

# THE EUROPEAN GROUPING OF TERRITORIAL COOPERATION (EGTC): A NEW TOOL FACILITATING CROSS-BORDER COOPERATION AND GOVERNANCE

JIRKA ZAPLETAL

Vrije Universiteit Brussels, Institute for European Studies, Brussels, Belgium

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**ABSTRACT.** The European Union is becoming one undivided continent where territories are faced with borderless economic, social and environmental challenges while still being governed within traditional institutional boundaries. Integration raises the question of cohesion among different territories, and territorial cohesion is a new objective for the Union according to the Lisbon Treaty. Cooperation between territories, beyond frontiers and across different institutional layers, is becoming crucial for providing multi-level governance to new functional regions. The European Grouping of Territorial Cooperation (EGTC), a new legal and governance tool established by Regulation 1082/2006, was conceived as a substantial upgrade for this multi-level governance and beyond-the-border cooperation. Four years after its adoption, a number of EGTCs have been set up, and new ones are in the pipeline. Recently the European Commission and the Committee of the Regions have launched a consultation with the aim to review the existing legislation since 2007 on the EGTC and adjust it if necessary. The results are to be presented this year in Brussels during the 8<sup>th</sup> edition of the Open Days.

The article first highlights the EGTC framework in support of integration at a regional level and shows the background of the regulation. It then focuses on the legal issues involved, such as legal personality, potential members, tasks, organisation, state control, and liability of an EGTC. After showing the implementation status of a national EGTC, the article closes with further steps to be taken.

**KEY WORDS:** European Grouping of Territorial Cooperation (EGTC), territorial cooperation, cross-border governance

*Jirka Zapletal, Vrije Universiteit Brussels, Institute for European Studies, working for the Deutscher Sparkassen- und Giroverband (German Savings Banks Association, DSGV) at the Representation to EU in Brussels, Avenue des Nerviens 9-31, 1040 Brussels, Belgium; e-mail: Jirka.Zapletal@dsgv.de\**

\* The views expressed in this article are personal views and not necessarily those of the German Savings Banks Association.

## 1. Background

### 1.1. Need for regulation

After a long time in which legal forms without commitment to cross-border cooperation had appeared sufficient, state and administrative practice started to demand – reflecting the growing marginalisation of state borders in the course of the European integration – enhanced opportunities for design of their legally binding transnational relations (cf. Janssen 2006: 9).

Given the significant difficulties faced by the member states, regions and local authorities in the implementation and management of their cross-border operations, as well as interregional and transnational cooperation under the existing legal and administrative conditions, and in the light of the increasing number of land and maritime borders caused by the enlargement of the Community, the European Commission recognised the need for action to create a new instrument for cross-border cooperation (cf. *Regulation ... 2006*, Recitals 1–3; Janssen 2006: 10). The Commission considered the existing instruments of cooperation, such as the European Economic Interest Group (EEIG), as inappropriate to encourage structured cooperation (cf. *Regulation ... 2006*, Recital 4). So the European Grouping of Territorial Cooperation (EGTC) was set up by the Union in 2006 as an instrument facilitating cooperation between territorial authorities – states, cities and regions – in different member states.

The European Commission and the Committee of the Regions have currently launched a consultation with the aim to review the existing legislation since 2007 on the EGTC and adjust it if necessary (cf. Consultation paper 2010).

### 1.2. Legal basis

As part of the strengthening and reform of the European cohesion policy, Regulation (EC) No. 1082/2006 of the European Parliament and Council on the European Grouping of Territorial Cooperation (EGTC) (OJ EU No. L 210, p.19) was adopted on 5 July 2006 with effect from 1 August 2007.

Originally, the instrument was to be called the European Grouping of Cross-border Cooperation (*Proposal for a Regulation 2004*), but after being criticised that the new instrument should not only promote cross-border, but also inter-regional and transnational cooperation (cf. Graute in Janssen 2006: 107), the terminology was changed into “territorial”.

The Regulation applies in accordance with Article 288 para. 2 TFEU (ex Article 249 para. 2 TEC) directly in the member states. Article 16 para. 1 of the Regulation provides that the Member States shall take the necessary provisions for effective implementation of the Regulation.

