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Committee on Regional Development

2011/0272(COD)

10.5.2012

***I
DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and implementation of such groupings
(COM(2011)0610/2 – C7-0324/2011 – 2011/0272(COD))

Committee on Regional Development

Rapporteur: Joachim Zeller

Symbols for procedures

*	Consultation procedure
***	Consent procedure
***I	Ordinary legislative procedure (first reading)
***II	Ordinary legislative procedure (second reading)
***III	Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: **[...]**.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and implementation of such groupings
(COM(2011)0610/2 – C7-0324/2011 – 2011/0272(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2011)0610/2),

– having regard to Article 294(2) and Articles 175, 209(1) and 212(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0324/2011),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee of ...[1],

– having regard to the opinion of the Committee of the Regions of ...[2],

– having regard to Rule 55 of its Rules of Procedure,

– having regard to the report of the Committee on Regional Development (A7-0000/2012),

1. Adopts its position at first reading hereinafter set out;

2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;

3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation – amending act
Recital 8

Text proposed by the Commission	*Amendment*
(8) While point (d) of Article 3(1) of the	(8) While point (d) of Article 3(1) of the

[1] OJ C ... /Not yet published in the Official Journal.
[2] OJ C ... /Not yet published in the Official Journal.

EGTC Regulation allows that bodies established under private law may become members of an EGTC provided that they are considered as being 'public law bodies' in terms of Article 1(9) of Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts, EGTCs may be used in the future to manage jointly public services of general economic interest or infrastructures. Other private or public law actors may therefore also become members of an EGTC. Consequently, 'public undertakings' within the meaning of Article 2(1)(b) of Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors should be covered as well.

EGTC Regulation allows that bodies established under private law may become members of an EGTC provided that they are considered as being 'public law bodies' in terms of Article 1(9) of Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts, EGTCs may be used in the future to manage jointly public services of general economic interest or infrastructures. Other private or public law actors may therefore also become members of an EGTC. Consequently, 'public undertakings' within the meaning of Article 2(1)(b) of Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors, ***as well as undertakings entrusted with the operation of services of general economic interest and financed by public service compensation in accordance with the criteria defined in the Commission Decision 2012/21/EU)on the application of Article 106(2) of the Treaty on the Functioning of the European Union to state aid in the form of public service compensation[1],*** should be covered as well.

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[1] ***OJ L 7, 11.1.2012, p. 3.***

Or. en

Justification

Consistency with Art 1; par 3; point f

Amendment 2

Proposal for a regulation – amending act
Recital 11

Text proposed by the Commission	*Amendment*
(11) Since 1990, European territorial cooperation has been supported by financial instruments under Cohesion policy and in this context cooperation has always been possible in a limited number of cases between only one Member State and a third country. Consequently, the legal instrument EGTC should also be opened to such a cooperation context.	(11) Since 1990, European territorial cooperation has been supported by financial instruments under Cohesion policy and in this context cooperation has always been possible in a limited number of cases between only one Member State and a third country. Consequently, the legal instrument EGTC should also be opened to such a cooperation context. ***The establishment of such an EGTC has to comply with one of the criteria listed in point(2) of Article 1(4); of this Regulation.***

Or. en

Justification

Consistency with Article 1(4), point 2

Amendment 3

Proposal for a regulation – amending act
Recital 11 a (new)

Text proposed by the Commission	*Amendment*
	(11a) EGTCs can play an important role beyond territorial cooperation programmes. In this respect, regulations governing other European funds should take greater account of the specific nature of EGTCs and fully exploit their potential in developing the Union's sectoral policies.

Or. en

Amendment 4

Proposal for a regulation – amending act
Recital 15

Text proposed by the Commission	*Amendment*
(15) It should be clarified that Member States should approve the convention unless it considers the participation of a prospective member is not in conformity with ***the EGTC Regulation, with other provisions of Union law concerning the EGTC's activities as laid down in the draft convention or with the national substantive law concerning the competences of the prospective member, unless such participation is not justified for reasons of public interest or public policy of that Member State,*** while excluding from the scope of the scrutiny any national law requiring other or stricter rules and procedures than those foreseen by the EGTC Regulation.	(15) It should be clarified that Member States should approve the convention unless they consider the participation of a prospective member is not in conformity with any ***of the criteria referred to in Article 1(5)(a) of this Regulation,*** while excluding from the scope of the scrutiny any national law requiring other or stricter rules and procedures than those foreseen by the EGTC Regulation.

