



ASSOCIATION OF EUROPEAN BORDER REGIONS (AEBR)

ANNUAL REPORT 2003

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I. Introduction

Besides regularly recurring subjects of cross-border cooperation, developments and activities of the Association of European Border Regions (AEBR) focussed in the year 2003 on:

- the special reference to cross-border cooperation and the territorial cohesion as well as a polycentric development in the Treaty establishing a Constitution for Europe;
- safeguarding cross-border cooperation as a one of the priorities of European cohesion and regional policy;
- the consideration of all border regions in the future structural funds regulation of the EU;
- consequences of the EU enlargement for border and cross-border regions (New Neighbourhood Instrument, common programmes, legal systems);
- monitoring of topical issues in Europe (both in the Council of Europe and the EU) with respect to their effects on border regions;
- cooperation with other regional organisations.

In 2003/2004, the study “Towards a new community legal instrument facilitating public law based transeuropean co-operation among territorial authorities in the European Union” was carried out as special project, which was externally funded (European Commission). Furthermore, the INTERREG-IIIIC-Project “RFO Change on Borders” started, which will be funded until the year 2007.

II. Membership Structure

By the end of 2003 / beginning of 2004, AEBR had 90 members representing more than 190 border regions all across Europe. The difference between the number of members and the number of border regions is due to the fact that cross-border regions comprise several national border regions. Furthermore, large-area cooperation structures such as ARGE Alp, Alpen Adria, Nordic Council, Carpathian Euroregion etc. include border regions in several states as members.

The membership structure reveals a balanced ratio of border/cross-border regions in both the present EU and the associated countries. As up to now, AEBR has the position that its area of operation ends, for the time being, at the new EU external borders (including the neighbouring regions in Russia, Belarus, the Ukraine and Moldova). The present number of staff and the current membership fees are just sufficient to handle this area of operation in terms of workload, content and financing.

Between 01.01.2003 and 31.12.2003, the following new members were admitted:

Palermo, 13.03.2003:	Siret-Prut-Nistru (RO/MOL) Belasica (GR/RO/FYROM) Drava-Mura (HU/SLO) as observer
Pörtschach, 27.06.2003	Komitat Hajdú-Bihar (HU) Morava-Pcinija-Struma (BG/FYROM/SERBIA)
Karlovy Vary, 27.11.2003	Drina-Sava-Majevica (BiH/YU/HR) Strymon-Strouma (GR/BG) Dnepr (UKR/BLR/RUS) as observer

III. Membership fees

The AEBR membership fee is fixed as follows for 2003:

I.	Larger organisations comprising several large regions	8.000 Euro
II.	Regions	
	a) according to the definition of the EU and the Council of Europe the first stage below the national state (large regions)	4.000 Euro
	b) border regions (below IIa) as regional/local structures	1.500 Euro
III.	Cross-border Structures	Addition of the relevant national contributions per border region according to IIa) + b)
IV.	Observers	500 Euro

The following applies to border regions in Central and Eastern Europe outside the EU:

- Border regions with direct EU borders are considered to be in a position to pay the complete membership fees as specified above.
- Border regions at borders between EU candidate countries and to NIS countries pay 2/3 of the membership fees specified above.
- Border regions in Russia, Belarus, Ukraine, Moldova, Romania and Bulgaria pay 50% of the membership contributions specified above.
- Concrete periods for the temporary reduction of the contribution for Central and Eastern European members shall be fixed for each individual border region.

Most of the up-to-now unclear issues on the status and the membership fee rate of the individual national partners of a cross-border region could be settled. However, it has to be stated that the auditors and the treasurer complain about a bad moral with regard to effecting payments, which results in high outstanding amounts for the past years and in the present year to delays of 6 - 9 months.

IV. AEBR General Assembly and Annual Conference 2003

IV.1 General Assembly

In 2003, the AEBR General Assembly and the Annual Conference were held in Karlovy Vary, Euregio Egrensis (D/CZ) from November 27 to 28, 2003. More than 183 participants from 27 states attended this event. The event was very well prepared and organised by Euregio Egrensis.

The General Assembly mainly dealt with the Annual Report, the Annual Accounts 2002 and the budget for 2004.

The Annual Report for the year 2002 and the Annual Accounts 2002 as well as the budget for 2004 were unanimously adopted.

VI.2 Annual Conference

In 2003, the annual conference dealt with the subject "Cross-border labour market and qualification".

An opening Round Table on exchange of experience and presentation of projects in border and cross-border regions introduced the subject in practice.

Official opening addresses were given by:

- **Joan Vallvé**, President of AEBR, MEP
- **Jaroslav Gacka**, Vice-Minister of the Czech Ministry for Regional Development
- **Barbara Meyer**, Ministerialdirigentin, Saxonian State Ministry for Economy and Labour
- **Frantisek Dohnal**, Vice-President of the Congress of Local and Regional Authorities of the Council of Europe, Region Vysocina (CZ)
- **Dr. Josef Pavel**, President of Karlsbad district
- **MUDr. Petr Zimmermann**, Hauptmann, Pilsen district

- **Zdenek Roubínek**, Lord Mayor of Karlovy Vary
- **Karl Haberkorn**, President of Euregio Egrensis (CZ/D), Landrat

The Round Tables and working groups dealt with the following subjects:

Round Table 1: *Labour market and qualification in border regions*

Working Group 1: *Chances and obstacles of cross-border labour market*

Working Group 2: *Cross-border qualification: perspectives and concrete measurements for Education and Training*

Round Table 2: *The EU enlargement and its political effects on cross-border regions*

The discussions of Round Tables and Working Groups based on the following documents:

EDUCATION, TRAINING AND LABOUR MARKET

1. Context and Overall Trends

Education, training and labour market development are key activities in promoting genuine cross-border co-operation. However, co-operation in these fields is complex and often characterised by many practical difficulties, which tend to transcend the cross-border context and need to be dealt with at both national and EU level. Co-operation in education, training and the labour market is also central to the objective of European integration and is necessary to bring about EU regulations that will facilitate the mobility of workers and their dependants, students and others across national borders. Border regions are at the interface in promoting this integration and in responding to the practical difficulties arising from the removal of formal barriers. From a development perspective, cross-border co-operation involves promoting education and training in the broadest sense, as a key component of initiatives to help overcome problems of peripherality, and to support the diversification and strengthening of the regional economy.

In terms of the EU policy framework, co-operation in education, training and labour market activities span both the areas of social and of education policy. At the early stage, European Social Policy dealt with the free movement of workers and assistance to migrant workers, as well as establishing the foundations for the European Social Fund. The Single European Act (1987) and the Treaty on European Union (Maastricht) established

the concept of European Union citizenship. Furthermore, this legislation manifested the right of all EU nationals to live in any Member State and to enjoy the same employment terms and working conditions as nationals of the host country. Other aspects covered by EU decision-making include the mutual recognition of qualifications, and co-operation and action in the field of vocational training. Establishing provisions in all these areas is essential to the support of cross-border co-operation in education and training and to the operation of a single cross-border labour market. However, there are many outstanding practical difficulties. If a genuine single market is to be created and further progress is to be made towards European Monetary Union (EMU), greater mobility across national borders will be required by workers, students and people in general. In practice, this raises technical issues regarding the co-ordination and convergence of the social policies of Member States.

