* coordination between neighbouring States or by restricting the choices left to the States by the Regulation.

Many respondents have problems defining what must be included in the convention and the statutes, and find unnecessary repetition. Some note that the procedure should be simplified as regards changes in the statutes, the incorporation of new members into the EGTC and the creation of an EGTC based on a previous cooperation structure. Finally, provisions related to the dissolution and ending of the activity of the EGTC should be added.

The EGTC has to be authorised by the States involved and there is a procedure for this. The respondents note that the three-month term is rarely respected, and that there is no clear definition of ‘national interest’ of the Member State so that this may lead to arbitrary prohibitions against setting up an EGTC.

Concerning the implementation of the EGTC by the Member States, the respondents focus again on the lack of harmonisation between national legislations; the internal procedures for approval by the national administrations can also be very cumbersome, sometimes involving several ministries and inter-state consultations, so that the term of three months is very seldom respected.

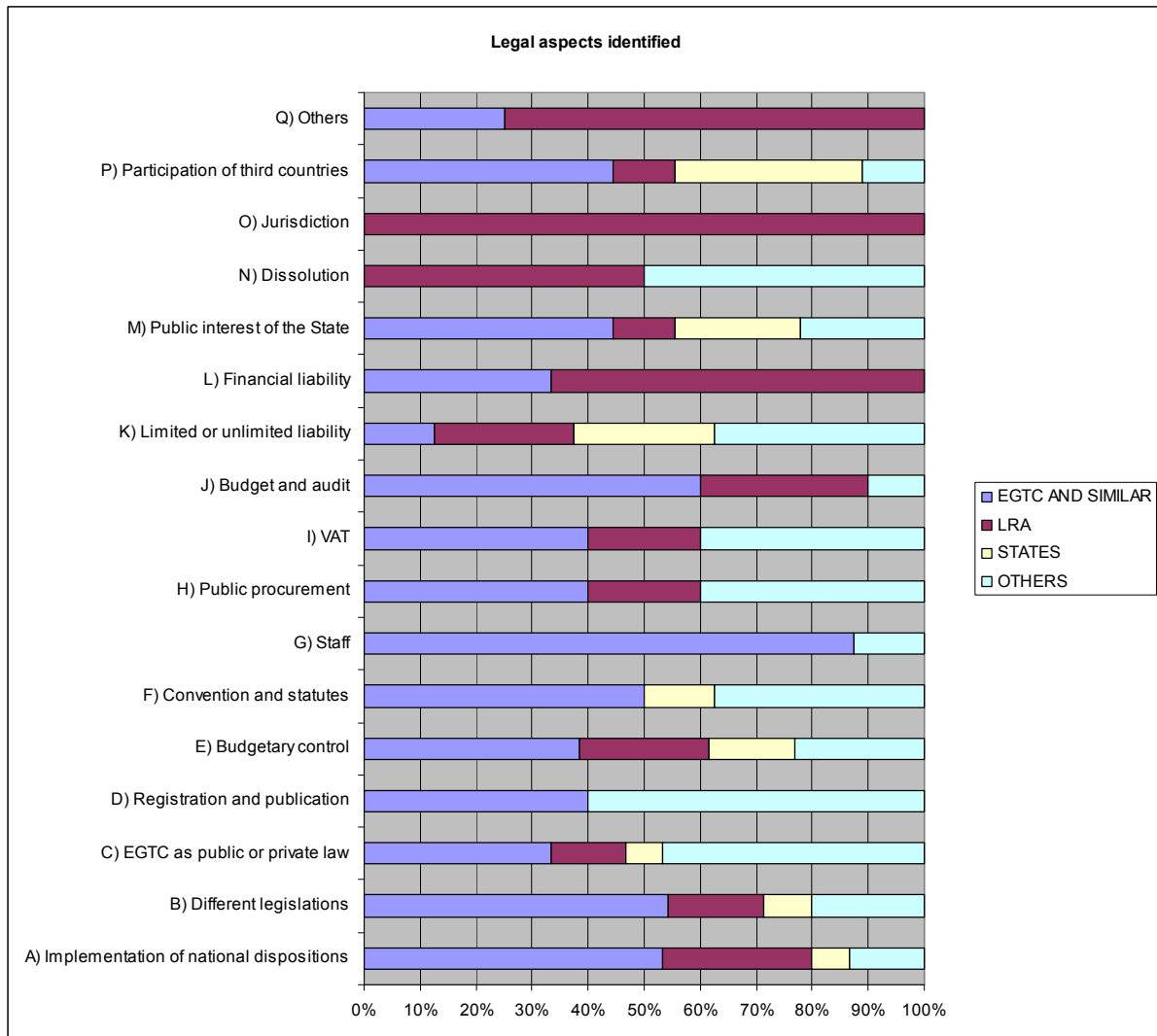


Table 6. Breakout of the legal aspects identified in the Regulation, by type of respondent.

The solutions proposed relating to the authorisation procedure consist mainly of amending the Regulation to ensure inter-state communication so that the authorising bodies in the Member States may agree on common grounds for approval, hearing also the partners of the EGTC. Other proposed changes include the binding nature of the three-month term, including tacit authorisation, and the possibility of challenging at EU level. Finally, the concept of ‘national interest’ can be defined using existing case law. There are suggestions about including the possibility of challenging the decision of no authorisation before the European Commission or the European Court of Justice.

Some contributions suggest that the European Commission and the Committee of the Regions should define how they should be notified about the setting up of new EGTCs. With reference to the publication in the EU Official Journal, there are requests for clear information, some disagreement with the fact that it appears currently in section S and a suggestion that the complete documents be published so they are translated and serve as a model for other set-ups.

From a practical point of view, the respondents complain about the delays in implementing the Regulation, highlight the lack of knowledge and awareness about the EGTC in public administrations (in national authorities and even in the European Commission itself), problems of eligibility for projects (see point 4) and in some cases the political will to trust the EGTC as an instrument of subsidiarity.

