



# The EGTC (European Grouping of territorial cooperation)

A unique European legal framework for cross-border, transnational and interregional cooperation

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LIBERTAS - Vienna – 22 September 2006 – 7th EEIG Practice Conference

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# 1) INTERACT

## INTERACT

- Approved in December 2002
- Budget: EUR 35M
- INTERACT I based on:
  - Managing Authority (AT Federal Chancellery)
  - Secretariat (AT – ÖIR)
  - 21 INTERACT Projects
  - 5 INTERACT Points:



# 1) INTERACT



## INTERACT

- **Objective:** provide support to INTERREG programme and project managers: technical support, promotion of exchange of experiences etc.
- **Activities:** analytical studies, practical guidelines, conferences, workshops, web tools (forum, glossary, web library etc)
- **Upcoming events:** EUREGIA Messe – Leipzig (23 and 24 October 2006); financial training seminars etc ([www.interact-eu.net](http://www.interact-eu.net), section “events”)

## 2) The recent history of CBC (A)

### The recent history of cross-border cooperation A - spontaneous initiatives (1950s-1970s)

- **Lessons learnt from WW2:**
    - Need to transform borders into exchange areas
    - Need to change the situation of border regions from a peripheral position at national level to a central position at EU level
- ⇒ **How to organise cross-border cooperation?**
- CSQ: regional initiatives of cross-border cooperation: ranges from informal cooperation to the setting-up of legal structures of cross-border cooperation
  - First multilateral and bilateral agreements in the 1960s (Cf Nordic countries: Helsinki 1962)
  - The first Euroregion: 1958 (EUREGIO, with seat in Gronau, CBC between Germany and the Netherlands –was legally structured (as e.V.) in 1972)

## 2) The recent history of CBC (B)

### The recent history of cross-border cooperation

#### B - The structuring of cross-border cooperation - role of important institutions (1980s)

- **“Legal” contribution:** the Council of Europe: the Madrid convention of March 1980 and its additional protocols (1990’s)
- **“Financial” contribution:** the EU institutions: launch of pilot-projects followed by the INTERREG Initiative in 1989-90
- **“Networking” contribution:** AEBR (Association of European Border Regions) – created in 1987, with seat in Gronau (DE): [www.aebr.net](http://www.aebr.net)

### The recent history of CBC

#### C – The need to structure CBC from a legal point of view (1990s)

- **To manage EU funds: need for a structure with a legal basis to have:**
  - legal solidity in order to be able to have its own budget (including management of EU funds),
  - possibility to act (e.g. capacity to hire personnel for programme management, to sign subsidy contracts with final beneficiaries of EU projects etc).
- **To give cross-border cooperation visibility, legitimacy and long-term existence**

### 3) INTERREG and CBC – a close relationship

## INTERREG

- **A Community initiative**
- **3 generations of successful programmes :1991-93; 1994-99; 2000-06**
- **3 Strands covered: cross-border (A), transnational (B) and interregional (C) cooperation.**
  - NB: called nowadays Territorial Cooperation (2007-13)
- **81 programmes under the INTERREG III generation, including 64 INTERREG IIIA programmes for cross-border cooperation**



