# UNOFFICIAL TRANSLATION FROM FINNISH ORIGINAL TEXT MEE/pj August 2009

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Act on a European grouping of territorial cooperation

Adopted in Naantali on 24 July 2009

In accordance with the decision by Parliament, the following is enacted:

Chapter 1

## **General Provisions**

#### Section 1

## Purpose of the Act

Regulation (EC) No 1082/2006 of the European Parliament and Council on a European grouping of territorial cooperation (EGTC), *Grouping Regulation*, and supplementary provisions in the present Act shall apply to a European grouping of territorial cooperation.

#### Section 2

## **Definitions**

For the purposes of this Act, *grouping* refers to a grouping established in accordance with the Grouping Regulation.

A grouping is Finnish if its registered office is located in Finland and foreign if its registered office is located in another Member State of the European Union.

#### Section 3

## Tasks of a grouping

Tasks relating to implementation of such joint Programmes and operations co-financed by the European Community under Article 6 of Regulation (EC) No 1080/2006 of the European Parliament and Council on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999, which include participants from at least two Members States of the European Union, can be given to a grouping.

Without European Community financing a grouping can only be given tasks concerning the cooperation actions in Article 6 of the Regulation referred to in Paragraph 1.

A grouping shall be given neither tasks other than those referred to in Paragraphs 1 and 2 nor tasks exceeding the scope of the powers and duties of its members.

## Membership in a grouping

The Finnish State, the Province of Åland Islands, a Regional Council, an association of municipalities, a municipality and a body governed by public law referred to in Section 6 Paragraph 1 Subparagraph 4 of Act on Public Procurement (348/2007) may participate in a Finnish and a foreign grouping in accordance with the provisions of the present Act and European Community law.

Eligibility of a body from another Member State of the European Union for membership in a Finnish grouping is governed by European Community law and national legislation of the Member State where its registered office is located.

## Chapter 2

## Joining a grouping

#### Section 5

## Notifications on participation and amendments

A body intending to participate in Finnish or a foreign grouping shall submit a notification to the Ministry of Employment and the Economy.

The notification shall include:

- 1) particulars of the grouping the body intends to participate in;
- 2) proposal for the convention and the statutes of the grouping in Finnish or Swedish language; and
- 3) decisions of the body in question on participation in the grouping and approving its convention and statutes.

Amendments to the convention and substantial amendments to the statutes of the grouping shall also be notified to the Ministry of Employment and the Economy.

#### Section 6

## Approval of participation

The Ministry of Employment and the Economy shall make the decision, referred to in Article 4(3) of the Grouping Regulation, to approve the participation of a Finnish body in Finnish or a foreign grouping and the decision, referred to in Article 4(6) of the said Regulation, to approve amendments in the convention and substantial amendments in the statutes.

Participation and the amendments shall be approved if

- 1) the proposal for convention and statutes of the grouping fulfils the requirements set in Grouping Regulation, the present Act and in other legislation;
  - 2) the tasks of the grouping are in accordance with Section 3 of the present Act; and
- 3) there is no other obstacle referred to in Article 4(3) of Grouping Regulation to the participation or the amendments .

## Chapter 3

# Registration of a Finnish grouping and its legal effect

#### Section 7

## Registration Authority

The National Board of Patents and Registration is the competent authority for issues concerning registration of a Finnish grouping.

## Section 8

## Application for registration

In order to register the grouping the members shall submit to the National Board of Patents and Registration in Finnish or Swedish language:

- 1) application for registration of the grouping
- 2) the convention and the statutes of the grouping
- 3) particulars of the members of the grouping
- 4) decisions by the competent authorities to approve the participation of the members in the grouping
- 5) full name, address, domicile and identity number of the individuals empowered to represent the grouping, or if they don't have identity numbers, their date of birth.