Differences in the constitutional order of the Member States generate problems relating to the different competences that the different levels of government may have. The principle of multi-level governance and the flexibility of the EGTC may solve this problem, but some respondents ask for easier procedures for adaptation when there are changes in the competences of the administration of a Member State and the EGTC already exists.

➤ **Communication, advice and support structures for the EGTC**

Apart from the Member States, the majority of respondents (70%) state that a structure for communication and technical assistance at European level is needed. The respondents have also highlighted the role of the expert group of the Committee of the Regions, and the importance of giving momentum to the network of EGTCs.

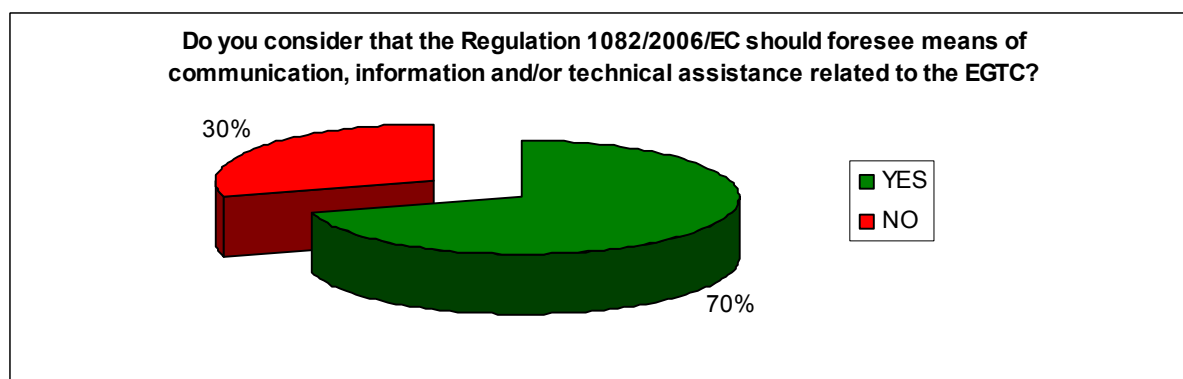


Table 7. Legal aspects. Need of measures of communication, information and/or technical assistance.

The structure of communication and technical assistance could be a platform or body to promote better knowledge of legal tools and support networking. Some stakeholders also suggest acting at national level through the management bodies of the territorial cooperation programmes. One of the advantages of this advisory body would be the unification of criteria in the different procedures. Many of the aspects highlighted for this advisory body are already being covered by the CoR and by Interact and the associations in their different spheres.

The CoR has been asked to further develop the 'EGTC register', continue monitoring the procedures and provide documents such as draft conventions and statutes.

Information also seems to be an important aspect, partly due to the complexity of setting up an EGTC. A meeting between national authorities in charge of authorising EGTCs has been suggested. Experts have suggested holding an EGTC managers' meeting in Brussels in order to exchange practices and information.

One suggestion from a respondent concerns the use of internet to establish an online network to support and improve the exchange of practices (e.g. URBACT website). This may include the use of newsletters and a helpdesk. It could also be useful to organise seminars and training courses for staff.

4 out of 5 Member States that have responded do not agree with the need for extra structures or for the reference in the Regulation. A few critical voices (30%) state that further information and technical assistance measures are not necessary, mostly because many institutions providing communication, information and/or technical assistance for cross-border cooperation already exist (namely: MOT, the Benelux Secretariat-General, EIPA, etc.) and because the focus should remain on the objectives of cooperation and the tasks.

➤ Staffing

Staff issues are one of the important concerns raised by respondents. It is the second legal aspect identified as a doubt or difficulty in the Regulation, and the third legal aspect identified as a doubt or difficulty about the implementation by the Member States. However, the opinions are divided and 53% of the respondents consider that the Regulation should contain detailed provisions concerning staff. 3 Member States do not agree with this idea, the other 4 have not answered. The associations are in favour.

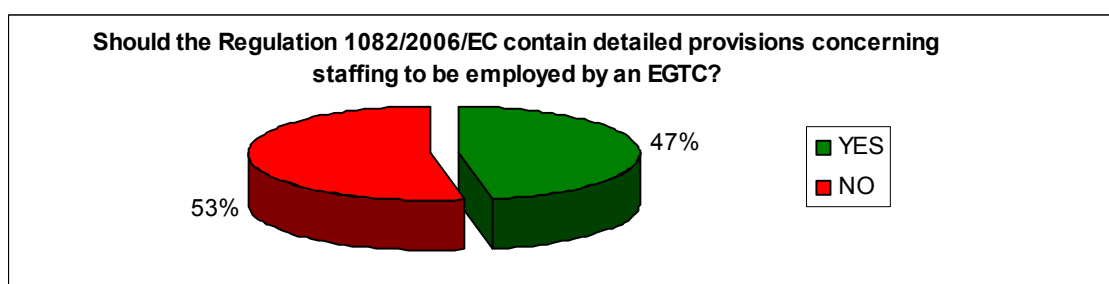


Table 8. Legal aspects. Provisions concerning the staff of the EGTCs.

The issues raised and the request to amend the European Regulation are mostly related to the need for an EGTC to have its own staff (avoiding all staff seconded by public authorities) and which legislation should be applicable.

There is considerable debate in this regard and with regard to conditions for recruitment. In particular, respondents highlight the risk of differences in retirement provision, salary, social protection, fiscal system for staff from different countries compared with their national laws. There is also a problem with the possibility of seconding staff from the partners to the EGTC, and the rights of this staff. In order to avoid jeopardising recruitment conditions, some respondents suggest including in the Regulation an option to apply the law of the place where staff perform their duties (national laws) instead of the law of the place of the EGTC headquarters, or the law of the country where the staff comes from, in case the staff moves from a country involved in the EGTC that is different to the country of headquarters. This will also avoid the advantage given by the current rule to some countries. Another respondent suggests letting staff choose which country's law they wish to apply to their social security obligations.