Trends in EU employment policies also affect the development of border regions, and constitute important information on initiatives in the field of education, training and the labour market. The promotion of employment-intensive growth in the EU in order to generate a net increase in the number of jobs created, and the reduction of unemployment - particularly structural and long-term unemployment - are both high on the European agenda. Other specific priorities set out in recent White Papers produced by the European Commission and in the conclusions of successive Councils since the mid-1990s include: promoting a more flexible organisation of human resources, improving measures to promote integration of social groups "hard hit" by unemployment, assisting local and regional initiatives and small business development in new sectors of employment, enhancing occupational training and further education based on the concepts of the learning society and lifelong learning, and improving the effectiveness of labour market policies.

During the Lisbon session in March 2000, the European Council presented a strategy aiming at 10 years. By this development, the EU should become the most dynamic and competitive economy worldwide. In the sense of this strategy, a strong economy promotes the creation of jobs, social and ecological measurements, which in turn ensure a sustainable development and social cohesion. In the Green Paper „Promoting a European framework for Corporate Social Responsibility“, published on July 18, 2001, the Commission reminds the enterprises of their responsibility with regard to the domains lifelong learning, organisation of work, equal chances, social integration and sustainable

development. With regard to education, the EU initiated several programmes (in particular SOKRATES and LEONARDO DA VINCI) as well as initiatives (such as the action plan eLearning, a communication on the development of a European space for lifelong learning and a report on future objectives of general and professional education). These are mentioned in the EU White Paper "A new impetus for European Youth" of November 21, 2001.

EU-level initiatives supporting cross - border mobility and co-operation in the field of education, training and labour market development include, above all, Interreg - which supports development programmes and initiatives – and EURES, which is co-ordinated by the European Commission's DG "Employment and Social Affairs". The latter has a specific cross-border component and is a complementary initiative aimed at reinforcing and improving the operation of Interreg. EURES Cross border involves the provision of cross-border information and advisory services, and cross-border network development between the competent authorities and service providers in the labour market area.

2. Needs and Priorities by Type of Region

From a development perspective, the general needs and priorities of local and regional economies in this sphere involve producing the knowledge and skills, which will support the endogenous development of the area. Encouraging the restructuring of declining sectors (primary and traditional industries) and taking advantage of opportunities for employment generation in new service sectors (e.g. tourism and leisure, environment, services to people and communities, business services) are particularly important. Further needs include upgrading and creating new skills (e.g. information and communications technologies, marketing and management) to improve the competitiveness and market access of the private sector, and to promote the efficiency and effectiveness of the public sector. These general development needs are experienced by, and common to, all border regions.

However, cross-border regions also have specific needs, priorities and potential for education, training and labour market development and management, which differ according to the type and internal characteristics of the border region in question and, in particular, the extent to which a single cross-border labour market is in operation. Broad types of cross-border region include lagging and sparsely-populated regions characterised by

lack of development (of the Objective 1 types), regions which may be more centrally-located but lack a diversified economic base as a result of continued over-dependence on primary agriculture, and regions experiencing varying degrees of difficulties in adapting to change, including areas faced with severe problems of industrial decline (of the Objective 2 type).

For instance, border regions lagging behind in their development will tend to face multiple difficulties related to education, training and the labour market. This will hamper their attempts to break out of a cycle of relative decline. Such difficulties often include an imbalance in the population structure with under-representation in the economically-active age groups and out-migration caused by the absence of opportunities or by educational and training infrastructures or services which are either lacking or unsuitable to local needs. This in turn fuels further out-migration, prevents new skills from developing and leads to the stagnation of the border region. While advances in information and communications technologies and new forms of provision (e.g. distance learning) can help tackle some of these problems, local people may lack the basic education, skills and information they need to be able to take advantage of such services.

In more centrally-located border regions faced with the challenges of restructuring, problems of human resource development will tend to be less severe and prospects of responding to them greater. However, cross-border regions faced with severe problems of industrial decline need to undergo a process of adaptation (e.g. away from reliance on a single industry and large enterprises) and develop different skills and attitudes that will encourage new sectors and alternative forms of economic activity (e.g. self-employment, small enterprises, etc.). Furthermore, education and training provision is often poor and ill-suited to cope with new requirements, whilst job losses and diminishing opportunities in traditional sectors (e.g. apprenticeships, industrial jobs) place increased demands on public employment and training services. Regions also differ in terms of their internal characteristics. Areas containing strong development poles and operating as a single cross-border labour market with daily commuting of workers, students etc., are better placed to take advantage of new opportunities. They can also benefit from improved efficiencies in the operation of the labour market. Joint planning and management may help provide better services, and economies of scale will produce lower unit costs. The context in which these areas operate tends to be favourable. They may be experiencing growth in at least some of their sectors and are likely to have reached a common under-

standing on needs and priorities. These may include joint strategies for human resource development aimed at meeting the current and future needs of the border region, and co-operation between education, training and labour market institutions in the planning and delivery of services. Such a description will tend to apply to border regions in the heart of Europe where cross-border co-operation is most advanced (e.g. German-Dutch border). Close cultural affinities, including a common language or a strong incidence of bilingualism, will be conducive to such cooperation.

Regions, which are separated by physical barriers (sea, mountain ranges etc.) and where contact is difficult and infrequent are less advanced in their co-operation in this field. These barriers have often had political and historical consequences, which have produced different patterns of development and a different economic structure (e.g. agricultural communities, industrial development resulting from policies of inward investment) in each part of the border region. It may also have led to the development of strong competition between the two areas for the same markets (e.g. tourism). This is particularly true in some coastal border regions, e.g. Ireland/Wales, Sardinia/Corsica. Here, border regions have no common basis in terms of their human resource and labour market development requirements and will not have developed the contacts they would need to promote a single cross-border labour market.

Regions on the external borders of the EU tend to have particular difficulties related to cooperation in education, training and labour market activities. Some external borders lack the essential prerequisites for co-operation in this field, since the existence of formal barriers to entry (in non-EEA states) restricts people's movement across frontiers. In addition to the formal barriers, other factors, such as considerable differences in socio-economic conditions (wage levels, purchasing power parity), may be particularly unfavourable to cross - border cooperation. The result may be illegal flows of migrant workers with no social protection, the existence of a "black economy" and low or downward pressure on wage levels, especially in less skilled occupations. This in turn may exacerbate many social and political problems (e.g. racism, pressure on urban and social services, lack of appropriate services, etc.).