Or. en

Justification

Consistency with Article 1(5), point a

Amendment 5

Proposal for a regulation – amending act
Recital 16 a (new)

Text proposed by the Commission	*Amendment*
	(16a) Cross-border cooperation, within the European Neighbourhood Instrument and the Instrument for Pre-Accession Assistance, should specifically include provisions on EGTCs. Future Union pre-accession and association agreements should be able to recognise EGTCs as specific form for partnerships. In addition, the States affected, should

implement this Regulation in order to facilitate the constitution of future Groupings.

Or. en

Amendment 6

Proposal for a regulation – amending act
Recital 19

Text proposed by the Commission	*Amendment*
(19) The purpose of an EGTC should be extended to cover the facilitating and promotion of territorial cooperation in general, including strategic planning and the management of regional and local concerns in line with Cohesion and other Union policies, thus contributing to the Europe 2020 strategy or to the implementation of macro-regional strategies. In addition, it should be clarified that a given competence needed for the efficient implementation of an EGTC should be represented by at least one member in each of the Member States represented.	(19) The purpose of an EGTC should be extended to cover the facilitating and promotion of territorial cooperation in general, including strategic planning and the management of regional and local concerns in line with Cohesion and other Union policies, thus contributing to the Europe 2020 strategy or to the implementation of macro-regional strategies. ***Therefore, it is important to ensure that an EGTC can also implement operations with financial support other than that provided by Union cohesion policy. The EGTC should be understood as a universal cooperation instrument and therefore be granted full eligibility to all Union funds and programmes.*** In addition, it should be clarified that a given competence needed for the efficient implementation of an EGTC should be represented by at least one member in each of the Member States represented.

Or. en

Justification

Consistency with Article 8, paragraph a (3).

Amendment 7

Proposal for a regulation – amending act
Recital 22

Text proposed by the Commission	*Amendment*
(22) While it is laid down that the tasks do not concern, among others, 'regulatory powers', which may have different legal consequences in different Member States, it should nevertheless be specified that an EGTC's assembly may define the terms and conditions of the use of an item of infrastructure ***the*** EGTC is managing, including the tariffs and fees to be paid by the users.	(22) While it is laid down that the tasks do not concern, among others, 'regulatory powers', which may have different legal consequences in different Member States, it should nevertheless be specified that an EGTC's assembly may define the terms and conditions of the use of an item of infrastructure, ***or the conditions according to which a service of general economic interest can be provided and*** that EGTC is managing, including the tariffs and fees to be paid by the users.

Or. en

Justification

Consistency with Article 1(8), point b.

Amendment 8

Proposal for a regulation – amending act
Recital 23 a (new)

Text proposed by the Commission	*Amendment*
	(23a) All EGTCs must be able to draw on a European legal basis for concluding partnerships with other EGTCs or other legal entities for the purposes of carrying out joint cooperation projects. By making it possible to conclude agreements with other territorial authorities or entities that act outside the territory covered by an EGTC which is applied specifically to transnational programmes, macro-regional strategies could be structured more easily.

Or. en

Justification

Consistency with Article 1(8), point c (new).

Amendment 9

Proposal for a regulation – amending act
Recital 24

Text proposed by the Commission	*Amendment*
(24) It should be specified that the convention should not only repeat a reference to the applicable law in general as already laid down in Article 2, but should list the specific Union or national rules applicable to the EGTC as a legal body or to its activities. In addition, it should be specified that such national legislation or rules may be those of the Member State where statutory organs exercise their powers, especially where the staff working under the responsibility of the director is located in a Member State other than the Member State where its office is registered, or where the EGTC carries out its activities including where it is managing public services of general economic interest or infrastructures.	***deleted***

Or. en

Justification

It is almost impossible to draw up beforehand a list of the European, national and regional legislation that the EGTC will have to apply when carrying out its tasks and covering the entire territory of its activities.

Amendment 10

Proposal for a regulation – amending act
Recital 32 a (new)

Text proposed by the Commission	*Amendment*
	(32a) Any best practice examples of EGTCs, which may be developed and established through the Committee of the Region´s EGTC monitoring platform, should take special account of the goals of the Union's 2020 Strategy as well as macroregional strategies.