In Germany, the Federal Ministry of Economics and Technology, competent in terms of European structural and cohesion policy, is in consensus with the Federal States that to implement this instrument it is enough to adopt the regulations at the Federal States’ level for determining the relevant authorities (cf. Leibniz Institute ... 2008). The responsibility for provisions necessary for effective implementation lies predominantly at the Federal State level. In principle, the law to be applied will be that of the Federal State where an EGTC is located. No further regulation is necessary because of the direct effect of the regulation. In particular, there are no special provisions for the limitation of liability, registration/publication and limitation of tasks. Therefore, further legislation is not necessary.

Consequently, the Federal States have adopted regulations that set responsibilities for the receipt of notifications and documents required under Article 4, para. 4, for allowances under Article 4 para. 3 and approvals under Article 4 para. 6, for provisions under Article 6 para. 2 and for decisions and measures under Article 13 clause 1 and Article 14 of Regulation (EC) No. 1082/2006 (cf. *Annex 1*).

Further legal principles, e.g. clarifying the questions of which legal regime should apply, which tasks may be carried out, and whether partners from third countries can be involved, have so far been introduced only in Hungary, the United Kingdom, Portugal, Bulgaria, Romania, Greece, Spain, Slovenia, France, Denmark, and Slovakia. Consequently, the legal basis of an EGTC is Regulation (EC) No. 1082/2006 and the given regional jurisdiction regulation.

## 2. Legal nature: Overview of Regulation (EC) No. 1082/2006

### 2.1. Legal personality; potential member

An EGTC is an independent, fully legal entity (Article 1, para. 3, 4). It acquires a legal personality through the registration and publication of its charter according to the laws of its home state (Article 5 para. 1). Participation in, or the foundation of, an EGTC is always voluntary. It is treated as a body of the Member State in which it is established and with which it is also subject to the law (Article 2, para. 1. b) in conjunction with Article 8 para. 2, lit. e).

In Germany, members of an EGTC can invoke Article 3 of the Regulation: the Federal Republic of Germany, the Federal States, cities, counties and municipalities, associations and public bodies governed by public law as defined in Article 1, para. 9, subparagraph 2 of Regulation 2004/18/EG. Accordingly, a "body governed by public law" means any body established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character; having a legal personality; and financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.

Also, associations of the above-mentioned potential members are themselves able to be members of an EGTC. These are mainly local public enterprises (cf. *Fernwärme ...* 2008), but also chambers (Chamber of Crafts and Chamber of Commerce, etc.). This only applies provided that members participating in an EGTC come from at least two Member States (Article 3 para. 2).

Third countries or public authorities that are subject to the law of the above-mentioned potential members should in principle be given the possibility to participate in an EGTC (cf. *Regulation ...* 2006, Recital 16). However, they are not directly addressed by this regulation (cf. *INTERACT Handbook* 2008: 22). An extension to Armenia, Azerbaijan, Belarus, Georgia, Moldova and

Ukraine is planned in the autumn of 2010 (cf. Press Release of CoR, December 2009).

To make participation possible in such a structure, the third country must establish a compatible instrument by national legislation similar or equal to the EGTC; this might be of particular relevance for EU candidate countries. As an alternative, third countries could also make arrangements with the Member States enabling their public authorities to participate in an EGTC (cf. *INTERACT Handbook* 2008: 23).

### 2.2. Tasks of an EGTC

An EGTC should be able to act, either for the purpose of implementing territorial cooperation programmes or projects co-financed by the Community, notably under the Structural Funds in conformity with Regulations (EC) No. 1083/2006 and 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund, or for the purpose of carrying out actions of territorial cooperation which are at the sole initiative of the Member States and their regional and local authorities with or without a financial contribution from the Community (Article 7 para. 3, 4, cf. *Regulation ...* 2006, Recital 11).

An EGTC is founded by potential members announcing the relevant intention to the Member State whose law they are subjected to. Subsequently, an approval of the Member State concerned is needed, in accordance with Article 3, para. 1 and 2.

The tasks of an EGTC are determined by an agreement of its members according to Article 7 para. 1, whereas the existing option of limitation of the allocation of tasks to an EGTC by law is not used in Germany (cf. *Leibniz Institute ...* 2008). The possible tasks are therefore determined by the EGTC Regulation: according to Article 7, para. 4, the tasks given to an EGTC by its members shall not concern the exercise of powers conferred by public law or of duties whose object is to safeguard the general interests of the State or of other public authorities, such as police and regulatory powers, justice and foreign policy.

What the parties to the agreement may regulate, according to Article 8, is which tasks should

be taken by the EGTC, how it should be named, and where it should be situated. The agreement must also provide other required information, such as the working language and the arrangement of internal liability compensation, included into the statute in accordance with Article 9.