Some respondents are opposed to introducing overly specific rules into the Regulation. They suggest leaving the task of writing conditions and staff rules to EGTC statutes.

Respondents also underline the need for adequate professional qualification and language skills of staff; the Regulation should include rules taking into account the differences in national training systems.

According to one expert, the issue of EGTC staff should be included in the guidelines for financial management of territorial cooperation projects.

A few respondents suggest introducing a specific statute for staff, similar to the European staff regulation, or an international statute as in the European Research Infrastructure Consortium³.

➤ **Participation of private entities**

Opinions are divided: a majority of respondents (59% of the respondents, but only 1 Member State) are in favour but a strong minority (41%, including 4 Member States) considers that an EGTC should be restricted to public authorities and therefore private entities should not participate in EGTC.

³ ERIC, created by the Council Regulation (EC) No.723/2009.

Website: http://ec.europa.eu/research/infrastructures/index_en.cfm?pg=eric

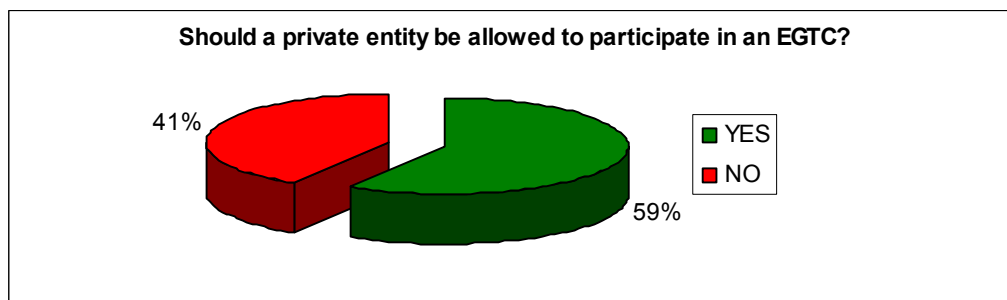


Table 9. Legal aspects. Participation of private entities in EGTCs.

Those in favour suggest that private entities should be associated but only under specific conditions, namely:

- if they are established under public law;
- if they are not profit-oriented;
- if they are a public-private partnership or have as an objective a general interest in the management of public services, research, environment, employment, ICT, transport, health, social services or education;
- in EGTCs with tasks in areas where the private entity is active and/or for private companies operating in the territory covered by the EGTC;
- when they have significant influence in terms of the development of cross-border cooperation;
- the EGTC they are associated with will not be eligible to run a territorial cooperation programme;
- only in EGTCs whose object of activity can be better achieved with this participation, with the financial rules defined;
- the EGTCs should have a different legal regime, with special conditions for private actors.

Some respondents stress that in some cases, partnership with private law organisations is necessary. Private entities performing public service obligations subject to public procurement rules or those which have as their objective the public interest, social security, health care and health services, could provide valuable expertise and contribute to a sustainable financial situation. Moreover, without these partners it would be very difficult to develop cross-border cooperation in the field of health. In addition to this, the main regional actors (public, private, voluntary sector) should be associated with a view to encouraging and maximising sustained development.

The arguments against are that actors and private entities should not participate in EGTC, because EU instruments (e.g. European Economic Grouping (EEIG)) are already available for cooperation between public and private entities. Private entities would thus have no need of an EU Regulation; in addition, the EGTC Regulation explicitly states that it is not a substitute for existing EU instruments.

An expert suggests that "poles of competitiveness, economic development agencies and some representative associations established in the territory concerned should be *de iure* members of the EGTC but without voting rights".

A critical voice from an LRA states that entities should be allowed to participate in EGTC no matter what their status; the focus should instead be on the place of operation, size (SMEs) or budget.

➤ **Participation of entities from Third Countries**

The position on the issue of third country participation diverges. While 70% of the respondents are most in favour of a revision of the present rule in favour of less stringent provisions, according to Member States the participation of entities from third countries should be excluded. On the other hand, the contributions from Switzerland and Croatia show that these countries are interested in participating in the EGTCs. The associations are in favour.

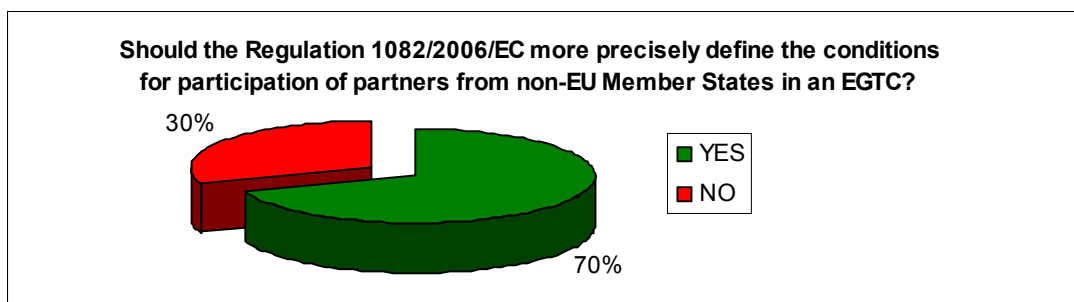


Table 10. Legal aspects. Participation of entities from non-EU Member States in an EGTC

Those who are in favour of revising the Regulation suggest that different rules be introduced. The first measure is to allow 'bilateral' EGTCs among entities from one Member State and one non-EU Member State, especially if there is territorial continuity. Other suggestions consist of introducing a clause allowing the participation of all countries that can take part in the EU programmes; allowing participation by beneficiaries of pre-accession funds; defining the rules on territorial continuity including Mediterranean Sea and Neighbourhood Policy; the EGTC should be included in the cooperation and association agreements made by the EU in the framework of the Neighbourhood Policy. Finally, the ENPI and the IPA instruments should be coordinated with the ERDF and other regulations on structural funds.

One Member State warns that Community law is not applicable to third countries and sees this as a major obstacle. Another issue has been raised by an LRA requesting a limitation on third countries with a democratic deficit.

