



Committee of the Regions

COTER-IV-014

75th Plenary session

18-19 June 2008

OPINION

of the

Committee of the Regions

on

European Grouping of Territorial Cooperation: new impetus for territorial cooperation in Europe

THE COMMITTEE OF THE REGIONS

- stresses the need for rapid and consistent application of the regulation throughout EU territory, in keeping with the European spirit of the new instrument;
- underlines that by giving forms of territorial cooperation between institutional actors at different levels from two or more Member States a Community legal structure, the EGTC can trigger a process of horizontal European integration in which the principles of subsidiarity and proximity are applied;
- emphasises that the possibility of involving different institutional levels in a single cooperative structure opens up the prospect of new forms of multilevel governance, enabling European regional and local authorities to become driving forces in drawing up and implementing EU policy, helping to make European governance more open, participatory, democratic, accountable and transparent;
- states its intention to play a key information and promotion role with regard to the EGTC instrument, by means of political mobilisation, communication initiatives, establishing networks to pool experience and best practices, and research activity;
- calls on the Commission to launch a strategic debate on the EGTC in the forthcoming Green Paper on European territorial cohesion.

Rapporteur:

Mercedes Bresso (IT/PES), President of the Piedmont Region

THE COMMITTEE OF THE REGIONS,

Challenges facing the continent and the need for European integration

1. warmly welcomes the adoption of the Regulation on a European Grouping of Territorial Cooperation (EGTC); this constitutes an effective response to the basic need to step up the European integration process while respecting regional diversity by adjusting current models of governance to the challenges that the European Union must face;
2. notes that the European Union is confronted with changes that are crucial to its future: obvious examples include the new Treaty of Lisbon signed on 13 December 2007, the recent enlargement of the Schengen area to nine new countries, the adoption of the euro by Cyprus and Malta at the beginning of 2008, and the current budget review;
3. is in principle pleased that the new Lisbon Treaty places territorial cohesion among the EU's objectives in Article 3 of the Treaty on European Union and states that particular attention shall be paid to cross-border regions; this is a clear acknowledgement that the harmonious and balanced development of a polycentric European territory must be promoted when EU policies are being drafted; calls on the Commission to table a proposal on the measures and activities at European level which could in the future be included under that objective;
4. recognises that the future of the European Union and its territories depends on achieving more powerful synergies between cohesion policies and strategies to promote competitiveness, and on developing sectoral policies that help, especially where the least-favoured territories are concerned, to address the challenges set by globalisation, by means of a cross-border, transnational and interregional approach; notes that cross-border, transnational and interregional cooperation has already brought and continues to create added value: European, political, institutional, economic and socio-cultural added value;
5. recalls that territorial cohesion lies at the heart of the European Union's Territorial Agenda. This illustrates the need for the territorial dimension to play a more decisive role in the future of EU cohesion and other Community policies;
6. considers that territorial cohesion is an essential factor in achieving the objectives of economic growth and solidarity, and in achieving a highly competitive social market economy, aiming at full employment, social progress and sustainable development;
7. argues that territorial cohesion can simultaneously boost competitiveness and sustainability in Europe's regions, in keeping with the objectives of the new Lisbon Strategy updated by the Member States in 2008;

8. considers that territorial cooperation and first of all cross-border cooperation, is a key element for European integration and a political priority of the EU and recalls the special importance that territorial cooperation has in the case of outermost regions, islands and mountains;
9. calls on the Commission to launch a strategic debate on the EGTC in the forthcoming Green Paper on European territorial cohesion;

The political and strategic value of the EGTC

10. supports territorial cooperation as a key instrument of cohesion policy for resolving issues with a significant territorial dimension in economically, socially, culturally and environmentally crucial sectors;
11. emphasises that territorial cooperation provides an effective response to the need for funds in the 2007-2013 programming period to be allocated in a more geographically balanced way;
12. welcomes the fact that the 2007-2013 programming period provides for a significant increase in territorial cooperation within cohesion policy, by:
 - mainstreaming the Interreg Community initiative as a first-rank political objective (Objective 3) of EU cohesion policy,
 - stronger orientation of territorial cooperation initiatives to achieving the Lisbon and Göteborg objectives,
 - consolidating territorial cooperation and cross-linkage with other EU thematic policies under the *Regions for economic change* initiative,
 - enhancing cooperation structures, operational arrangements and capitalisation processes, in part by means of EU27 network programmes (Urbact, Interact, Espon),
13. views Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as an important legal instrument to strengthen cooperation between regional and local authorities in Europe through uniform Community rules directly applicable in all Member States;
14. considers that its foreseeable potential will also increase as a result of having a direct link with the *acquis communautaire*, which gives it greater force and makes it more likely to become incorporated into law; this link also makes it more far-reaching and dynamic than traditional cooperation instruments;
15. points out that the previous legal framework – which the regulation does not abolish – often produced uncertainty;