3. Typical Problems in Education, Training and Labour Market in Border Regions

It is border regions - particularly on internal EU land borders, where mobility is usually highest - which most urgently need to deal with the practical problems involved in giving people the mobility they require to be able to work, study and/or to stay in the neighbouring state across the border. Typical difficulties suffered by border regions in the areas of human resources and labour market development and management are as follows:

- *high structural unemployment due both to levels of socio-economic development (e.g. lack of development in lagging regions, industrial decline in areas dependent on a single industry or traditional industries) and to the reduction and disappearance of border-related employment; the latter is linked to the realisation of the Single Market (customs, border checks) on the one hand, and general productivity improvements in the various activities related to the shipment of goods and service provision, on the other;*
- *deficiencies in the adaptability and relevance of education and vocational training services, and their capacity to support an endogenous development process, in particular, a shortage of advanced centres in or accessible to the border region; problems can also include a lack of essential/basic services such as local primary schools, due to the small size of the population and high unit costs; these factors are the result of the dividing line constituted by the border, which causes the population in the area to be effectively split up;*
- *outward migratory flows; in particular, these involve young people from border regions, especially rural and peripheral regions and those on the external borders of the EU; this leads to problems of illegal immigrants/refugees etc. which, in turn, create special difficulties and conditions that hamper co-operation.*

In addition to development problems, national administrative barriers and differences between national administrations cause problems in a number of areas:

- *differences in conditions on and operation of the labour market and discrepancies between employment policies, which represent an obstacle to the smooth running of a single labour market; some of these differences require regulatory solutions at national level (e.g. in areas of employment legislation, tax, social security etc.);*
- *differences in education and training content (curricula), duration and methods, entry requirements, common standards, quality control and the qualifications awarded; these in turn result in a lack of mutual recognition of qualifications, cer-*

tificates, training courses or the different units of education and training required for certification at a specific level;

- *lack of awareness and knowledge of labour market and vocational training structures (decision-making procedures, regulation, competent bodies etc.), differences in policy orientations and types of instruments used to address problems of unemployment (e.g. attitudes towards the use of employment subsidies to place unemployed people in work or for direct job creation schemes), and lack of cooperation between public institutions in these areas;*
- *lack of access to information and advice given to and about job seekers and their qualifications and experience, and similar shortcomings in information and advice on job vacancies, education and training opportunities, living and working conditions in neighbouring countries, including tax and social protection (e.g. contributions and entitlement to pensions, unemployment compensation, sickness benefits, health, etc.), as well as entitlements to study grants etc.;*
- *cultural and linguistic barriers and a lack of skills enabling exchange and co-operation to aid the development of systems and services across the border.*

4. Types of Action to Promote Cross-Border Co-operation in Education, Training and Labour Market

Border regions generally have more experience than others in dealing with the practical aspects and day - to - day problems regarding people's mobility across borders. This is particularly so in those cases where there is a high incidence of people working in one Member State and living with their families in another - i.e. cross-border regions where there are large numbers of workers commuting daily. The key challenge for cross-border co-operation in this sphere is to create the conditions whereby a single efficient labour market operates across the border. This will mean that employers can recruit skilled labour and job seekers can find employment opportunities matched to their skills and experience (and are not forced to migrate to other regions, or take up jobs at levels which under-utilise their abilities). To achieve this, cross-border co-operation must be established between education, training and employment services to facilitate planning and delivery on a joint basis. This should include, on the one hand, the delivery of services common to the whole of the region (information, educational and training courses) and on the other, the mutual recognition of qualifications and the training and educational units by means of which these qualifications are obtained. Types of action fall into two broad categories:

Actions reflecting a traditional approach and more basic forms of co-operation.

These include:

- *actions to establish contacts between education, training and employment services, including activities such as meetings, study or familiarisation trips, exchanges of personnel, research etc. which are essential for co-operation in border regions where there has been little contact to date and where there is a lack of mutual knowledge of structures, procedures and policies;*
- *exchanges of information and people as components of training and education programmes (e.g. foreign language exchanges and exchanges in specialised areas where one side of the border is more advanced or has better facilities etc.), or as part of work experience/job placements, and also to promote joint recognition of examinations and qualifications;*
- *co-operation between education and training institutions, which could include setting up specific programmes/courses, exchanging and providing information on what services (courses) are on offer, co-operation between primary and secondary schools, colleges and other bodies (including Chambers of Commerce), with a view to promoting bilingualism and thus creating more contact between young people, teachers etc. and creating appropriate conditions in which to develop co-operation in other fields (socio - cultural, economic and business co-operation).*

These types of initiative, which are common components of cross-border co-operation in the field of education, vocational training and labour market development, are a preliminary step towards creating conditions favourable to genuine cross-border co-operation as a whole. In particular, they will facilitate the development of networks and more permanent exchanges of information, and will promote joint planning, integrated training/education programmes and common information services.

Actions of a more advanced genuinely cross-border nature. *These involve managing the set of skills available in the cross-border region, co-operation in developing initiatives and services accordingly, and integrating education, training and labour market measures into comprehensive strategies and programmes of regional development.*

Types of action in this category include:

- *on-going joint initiatives which will provide information on the development of services for the whole of the cross-border region, including audits on current provision, research on the labour market (surveys on skills and labour market needs) and preparation of common strategies and plans;*
- *permanent joint planning and delivery of education and training courses (curricula, materials, teaching methods, training of trainers, recruitment of trainees / students etc.) in specific institutions, disciplines, sectoral areas and skills, which build on existing strengths and develop new specialisation in the cross - border region; this may also involve the development of new shared facilities (training centres) ;*
- *development of common labour market structures and information and management systems, including the collection and dissemination of shared information, joint databases, information access points in centres throughout the region, etc.*
- *initiatives and services to assist recruitment into jobs available in the cross-border region by providing information and advisory services to employers, job seekers etc. and on education and training opportunities in general; information and advisory services may also deal with the practical aspects of cross-border mobility, including social protection, terms and conditions of employment, access to grants for study, accommodation etc.*

The Annual Conference adopted the following final declaration including an action plan:

Cross-border Labour Market and Qualification

1. Experience has shown that:

- *Only with the removal of economic, social and legal barriers at the borders, with the integration of Europe as a unity and multiplicity can the hitherto existing peripheral national situation of many border regions be transformed into a favourable inner-European situation, with an enhanced locational value, a border-transcending labour market, jointly recognised qualifications etc.*
- *Border regions frequently lack alternative jobs of quality.*
- *Cross-border networks create preconditions for better locational conditions, a cross-border labour market and joint training in as many branches as possible.*
- *Border regions within and without the EU are often cut off from a part of their natural hinterland on the other side of the border, whereby possible catchment ar-*

eas cannot be developed in the same way as within the state. This also applies for a cross-border labour market and joint institutions for qualifications.

- *Conditions for a cross-border labour market and qualifications are especially difficult on the outer borders of the EU.*
- *At the eastern and southern outer borders of the EU there is great immigration pressure on the labour markets in the EU. Illegal activities and labour procurement, even across borders, are often the consequences.*
-

2. Preconditions for a cross-border labour market and qualifications

- *The differing regulations, structures, labour market and training grants which come into conflict at the borders need to be implemented flexibly to create a genuinely cross-border labour market, cross-border qualifications and mobility.*
- *Cross-border coordination in questions relating to the labour market, qualifications and economic sectors needs to be improved.*
- *Cross-border networks with participation of employers, trade unions, manpower administrations, Euroregions, etc need to be developed.*
- *Cross-border education and training institutions need to be created.*
- *The recognition of occupational qualifications needs to be ensured at the cross-border level and, if possible, also for the whole of Europe.*
- *Barriers for cross-border commuters in the social sphere, in the training sphere and in tax-related matters need to be removed.*
- *There is need for directed creation of cross-border catchment areas, e.g. for cross-border industrial estates and zones, nature reserves, tourism projects etc, in order thereby to create additional jobs through cross-border activities.*