Or. en

Justification

It is important to remind that the EGTC may play important role in achieving the EU 2020 objectives, which constitute the framework of the Union's development strategy. The EGTC monitoring platform, managed by the CoR, could be used as a knowledge management and sharing tool in benchmarking best practices in achieving the EU 2020 goals and sharing those with all EUs regions.

Amendment 11

Proposal for a regulation – amending act
Article 1 – point 3 – subpoint a
Regulation (EC) No 1082/2006
Article 3 – paragraph 1 – first subparagraph – point e a (new)

Text proposed by the Commission	*Amendment*
	(ea) undertakings entrusted with the operation of services of general economic interest and financed by public service compensation in accordance with the criteria defined in the Commission Decision 2012/21/EU .

Or. en

Justification

The instrument of an EGTC is a versatile tool and has huge potential for managing infrastructure and services of general economic interest for the benefit of European citizens in territories involving several Member States. On account of the tasks these undertakings carry out, they would contribute to the development of activities and implementation of the purpose of the EGTC. These undertakings should in any case satisfy the principles of transparency, equal opportunities and non-discrimination, especially as regards procurement and employment.

Amendment 12

Proposal for a regulation – amending act
Article 1 – point 4
Regulation (EC) No 1082/2006
Article 3a – paragraph 2

Text proposed by the Commission	*Amendment*
2. An EGTC may be made up of members drawn from the territory of only one Member State and of one third country or overseas territory, where ***that Member State considers such an EGTC*** consistent with the scope of ***its territorial cooperation or bilateral relations with the third country or overseas territory.***	2. An EGTC may be made up of members drawn from the territory of only one Member State and of one third country or overseas territory, where ***the objectives and tasks, laid down in the draft convention transmitted to the Member State, are*** consistent with the scope of: ***(a) the territorial cooperation of the Member State with the third country or overseas territory; or*** ***(b) a European territorial cooperation programme with the third country or overseas territory; or*** ***(c) the bilateral relations of the Member State with the third country or overseas territory.***

Or. en

Justification

The criteria for authorising or refusing the establishment of an EGTC whose members come from a single Member State and a single third country or overseas territory must be objective and correspond to one of the three criteria set out in the amendment. The creation of such an EGTC must not be left to the discretion of each Member State.

Amendment 13

Proposal for a regulation – amending act
Article 1 – point 5 – subpoint a
Regulation (EC) No 1082/2006
Article 4 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
"3. Following notification under paragraph 2 by a prospective member, the Member State concerned shall approve the convention, taking into account its constitutional structure, and the prospective member's participation in the EGTC, unless it considers that such participation is not in conformity with this Regulation, other Union law concerning the activities of the EGTC or national law concerning the competences of the prospective member or ***that such participation*** is not justified for reasons of ***public interest or of*** public policy of that Member State. In such a case, the Member State shall give a statement of its reasons for withholding agreement or shall suggest the necessary amendments to the convention to enable the prospective member's participation.	"3. Following notification under paragraph 2 by a prospective member, the ***competent authority, designated by each*** Member State concerned, shall approve the convention, taking into account its constitutional structure, and the prospective member's participation in the EGTC, unless, ***in one of the following***, it considers that such participation:
	(a) is not in conformity with this Regulation, other Union law concerning the activities of the EGTC***;*** or
	(b) is not in conformity with national law concerning the competences of the prospective member, ***in accordance with the provisions of Article 7(2);*** or
	(c) is not justified for reasons of public policy of that Member State.
	In such a case, the ***competent authority designated by each*** Member State shall give a statement of its reasons for withholding agreement or shall suggest the necessary amendments to the convention to enable the prospective member's participation.

Or. en

Justification

The competence of one member in each Member State is sufficient to justify the participation of all the members from that same Member State (Article 7(2)). The provisions of Article 4(3) on checking that the competences of members are in keeping with the objective of the EGTC must be brought into line with those of Article 7(2). Withholding approval on the grounds that it is against the public interest is redundant in the sense that the participation of a member is already examined to see whether it is in conformity with the Regulation, the scope of the EGTC being defined in Article 1(2).