One suggestion is a list of third countries which can participate in EGTC (e.g. for countries which are signatories to the Madrid Framework Convention simplification of the evaluation criteria should be envisaged); or limiting participation to EU candidate or potential candidate countries, or possibly countries with association agreements. Mediterranean EGTCs are particularly determined to be active players in Euro-Mediterranean policy. EGTCs which do not span external borders are also interested in becoming involved in Neighbourhood Policy.

LRAs highlight the need to specify in the Regulation that all the Member States of the Council of Europe should be allowed to participate because of their great experience in the field of cross-border cooperation.

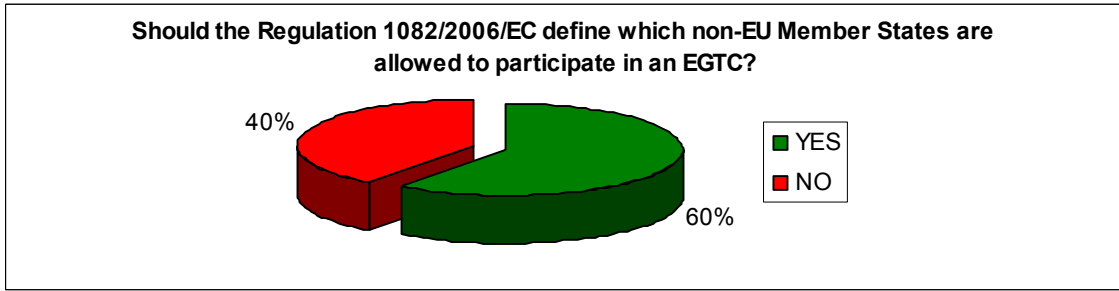


Table 11. Legal aspects. Definition of which non-EU Member States could participate in an EGTC.

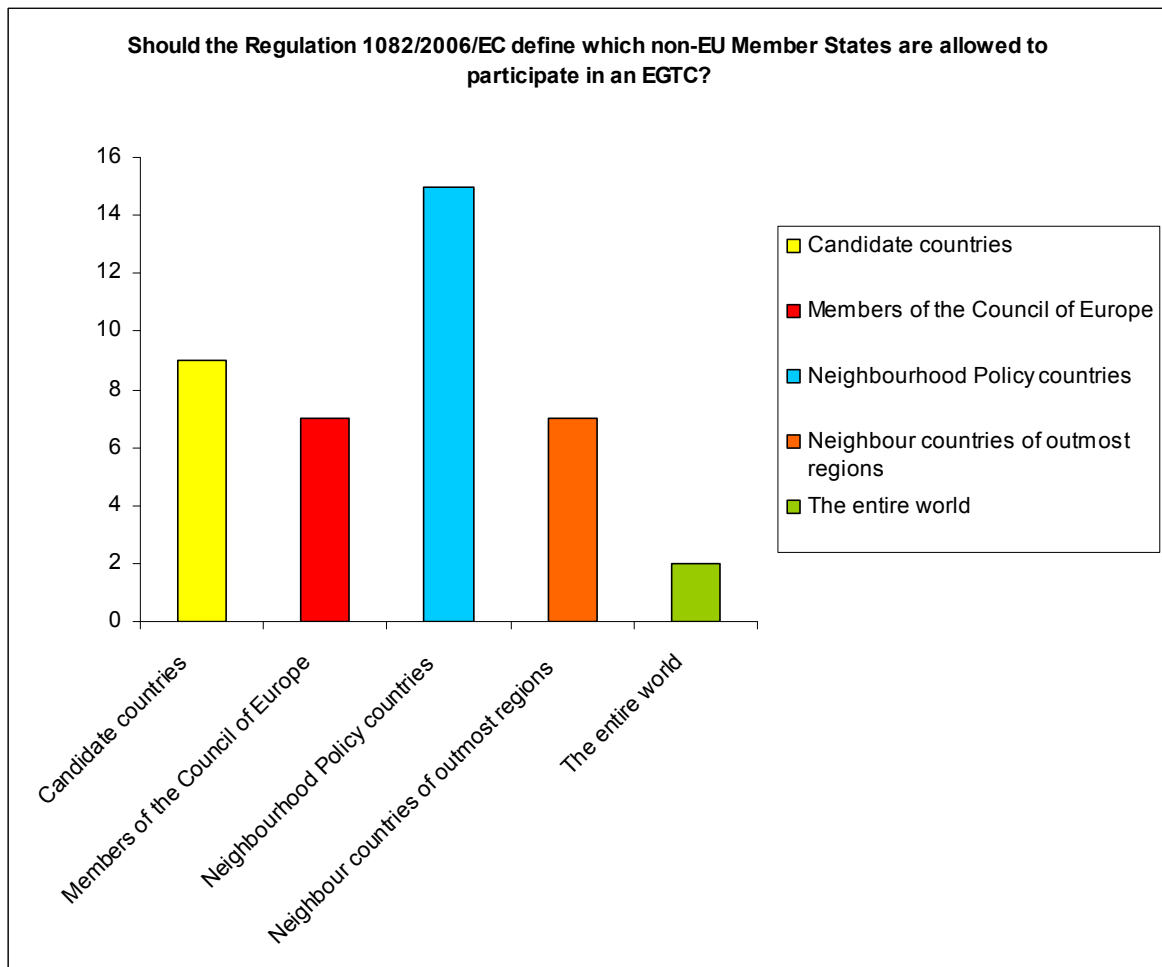


Table 12. If the Regulation 1082/2006/EC defined which non-EU Member States are allowed to participate in an EGTC, please indicate which one. Several answers allowed.

4. The EGTC and the European Territorial Cooperation.

Article 7 of the Regulation states that the EGTC may be the managing authority of ETC programmes, implement ETC projects or projects funded by other EU programmes or simply implement other territorial cooperation activities.