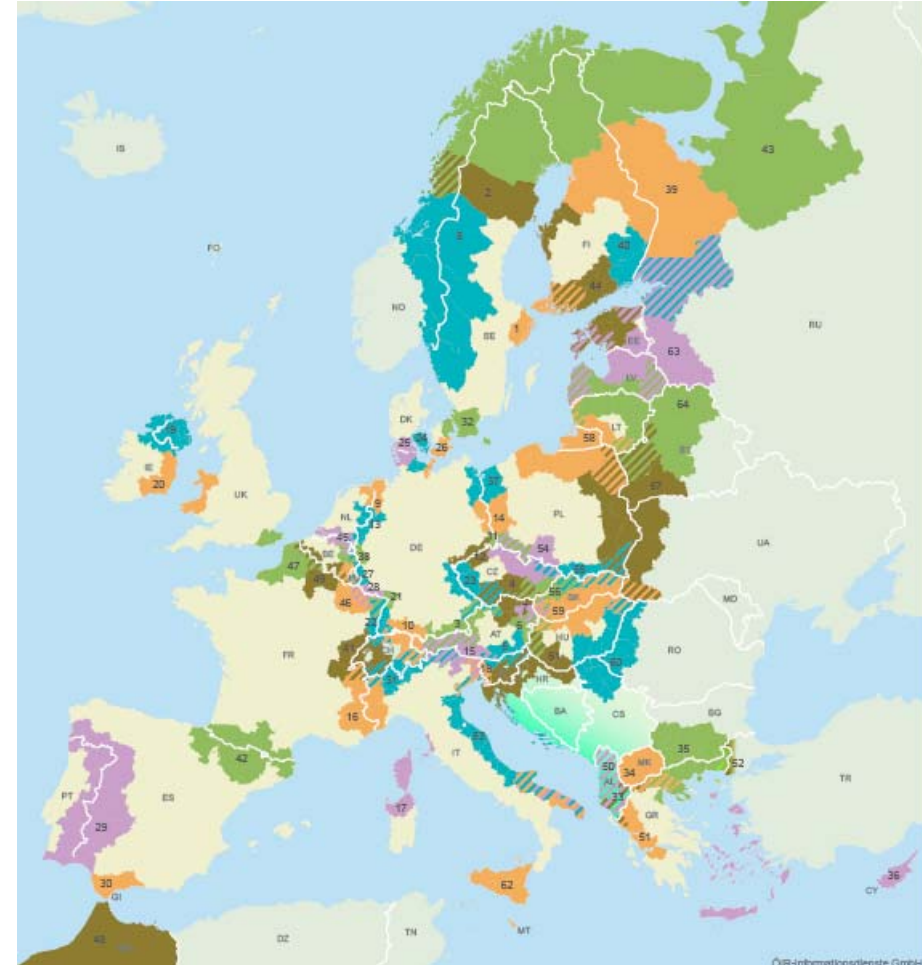
### 3) INTERREG and CBC – a close relationship

**A variety of arrangements  
for managing the programmes:  
Example of INTERREG IIIA**

(Managing Authority):

- **Centralised (e.g.Ministry): 32%**
- **Decentralised (Region): 61%**
- **Decentralised AND integrated:  
management by a Cross-border  
Structure (e.g. Euregio): 6%**

**Conclusion: few programmes managed  
by a CBC structure: are existing  
instruments appropriate?**



### 3) INTERREG and CBC – a close relationship

## A variety of arrangements for managing the programmes: Example of INTERREG IIIA

#### ▪ Conventions between programme partners:

- share tasks between participating programme partners
- delegate programme management to one partner institution (regional authority, cross-border institution etc)

#### ▪ CBC Management structures of INTERREG IIIA programmes:

- Use of an existing cross-border institution to manage a programme (example: Stichting Euregio Meuse-Rhine DE-BE-NL)
- Setting-up of a specific cross-border structure to manage a programme (example: the GLCT Regio PAMINA (FR-DE) or the GIP (FR-DE) created since 2000)
- Possibility to use the solution of the EEIG (Communication of the Commission to the Member States of 28.04.2000 on INTERREG): “the competent authorities may consider whether it is possible to establish EEIGs”.

One example known to date: the JTS of the INTERREG IIIB Programme North West Europe (Lille).

