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Committee of the Regions

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**DISCUSSION DOCUMENT
of the
Commission for Territorial Cohesion Policy
on
NEW PERSPECTIVES FOR THE REVISION OF THE EGTC
REGULATION**

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This document will be discussed at the Commission for Territorial Cohesion Policy meeting on **24 June 2010** in Jaén, Spain.

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Reference document

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INTRODUCTION

Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on the European Grouping of Territorial Cooperation (EGTC) published in the Official Journal of the European Union (L 210) of 31 July 2006, created a new form of legal person designed to facilitate and promote cross-border, transnational and/or interregional cooperation.

According to Article 18, the regulation entered into force on 1 August 2006 and had to be implemented by 1 August 2007. However, since then only 15 EGTC have been set up throughout the EU. The outcome is very poor when viewed against the expectations generated and the efforts made by the Community institutions and the Committee of the Regions, in light of the objective of European territorial cooperation.

Given the report which, in accordance with Article 17 of Regulation (EC) No 1082/2006, the Commission must present to the European Parliament and the Council on the regulation's application together with proposals for modification, it is a vital prerequisite to analyse in-depth the causes of this imbalance between expectations and results obtained.

As part of the revision of the regulation, on 3 May the Committee of the Regions, together with the presidential trio of the Council of the European Union (Spain-Belgium-Hungary), the European Commission and the Interact programme, launched a broad consultation focused mainly on the legislative aspects that must be improved or amended in the current EGTC regulation, with a view to seeking the opinions of Member States, EGTC already established and in preparation, local and regional bodies and other interested parties. The results of this consultation will contribute to the own-initiative opinion on the revision of the EGTC regulation, which the Committee of the Regions will present in early 2011.

In this connection and with a view to contributing to this opinion, we propose six topics for discussion.

TOPICS FOR DISCUSSION

1. Strategic European interest of territorial cooperation in the EU

An honest appraisal of this situation should force us to rethink and evaluate whether European territorial cooperation is of strategic interest in the EU and whether there is a public demand to promote long-term institutionalised cooperation.

If we agree on the strategic value of European territorial cooperation, then we should think about whether the EGTC can be a strategic and functional tool, which brings added value to the objective of economic, social and territorial cohesion, multilevel governance, European citizenship and the tangible improvement to quality of life.

Questions:

- *Is there a genuine demand for cross-border, transnational and/or interregional cooperation among social, economic and institutional stakeholders from various regions?*
- *Are there differences of nuance among the three forms of territorial cooperation?*
- *Do these differences of nuance call for a differentiated approach from a legal point of view?*
- *What steps are considered appropriate in order to make use of the EGTC as a tool of strategic and functional territorial cooperation, with added value for cohesion, multilevel governance and the service of European citizens?*

2. Ideas on the reasons that have hampered or impaired the creation of EGTC

If we assume the existence of a certain public, economic and institutional demand to broaden and deepen territorial cooperation within the EU, we should consider why a Community legislative instrument created *ad hoc* to facilitate and boost this cooperation has not caught on since August 2006.

Questions:

- *Is it more efficient to continue with conventional or atypical cooperation mechanisms than mechanisms which, through their institutionalisation, constitute a EGTC?*
- *What technical and legal difficulties hamper, impede or deter from promoting the creation of a EGTC wherever there is already a history of territorial cooperation?*
- *Should any Community authority intervene in the process of setting up a EGTC to guarantee that the project satisfies Community rules?*

3. Measures to promote institutionalised territorial cooperation

Territorial cooperation in the EU is considered, *prima facie*, as an additional asset within the complex process of Community integration. The institutionalisation of this cooperation by promoting new EGTC may help to adopt new approaches, which make it possible to bring us closer to strategic cooperation in order to undertake more ambitious projects, above all in the area of public services (investment in new joint plants for urban, agricultural and industrial waste management; establishment of medical and hospital services; provision of fire-fighting and civil protection equipment; infrastructure and educational and cultural services, etc.). Without the need to increase its budget, the EU should give preference to co-financing or financial support for flagship programmes or projects that have strong institutional support and backing. This will ensure that cooperation continues once the EU's budgetary support has been withdrawn.

The cost-per-unit savings of services provided and the increase in results forecast, both in terms of users and perception of the benefits of a meaningful European citizenship, mean that there should be greater efforts on those initiatives that guarantee a greater commitment to cooperation.