3. Action plan:

	<i>Responsibilities</i>	Proposals for possible solutions
The wider-ranging catchment and integration areas separated by national borders need to be vitalised for industry, trade, services and the labour market, whereby new jobs will also be created.	Space planning, economic associations, CCI, trade unions, Euregios, etc.	<ul style="list-style-type: none"> ○ cross-border territorial development concepts with cross-border integration areas ○ Euregios as service provider
Transparent/ cross-border labour markets need to be created. Disadvantages arising from taking up a job in the neighbouring country (e.g. from tax and social security regulations) need to be removed.	Labour administration, EURES, legislator	<ul style="list-style-type: none"> ○ cross-border job offer / demand systems ○ bilingual information, choice of one tax and social system ○ legal improvements
Knowledge of market opportunities, export possibilities and marketing resources on the other side of the border needs to be improved, so as to expand collaboration and increase opportunities on the labour market.	Municipalities, economic associations, Euregios etc.	<ul style="list-style-type: none"> ○ liaison office for producer and supplier, enterprise clubs, ○ trade meetings specific to each region ○ cross-border innovation trade fairs

Access to public tenders as well as research and development programmes on the other side of the border needs to be facilitated and promoted.	Regional/local territorial administrations, universities, research centres	<ul style="list-style-type: none"> ○ cross-border transfer centre within a network of universities and research institutes ○ promotion of bilingualism in public administrations and companies
Cross-border cooperation between small and medium-sized firms needs to be further intensified.	CCI, chambers of handicrafts, trade unions, associations, Euregios	<ul style="list-style-type: none"> ○ permanent counselling centre as to cross-border questions for SMEs ○ cross-border networking of the economic promotion societies / regional agencies ○ up-to-date information on research and innovation on either side of the border
Cross-border producer and supplier relationships need to be developed with opportunities for creating additional jobs.	CCI and chambers of handicrafts, associations, Euregios etc.	<ul style="list-style-type: none"> ○ cross-border producer and supplier lists ○ innovation trade fairs ○ permanent counselling service to SMEs ○ joint qualification of employees
Promotion of cross-border vocational training and qualification in the neighbouring country.	Labour administration, employer, trade unions, Euregios, legislator	<ul style="list-style-type: none"> ○ cross-border vocational training targeted to the needs of the economy ○ cooperation in a regional steering group set up by all institutions concerned ○ promotion of bilingualism ○ elaboration of cross-border recognised vocational

		qualification models
The creation of alternative employment for those jobs and activities related to the border (e.g. customs and excise, haulage) which will cease to exist as a result of the growing integration of Central and Eastern Europe.	European Commission, national governments, carriers, customs administrations, frontier guard	<ul style="list-style-type: none"> ○ targeted EU aid programmes ○ cross-border logistic centres ○ taking over of customs and frontier guard staff into police services

IV.3 Bestowal of the AEBR AWARD 2003

On the occasion of the 2002 annual conference, the AEBR Award „Sail of Papenburg“, endowed by the Ems Dollart Region, was bestowed. Further information as well as criteria for the bestowal of the cross-border award “Sail of Papenburg” can be found in annex 1.

In line with the motto “***Cross-border labour market and qualification***”, the award was bestowed to Euregio Steiermark-Slowenien. The other 13 applicants received certificates.

V. Executive Committee

The meetings of the AEBR Executive Committee were held on:

- **14/15 March 2003 in Palermo, Region Sizilien, Italy**
- **27/28 June 2003 in Pörtlach/Kärnten, Austria**
- **19/20 September 2003 in Burg/Spreewald, Germany**
- **27. November 2003 in Karlovy Vary, Czech Republic**

The following issues featured on the Executive Committee's agenda in 2003:

1. European Convention and Treaty establishing a Constitution for Europe
2. Role of regional and local authorities in the future EU (Napolitano-Report by the European Parliament, Report of Lord Tope, CoR)
3. Second Cohesion Report of the European Commission
4. An agenda for a growing Europe (Sapir-report)
5. Future of INTERREG IIIA
6. Transeuropean Networks
7. AEBR study for the EU-Commission: Decentralised cross-border cooperation: developing legal instruments for community cooperation
8. Daily border problems
9. Day of Border Regions
10. Activities concerning the Council of Europe
11. Cooperation of Universities and Polytechnical Schools
12. INTERREG IIIC – RFO „Change on Borders“
13. Internal AEBR affairs (content of work, head office, financial issues)

On most of these topics, comprehensive reports were submitted to the Executive Committee, which discussed them and then drew up specific recommendations and tips regarding cross-border cooperation, which were subsequently developed into demands aimed at both the European and national authorities. The border and cross-border regions would be notified in writing of the recommendations and also of the reactions at European and national level (i.e. whether or not intervention had proved successful).

VI. Main themes 2003

VI.1 European Convention

Right from the beginning AEBR had been involved in the works of the European Convention and the Contact Group "Local and Regional Authorities". During three hearings, AEBR could present its position with regard to the future Constitution for Europe. In the course of this presentation, the main emphasis was put on:

- Inclusion of the regional and local level in the Constitution;
- Strengthening of subsidiarity and partnership;
- Consideration of the territorial cohesion;
- Special reference in the Constitution with regard to the border regions.

The five European regional organisations elaborated joint positions, which received high attention and also were an official document in the Convention's meeting on 6/7 February 2003.

On the 7th February, the Convention dealt intensively with the regional/local dimension of a future Europe. The necessity to include the regional/local level as well as cross-border co-operation in the constitutional part of the European Constitution was emphatically supported.

Until the finalisation of the European Convention's workings and also afterwards, AEBR endeavoured via the European Parliament and the Committee of the Regions directly and indirectly by means of statements, resolutions, concrete modification proposals and so on to attain modifications in favour of the border regions and the regional/local level in the European Constitution.

In this connection, reports on the subject „The role of regional and local authorities in the future EU“ played an important role. The European Parliament dealt among others with themes through the Napolitano-report and the Committee of the Regions through the report of Lord Tope.

Both reports highlight cross-border cooperation as a key element of European Unification and describe AEBR as one of the five leading regional organisations at European level

promoting democratic, local and regional structures, stressing in particular the role played by AEER in connection with cross-border cooperation. In a specific section dealing with “cross-border cooperation”, AEER’s demand to include the phrase „cross-border cooperation is a European task and a political objective of the European Union” was repeated word-for-word. It was also pointed out that, in agreement with the Member States, a legal statute be drawn up to facilitate the implementation of such cooperation. The reports also formulate a modification for the European contracts, in which Member States should commit themselves to boost cross-border cooperation along their internal and external borders.

All in all, AEER’s interventions – also in cooperation with other European regional organisations in the European Convention – can be described as very successful. Besides the explicit support of cross-border cooperation, it should particularly be mentioned that the role of the regional/local authorities as well as the territorial cohesion and the strengthening of subsidiarity and partnership will be anchored in the European Constitution.

VI.2 European Cohesion Policy and future developments

The reports of the European Commission with regard to the cohesion policy are part of a process in which priorities of the future EU-policy and framework conditions are gradually developed. They lead to specifications and, later on, regulations are elaborated. It is therefore of particular importance to be actively involved in this process right from the beginning.

Given the fact that Cohesion and Regional Policy is integrated in the European Commission’s policy, this had led to discussions concerning the alignment of the policy of the EU, the priorities and allocation of funds. It became particularly apparent through the report “An Agenda for a growing Europe” (Sapir-Report), initiated by the Commission’s President. Without taking into consideration the parallel discussions in the European Convention and the Hearings of DG REGIO with European regional organisations, this report put economic growth, competition and employment to the fore and one could receive the impression that the draft Constitution with a European community of values elaborated by the European Convention and the joint discussion on the future EU Regional Policy wouldn’t play an important role as far as funds are concerned.