## 4) INTERREG and legal structures of cross-border cooperation – towards a unique instrument: the EGTC



### Conclusions:

Each border region has developed its own **ad-hoc solutions** according to:

- The presence or not of instruments to enable a legal structuring of CBC (inter-state bilateral agreements or legal provisions in national law)
- Political will
- etc

### Consequence:

- A variety of names: Euroregions, Working Communities, associations etc. Some without legal identity, other under public or private law.
- Many regions that still have not created such structures (absence of legal instruments via inter-State conventions or national law)

⇒ Need to develop a unique EU-WIDE legal instrument

### The new context 2007-2013

- EU Member States + EU institutions want to compensate for the difference between:
  - the financial importance given to CBC
  - the lack of legal instruments to implement CBC and manage the funds efficiently and in a secured manner
- Increased importance given to **Territorial Cooperation** via the new “Objective 3 ETC”: mainstreaming of CBC + increased budget / from EUR 5.79 bn to EUR 7.6 bn.
- **Political statements to further encourage CBC**: Cf Report of the European Parliament on the role of Euroregions, Nov.2005 + reference to Euroregions in the INTERREG Communication of 09.2004

## 5) The EGTC Regulation



### The Regulation (EC) No 1082/2006 of 5 July 2006

- **First instrument** proposing a European legal framework for CBC
- **Political importance:** part of the Structural Funds Package 2007-13 (with Regulations on Structural Funds and ERDF): shows the strong link between EGTC and management of programmes of territorial cooperation
- **Scope:** territorial cooperation (enlargement compared to first draft of July 2004, limited to cross-border cooperation).
- **A long decisional process:** from 9 to 18 articles + enlargement to TC
- **Result:** a Regulation (applicable as such in national legal framework of EU 25 with 1 year time for MMSS to integrate the regulation in national law)

## 5) The EGTC Regulation

### Content of the Regulation – a few elements

**Legal basis:** Article 159.3 of the Treaty (on economic and social cohesion / “specific actions to be decided outside the structural funds”)

#### Goals:

- Reduce difficulties in implementing actions within the framework of differing national laws and procedures
- Provide a solution to the existing gap (“existing instruments, such as the EEIG, have proven ill-adapted to organising structured cooperation under the INTERREG initiative”).
- Complete and not circumvent the framework provided by the Council of Europe
- Facilitate territorial cooperation within and outside Structural Funds (main task = implementation of TC programme (article 7)).

#### The EGTC:

- Setting-up: optional (according to Constitution of MMSS)
- Structure with a legal personality (not stated if public or private): can acquire property, employ staff etc.
- May be given the possibility to act on behalf of its members

## 5) The EGTC Regulation

### Content of the Regulation – a few elements

#### Members (article 3):

- Public authorities as principle
- Regional and local authorities, but also Member States (*multi-level governance*)
- Members from at least 2 MMSS
- Participation must be subject to approval of the MMSS –depending on constit. structure (article 4.3)

#### What needs to be set up:

- A convention: tasks and competencies) (art.8)
- Statutes: decision-making procedures, members' contributions, liability etc (art 9)
- Organs: at least assembly + director (art. 10)
- Rules for budget and for exercise of financial responsibility

#### Applicable law (article 6):

- Law of the MMSS where the EGTC has registered office (e.g. for control of management of public funds by the EGTC)

## 5) The EGTC Regulation



### Calendar:

- Entry into force: the day after publication in OJ
- Applicability: 1 August 2007 (MMSS must make provisions to ensure effective application of the Regulation from 1 August 2006).

### Making use of the new regulation: Advantages vs disadvantages?

- Member States participation? Control?
- Lack of legal personality?
- Fear of border regions to create a structure based on a never-tested instrument? Or a unique opportunity?
- When and how to set up an EGTC?

### Example:

- The “Grande Région” (FR-BE-LU-DE): plan to launch a new INTERREG IV programme and prepare in // an EGTC, that will take over programme management when ready.



## Conclusions

- The EGTC: a unique instrument – practice will show its usefulness.
- TC remains a complex field of activity: need for political will and flexibility
- It takes time => patience and need to create a climate of mutual understanding and trust (between regions, between MMSS, and with EU institutions)

## More information: consult

- INTERACT study “Study on organisational aspects of cross-border INTERREG programmes – Legal aspects and partnerships” – to be available on the INTERACT website from November 2006 (+ paper)
- GEPE/COR work on the applicability of the EGTC: “The future of the transborder cooperation in Europe in the prospect of the EGTC”

**Thank you for your attention**

**For more information:**

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