Amendment 14

Proposal for a regulation – amending act
Article 1 – point 6
Regulation (EC) No 1082/2006
Article 5

Text proposed by the Commission	*Amendment*
1. The convention and the statutes and any subsequent amendments thereto shall be registered or published, or both, according to the applicable national law in the Member State where the EGTC concerned has its registered office. The EGTC shall acquire legal personality on the day of registration or publication, whichever occurs first. The members shall inform the Member States concerned, ***the Commission*** and the Committee of the Regions of the registration or publication of the convention.	1. The convention and the statutes and any subsequent amendments thereto shall be registered or published, or both, according to the applicable national law in the Member State where the EGTC concerned has its registered office ***and then published in the other Member States where the EGTC has members.*** The EGTC shall acquire legal personality on the day of registration or publication ***in the Member State where the EGTC concerned has its registered office,*** whichever occurs first. The members shall inform the Member States concerned and the Committee of the Regions of the registration or publication of the convention.
2. The EGTC shall ensure that, within ten working days from the registration or publication of the convention, a request is sent to the ***Commission*** following the template set out in the Annex to this Regulation. The ***Commission*** shall then transfer this request to the Publications	2. The EGTC shall ensure that, within ten working days from the registration or publication of the convention, a request is sent to the ***Committee of the Regions*** following the template set out in the Annex to this Regulation. The ***Committee of the Regions*** shall then transfer this request to

Office of the European Union for publication of a notice in the C series of the Official Journal of the European Union announcing the establishment of the EGTC, with the details set out in the Annex to this Regulation."	the Publications Office of the European Union for publication of a notice in the C series of the Official Journal of the European Union announcing the establishment of the EGTC, with the details set out in the Annex to this Regulation."

Or. en

Justification

The Committee of the Regions, which is in charge of keeping the register of EGTCs and running the EGTC Platform, has to ensure that the convention is published in the C series. The publication of the convention and the statutes only in the Member State where the EGTC concerned has its registered office would be discriminatory and would make it harder to fulfil the requirement for transparency and the public's right to information.

Amendment 15

Proposal for a regulation – amending act
Article 1 – point 8 – subpoint a
Regulation (EC) No 1082/2006
Article 7 – paragraph 3

Text proposed by the Commission	*Amendment*
3. An EGTC may carry out specific actions of territorial cooperation between its members in pursuit of the objective referred to in Article 1(2), with or without a financial support from the Union.	3. An EGTC may carry out specific actions of territorial cooperation between its members in pursuit of the objective referred to in Article 1(2), with or without a financial support from the Union.
Specifically, the tasks of an EGTC may concern the implementation of cooperation programmes or parts thereof or of operations supported by the Union through the European Regional Development Fund, the European Social Fund and/or the Cohesion Fund.	Specifically, the tasks of an EGTC may concern the implementation of cooperation programmes or parts thereof or of operations supported by the Union through the European Regional Development Fund, the European Social Fund and/or the Cohesion Fund.
	The tasks of an EGTC may also concern the implementation of operations supported by any other Union fund.
Member States may limit the actions that	Member States may limit the actions that

EGTCs may carry out without a financial support from the Union. However, Member States shall not exclude those actions covered by the investment priorities under the Cohesion Policy of the Union as adopted for the period 2014-2020."	EGTCs may carry out without a financial support from the Union. However, Member States shall not exclude those actions covered by the investment priorities under the Cohesion Policy of the Union as adopted for the period 2014-2020."

Or. en

Justification

EGTCs must be allowed to apply for funding under any EU programme and to participate in any call and initiative. The wording is not clear enough to ensure that the EGTC can also implement operations with financial support of the EU outside Cohesion Policy. The EGTC should be understood as a cooperation instrument in a wider sense and therefore be granted full eligibility to all EU programmes.

Amendment 16

Proposal for a regulation – amending act
Article 1 – point 8 – subpoint b
Regulation (EC) No 1082/2006
Article 7 – paragraph 4

Text proposed by the Commission	*Amendment*
"However, the assembly referred to in Article 10(1)(a) of an EGTC may define the terms and conditions of the use of an item of infrastructure the EGTC is managing, including the tariffs and fees to be paid by the users."	"However, the assembly referred to in Article 10(1)(a) of an EGTC may define the terms and conditions of the use of an item of infrastructure the EGTC is managing, ***or the terms and conditions according to which a service of general economic interest is provided***, including the tariffs and fees to be paid by the users."

Or. en

Justification

EGTCs must be allowed to define the tariffs and fees for services of general economic interest that they organise without management of related infrastructure.