As this Sapir-report could have particular impact on community initiatives in general and above all on cross-border cooperation, AEER has intensively dealt with this subject and

intervened in the European Parliament, the European Commission, the Committee of the Regions and the European Economic and Social Committee. In the same time, the proposals that have already been developed by AEBR in the year 2000 concerning an improvement of INTERREG-A after 2007 were further on precised and regularly brought to discussion on the political level. It was emphasised that the Community Initiatives should also in future be a European task and a political objective of the EU for all border and cross-border regions, i.e. along previous and current new internal borders as well as the previous and current new external borders of the EU.

AEBR's statement with regard to the second Cohesion report mentioning cross-border cooperation as one of the four priorities of the EU can be summarised as follows:

A REGIONAL POLICY FOR THE WHOLE OF THE EUROPEAN TERRITORY

The AEBR welcomes the 2nd Cohesion Report of the European Commission and wishes in the respect of the enlargement to underscore the effort in favour of cohesion that will be necessary to accompany this historic political opening-up of Europe. This will require responding to and adjusting to the diverse economic, social and regional situations of these regions, while at the same time promoting the European social model and the implementation of the Lisbon agenda.

In the spirit of the Napolitano report adopted by the European Parliament on 14 January 2003, they are convinced that local and regional authorities have an essential role to play in building this enlarged Europe as a space in which proximity to and dialogue with the citizens are an essential feature. Local and regional authorities represent the regions in all their diversity, are familiar with their needs, and are the best placed to assess the effect of EU intervention on the lives of their populations.

The main principles

In this context, seven main principles should guide the forthcoming reform of regional and cohesion policy:

- 1. Pursuit of a truly EU policy for regional development and cohesion, and refusal of any form of re-nationalisation.***
- 2. Recognition of the threshold of 0.45% of EU GDP as a minimum for the regional policy budget after 2006, in the knowledge that an additional effort will be***

necessary to tackle the growing challenges linked to enlargement and to the varying impact of globalisation from one region to another.

3. *Maintenance of a **real EU approach and method** which will take fair account of the development situations in an enlarged Europe on the basis of simple, comparable and transparent criteria. These criteria should be established in active partnership with the regional and local authorities concerned.*
4. *Enlargement will in addition call for a **greater implication of the local tiers of government**, in order to render the EU's action more legible to the citizens, to simplify it, and to ensure that EU intervention is more efficient;*
5. *Addition of a **"territorial" dimension to the objective of economic and social cohesion** that already exists in the Treaty, so as to respond fully to the worrying increase in disparities in regional development.*
6. ***Improved coordination between regional policy and the principal sectoral policies** implemented at EU and national level (objectives and management criteria) especially in the areas of transport, research/innovation, education/training, employment/social affairs, agriculture and rural development, and the environment. A closer interaction between competition policy and regional policy should also be considered, notably in the area of the necessary regional services of general economic interest (see also III.4.2 "Creation of equal living conditions"). From a spatial planning point of view, attention should also be given – as set out in the ESDP – to improving the urban/rural interaction in the elaboration of regional strategies. Guidelines such as these would reinforce the added value of EU intervention.*
7. *The **principles of sustainable development and of a balanced regional competitiveness** should also be given an important place in this coordination effort.*

THE STRUCTURE OF THE FUTURE REGIONAL POLICY

The future regional policy should also be structured around three main guidelines:

1. ***Maintenance of the approach to primarily concentrate funds on regions and countries lagging behind in development** by means of Objective 1 and the Co-*

hesion Fund, the eligibility criteria of which would not be modified, and ensuring that those regions that will no longer be Objective 1 because of the mechanical or statistical effect are taken into account. This should imply the guarantee of appropriate financial assistance for a sufficiently long period to enable these regions to acquire the capacities and means for action that will render them less dependent on European aid. In addition, and in conformity with Article 299-2 of the Treaty, special attention should also continue to be given to the ultra-peripheral regions.

2. Design of a new regional Objective 2 for regional competitiveness and territorial cohesion for those European regions (below the statistical level Nuts III) which are not eligible under Objective 1. The purposes and characteristics of this new Objective 2 would be as follows:

- to act, as a priority, on the major factors affecting regional competitiveness (accessibility, research and innovation, education-training-employment, and the information society, in particular) by implementing a real polycentric development strategy at European as well as individual Member State level. Such a policy should also take better account of the urban dimension of regional development and lead to a more balanced economic development.
- To take into account the specific situation of particular types of areas (e.g. scarcely populated, maritime areas, mountain regions, rural regions, border regions) by attempting to promote the maintenance of the principal services of general economic interest and the promotion of their natural and cultural heritage.
- To integrate into the new Objective 2 the current Objective 3 measures that have a particularly strong local and regional dimension, while continuing to implement in a similar way those measures that lend themselves less easily to implementation on a regional basis (such as equal opportunities policy).
- To take care to ensure the application of transparent rules for the distribution of EU funding by region according to an objective assessment of their development situation base on a certain number of simple, comparable, and transparent indicators (for example, per capita GDP, rate of unemployment, population density, accessibility).

- *To augment the decision-making powers of the Member States and regions as regards the selection of the areas to be supported*

3. **Pursuit of transeuropean cooperation as a Community Initiative** recognising that cross-border, transnational and interregional cooperation contributes in a concrete way to European integration. In this framework, cooperation should be improved and intensified as follows:

- *by an (independent) Communication from the Commission on the INTERREG Community Initiative which remains independent from the rules governing the Structural Funds,*
- *by pursuing the implementation of INTERREG separately from that of the national mainstream programmes,*
- *by allocating resources not exclusively on the basis of national quotas, but according to common border or by programme,*
- *by considerably reinforcing the responsibility of the regional and local authorities in the development, management and monitoring of cooperation programmes,*
- *by a separation between INTERREG A, B and C,*
- *by a stronger consideration of the quality of INTERREG-A-programmes as well as a common statistical basis and criteria,*
- *by designing a practical legal Community instrument, on the basis of the experience acquired, and by simplifying the implementation of trans-European cooperation both internally and across external borders.*
- *by improving cooperation across the new external borders of the EU through a real programming and implementation coordinated between INTERREG on the one hand and TACIS, CARDS and MEDA on the other hand (for example in the Black Sea, Balkans, Mediterranean and for the Northern Dimension).*

IMPLEMENTATION

With regard to the implementation of the future regional and cohesion policy, two elements are fundamental:

- *the direct involvement of the regional authorities in defining objectives, managing EU funds, and monitoring the results, as well as through tripartite contracts agreed between the EU, national and regional or local level. This is necessary because of the shortcomings of the way in which the partnership principle is currently implemented,*
- *the position of the regional authorities – and that of their representative organisations – in this type of contract needs to be clarified further, and a guarantee obtained that the regions will be recognised as a contracting partner on an equal footing. This is important, given their growing role in the implementation of EU policies and the competence that they have in the area of regional development.*

Due to the fundamental significance for the future orientation of the EU, **AEBR's statement with regard to the Sapir-Report** is as follows:

- *In the context of the EU enlargement and in view of the year 2010, AEBR welcomes the intention of the President of the European Commission to check EU policies and instruments on their aptitude for the future. It must not be ignored that the presented "Sapir-Report" concentrates exclusively on economic aspects. What is therefore missing is its embedding into an overall political strategy of the EU.*
- *The "Sapir-Report" (according to its proper statement) has not taken into consideration the political pathmaking of the European Convention with a new European Constitution, particularly as far as targets, tasks, responsibilities, working methods, etc. are concerned.*
- *Hearings and discussion results of the past three years organised by the EU Commission and DG REGIO have apparently not been included in the report.*
- *The EU document, "White Paper on Governance" is not reflected in the report.*
- *There is a need for more coherence between the different instruments, decision-makers and the definition of the partenariat between EU and Member States (according to the EU Convention).*

- *The statement „a political EU target should be attributed to an instrument“, is certainly worth to be discussed. One should however not forget that not obligatory targets, as defined in the Convention and the Second Cohesion Report (e.g. territorial cohesion and cross-border cooperation), will be sacrificed because of the fact that there should only exist a limited number of targets and instruments. The EU in its role as facilitator is welcomed. This implies at the same time the recognition of the bottom-up-approach. The regional / local level is the most appropriate one to implement EU regional and cohesion policy.*
- *Current EU systems concentrate too much on quantitative results (e.g. the amount of invested financial means, number of events, etc.) and sanctions which have not turned out to be very efficient and sustainable. In the future qualitative objectives should be placed in the foreground (i.e. are political objectives realised with EU financial means?) with simultaneously necessary efficient controls.*
- *The “Sapir-Report“ does not take into consideration the changed macro-economic situation (violation of the stability and growth pact by several Member States in the past two years). European growth is also in the future related to budget discipline at national level.*
- *The report defines growth in Europe as priority number 1. Economic growth is certainly an essential requirement that something of the “European cake” in the sense of European targets needs to be distributed. This means however that also other priorities in addition to growth are necessary :*
 - *a balanced, harmonious and sustainable development of the European territory, especially at regional level, also with the help of EU policies and financial means.*
 - *a polycentric development of the EU territory with balanced development opportunities between agglomerations / metropolitan areas and rural areas. The political and economic costs of a “bleeding” of rural areas are enormously high and cannot be compensated by an accelerated growth in metropolitan areas.*
 - *a certain extent of agricultural policy which will also in the future still be necessary*

- *cross-border cooperation as corner-pillar of the Second Cohesion Report (one of the mentioned 4 priorities).*
- *AEBR is concerned about the future development of European policies because of the unilateral economically oriented recommendations of the Sapir-Report. The three proposed prioritarily growth-orientated funds represent big dangers:*
 - *Europe's regional diversity is sacrificed through the unilateral orientation on economic growth.*
 - *The political consensus on the necessity of a European cohesion policy is made uncertain, if one speaks only about convergence between States and not between regions with low income.*
 - *To measure economic development and growth only at national level and not also at regional level, does not do justice to Europe's diversity. It is an unproved assumption to believe that growth at national level would induce automatically sooner or later also growth in marginalised regions.*
 - *a sustainable, balanced, harmonious development throughout the entire EU territory is hardly feasible.*
 - *Future-oriented approaches to the future orientation of European regional and cohesion policy which had been elaborated with the EU Commission in numerous meetings, are not mentioned.*
 - *A statement on how a future agricultural policy should look like, is missing. It is only characterized as non-profitable. With this, agriculture's role for the environment, the generation of income and rural areas is neglected without indicating necessary alternatives.*
 - *A concentration of EU policies practically exclusively on the priority growth means deficits in other European areas. The danger of a re-nationalisation of certain political areas grows in order to create the necessary compensation for marginalised regions.*
 - *Cross-border cooperation (according to the Second Cohesion Report one of the 4 priorities) is as a European task in danger. In the past, cross-border cooperation was never a priority task at national level. Its reduction as European task would very likely set an end to the still necessary long-term promotion of cross-border cooperation and therefore influence in a negative way the European integration*

process (see attached paper “cross-border cooperation as political task and target of the EU”).

At the end of September / beginning of October 2003, the Collegium of the European Commission will set a new course to the future of Europe and its regional policy concerned on the basis of the „Sapir-Report“.

Basically, the report deals with two different visions of the future of the European Union. :

- The first vision is based on the new European regulations aiming at the deepening and integration of the European Union. They do not only focus on the economic development, but also pursue the target to bring the Union closer to the people, to involve citizens in the democratic life of the Union, to resolve better the distribution of tasks between the European, national, regional and local level and to transfer important tasks (foreign policy and defence) to the European Union. This vision considers regional and cohesion policy at European level not only as economic, but as an offer to address targeted European affaires throughout the whole EU and for its entire population.*
- The other opinion continues basically to see Europe as an instrument to reinforce the economic dimension and to improve the global competitiveness without strengthening in parallel substantially the political development of the European Union nor its integration.*

The Collegium of commissioners is therefore discussing the following issues :

- a very flexible and open option, among others supported by Commissioner Mr Barnier, which focuses on the promotion of the whole EU territory through a (graduated) regional policy, leaving far more responsibility to regional and local authorities than they had in the past.*
- a different option favours a system of convergence between Member States, in which however local and regional authorities or the associations they form will in the end lose their importance at European level and in the democratic life of the Union.*

As far as the vision of the European Union is concerned which only concentrates on growth and the improvement of its global competitiveness as well as the convergence

between the different states, AEBR sees in that an enormous socio-political conflict potential as to the acceptance of such an EU orientation.

The second Cohesion Report of the European Commission as well as the Sapir-Report are of fundamental significance for the future of cross-border cooperation. AEBR's proposals for an improvement of INTERREG A, which were already developed in 2000, can be summarised as follows:

Also if future (after 2007), a separation of cross-border cooperation from transnational and interregional cooperation is absolutely necessary. The variability of programme contents (integrated programmes with several sectors instead of selected individual sectors), the type of projects (a lot of medium and small region-specific measurements instead of Europe-wide or transnational networks/„lighthouse projects“/strategies/studies), the type of management (decentral and bottom-up instead of supra-regional and centralised) as well as the proved proximity of cross-border cooperation to the citizens clearly demand for this separation. This also applies for maritime cooperation, which has to bring in the different forms of cooperation in INTERREG-A, B and C programmes according to its intensity.

***In principle** the following suggestions on an improved allocation of funds under INTERREG A are to be understood in a **cross-border context**:*

- *joint population on both sides of the border;*
- *joint surface area;*
- *joint economic and employment figures;*
- *cross-border GDP for the whole region.*

These factors can be used at all internal and external borders within and outside the EU.

Since the criticism levelled at the content of INTERREG A is sparked by the fact that although programmes and criteria are good overall, in the past their implementation has exhibited considerable weaknesses (especially with regard to the actual cross-border

nature of programmes, structures, finances and projects), additional qualitative evaluations (with multipliers) are urgently necessary, e.g. regarding:

- the actual cross-border nature of a programme, i.e. genuinely jointly designed programmes as well as joint cost projections and financing plans;
- the quality of the multiannual integrated programme, i.e. joint analyses of strengths and weaknesses and also joint areas for action, criteria, and so forth;
- programme-specific cross-border criteria and the definition of a cross-border project;
- participation by all regional and local, public and private players on both sides of a border (in both the programme's design and projects (not necessarily involvement in the Steering and Monitoring Committee);
- effects on the labour market, economic structure and attraction of the location in question;
- connection with (not dependence on!) national support programmes and European objectives.