Furthermore, the EGTC can be a tool for cooperation with regions from non-EU states. The Committee could suggest which regions and programmes might be preferential as well as the necessary legal adjustments to ensure that this cooperation is really possible.

Questions:

- *How can we establish in financial terms the provision of Community support for institutionalised territorial cooperation?*
- *What percentage of added value should programmes and projects of institutionalised territorial cooperation merit?*
- *What role should the European Investment Bank play in promoting programmes and projects proposed through a EGTC?*
- *What countries or regions from third countries and what preferential programmes should be eligible for cooperation through a EGTC and what legal adjustments are considered necessary to ensure that this cooperation is really possible?*

4. Promoting the Community legislative instrument of the EGTC with a view to stepping up European territorial cooperation

The European Grouping of Territorial Cooperation must be geared more strongly towards pooling efforts and objectives as opposed to simply grouping or superimposing circumstantial, sporadic or one-off interests. In this context, the name of this Community legislative entity seems rather unfortunate and may lead to misunderstandings between third persons or bodies. The promoters of a EGTC, in taking this step, show a willingness to create a community that is perceived as such by its own citizens and third parties. It would therefore be more appropriate to describe this new body as a European Cooperation Territorial Community (ECTC).

Questions:

- *Should the Community identity of the EGTC be strengthened?*
- *Should the EGTC be renamed the European Cooperation Territorial Community (ECTC) to underline that the result of the cooperation is more than just the sum of its promoters and that it exists in its own right?*

5. Improving the procedure for creating EGTC

The absence of collegiate interstate bodies to facilitate the creation of EGTC may deter many potential promoters from pursuing a path that might lead up a bureaucratic blind alley. Regulation (EC) No 1082/2006 has been implemented by the Member States but nobody bothered to check whether the 27 or more implementing texts corresponded with one another, considering that various texts exist in the case of countries with complex structures. This may lead to a situation whereby the authorisations that all of the promoters of a EGTC have to collect from their respective state authority makes it impossible to make progress in the procedure. The differences in the national interpretations of Regulation (EC) No 1082/2006 are perfectly understandable when there is no body of case-law that facilitates the task. Provision should therefore be made for an expert legislative liaison or support

body which, without prejudice to the discretionary competencies or possibilities of states, may express views on draft EGTC conventions and statutes.

The opinion will pay special attention to legal and practical problems highlighted by participants in the consultation, especially EGTC themselves, on subjects such as recruitment, financial matters or management of various programmes and projects.

Questions:

- *Is it useful that the amendment of Regulation (EC) No 1082/2006 incorporates the need for supranational body to issue advance and non-binding opinions on whether plans to set up a EGTC are in keeping with this regulation from both a technical and legal point of view?*
- *Is it appropriate that this opinion-making body is the group of experts on EGTC supported by the Committee of the Regions, with endorsement from the Committee itself?*
- *What practical problems merit special attention in the reform of the regulation in order to facilitate management in the EGTC?*

6. Role of the Committee of the Regions

The opinion is intended to be the main political contribution to the report and revision of the regulation that the Commission will adopt in 2011 and will be the fruit of an interinstitutional cooperation exercise on the subject. Furthermore, the CoR can play a key role as facilitator, advisor, and promoter of EGTC. We will strive to ensure that the CoR continues to work on setting up EGTCs, promoting a European network that integrates experts and political representatives, as well as an interinstitutional forum, among other measures. Lastly, we have to consider how to implement the competencies that Regulation (EC) 1082/2006 attributes to the CoR.

II. PROCEDURE

Title	Own-initiative opinion on new perspectives for the revision of the EGTC regulation
References	
Legal basis	
Procedural basis	Own-initiative opinion (Rule 42)
Date of Commission letter	
Date of Bureau decision	
Commission responsible	Commission for Territorial Cohesion Policy
Rapporteur	Alberto Núñez Feijoo, President of the regional government of Galicia (ES/EPP)
Analysis	
Discussed in commission	
Date adopted by commission	
Result of the vote in commission	
Date adopted in plenary	
Previous Committee opinions	Own-initiative opinion on EGTCs: New impetus for territorial cooperation in Europe CdR 308/2007 fin Rapporteur: Mercedes Bresso (IT/PES), President of the Piedmont Region