Amendment 17

Proposal for a regulation – amending act
Article 1 – point 8 – subpoint b a (new)
Regulation (EC) No 1082/2006
Article 7 – paragraph 5

Text proposed by the Commission	*Amendment*
	(ba) In paragraph 5 the following sub-paragraph is added:
	"Each EGTC may sign a convention with another EGTC or any body which may become a member of an EGTC in order to conduct a European territorial cooperation project that does not fall within the joint tasks of the EGTCs or signatory bodies concerned.
	The convention shall include at least the objectives of cooperation, sharing of tasks between the signatories, the durationand estimated amount committed by the signatories, and the law applicable to the convention."

Or. en

Justification

All EGTCs must be able to draw on a European legal basis for concluding partnerships with other EGTCs or other legal entities for the purposes of carrying out joint cooperation projects. The possibility to close agreements with other territorial authorities or entities that act outside the territory of the EGTC, applied specifically to transnational programmes, would be very useful to structure the macro-regional strategies.

Amendment 18

Proposal for a regulation – amending act
Article 1 – point 9
Regulation (EC) No 1082/2006
Article 8 – paragraph 2 – point h

Text proposed by the Commission	*Amendment*
(h) the specific Union or national law applicable to its activities, while the latter	***deleted***

may be the law of the Member State where statutory organs exercise their powers or where the EGTC carries out its activities;

Or. en

Justification

It is almost impossible to draw up beforehand a list of the European, national and regional legislation that the EGTC will have to apply when carrying out its tasks and covering the entire territory of its activities.

Amendment 19

Proposal for a regulation – amending act
Article 1 – point 12 – subpoint b
Regulation (EC) No 1082/2006
Article 12 – paragraph 2 – subparagraph 2a

Text proposed by the Commission	*Amendment*
2a. If the liability of at least one member of an EGTC is limited or excluded as a result of the national law under which it is established, the other members may also limit their liability in the convention.	2a. If the liability of at least one member of an EGTC is limited or excluded as a result of the national law under which it is established, the other members may also limit their liability in the convention.
The name of an EGTC whose members have limited liability ***shall include the word "limited".***	***Tenders and contracts concluded by*** an EGTC whose members have limited liability ***shall mention that the EGTC has "limited" liability, and the members who have limited liability, together with the references of any insurance contract taken out by the EGTC.***
The requirement for the publicity of the convention, statutes and accounts of an EGTC whose members have limited liability shall be at least equal to those required for other legal entities with limited liability of its members established under the laws of the Member State where that EGTC has its registered office.	The requirement for the publicity of the convention, statutes and accounts of an EGTC whose members have limited liability shall be at least equal to those required for other legal entities with limited liability of its members established under the laws of the Member State where that EGTC has its registered office.
In the case of an EGTC whose members have limited liability, the Member States may require that the EGTC shall take	In the case of an EGTC whose members have limited liability, the Member States may require that the EGTC shall take

appropriate insurance to cover the risks specific to the activities of the EGTC."	appropriate insurance to cover the risks specific to the activities of the EGTC."

Or. en

Justification

Only potential creditors of an EGTC have an interest in knowing in advance the extent of its members' financial commitments; the word "limited" added to the name of the EGTC does not indicate the extent of its members' financial commitments or any insurance schemes which may cover the EGTC.

Amendment 20

Proposal for a regulation – amending act
Article 1 – point 14
Regulation (EC) No 1082/2006
Article 16 – paragraph 1 – subparagraph 2a

Text proposed by the Commission	*Amendment*
	The European Commission instructs the EGTC Platform overseen by the Committee of the Regions to track the activities of existing EGTCs and those in the process of being set up, organise an exchange of best practice, identify common issues and propose that EGTCs be more effectively integrated into the Union's various sectoral policies.

Or. en

Justification

The EGTC Platform is the appropriate tool where EGTCs can be monitored and exchanges can take place concerning best practices and the challenges that both existing EGTCs and those being set up have to face and so that greater use can be made of the EGTC in the EU's sectoral policies.