If INTERREG A is to function more effectively after 2007 than it has done up to now, a future INTERREG Communication should dispense with wording that is often unnecessary and, if anything, restrictive. Instead **important prerequisites** should not merely be named (as in the past), but also **defined** to a certain extent.

If the problems experienced so far with INTERREG A are to be solved, the following are essential:

- real joint cross-border programmes with actual joint cost projections and financing plans;
- a responsible role for genuinely joint cross-border structures;
- veritable joint accounts for EU funds and national co-financing;
- a definition of the term ‘cross-border project’;
- specification of what is jointly eligible for funding;
- joint cross-border criteria and indicators at the levels of programmes, measures and projects;

VI.3 AEBR's study for the DG REGIO „Towards a new community legal instrument facilitating public law based transeuropean cooperation among territorial authorities in the European Union“

In spite of a strong European competition, above all from France and Austria, AEBR has won a limited tender. The study is based on AEBR's work in this field since 1971 and aims at creating a legal structure (not a new administration), which should be suitable for the strategic-political as well as for the project-orientated cooperation on cross-border, inter-regional and transnational level.

A first discussion with the European Commission took place in the beginning of September 2003. Based on the tender and an inception report, a position paper was elaborated, which was approved by the Commission without modifications.

VI.4 Daily border problems

AEBR dealt with this subject during the Annual Conference in Drama in autumn 2000. There is a good cooperation between the Nordic Council of Ministers and AEBR's Executive Committee, which has positively influenced the Scandinavian countries' integration into the EU, as well as having a favourable impact on cross-border cooperation. Each side has drawn inspiration from the other with respect to solving everyday border problems. A report on the problems, entitled "The Borderless North" had been published in 1999. In 2001 this had been followed by an analysis of the problems, comparing what citizens thought with the views held by the respective authorities. The report investigated how well equipped service providers were to deal with border problems and how they responded to citizens. In 2002 the Norrback report, to which AEBR Executive Committees member Westman had contributed, had looked at social issues concerning commuters, mobility, and the recognition of school-leaving certificates and diplomas. Since citizens' views of border problems and the opinions of the authorities differed considerably (in many cases there was insufficient awareness of already long-standing contracts or agreements), at the beginning of 2003 a plan aimed at tackling the various problems was drawn up, followed by an annual report. The Nordic Council of Ministers had invited all the relevant partners and border regions to play an active role in eliminating the problems in question. Former Danish Prime Minister Schlüter was given special responsibility for ensuring that this matter would be the focus of a long-term political commitment in the

Nordic area, e.g. at the Nordic Council scheduled for October 2003. This approach can serve as an example for other border regions in Europe (e.g. A/D, NL/D, B/NL, F/CH/D, S/FIN).

VI.5 Cooperation of Universities and Polytechnical schools in European border regions

This subject met in general with high interest in all member regions, because this kind of cooperation could be a first and important step towards the establishment of a competitive European University area in border regions. Dr. von Malchus elaborated a summary on the backgrounds of University cooperation and, based on a survey, also determined important contents of this kind of cooperation.

VI.6 Services of General Interest

The European Commission published a "Green Paper on Services of General Interests". AEBR's executive committee made the following statements on September 19, 2003:

- *Besides competition policy it is the services of common interest, which must play an important role, especially if they ensure the basic care of the population in specific regions. Not everything needs to be judged by competition rules only.*
- *The regional and local level play a decisive role in the implementation, development and promotion of high-quality services. They must therefore be involved in the definition of European regulations following to the bottom-up principle.*
- *At the same time, the regulations of the European Constitution which have been adopted by the European Convention need by any means to be taken into account (distribution of competence between Union / Member States / regions and municipalities following the principle of subsidiarity)*
- *Unfortunately, the EU only refers in this document to the trade policy and the negotiation with the World Trade Organisation and not to the different statements made on this subject by European regional organisations and civil societies (e.g. culture as trade commodity in the WTO).*

- a general introduction of an obligation for invitations to tender in the sectors of services of general interest is to be rejected (according to the most recent decisions of the European Court of Justice concerning compensatory payments from budgets for supplying services, which are no improper state aids if there is no financial overcompensation and if additional criteria of transparency are observed).
- The European Commission is requested to define together with the member states and regions those sectors of non economic activities and services without effects on the trades between member states. A negative list should exclude certain sectors from the strict applicability of the European aid and competition rules, e.g. public regional transport, water supply, waste disposal, social and health services, education and culture as well as the accompanying infrastructure of the net services (water pipe and canalisation).

VII. Contact with European bodies

For many decades, AEBR has nurtured contacts with the European Union and the Council of Europe.

Contact with the European Parliament was being enhanced via the committees for transport, tourism, regional policy, and external relations, and AEBR regularly took part in European Parliament hearings.

Where the European Commission was concerned, AEBR enjoyed close, solid relations with the Regional Policy DG, and, at the political level in 2003 with Commissioner Michel Barnier. Attention was drawn to the fact that regular discussions were held with the Directors Ms Helander and Mr Leygues, and with the responsible Heads of Unit, Mr. Bougas and Mr. Poulsen.

Many discussions on the issues raised by EU enlargement had been held with Director-General Landaburu.

Another ongoing topic being discussed with the European Commission was legal aspects of cooperation in Europe. AEBR won the limited EU tender on the study „*Towards a new community legal instrument facilitating public law based transeuropean co-operation among territorial authorities in the European Union*“. The elaboration started in August 2003 and was finalised in March 2004.

Cooperation dating back to the 1960s with the Council of Europe had been enhanced. AEBR had attended numerous Council of Europe seminars in Central and Eastern Europe, and had taken part in the Council of Europe's Congress of Local & Regional Authorities of Europe. AEBR was a permanent member of the main committee of the CLRAE and in the Committee of Experts for Cross-Border Cooperation.

AEBR is the Council of Europe's main partner in the preparation of the 8th Conference of European Border Regions in the year 2005.

In 2003, talks took place with the Chairman of the Parliamentary Assembly of the Council of Europe Mr Peter Schieder, and the Secretary General of the Council of Europe, Mr Walter Schwimmer.

In 2003, cooperation between the five European regional organisations (AEBR, CPMR, the Council of European Municipalities and Regions (CEMR), Eurocities, and AER) had furthermore increased and positively developed.

The five leading European regional organisations had forwarded their views in joint position papers to the European Heads of State and Government, the European Convention, the European Parliament, and the Committee of the Regions. Subjects were the European Constitutional Treaty, the new political dialogue with the European Commission with the regional organisations, European cohesion and regional policy, transeuropean networks, services of general interest and so on. The joint statements received a very well consideration.

AEBR is constantly increasing its cooperation with the Committee of the Regions as well as in some questions with the European Economic and Social Committee. Together with the Committee of the Regions, a big conference on the future of European Cohesion Policy was organised in June 2003. The discussion paper of working group 4 “European Integration – the regional cooperation“ was elaborated by AEBR. The final declaration contained nearly all proposals provided by AEBR.

VIII. Future working content and other affairs of the Secretariat General

AEBR's working contents are:

- Lobbying at European level (European Parliament / European Commission / Committee of the Regions, etc.) as well as the Council of Europe, the Stability Pact and the Nordic Council of Ministers.
- cooperation in the definition of EU funding instruments and Operational programmes
- Networking between border regions
- Advice and counselling
- External representation of AEBR in Europe.