Concerning the implementation of programmes, most of the respondents are very positive about the EGTC as managing authority and joint technical secretariat, as an expression of the principle of subsidiarity. The principle of subsidiarity enhances the role of the EGTC implementing programmes, and the EGTC allows a strategic approach in the implementation of the different actions. The main disadvantages are the fact that a very large EGTC could be more rigid in decision-making, there are doubts about the relations between the joint technical secretariat and the EGTC as managing authority, and there should be mechanisms to avoid conflicts of interest when the EGTC is at the same time managing authority and project partner.

Some EGTCs, particularly in big Member States, point out that some national authorities are reluctant to delegate the management of the programme. On the border between Spain and Portugal, several EGTC have been created with similar goals and there should be measures to encourage them at least to build an agreement in order to manage the programme.

Concerning the implementation of ETC projects, some respondents warn that the EGTC is cost-efficient in terms of bureaucracy and resources when it is designed to manage several projects or big projects. There are many advantages mentioned, such as a strategic approach integrating actions under a common policy; exchange of information, communication and best practices; permanence and continuity of the structure; legally binding decisions and long-term commitment of the partners; participation in decision-making and a sense of ownership; transparency and visibility of the structure; efficiency in the use of public money; easier procurement, budgeting and hiring of staff; and implementation of the principle of subsidiarity.

The responses are similar when it comes to the implementation of other EU funded projects.

The main problem relates to the eligibility of the EGTC: first, the EGTCs encounter problems when submitting proposals to different ETC programmes either because some of their partners are not eligible (the case of the Balearic Islands which are not eligible for cross-border cooperation because of the limit of 150 km from the coast established for insular territories⁴). Secondly, many respondents highlight that the EGTC should be eligible and recognised as a complete partnership in all the EU programmes, if the partners of the EGTC fulfil the requirements of the call. All Commission departments should be aware of the existence of the EGTC and include it explicitly in their calls for proposals.

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New Title XVII of the Treaty of Lisbon enshrines the notion of border regions. Some positions state that this is a goal and not a geographic concept, following the example of the euroregions, so the distance limit should be flexible in the case of islands.

The ETC does not solve the problems related to the legislative disparity between Member States. Some respondents mentioned the problems with tripartite agreements, and that the upper limit of 150 km for islands to participate in cross-border cooperation excludes territories that should participate in CBC. The procedure for setting up EGTC has to be simplified; otherwise many EGTCs will not be able to implement short-term projects.

The EGTC was created too late to manage programmes under the current programming period. For the period 2014-2020, more EGTCs will be set up and it will be necessary to integrate them into the system. There will be a need for better coordination between the different regulations (ERDF, IPA, ENPI) in order to facilitate the management of different cross-border projects under the responsibility of the EGTCs.

Concerning the preference for EGTC in territorial cooperation and other programmes, opinions are divided. The fact that there is no preference may discourage EGTC partners, but other respondents recall that the EGTCs are formed only on a voluntary basis. Some demand a bonus in the co-financing, which should be included in the EU budget; others are against this idea. There are some proposals about side support for EGTCs, such as aid for the set-up process, special funding for pilot projects or specific training for staff.

Among the participants, some regional authorities do not see specific advantages in the fact that the EGTC implements ETC programmes or projects.

5. The experience on EGTC, tasks developed, obstacles encountered and future developments.

All the EGTCs set up or in the process of being set up on the basis of cross-border cooperation have a previous history of cooperation between the partners. The motivation to establish them consists mostly of the will to create a visible and permanent structure of cross-border cooperation, to design joint growth strategies, to generate economies of scale, and to manage joint projects, infrastructure or environmental resources.

All the EGTCs reported are based on cross-border cooperation. Only the EGTC 'Archimed' (grouping islands) 'Amphictiony' (32 municipalities on the Mediterranean coast) and the EGTC being set up 'European Urban Knowledge Network' (grouping national authorities dealing with land planning) have no territorial continuity among their members.

Art. 7 of the Regulation allows for four areas of EGTC activity. Most of the EGTCs already in place and being set up do not exclude any of these spheres (52% indicate ETC programmes, 79% foresee ETC projects, 69% plans to implement projects funded by other EU programmes and 83% indicate other cooperation without EU funding). Only one EGTC, the Grande Region, has been created to implement specifically the ETC programme. The project EUKN, made only by national authorities, does not plan to submit proposals to any EU funded programme.

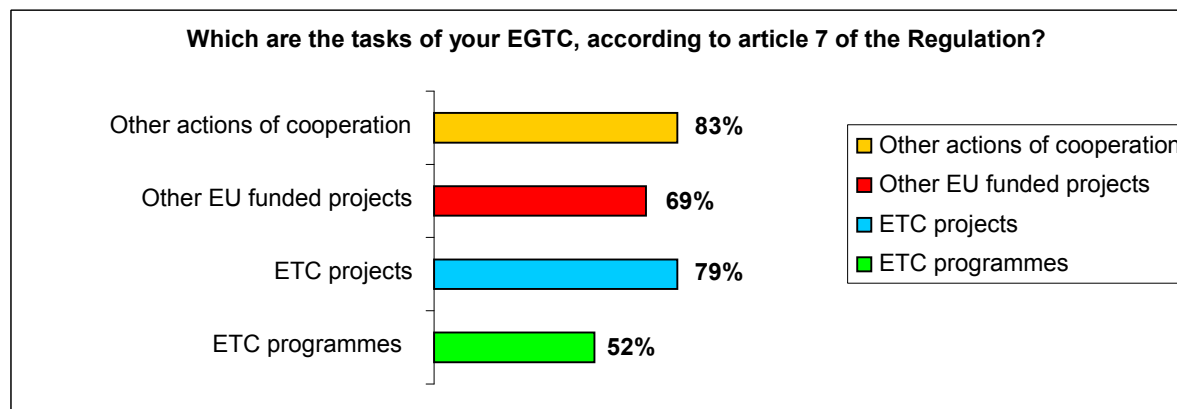


Table 13. Experience in EGTC. Nature of the tasks according to Art. 7 of the Regulation.