16. welcomes the fact that the Regulation on an EGTC has incorporated many of the developments introduced by the Council of Europe acquis regarding territorial cooperation. Indeed, the right of local and regional authorities to cooperate across national borders was first recognised by the Council of Europe, with the 1980 European Framework Convention on Transfrontier Cooperation between Territorial Communities or Authorities and its 1995 and 1998 Additional Protocols;
17. notes that the EGTC is an instrument introducing a European structure for cooperation, the purpose of which is to enable the traditional legal and administrative problems connected with implementing and running cross-border, transnational and interregional programmes and projects as well as territorial cooperation in general to be successfully tackled;
18. emphasises that the EGTC helps to bring stability and certainty to territorial cooperation, by setting up cooperative groups possessing legal personality as well as the means required to carry out projects and actions, with or without a financial contribution from the Community;
19. stresses that the EGTC can provide an efficient coordination and implementation platform for European, national and regional policies in a wide range of crucial areas such as infrastructure, company competitiveness, research and innovation, training, environmental protection and risk prevention, energy and transport networks, health and social issues, and sustainable and polycentric urban development;
20. recalls that European programmes such as Interreg have prompted the creation of numerous structures, understandings and agreements intended to flesh out forms of cross-border and interregional cooperation between territorial authorities in areas of common interest;
21. believes that the EGTC could be a new opportunity to provide legal structure for Euroregions and develop this concept in a consistent way. In the past, Euroregion cooperation initiatives have made a decisive contribution to enhancing real cooperation in a broad spectrum of activities, neighbourhood relations, bringing peoples closer together, knowledge transfer and the exchange of good practices;
22. stresses that the EGTC Regulation does not seek to suppress existing Euroregions in operation or constitute an additional administrative structure but to provide a credible option for trans-European territorial cooperation;
23. stresses that the EGTC provides a strong tool for pursuing decentralised cooperation throughout the European Union in a number of policy fields on the basis of stable structures capable to mobilise the involvement of citizens and take joint decisions that will be fully implemented and even lead to long term strategic cooperation;

24. suggests that the EGTC can and should be a primary working instrument, improving access to the credit market in order to finance infrastructure or services of common interest across different areas of the EU; this will in turn generate the revenue needed to secure the financial health of these measures;
25. emphasises that one measure to be implemented at the Community level would be to encourage the use of the EGTC as the preferred instrument for cooperation, due both to the substantial benefits resulting from the simplified management of cooperation policies, plans and projects and to a more widespread use of better administrative practices across the EU;
26. feels that the adoption of the EGTC instrument could ensure that existing cooperation structures both operate in a more coherent and effective manner, as part of an approach to rationalise funds rather than spread them too thinly, and also produce better quality results;
27. stresses that the EGTC will help considerably to make resource distribution and management more effective by involving regional and local authorities and regional economic and social stakeholders more closely;
28. underlines that by giving forms of territorial cooperation between institutional actors at different levels from two or more Member States a Community legal structure, the EGTC can trigger a process of horizontal European integration in which the principles of subsidiarity and proximity are applied;
29. argues that the EGTC will enable European regional and local authorities to become driving forces in drawing up and implementing EU policy, helping to make European governance more open, participatory, democratic, accountable and transparent;
30. emphasises that the possibility of involving different institutional levels in a single cooperative structure opens up the prospect of new forms of multilevel governance in which stakeholders would contribute, each according to their own remit, to the overall success of the undertaking;

A commitment to applying the regulation in keeping with the Community spirit

31. underlines that the choice of a regulation guarantees uniform rules for territorial cooperation in all the Member States, minimising the disparities caused by regulatory fragmentation; it would be the first time that a common instrument of such a wide geographic scope is introduced;
32. considers that the implementation of the regulation should be properly coordinated, so that the various legal acts drawn up by the Member States in order to apply Regulation (EC) 1082/2006 can be brought together without creating any incompatibility or obstacles;

33. highlights the need for rapid and consistent application of the regulation throughout EU territory, in keeping with the European spirit of the new instrument;
34. notes, in line with the procedures referred to in the introduction to the Regulation on an EGTC, the importance of involving henceforth third countries in the implementation of the new Community instrument, in the most appropriate ways;
35. takes note of the fact that some Member States have already adopted the regulation's implementing provisions, but reserves the right to analyse these measures carefully in order to gauge how far they comply with the objectives of achieving uniform rules and promotion of territorial cooperation;
36. regrets that most Member States have not yet taken steps to adopt the regulation's implementing provisions and urges the relevant authorities to do so without further delay and without placing barriers and red tape in the way of setting up EGTCs and making them fully functional;
37. points out that the EGTC was intended, not least, to simplify the procedures for running and implementing territorial cooperation initiatives, and therefore requires extensive cooperation within each Member State between the various national, regional and local authorities insofar as each is concerned;
38. therefore believes cooperation and exchange of information between Member States, together with direct involvement of regional and local authorities, to be essential;
39. recalls that with the Regulation on an EGTC, Community law is ushering in a new category of legal person that, in spite of the significant references to national law, must be treated in a substantially uniform way in the different Member States, in compliance with the principles of direct applicability and direct effect;
40. points out that Article 2 of the regulation sets forth a precise hierarchy to the effect that both Community law and the provisions laid down in the conventions and statutes of new EGTCs take precedence over the law of the Member State in which the EGTC is established, the latter applying solely in areas which are not or only partially covered by the regulation;
41. stresses that the provisions of the regulation which do not refer to national law apply directly whenever an EGTC is set up;
42. considers that the regulation confers a fully-fledged right upon the potential EGTC members situated in the territory of at least two Member States, that may be exercised immediately in order to set up an EGTC in compliance with the provisions of the regulation;