AEBR as the oldest European regional organisation only disposes of the smallest budget. In 2003, one person full-time, one person part-time (66%) and an accountant (50%) worked besides the Secretary General. If one compares this situation to other European regional organisations, one realizes that the content-related treatment of documents, which are produced at European level, is hardly feasible. On the other hand, there is competition emerging from other European regional organisations as regards the treatment of European issues, even though if AEBR is the only one to bother about border regions.

The question turns up, if the content-related quality of AEBR alone will be sufficient to endure at European level. A political representation must above all be ensured by the President. The personal external representation during important occasions in Europe has been improved. Vice-Presidents, members of the Executive Committee or representatives of border regions are more and more ready to represent AEBR during meetings organised by the EU.

Cross-border cooperation in general

In the past, numerous agenda items and topics debated at Annual Congresses concerned EU programmes. However, our Executive Committee has always emphasised that cross-border cooperation extends beyond INTERREG, PHARE CBC, TACIS CBC and so on.

Cross-border cooperation will continue to be important to Europe in the future. Borders are points of contact and serve as bridges in the process of European unification. Cross-border cooperation is a European task and political objective of the EU and its implementation primarily requires action at the regional/local level. Rather than being ends in themselves, EU and national aid programmes function as financial catalysts for the implementation of region-specific cross-border strategies, programmes and projects. In other words, if we only engaged in cross-border cooperation because external aid programmes exist that subsidise it, the border regions would effectively have to stop cooperating once these programmes had terminated.

As early as the beginning of INTERREG III, AEBR took up the future of European policy on cohesion and regional policy and Community initiatives, especially to the benefit of today's EU border areas, which are the ones most likely to be lost sight of by politicians.

Topics outside EU programmes (traffic and transport, ports, TENs, the environment, innovation, the labour market, culture, media and so on) are always considered in connection with all border areas.

General Assemblies and Annual Congresses have invariably taken place in border areas within today's EU. The first Annual Congress of a European regional organisation in the candidate countries was however already organised in Szczecin, Poland in 1995.

Executive Committee meetings are held anywhere between all of Europe's border areas.

In 2004, a General Assembly and Annual Conference will again take place in Szczecin/Euroregion Pomerania, Poland.

So although certain priorities have been set throughout Europe over the last 14 years, the content of the actual work done always concerned Europe as a whole and included all border regions. AEBR pursues above all a European strategy as a whole.

EU programmes

AEBR has worked very intensively on all EU programmes and proffered advice to virtually all of Europe's border areas. In future, this will also be the case within the framework of the CARDS programme and the Stability Pact, without others being neglected as a result. AEBR's tasks in the context of EU programmes are to enable as many border areas as possible to receive EU aid; to proceed with the decentralisation process to the benefit of the regional/local level; and to ensure that programmes and projects are genuinely of a cross-border nature.

Affairs of the General Secretariat

The Executive Committee has taken note of the fact that until the midsth of 2006 a solution must be found for the future location of the General Secretariat and the succession of the current Secretary General. The cooperation contract with the EUREGIO concerning the hosting of the head office will expire at the end of 2005. In the second half of the year 2006, the contract with the current Secretary General will expire due to his retirement. The Secretariat General has been asked to elaborate requirement profiles for a future location of the head office and the future Secretary General. Both profiles were adopted by the Executive Committee.

Possible profile of the future domicile of the AEBR secretariat:

1. Current situation

Since 1987, the AEBR secretariat has been hosted by the EUREGIO. At the beginning, this was free of charge. Due to the growing assignments and activities, which resulted in considerably increased costs, as well as the independence of AEBR and the growing membership fees, AEBR was able to cover step by step the expenses for salaries, travels and postage (today, these expenses are completely covered by AEBR). The contract with the EUREGIO, which is valid until 2006, ensures a rent-free accommodation of the office, the cost-free equipment (furniture, telephone, PC equipment etc.) as well as cost-free use of the photocopier, fax and telephone. AEBR pays an annual flat rate of € 10.225,84 to EUREGIO.

2. Future requirements

The future domicile of the AEBR secretariat (hosted by EUREGIO or another border region) should meet with the following requirements, if a considerable membership fee increase should be avoided:

- Rent-free provision of offices for the Secretary General as well as approx. 5 co-workers,
- Cost-free provision of equipment and computers with monitors etc. (to be modernised in certain intervals),
- Cost-free use of technical equipment such as photocopier, fax and telephone,
- Absorption of office running costs (heating, light, cleaning etc.)
- Payment of a stipulated low lump sum by AEBR for these operational costs.

AEBR will cover the following costs: staff costs, travel costs, postage, meetings, hospitality etc.

Possible profile of a future AEBR Secretary-General

The following provisional requirements to be fulfilled by any Secretary-General are based on recommendations made by the Presidents and Vice Presidents (who met up in Burg/Spreewald, Euregio Spree-Neiße-Bober on 18 September 2003) and the discussion that took place at the Executive Committee meeting on 19 September 2003. The new incumbent should serve for around 10 to 15 years, not just on a short-term basis:

- Age: late thirties to late forties;
- a graduate;
- extensive experience of the EU (European Commission, Committee of the Regions, European Parliament);
- very sound knowledge of EU policies, especially regional and cohesion policy;
- proven creativity and full of innovative ideas;
- preferably administrative experience (not an essential requirement);
- highly developed political and strategic awareness;
- strong initiative and a good negotiating skills;
- a strong team player;

- *good language skills (at least English, French and German);*
- *prepared to work at AEBR headquarters (i.e. in a border region).*

The Secretariat General was asked to solicit offers for a possible future location of the head office. It has to be considered, that the EUREGIO has expressed the principal willingness to conclude a new cooperation contract with AEBR (information of December 2003).

Already in December 1999, the Secretary General asked to deal early enough with the question of a future successor. The Executive Committee did so on the occasion of the meeting on 12.01.2001 in Zaragoza and discussed two options.

The option that a manager of a border region should take over the assignment of the AEBR Secretary General was not further developed, as AEBR became an autonomous organisation with the aim to be independent. Therefore, it was favoured to employ a deputy, if possible as of 2005, who could take on the assignments of the Secretary General step by step, get to know AEBR's network and contact persons both internally and externally. However, this must be affordable. The Executive Committee decided not to announce the job vacancy Europe-wide, as the group of persons who come in question is very limited and to a large extent well known. Therefore, specific persons should be addressed directly and the member regions should hand in proposals.

The General Assembly was informed about this procedure in Karlovy Vary in 2003. The profiles for the location of the head office and the new Secretary General were announced.

The Executive Committee and a small working group (President/Vice-Presidents/Honorary Members/Treasurer/Chairman of the Scientific Committee/Secretary General) deal with this issue continuously.

IX. General Secretariat

The Executive Committee was continuously informed on the developments in the General Secretariat. The following staffs were employed in the General Secretariat until the end of 2003

- a foreign language correspondent (2/3 work time),
- a foreign language secretary,
- an accountant (part time),
- the Secretary General.

The EUREGIO continuously provides organisational and ideational support to the General Secretariat.

AEBR's public relations work is still difficult, because no staff is available for this field at the moment. It is nearly impossible to provide Europe-wide public relations. The new website as well as a future electronic newsletter will be helpful.

Annex 1: Info with regard to the Cross-Border Award

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