The areas of action⁵ of the EGTCs cover a large scope: 100% have defined actions of 'economic development', 100% have indicated 'management of resources and infrastructures', 68% provide 'public services' and 68% implement actions of 'governance, culture and society'. The differences appear when it comes to the concrete fields of action: joint management of a hospital, or management of a cross-border natural site. The multiplicity of actions and initiatives is enormous, and the added value of the EGTCs is evident when they start doing their job. The EGTCs always tend to include a clause extending the activity to more general involvement of the population. In practice, the EGTCs are becoming either structures of policy coordination and cooperation, or new tiers of governance.

⁵ Some stakeholders underline that the EGTCs have 'tasks' and not 'competences'. The term 'competence' should be avoided.

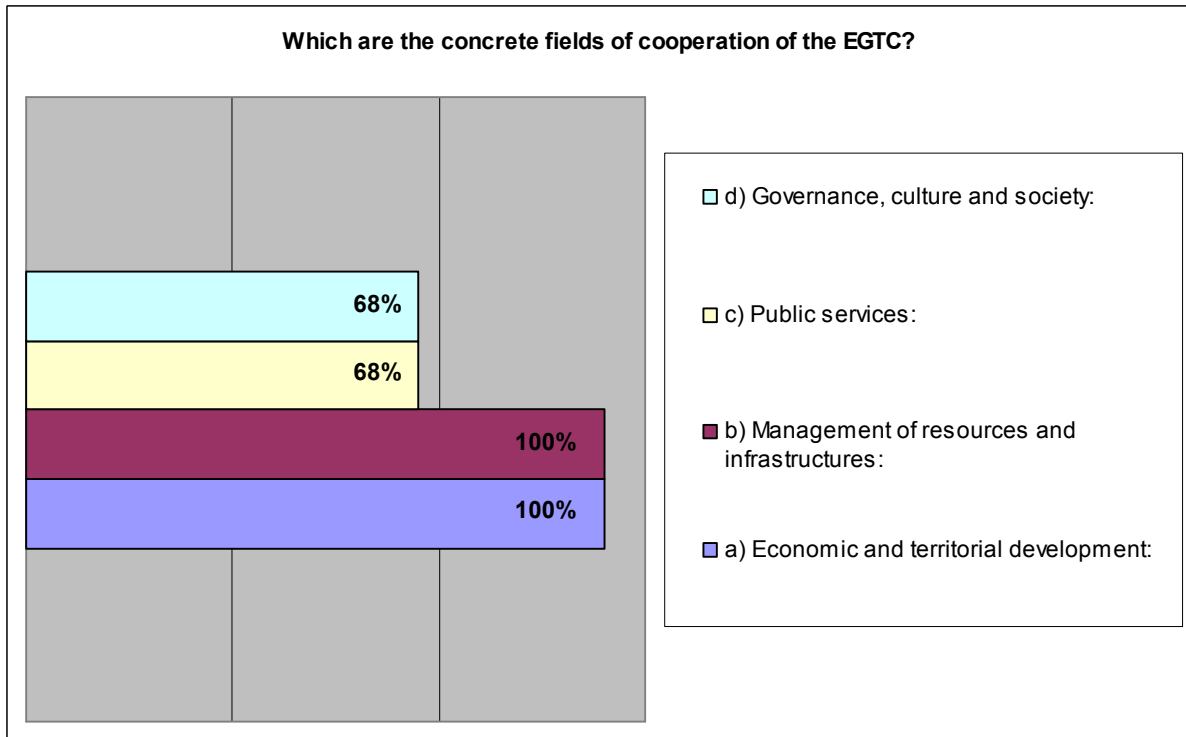


Table 14. Experience in EGTC. Fields of action of the EGTCs

Most of the EGTCs with general aims grouping together border territories report that they are implementing growth and sustainable development strategies with a timeline of 2020, in line with the Europe 2020 Strategy. For this reason, EGTCs may become important instruments for the harmonious development of border areas.

53% of the EGTCs and EGTCs being set up state that they have encountered problems in working in those tasks. This means that most of the problems appear in the phase of constitution and start-up.

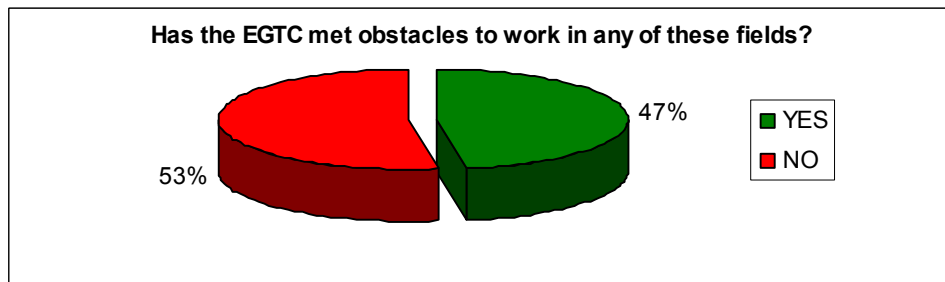


Table 15. Experience in EGTC. Practical obstacles encountered.

The main problems identified, in order of frequency, are the following ones:

- Assessment procedure by the central Authority of the Member State, e.g. 3 months deadline (see point 3);

- Staffing, not only for legal reasons (see point 3) but also due to the differences of salaries between different countries;
- Problems of eligibility to run European projects of ETC or other programmes;
- Eligibility for programme management, either for reluctance of the current Management Authority or for reluctance of some secretariats to work with EGTCs perceived as competitors;
- Public procurement, budget and accountability (see point 3);
- VAT and social security numbers not recognized by the authorities of other states;
- lack of knowledge of the EGTC by the national administrations;

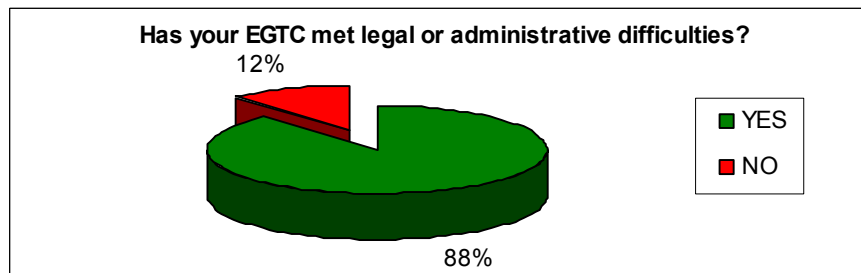


Table 16. Experience in EGTC. Legal and administrative difficulties encountered.