### 2.3. Organisation of an EGTC

The EGTC must have at least one assembly composed of representatives of its members, and a director, who represents the EGTC and acts on its behalf (Article 10 para. 1).

### 2.4. State control

In addition to the participation in or foundation of an EGTC that are subject to authorisation, the work of an EGTC is also subject, in terms of management of the monitoring, to the competent authorities of the Member State where the EGTC has its registered office (Article 6 para. 1). Its authorities are, if necessary, obliged to cooperate with other appropriate authorities in the other Member States concerned, to carry out controls on their territory (Article 6, para. 2).

State control over an EGTC goes so far that a Member State or a competent body of that Member State may prohibit its activity on its territory or require those members which have been formed under its law to withdraw from the EGTC if it violates provisions of the Member State relating to public order, public safety, public health, public morality, or is against the public interest of the Member State (Article 13 para. 1).

### 2.5. Liability

Article 12 of the Regulation refers to the liability of an EGTC. Basically, the EGTC shall be liable qua its own legal personality for its obligations (Article 12 para. 2 subparagraph 1), whereby members of the EGTC are liable for a failure in accordance with the standards laid down in the statute (Article 12 paragraph 2 subparagraph 2).

The liability of members of an EGTC may be limited by the statute. In this case the term "lim-

ited" must be included (Article 12 para. 2 subparagraph 5). But according to Article 12 para. 2 subparagraph 7, Member States can prohibit the registration of such an EGTC with limited liabilities on its territory.

## 3. Differentiation from other instruments of cooperation

The EGTC has not been created as an instrument to replace the already existing models of cooperation; rather, it is an alternative in addition to the inter-governmental cooperation models prevailing so far (cf. Graute in Janssen 2006: 109). The EGTC can be distinguished from the multitude of cross-border cooperation constellations as follows:

### 3.1. EUREGIO

The term EUREGIO is not defined legally but used extensively (cf. *List of euroregions*, May 2010). Common synonyms are: Europe Region, Euroregion, Grande Région and "Greater Region". These terms are almost exclusively used for larger regional structures at the sub-national level. In relation to the terms EUREGIO and Euroregion, it can be observed that the term EUREGIO basically refers to "Western" structures. By contrast, 10 Euroregions are located in Central and Eastern Europe (cf. Schöne 2006: 11).

For the first time, the term EUREGIO was used with the first initiative for cross-border cooperation at the German-Dutch border in 1958 (cf. <http://www.euregio.nl>). This explains why cooperation on the German-Dutch border is called the "EUREGIO". All the following cooperation projects that refer to the existing model have a name suffix (e.g. Euregio Maas-Rhine or SaarLorLux).

The EUREGIO – in contrast to the EGTC – has no legal basis, but is a registered association according to German law, whereas e.g. the Greater Region SaarLorLux has no legal personality (*INTERACT Handbook* 2008: 55). EUREGIOs tend to be found in rather more rural regions.

### 3.2. Eurodistrict

There is no EC Regulation like that on the EGTC which defines a Eurodistrict. Therefore, a description of selected examples and their historical development is offered below.

#### 3.2.1. Creation of political frameworks

After intensive consultation, in 1980 the Council of Europe adopted in Madrid the *European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities* (with an additional protocol in 1995). The aim of the Council was to achieve greater unity between its members and to promote cooperation between them. The signatories thus confirmed the potential importance of cooperation between territorial communities or authorities on frontiers in such fields as regional, urban and rural development, environmental protection, the improvement of public facilities and services, and mutual assistance in emergencies, as well as the basic improvement and development of frontier regions (cf. Council of Europe 1980). This was the result of one of the first political efforts to promote cross-border cooperation in Europe (cf. *Le Groupement local ...* 2004: 7).

Several agreements concerning cross-border cooperation have been concluded that refer to the *European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities*, such as: The Anholt Accord between the Federal Republic of Germany, the Federal States of Lower Saxony and North Rhine-Westphalia and the Kingdom of the Netherlands in 1991 (*Abkommen ...*1980), the Mainz Accord of 1996 between the Federal States of North Rhine-Westphalia and Rhineland-Palatinate, the Walloon Region and the German-speaking Community of Belgium (*Abkommen ...*1980), as well as the Karlsruhe Accord of 23 January 1996, which was concluded between the Federal Republic of Germany, the French Republic, the Grand Duchy of Luxembourg, and the Swiss Federal Council, which acted on behalf of the cantons of Solothurn, Basel City, Basel-Landschaft, Aargau, and Jura (cf. *Karlsruher Übereinkommen* 1996).