#### Section 9

## Registration

The National Board of Patents and Registration shall register the grouping and the relevant amendments unless obstacles exist. Provisions in Chapter 9 of the Associations Act (503/1989) on registering an association shall be applied.

A grouping where members' liability for the debts of the grouping has been limited shall not be registered in Finland.

A fee, which is decreed separately, shall be levied on the initial registration and amendments.

A decision concerning the registration made by the National Board of Patents and Registration may be appealed at the Appeals board of the National Board of Patents and Registration according to provisions elsewhere.

## Legal personality and name of grouping

A Finnish grouping may acquire rights and enter into obligations and be a party involved at a court of law or another authority after it has been registered in accordance with the provisions of the present Act.

The words "Eurooppalaisen alueellisen yhteistyön yhtymä", "Europeisk gruppering för territoriellt samarbete" or abbreviations "EAYY" or "EGTS" shall be attached to the name of a Finnish grouping.

## Chapter 4

# Functioning of a Finnish grouping

#### Section 11

## Applicable provisions

When a grouping is acting as Managing and Certifying authority of a European Territorial Cooperation Programme, provisions of the Structural Funds Act (1401/2006) on tasks and powers of a Regional Council acting as Managing Authority shall apply.

Decisions made by a grouping acting as Managing and Certifying Authority may be appealed at the District Administrative Court in accordance with the Provisions of the Administrative Judicial Procedure Act (586/1996).

Regulations governing liability under criminal law and the Tort Liability Act (412/1974) applicable to the public authorities and officials shall apply to employees and members of the organs of the grouping. Furthermore, provisions of the Administrative Procedure Act (434/2003), Language Act (423/2003) and Act on the Openness of Government Activities (621/1999) shall be applied to the activities of a grouping. A grouping which has activities in the Sámi homeland shall comply with the provisions of the Sámi Language Act (1086/2003).

#### Section 12

## **Organs**

Provisions of Article 10 of Grouping Regulation on organs of a grouping shall apply.

Provisions of Associations Act on General Assembly of an association shall apply to the assembly of a grouping unless otherwise prescribed in the statutes.

Tasks, powers and liability of the Director and other organs of a grouping shall be prescribed in the statutes.

## Accounts and audit of a grouping

Provisions of the Accounting Act (1336/1997) shall apply to the scope of the accounting and the closing of accounts of a grouping.

Provisions of the Audit Act (459/2007) shall apply to the audit of a grouping. However, an auditor referred to in Section 5 or 7 of the said Act shall be appointed and auditing of accounts shall be performed in all cases.

## Chapter 5

#### **Miscellaneous Provisions**

#### Section 14

## Control of management of public funds

Provisions elsewhere in law and Community law concerning control of management of public funds shall apply to a Finnish grouping.

#### Section 15

# Dissolution and bankruptcy of a Finnish grouping

Provisions in Chapter 7 of the Associations Act shall apply to dissolution of a Finnish grouping. If the statutes provide for a board for the grouping it shall be responsible for the liquidation measures. In other cases the assembly shall be responsible.

The members of a grouping decide on surrendering of assets of the grouping to bankruptcy administration.

#### Section 16

## Prohibition of activities and winding up of a grouping

The competent authority referred to in Article 13 of the Grouping Regulation for a Finnish grouping is the district court of registered office of the grouping and for a foreign grouping the district court of registered office of the Finnish member of the grouping.

District court of registered office of a Finnish grouping decrees on winding up of the grouping in the case referred to in Article 14 of Grouping Regulation. Otherwise provisions of Chapter 8 of the Associations Act on winding up of an association shall apply.

# Notification obligation of the court

The court shall notify the National Board of Patents and Registration of surrendering the assets of a grouping in bankruptcy, conclusion of bankruptcy proceedings in the court and any applications or decrees relating to prohibition of activities or winding up of a grouping.

## Section 18

Entry into force

This Act shall enter into force on 1 August 2009. Measures required for the implementation of the Act may be taken prior to its entry into force.