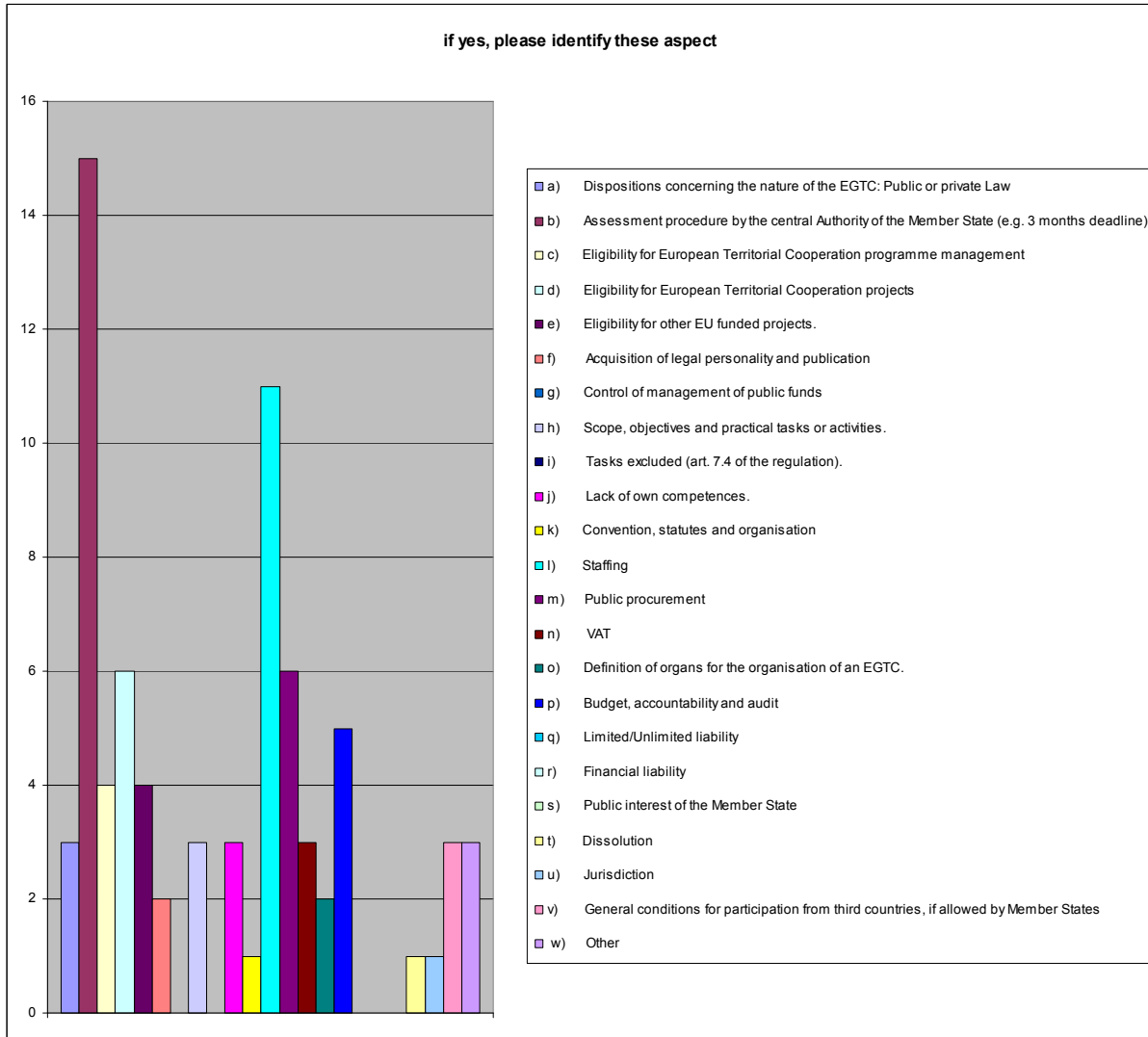


Table 17. Experience in EGTC. Nature of the legal and administrative difficulties encountered.

With regard to future developments, 57% of the EGTCs plan future developments, mainly to increase their membership, in most cases either because the internal procedures of some of the partners delayed them too much to join the EGTC earlier, or because the entities belong to a non-EU Member State that in the case of Croatia will join the EU. For the first reason, some respondents request that changes in membership follow a simplified procedure.

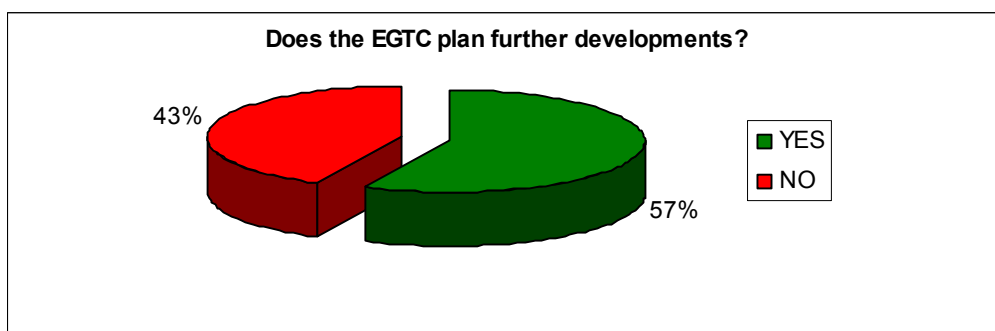


Table 18. Experience in EGTC. Perspective of future developments of the existing EGTCs.