Furthermore, the joint declaration of the Chancellor of the Federal Republic of Germany and the President of the French Republic on the occa-

sion of the 40th Anniversary of the Elysée Treaty on 22 January 2004 explicitly called for the establishment of Eurodistricts (cf. *Déclaration commune ...* 2003). In contrast to EUREGIOs, Eurodistricts see themselves as groupings of metropolitan regions.

#### 3.2.2. Development of Eurodistricts

Based on these basic principles a variety of cooperation projects known as Eurodistricts have been agreed. The first association to be set up under this term was the Eurodistrict Strasbourg-Ortenau under reference to the common declaration made on the 40th anniversary of the cooperation treaty between Germany and France on 17 October 2005. Other well-known examples are the Eurodistrict Feiburg / Centre et Sud Alsace, which was established on 5 July 2006, and the Eurodistrict Regio Pamina (Palatinate [Pfalz], Middle and North Rhine Alsace).

Before the establishment of the Eurodistrict Freiburg / Centre et Sud Alsace, there were ambiguities concerning an appropriate legal form of cooperation until a decision was made to establish a Eurodistrict based on the Karlsruhe Convention (cf. *Entwicklung ...* 2003). The Convention offers the sought-after binding legal basis for cooperation.

The Eurodistrict Regio Pamina was established on 17 December 2001 as a special-purpose association for cross-border cooperation on the basis of the Karlsruhe Convention, and operating since 23 June 2008 as Eurodistrict Regio Pamina without a change in its underlying statute or operation method. On the basis of the Eurodistrict Regio Pamina, it can be demonstrated that the term "Eurodistrict" is used so extensively that it makes future involvement of new partners difficult.

### 3.3. European Economic Interest Grouping (EEIG)

In 1985, the European Economic Interest Grouping (EEIG) was introduced (cf. *Council Regulation* 1985). Originally the Commission's draft aimed to create a European association for cooperation. The main reason for the creation of this instrument was the finding that "to bring

about this single market and to increase its unity a legal framework which facilitates the adaptation of their activities to the economic conditions of the Community should be created for natural persons, companies, firms and other legal bodies [...]; whereas to that end it is necessary that those natural persons, companies, firms and other legal bodies should be able to cooperate effectively across frontiers" (*Council Regulation 1985: 1*).

Although the EEIG is appropriate for cross-border cooperation between local and regional authorities, its purpose is simply to maximise the economic results. However, local and regional authorities usually do not follow any genuine economic purpose of their own in their territorial cooperation, even if a purpose of this cooperation is business development.

Recital 4 of Regulation (EC) No 1082/2006 says: "The existing instruments, such as the European economic interest grouping, have proven ill-adapted to organising structured cooperation under the INTERREG initiative during the 2000–2006 programming period." In addition to the above-mentioned reasons, it is also due to the fact that there is a lack of clear determining legal status of the joint facility for cooperation.

In general, also the Committee of the Regions (CoR) concludes the EEIG to have been insufficient so far for the purpose of territorial cooperation. The CoR states that although the European Economic Interest Grouping has in certain specific cases served as a legal channel for a particular cooperation activity, it is an example of a flexible transnational cooperation structure rather than a legal instrument relevant as such to cooperation between local and regional authorities from different Member States (cf. *CoR Study on EGTC 2007: 39, 40*).

### 3.4. Difference to the EGTC

What projects of cooperation that are based on inter-state agreements, whether EUREGIOs or Eurodistricts, have in common is that they only apply to the regional and local authorities involved, and only allow and promote cross-border cooperation between them.

On the other hand, the introduction of the EGTC by the EC Regulation has achieved the

Commission's objective to create a basis for cross-border, interregional and transnational cooperation throughout the Community which offers, especially to potential new partners, the advantage of first making an overview of the legal framework of cooperation in an EGTC and estimating the opportunities and risks involved.

### 3.5. Specific role of Eurométropole Lille-Kortrijk-Tournai

The Eurométropole Lille-Kortrijk-Tournai performs a specific role. Originally it was founded as a Eurodistrict to allow collaboration between the French city of Lille and the Belgian cities of Tournai (Wallonia) and Kortrijk (Flanders). On 28 January 2008 this Eurodistrict was changed into an EGTC.