Amendment 21

Proposal for a regulation – amending act
Article 1 – point 15
Regulation (EC) No 1082/2006
Article 17

Text proposed by the Commission	*Amendment*
"By mid-2018 the Commission shall forward to the European Parliament, the Council and the Committee of the Regions an evaluation report on the application, effectiveness, efficiency, relevance, European added value and scope for simplification of this Regulation.	"By mid-2018 the Commission shall forward to the European Parliament, the Council and the Committee of the Regions an evaluation report on the application, effectiveness, efficiency, relevance, European added value, ***mainstreaming in the different services of the Commission and by the European External Action Service*** and scope for simplification of this Regulation.
The evaluation reports shall be based on indicators the Commission shall adopt ***by*** delegated acts in accordance with Article 17a."	The Commission shall ***be empowered to*** adopt delegated acts, in accordance with Article 17a, ***laying down the indicators on the basis of which the evaluation reports shall be drawn up***."

Or. en

Justification

EGTCs need to be better grounded in the EUs sector-specific fields of policy. To this end, it is necessary to raise greater awareness and to mainstream the instrument within the Commissions´ different services, in order to fully exploit the potential EGTCs can have beyond territorial cooperation programmes.

Amendment 22

Proposal for a regulation – amending act
Article 1 – point 16
Regulation (EC) No 1082/2006
Article 17a

Text proposed by the Commission	*Amendment*
1. The ***powers*** to adopt delegated acts ***are*** conferred on the Commission subject to the conditions laid down in this Article.	1. The ***power*** to adopt delegated acts ***is*** conferred on the Commission subject to the conditions laid down in this Article.

2. The delegations of power referred to in ***this Regulation*** shall be conferred for ***an indeterminate*** period of ***time*** from ***the date of entry into force of this Regulation***.	2. The delegations of power referred to in ***Article 17*** shall be conferred ***on the Commission*** for ***a*** period of ***5 years*** from ***...***[*]. ***The Commission shall draw up a report in respect of the delegation of power not later than 9 months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than 3 months before the end of each period***.
3. The delegations of power referred to in Article 17 may be revoked at any time by the European Parliament or by the Council.	3. The delegations of power referred to in Article 17 may be revoked at any time by the European Parliament or by the Council.
A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.	A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.	4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. ***The*** delegated ***acts*** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of ***2 months*** of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by ***2 months*** at the initiative of the European Parliament or the Council.	5. ***A*** delegated ***act adopted pursuant to Article 17*** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of ***3 months*** of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by ***3 months*** at the initiative of the European Parliament or the Council.
If, on expiry of that period, neither the European Parliament nor the Council has objected to the delegated act, it shall be published in the Official Journal of the European Union and shall enter into	

force at the date stated therein.

The delegated act may be published in the Official Journal of the European Union and enter into force before the expiry of that period if the European Parliament and the Council have both informed the Commission of their intention not to raise objections.

If the European Parliament or the Council objects to a delegated act, the act shall not enter into force. The institution that objects to the delegated act shall state the reasons for its objections."

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[*] ***Insert the date of entry into force of this Regulation.***

Or. en

Amendment 23

Proposal for a regulation – amending act
Article 2 – point 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. In the event that EGTCs, which are set up before the entry into force of this Regulation, change their convention and statute, they may opt to be subject to the provisions of this Regulation. If they so choose, they shall indicate this choice in the records of the body which is empowered to modify their convention and statutes.

Or. en

Justification

EGTCs that have already been created must be able to benefit from the provisions of the present proposal for a regulation, which are more favourable than those of Regulation (EC) No 1082/2006.

EXPLANATORY STATEMENT

The revision of this Regulation is intended at reducing the legal and administrative difficulties EGTCs have been facing with regards to procedures of approval, establishment, executing their tasks and managing their personnel. The Commission´s proposal is designed to eliminate those obstacles and clarify persistent legal uncertainties which have resulted in Member States applying the Regulation inconsistently, dressing a number of barriers to the proper deployment of EGTCs. Only simplified and clarified rules governing the EGTC will lead to the necessary legal certainty and create stronger incentives for future partners to intensify their cooperation across regions. By reinforcing the attractiveness, this revision may encourage the use of the EGTC as the preferred instrument for territorial cooperation within the EU as well as at its external borders. Your rapporteur stresses at the same time the voluntary nature of this instrument and that local and regional authorities must and will continue to decide about the measures best suited for their cooperation.

Your rapporteur welcomes the widening of the scope of EGTCs and especially the inclusion of public undertakings within the meaning of Directive 2004/17/EC as potential members. On the other hand, the Commission seems to have omitted the public-private-partnerships that provide economic services of general interest. A respective Amendment therefore aims to extend the list of undertakings to those entrusted with the operation of services of general economic interest as defined in the decision[1] on the application of Article 106(2) of the Treaty on the Functioning of the European Union, with a view to spurring on cooperation in public transport, healthcare, energy or water supply.