43. recalls that non-fulfilment by the Member States of their obligation to adopt the relevant implementing proposals inhibits the potential of the EGTC concept, and therefore calls on the European Commission to urge Member States to fulfil their pledged obligations in this matter;
44. is convinced that the European Commission can contribute decisively to making the EGTC fully operational, in accordance with the true spirit of the regulation;
45. calls upon the European Commission to press the Member States to adopt the necessary implementing measures, at the same time providing proper support to the competent national authorities by adopting guidelines, criteria for interpretation and technical details. To this end, the Commission could make use of the work carried out by the EGTC Expert Group set up by the Committee of the Regions;
46. urges that, in the event that cases of non-compliance should continue, the Commission consider the possibility of activating the necessary infringement procedures against any Member States that have not, without reason, fulfilled their obligations to adopt the implementing measures required under the regulation;

Promoting use of the EGTC

47. feels that specific Community information and training measures and any other appropriate measures, including legal, economic and financial incentives, can be used to promote the European Grouping of Territorial Cooperation;
48. in this regard, considers that basic economic-financial incentives can be broken down into two broad groups. It thus suggests that the first would require a specific programme with Community funding, allocated from the ERDF, which would contribute to the creation of new EGTCs or the conversion of prospective cooperation projects managed using conventional formats;
49. considers that the second group of economic-financial incentives would require calls for tender launched by the Commission to award a comparative advantage in the evaluation of projects to those projects including the setting-up of an EGTC and a forecast of sustainability when the project itself is concluded. This would help to promote an institutional short- and medium-term culture of cooperation which would seek new sources of funding in addition to the Community budget;
50. with regard to the legal measures that should be undertaken to help make the institution a success throughout the EU, the main responsibility should belong to the Commission, with the technical support of the Committee of the Regions;
51. proposes that the Commission step up information measures within its directorates-general in order to raise awareness of the EGTC's contribution to implementing EU sectoral policy;

52. states its willingness to work together with institutional stakeholders in the above-mentioned promotion measures;

The role of the Committee of the Regions

53. points out that it has specific consultative powers in the area of cross-border cooperation, under the terms of Article 265 of the EC Treaty:
- territorial cooperation, and the EGTC in particular, appear among the main priorities of the Committee of the Regions' current political mandate and the new cooperation protocol with the Commission,
 - Article 5 of the regulation specifies that EGTC members are obliged to inform the Committee of the Regions of future conventions and the registration and/or publication of the statutes; this opens the way for a "European register" of EGTCs to be held at the Committee of the Regions, as originally requested by the Committee itself in its 2004 opinion on the proposal for a regulation (CdR 62/2004),
54. states its intention to play a key information and promotion role with regard to the EGTC instrument by means of political mobilisation, communication initiatives, establishing networks to pool experience and best practices, and research activity;
55. emphasises that an EGTC Expert Group has been set up with the task of monitoring the adoption of national implementing provisions and of fostering the pooling of experience on setting up and operating EGTCs at territorial level;
56. undertakes to highlight the opportunities provided by the legislation of both Member States and non-EU neighbouring countries, in order to maximise the chances of cooperation between the territorial authorities of the European Union and those of third countries;
57. will intensify its cooperation with pan- European regional Organisation with specific and long experience in the field, of trans-European territorial cooperation;

58. stresses that close interinstitutional cooperation, involving the European institutions, national governments and regional and local authorities, is a prerequisite for the success of the EGTC and territorial cooperation.

Brussels, 18 June 2008

The President
of the Committee of the Regions

Luc Van den Brande

The Secretary-General
of the Committee of the Regions

Gerhard Stahl

III. PROCEDURE

Title	European Grouping of Territorial Cooperation: new impetus for territorial cooperation in Europe
Reference(s)	
Legal basis	Article 265(1)
Procedural basis	
Date of Council/Commission referral	-
Date of Bureau decision	27.11.2007
Commission responsible	Commission for Territorial Cohesion Policy (COTER)
Rapporteur	Mercedes Bresso (IT/PES), president of the Piedmont Region
Analysis	28 January 2008
Discussed in commission	17 April 2008
Date adopted by commission	17 April 2008
Result of the vote in commission	Unanimously
Date adopted in plenary	18 June 2008
Previous Committee opinions	