The EGTC Eurométropole Lille-Kortrijk-Tournai, based in Lille, has 14 members: besides the Republic of France and the Kingdom of Belgium, also the concerned regions Département Nord (F), West-Vlaanderen (B-Flanders) and Hainaut (B-Hubert), and especially smaller regional or local authorities and existing public bodies for cooperation between local authorities.

The EGTC Eurométropole has set itself the goal of promoting cooperation, especially in the areas of development, transport and services. The objective is to improve the quality of life of about two million residents of the participating regional or local authorities.

## 4. State of play in the implementation of EGTCs

In addition to the first EGTC Eurométropole Lille-Kortrijk-Tournai, 14 further EGTCs have been established and many others are in the preparatory stage (cf. CoR overview of *EGTC setups already in place*).

The Hungarian city of Esztergom and the Slovak city Štúrovo that had already worked together in the Euroregion Ister Granum founded the Ister Granum EGTC on 6 May 2008. Taking part in this EGTC, which is subject to Hungarian law, are 47 Hungarian and 39 Slovak regional or local authorities.

Table 1. The EGTCs formally established as of May 2010.

Name	Partners
Amphictyony	<b>Greece, Cyprus, Italy and France.</b> This quadrilateral cooperation aims to provide an environment of constant peace and sustainable development for the people living there, with special regard to joint action and co-operation amongst its members in line with principles of freedom, democracy, justice, security and protection of the environment.
ArchiMed	<b>Italy, Spain and Cyprus</b>
Cerdanya Cross-Border Hospital	<b>Spain and France.</b> The EGTC will provide health care to circa 30,000 inhabitants of the Cerdanya valley on both sides of the Spanish-French border.
Duero-Douro	<b>Portugal and Spain.</b> The partners of this EGTC defined the following fields of action for their cooperation: equal opportunities, economic and local development, public transport, new technologies, especially information and communication technologies. Environment and sustainable development, education, health, social policy, tourism, culture and cultural heritage, sports, leisure time, research and innovation also form part of key activities.
Eurodistrict Saar-Moselle	<b>France and Germany.</b> Established in May 2010, its actions contribute to the development of a cross-border area with 600,000 inhabitants, notably in the fields of tourism, health and transport.
Eurodistrict Strasbourg - Ortenau	<b>Franco-German Eurodistrict,</b> a cross-border administrative entity sharing common institutions, established on 17 October 2005 and definitely functional since 4 February 2010. The district is formed by the Urban Community of Strasbourg (centred on the city of Strasbourg) on the French side of the Rhine and the Ortenau district (including Achern, Kehl, Lahr, Oberkirch and Offenburg) on the German side. The combined population of the district is 884,988. It covers an area of 2,176 km <sup>2</sup> .
Euroregion Pyrénées-Méditerranée	<b>Spain and France.</b> In the light of sustainable development, this EGTC intends to manage different territorial cooperation projects and activities. Special focus is given to inter-regional economic development, culture, innovation and technology, research and development, tourism, environmental protection, improvement of telecommunication and transport services.
Galicia-Norte Portugal	<b>Portugal and Spain.</b> This EGTC focuses on the preparation of a Strategic Cooperation Plan Galicia - Norte de Portugal 2007-2013 and a contribution to its main goals: development of transport systems and cross-border accessibility, cooperation in the maritime sector towards an integrated cluster, internationalisation of SMEs from the Euroregion, environmental protection, and urban sustainable development.
INTERREG - Programme Grande Région	<b>France, Germany, Belgium and Luxembourg</b>
Ister-Granum	<b>Hungary and the Slovak Republic.</b> The partners of this EGTC set the following key areas for cooperation: communication, public transport, energy policy, health care, and tourism. They intend to set up joint broadcast and regional bilingual television, a joint public transport management system, a joint energy agency for using renewable resources, a regional health care system, and joint tourist destination management and thematic routes.
Karst-Bodva	<b>Hungary and the Slovak Republic.</b> The objectives of this EGTC are to support cooperation and harmonious development to strengthen the economic and social cohesion between the cross-border territories.
Lille-Kortrijk-Tournai	<b>France and Belgium.</b> According to the convention signed by 14 partners, the main mission of this EGTC is to ensure efficient and coherent cross-border cooperation in order to improve the quality of daily life of the inhabitants, which will be realized through the promotion of regular political dialogue between partners and the preparation and management of projects co-financed by the EU.
West-Vlaanderen/Flandre-Dunkerque-Côte d'Opale	<b>Belgium and France.</b> This EGTC focuses on ensuring the representation and cross-border coordination of the activities of its partners, defining strategies and cross-border action programmes to meet the needs of the region's inhabitants. For the preparation of their further projects in the areas concerned, the partners have already got some EU financial support.
UTTS	<b>Hungary and the Slovak Republic</b>
ZASNET	<b>Portugal and Spain.</b> This EGTC intends to promote cross-border relations between its members in the fields of the environment, culture, tourism and economic development, to implement joint projects, promote the territory outside, and generate synergies to invert its negative demographic tendencies.