Furthermore, your rapporteur explicitly proposes to facilitate the establishment of EGTCs with partners from third countries, irrespective of whether partners from one or more Member States are involved. The intention here is to amend the criteria to authorise a 1to1 EGTC- an EGTC made by one entity from one EU Member State and one entity from a third country or overseas territory. In this case, your rapporteur believes that a clarification is needed to support the idea of a reasoned approval or rejection of the establishment of an EGTCs meaning that Member States will have to apply strict criteria in their evaluation.

Your rapporteur advocates a one-stop-shop, meaning one single authority appointed by the Member State, deciding about the authorisation of a new EGTC, instead of a multiplicity of governmental departments. This does not mean one single authority per Member State - which is in fact not feasible, as the federal EU Member States are composed of federal entities competent to authorise EGTC - but to avoid vague definitions and reduce the length of the procedures due to the intervention of various national Ministries in some Member States. Once again, the intention of the rapporteur is to establish a culture of reasoned rejection or approval and the designation of one competent authority per Member State.

The EGTC Platform set up by the Committee of the Regions brings together all the stakeholders at political and technical level and provides a forum for support and advice for both, existing EGTCs and those being established.

[1] C(2011) 9380 final.

The Committee of the Region, being in charge of keeping the register of EGTCs and running the EGTC Platform, shall ensure the publication of the convention of a new EGTC in the C series of the Officila Journal. A sound cooperation and exchange of information between the Commission and the Committee of the Regions will also facilitate and promote a better use of the EGTC in the EU's sectoral policies.

Obstacles to the establishment and well functioning of EGTC are persitent, mainly caused by a lengthy implementation of this regulation, by Member States and insufficient coordination between authorities. But it is equally a result of an insufficient incorporation in the EU´s sector-specific policies. Your rapporteur wants to emphasize that the EGTC can be used beyond regional policy and territorial cooperation. The EU has already developed cross-border structures in sectoral policies such as research (ERIC – European Research Infrastructure Consortium). Other actions financed with structural funds like rural development programmes (funded by the EARDF), ESF-funded cross-border employment agencies, the joint management of TEN infrastructures or the Connecting Europe Facility instrument for trans-European projects can be conducted by EGTCs, thus contributing to meet the objectives of cohesion policy. To fully exploit its potential in other EU policies, the Commission needs to provide information and raise more awareness in its different services. In a second stage, the Commissions´ services could mainstream the EGTC ensuring that those entities are eligible for all the calls for proposals addressed to public bodies.

In addition, your rapporteur would like to discuss a number of additional issues. Several EGTCs have reported problems when applying to EU funding, mostly because they were identified as one single entity and not as a form of partnership composed by the members of the EGTC. In those EU funded programmes in which only consortiums are eligible, an EGTC should be automatically considered eligible too, without need for additional partners.

Future relevant legislative measures should consider the EGTC consequently, as facilitators and enhancers of territorial cooperation. For instance, an EGTC could act in the Single Market as cross-border procurement body, and it should consequently be taken into account in the Single Market Act and the legislative proposals that comes with it.

Furthermore, your rapporteur believes that the European Commission should create a favourable fiscal environment for the EGTC, simplifying the management of the VAT, avoiding situations of double taxation and providing fiscal incentives where possible without distorting competition.

It is important that the EGTCs are given the possibility to sign agreements with other territorial authorities or entities that act outside the territory of the EGTC. Those partnerships would be very useful to structure the macro-regional strategies and to engage partners in a wider sense, as for example cities from third countries or structures like ESPON, which could not be involved otherwise.

To gain its full potential, this regulation needs to be less subject to arbitrary and contradictory interpretation by the Member States, which in certain cases run contrary to the objectives being pursued. Assimilating the EGTCs to existing national bodies (ex: *"syndicat mixte"* in France), may be counterproductive. The EGTC is a European instrument "*sui generis*" and needs to be treated as such. Member States and their national administrations should

understand that EGTCs are not a burden on their national budgets and do not assume their competences. EGTCs are a rather highly useful instrument with great potential to reduce administrative burdens and operational costs and thus encourage and enhance the process of territorial cooperation within the EU, but also between Member States and third countries.