6. The role of the EGTC in the European integration.

➤ The EGTC and the objective of territorial cohesion

The inclusion of territorial cohesion in the Lisbon Treaty enhances the role of the EGTC⁶. According to the majority of respondents, the EGTC is the main legal instrument or an excellent EU instrument for territorial cohesion. The EGTC provides a clear and permanent framework for cooperation. As said in the contribution to the Green Paper on Territorial Cohesion, the EGTCs provide platforms for an integrated approach to addressing problems on an appropriate geographical scale. It allows the direct participation of all the actors, which are able to manage the programmes in a more efficient, consistent and coherent way (less resources, joint management, shared responsibility). For the Member States, it facilitates cooperation within the framework of a single institution between the central authorities and those of the local and regional level. For the regions, it balances the capabilities of the different administrations involved in implementing EU programmes and spending EU money.

In the border regions, the EGTC may contribute to the implementation of the EU *acquis*, to integrating functional areas, and to blurring the border effect. The EGTC creates cooperation structures that integrate multiple agents and develops cross-border synergies with long-term vision. It also promotes dialogue and may buffer political conflicts between Member States. The EGTC promotes territorial cohesion not only at cross-border level but also at national level, because very often the border areas are the less developed parts of the country.

In general, the EGTC draws on the wealth of experience and practice, encouraging collaborative proposals and proposing integrated policies. It promotes new forms of social action, such as integrated territorial plans, creation of networks and development of communication and exchanges between economic actors or specific groups of civil society (young people, women, migrants).

From the sectoral point of view, there are specific references to economic development, employment, innovation, education, health care and environment. Geographically, there is a reference to rural areas and small town that are empowered by the EGTC, thus putting into effect the principle of subsidiarity.

Some local and regional authorities are more sceptical and point out that the EGTC is a legal instrument that acts by delegation of tasks, so the debate should focus on cohesion policy as such.

One Member State is negative as regards the possibility of improving cohesion through this new tool, and states that it can put cooperation itself at risk by creating uncertainties and tying up resources in seeking solutions to difficult new administrative problems.

6

Article 3. 3 third paragraph of the Treaty of the European Union states that "[The Union] shall promote economic, social and territorial cohesion, and solidarity among Member States". The new Title XVIII of Part Three of the Treaty on the Functioning of the European Union constitutes a new and important legal assertion, since "Economic and social cohesion", has now become "Economic, social and territorial cohesion", all placed on the same footing.

➤ **The EGTC and the bottom-up construction of Europe**

The EGTC brings together local and regional stakeholders. These can define their needs and strategies and implement common actions and initiatives. The EGTC creates a two-tier communication channel, and the bottom-up approach is more relevant and the priorities, needs and concerns of the territories can be transmitted to the Member States and the EU institutions, defining the EU agenda and filling gaps in the centralised policies. It could be an essential element of the Europe of citizens. The EGTCs are multi-level governance structures with legal personality, consolidate the internal market, help enshrine cross-border areas and are engaged in a permanent dialogue with citizens, so they must be recognised as dialogue partners by the EU institutions. One region points out that the EGTCs grouping municipalities are particularly important from this point of view.

➤ **The EGTC and Multi-Level Governance**

The CoR has already analysed the role of the EGTC in its White Paper on Multi-Level Governance⁷. The participants in the consultation add positive opinions in general, because the EGTC is considered as „a laboratory of Multi-Level Governance“ although more than a half of the EGTCs created so far are composed by homogeneous partners, either only municipalities or only regions.

In general, the EGTC promotes the multi-level governance because it is a common structure that allows different levels of government to participate in equal conditions and to be in contact with the needs of the people and the territory. Many respondents underline the need of participation of the civil society. The principle of subsidiarity applies when the EGTC defines cross-border strategies, when it allows LRA to define public policies, and when it contributes to structure the macro-regions.

Some respondents point out that the EU as such should be integrated in the EGTCs, or at least have a mechanism of communication and exchange of information having the EGTC as single interlocutor. Others consider that the remission to the National legislations might generate obstacles to the effective multi-level governance.

➤ **The EGTC and the macroregions**

The potential contribution of the EGTCs to macroregions largely comprises the possibility of structuring cooperation within the macroregion, because EGTCs are permanent structures that may include many actors. The EGTCs may help give the macroregions a more solid structure.

Most of the respondents point out that a macroregional structure is too big and complex to allow macroregional projects to be managed via the EGTC. The mission of the EGTC is not to make up for the lack of institutional structure in the macroregions.

⁷ Adopted in June 2009 by the plenary of the Committee of the Regions. Ref. CdR 25/2010. Website <http://www.cor.europa.eu/governance>

The lack of information about the macroregions has biased a significant number of answers, because there is great confusion about what a macroregion is. In addition to this, some respondents point out that the macroregion *fever* should not interfere with the debate on EGTC.

➤ **EGTCs and Neighbourhood Policy**

For the time being, it is very difficult to establish EGTCs with neighbouring countries from outside the EU. Just two EGTCs –'UTTS' and 'Euroregion Senza Confini'– are working respectively with Ukraine and Croatia. The main benefit is the political significance of this long-term partnership, and the support that EGTCs may provide to implementation of the EU *acquis*, which is particularly important when it comes to candidate countries.

Respondents tend to emphasise the potential of this instrument. In their replies, they point out that EGTCs may help to overcome nationality and border-related issues, improve well-being in the territories involved and raise public awareness of the European Union. EGTCs contribute to territorial cohesion, harmonisation of national legislation, administrative capacity building and more effective use of cross-border ENPI funds. They enable more targeted cooperation and may even help to achieve the goals of macro-regional strategies.

However, some Regions and most of the Member States that have expressed an opinion are not so optimistic and only see the EGTC as an instrument that should remain at EU level.

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