Source: CoR overview of EGTC setups already in place.

Table 2. EGTCs under preparation as of May 2010.

Name	Partners
Ulm-Vienna-Budapest	<b>Germany, Hungary and Austria.</b> Representatives of the countries along the Danube adopted a joint declaration in March 2006 in Budapest in which they expressed their intention for cooperation to harmonise the development plans and territorial policies of the region, as well as to remedy problems along the Danube within the framework of an international partnership and strategy.
Euroregion Alps-Mediterranean	<b>Italy and France.</b> This setup focuses on five key issues of outstanding importance for the region concerned (this task division might change as the partners make progress in the new framework under EGTC). The "accessibility and transport" dossier is managed by the Piedmont region, innovation and research by the Provence-Alpes-Côte d'Azur region, the Rhône-Alpes region is in charge of environment, risk prevention and sustainable development, Ligurie deals with tourism and culture, while Vallée d'Aoste is in charge of education and training.
Territorio dei Comuni: Comune di Gorizia (I), Mestina Obcina NOVA GORICA (SLO) e Obcina ŠEMPETER-VRTOJBA (SLO)	Partners from <b>Italy and Slovenia</b> have decided to set up an enhanced form of cooperation so as to develop their region together, providing a common and structured response to socio-economic challenges, marginalisation and past divisions.
Euranest	<b>Belgium, France, Italy and Switzerland.</b> This EGTC will focus on project management in the field of nature, environment, sports and tourism. The official seat will probably be in Belgium (Province of Luxembourg).
Bulgaria-Romania EGTC on common navigation on the Danube	This EGTC will be in charge of the joint management of common navigation projects on the Danube. In order to provide proper financial background, some budget from the ERDF and Cohesion Fund was allocated by <b>Romania and Bulgaria</b> from their financial envelope available for 2007-2013. The navigation project will be managed by the EGTC, with a single contract for Danube dredging works and bank improvements. There are still some fundamental issues to be defined, such as the location of the seat.
Euregio Meuse-Rhine EGTC	Partners from <b>Netherland Limburg, Belgian Limburg, the region of Aachen in Germany, the Province of Liège and the German-speaking Community of Belgium</b> plan to set up thematic pilot EGTCs for the four key topics of the existing Euregio: language-education, traffic-mobility, environment, and cross-border health services.
Agglomération franco-lux-embourgeoise "Alzette-Belval"	This EGTC will focus on joint spatial planning and management of the cross-border area. The project's idea was presented at a seminar in Metz in November 2006.
Euroregion Neißة-Nisa	<b>Germany, Poland and the Czech Republic.</b> This EGTC will manage a series of projects presented during the Open Days in October 2007.
Donauhanse	This EGTC will be a <b>transnational</b> network of towns and cities along the Danube. The project's idea was presented during the Open Days in October 2007.
National park Area Alpi Maritime / Mercantour	<b>France and Italy.</b> The statutes and the convention have already been drafted by the partners. The main objective of this EGTC will be to implement infrastructure projects on both sides of the border with a single contractor. In addition, it is necessary to manage a whole range of other important issues together on a daily basis.
Alpen-Adria	The partners involved in the existing structure "Alpen-Adria" ( <b>Italy, Austria, Slovenia, Hungary and Croatia</b> ) decided to establish an EGTC so that they can benefit from its legal personality and set up deeper cooperation.
Eurodistrict Oderland Nadodrze	<b>Germany (Brandenburg) and Poland.</b> It is in a well-advanced phase, the convention and statutes have already been drafted. It is to be established for covering the main topics of economic cooperation and tourism, infrastructure (e.g. border river crossings) and language competences.
Eurocidade Chaves-Verin	North of <b>Portugal and Galicia</b> plan to set up an EGTC in order to implement their common strategy, including the development of a "free social area".
Europaregion Donau-Moldau	This EGTC will be set up between <b>Bavaria (Germany) and the Czech Republic</b> to manage different cross-border issues of great importance for the partners.



