EUROPEAN GROUPINGS OF TERRITORIAL COOPERATION (EGTCs)

European Groupings of Territorial Cooperation (EGTCs) were set up to facilitate cross-border, transnational and interregional cooperation between Member States or their regional and local authorities. EGTCs enable these partners to implement joint projects, share expertise and improve coordination of spatial planning.

LEGAL BASIS


BACKGROUND

The objective of an EGTC is to facilitate and promote territorial cooperation, in particular, between its members, including one or more of the cross-border, transnational and interregional strands of cooperation, with the aim of strengthening economic, social and territorial cohesion in the EU.

Generally speaking, the tasks of an EGTC are aligned with the objectives outlined above. Tasks may include specific acts of territorial cooperation between its members, with or without financial support from the Union. An EGTC may be tasked with implementing programmes co-financed by the European Union, through the European Regional Development Fund, the European Social Fund and/or the Cohesion Fund, or other cross-border cooperation projects that may or may not have EU funding. Examples of such activities include running cross-border transport facilities or hospitals, implementing or managing cross-border development projects, and sharing expertise and good practices.

STRUCTURE

An EGTC can be created by partners based in at least two Member States (or one Member State and one or more non-EU countries) and belonging to one or more of the following categories:

— Member States or authorities at national level;
— regional authorities;
— local authorities;
— public undertakings or bodies governed by public law;
— undertakings entrusted with operations of services of general economic interest;
— national, regional or local authorities, or bodies or undertakings from third countries (subject to specific conditions);
— associations consisting of bodies belonging to one or more of these categories.

EGTCs have legal personality and are governed by a convention concluded unanimously by its members. EGTCs act on behalf of their members, who adopt their statutes by means of special conventions outlining the organisation and activities of the EGTC. As a minimum requirement, an EGTC must have two organs: an assembly, which is made up of representatives of its members, and a director, who represents the EGTC and acts on its behalf.

Furthermore, the powers of EGTCs are limited by the respective powers of their members. Public authority powers, such as policymaking and regulatory powers, cannot be transferred to an EGTC.

The assembly adopts the EGTC's annual budget estimates, in respect of which an annual activity report is produced and certified by independent experts. Members are financially liable for any debts, in proportion to their contribution to the budget.

**ACHIEVEMENTS**

The Committee of the Regions manages the EGTC register. The list contains 79 EGTCs, one of which has been closed.

Members of one EGTC, the European Urban Knowledge Network, do not share a geographical border. This EGTC is a platform for sharing expertise and ideas in the field of urban development.

In its report of April 2018 on the application of the Regulation (EC) No 1082/2006 (EGTC Regulation), the Commission confirmed the European added value of the instrument: cooperation among EGTC members from different Member States and third countries facilitates decision-making and contributes to the joint development of objectives and strategies across national borders. EGTCs and EGCT memberships are growing steadily in number across the EU and their uses are multiplying. As a result of the changes to the EGTC Regulation in 2013, EGTCs are now involved in various European territorial cooperation (INTERREG) programmes and projects, and in implementing other cohesion policy programmes, for example in the field of rural development.

**ROLE OF THE EUROPEAN PARLIAMENT**

The EGTC Regulation falls under the ordinary legislative procedure; Parliament has therefore acted as co-legislator, on an equal footing with the Council. The regulation took on board Parliament’s requests concerning a clear definition of territorial
cooperation, the need to spell out the financial liability of Member States, and the jurisdiction and rules governing publication and/or registration of an EGTC’s statutes. In addition, the Council accepted Parliament’s suggestion that an EGTC should be governed by the law of the Member State in which the EGTC has its registered office.

At the end of 2013, the EGTC Regulation was amended. The aim of this amendment was to clarify the existing rules, and to make the creation and functioning of EGTCs simpler and the involvement of third countries clearer. The revised EGTC Regulation has applied since 22 June 2014.

With a view to facilitating use of the instrument, Parliament has put an emphasis on establishing links to EGTCs in different policy instruments, such as cohesion policy. Parliament has also succeeded in ensuring that, under the legislative framework governing the 2014-2020 programming period, EGTC representatives can sit on the monitoring committees of programmes.

Despite positive developments in the use of these instruments, Parliament believes there is room for improvement: in its resolution of 11 September 2018 on boosting growth and cohesion in EU border regions[1], Parliament regrets that the potential of EGTCs is not being fully exploited. This could be due partly to regional and local authorities’ reservations, and partly to their fear of a transfer of competences and a lack of awareness of their respective competences. In addition, Parliament calls on the Commission to propose measures to overcome the obstacles to the more effective application of the EGTC instrument.

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