Name	Partners
Bratislava-Niederösterreich	This EGTC will manage the growth projects of <b>Bratislava</b> . As Bratislava is growing and it is close to the border with Austria, an EGTC would be created to manage the part of the town which is on the <b>Austrian</b> side.
Euroregion Corridor VIII	This EGTC will be set up between <b>Italy and Bulgaria</b> to link the Adriatic-Ionian regions with the Balkan regions and the Black Sea countries. The main line of Corridor VIII connects Bari - Brindisi - Durres - Tirana - Skopje - Burgas - Varna.
Ung-Tisza-Túr-Sajó (UTTS)	This EGTC will be created between <b>Hungary, the Slovak Republic, Romania and Ukraine</b> to manage cooperation projects with EU funding.
Ung-Tisza-Túr (UTT)	This quadrilateral cooperation will be formed between <b>Hungary, the Slovak Republic, Romania and Ukraine</b> . The EGTC will be set up for CBC project management, with the ambition to use different EU funds for joint projects.

Source: CoR overview of EGTC setups under preparation).

Since 2006 there has been an intention to establish the cooperation project EUROREGIONS Alpes-Méditerranée between the Italian regions of Liguria and Piedmont, the French regions of Rhône-Alpes, Provence-Alpes-Côte d'Azur, and the autonomous region of Vallée d'Aoste / Valle d'Aosta. The registered office of the EGTC was set up on 31 January 2008 in Brussels, so that it is subject to Belgian law. The presidency alternates according to the statute every six month among the prefects of the participating regions.

Presented above are the EGTCs formally established as of May 2010 (Table 1) and those planned (Table 2).

#### 4.1. The geography of the implementation process

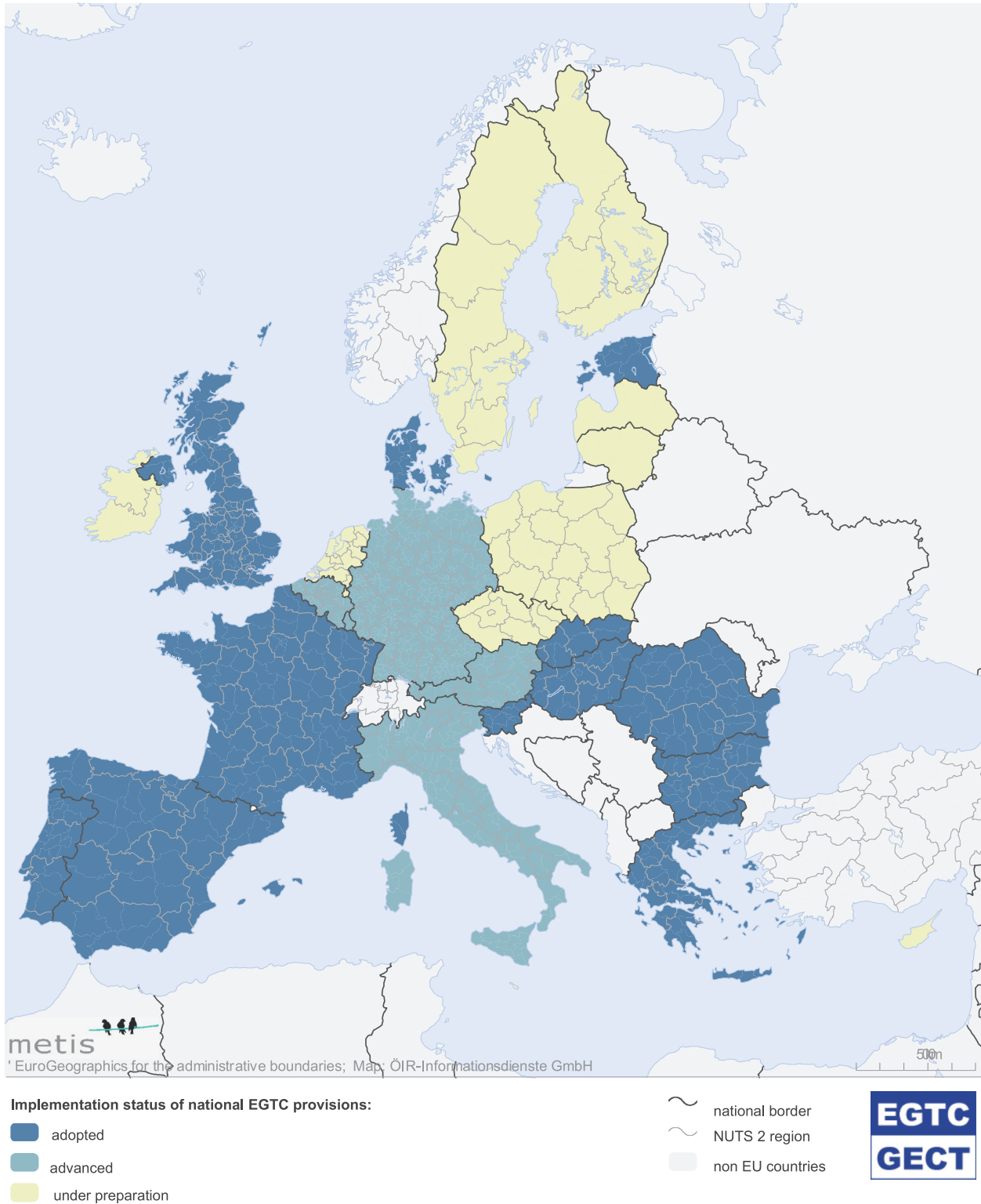
The map of the implementation status of national provisions across the European Union (Map 1) shows that at the time of writing there is a West European block of countries with adopted EGTC regulations (except Ireland) as well as a South-East European block of countries with adopted national provisions. The block of federal or regionalised countries (Belgium, Germany, Austria, Italy) as well as Luxembourg form a central block with countries in an advanced stage, while in the East European and Nordic block of countries the national provisions are still under preparation with partly unclear time horizons (apart from Denmark and Estonia, where the provisions have already been adopted).

## 5. What next: Further steps?

On 3 May 2010, four years after the adoption of this regulation and nearly three years after the creation of the first EGTC - Lille-Kortrijk-Tournai on the Franco-Belgian border - the CoR launched a broad consultation on cross-border cooperation, organised jointly with the European Commission, the Spanish, Belgian and Hungarian trio of EU Presidencies, and the European programme for cross-border cooperation, Interact. The CoR has taken the initiative by working on an opinion that will be adopted in the plenary session next February.

The results will provide an input to a review of EU rules on this type of cooperation set for 2011 by the European Commission, which is preparing a report to be presented also next year. The idea is to focus on the future of the EGTC. The EGTC Regulation (1082/2006) will be revised for the next EU Structural Funds programming period. The consultation focuses primarily on the lessons to be learned from experiences to date - as shown above, 15 EGTCs have been created and many others are in the preparatory stage - and on the legal issues to be addressed as part of the regulation revision. It will also seek to determine the added value of EGTCs and their potential for the future.

The opinions on the state of play of EGTCs are divided and the tool can certainly be improved. While it is too early to envisage major changes, the experience that has been gained makes it possible to highlight some teething problems that the forthcoming revision could or should try to correct. A revised regulation would certainly leave



Map 1. Implementation status of national EGTC provisions in EU-27 (June 2008).  
 Source: *Study on The European Grouping of Territorial Cooperation* (2009)

national authorities with less room for manoeuvre in terms of deadlines to approve the statutes of an EGTC (a real obstacle course, according to some local authorities). Everyone also agrees that the regulation should make it easier for non-EU countries to participate. Currently, no EGTC involves the local authorities of a third country, mainly because, as explained above, the regulation envisages that an EGTC must be created by at least two EU member states. Therefore, it is impossible to create an EGTC between France and Switzerland, or Norway and Sweden. Revision of the regulation should solve that problem.

But where expectations are undoubtedly the highest are over difficulties EGTCs have in recruiting staff. While it is too early to know the final results – the consultation was closed at the end of July 2010 and the CoR's teams are currently translating and compiling the replies – the first impression is that problems over pay, the right to work and tax issues are a real headache on the ground. The applicable law is normally that of the country in which the headquarters are based and the impact is not always neutral for employees from another state. Some believe that a solution could come by revising the regulation.

Without going as far as a "European statute" – the Commission is extremely cautious about this – the revision could be a chance to open the door to more flexibility on the professional statute of people employed by an EGTC. At any rate, there is a real demand for change to improve the usefulness of this alternative or complementary tool of cross-border cooperation.

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