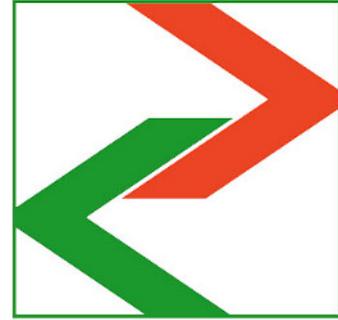


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Association of European Border Regions (AEBR)
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AEBR contribution to the:

**Discussion Document of the
CoR's Commission for Territorial Cohesion Policy
On**

New Perspectives for the Revision of the EGTC Regulation

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The answers are related to the questions for the different topics within the document.

We would like to explain that most of these questions have been answered in a more extensive way in the AEBR-Study for the European Commission (DG Regio) from March 2004 "Towards a new Community Legal Instrument facilitating public law-based Trans-European Co-operation among Territorial Authorities in the European Union". This study was the basis for the EGTC-regulation. An official summary and an easy readable AEBR-summary are available. You will find the latter as attachment (Annex 2).

On the other hand, to deepen and illustrate our answers, we have included in some topics (1, 3 & 4) relevant findings from the evaluation of the previous Interreg Programme (*Interreg III ex post Evaluation Report*). You will find these remarks included in this document after the answers offered for every topic.

The AEBR Secretariat and its Advisory Committee have been very pleased to prepare this contribution, and are ready to discuss them with the Rapporteur and/or his representatives whenever it is possible, if this is considered so.

The AEBR Team

Topic 1

1. There exists a clear demand for cross-border, transnational and interregional cooperation among the different stakeholders from various regions. But **the demand from cross-border actors is the strongest**.

Private stakeholders do not need a legal instrument based on public law (like an EU-regulation), because they are free to act and **not limited by national public law**. But local and regional public authorities, being subjected to the respective national public law, are not free to act and need a bilateral agreement between neighbouring states or a EU-wide regulation (e.g. the EGTC).

2. There are **differences between the three forms of territorial cooperation** regarding the basic intervention logic, the intensity cooperation, the number and variety of stakeholders involved, the number of fields of cooperation addressed, the size of the geographical area covered and the extent to which a formal/legal structuring of co-operation has taken place.
3. Now a **different legal approach** is needed.
4. Any form of territorial cooperation has to **define tasks and fields of cooperation first** (we should never talk about competences!!!) and then look for the most suitable instrument, and not the other way round (this unfortunately happens very often while building an EGTC up).

Topic 1: Evidence from the INTERREG III ex post evaluation:

Main findings on INTERREG III (2000-2006)

(...)

A largely joint & decentralised management of the Strand-A programmes

The joint operational management of Strand A programmes was in general carried out by the Managing Authority (MA), Paying Authority (PA) and the Joint Technical Secretariat (JTS) which carried out a wide range of primary and ancillary programme management tasks.¹

The establishment of the joint management structures as prescribed by the INTERREG III Guidelines was in practice often demanding even for experienced Strand-A programmes. This was due to the heterogeneous legal framework conditions governing cross-border co-operation throughout Europe at the outset of INTERREG III and the often very different administrative and regulatory systems meeting at a common border. But INTERREG IIIA programmes generally succeeded in coping with this complex challenge through pragmatically searching for legally solid and workable solutions which were tailor-made to their respective context.

Taking the overall features of the management systems established by all Strand-A programmes, one can conclude that progress was made with respect to the period 1994-1999 in terms of a further decentralisation of programme management but not so much in terms of its full cross-border integration. Due to their highly context-dependent nature, it is extremely difficult to identify “golden rules” or systems-blueprints which worked better than others.

Strand-A was mostly delivered through joint and largely decentralised management arrangements (46 out of 64 programmes). These programmes were found along new and old internal and external EU-borders. Decentralisation often meant that programme management tasks were delegated to different organisations, thus requiring good co-ordination and co-operation among the actors involved to operate efficiently.

The highest levels of task delegation can be observed in many of the German programmes covering internal EU-borders and “old” external borders where between 10 and 15 different specialised organisations were involved in the delivery process. The case study programmes *Spain-Portugal* and *Flanders-Netherlands* were also good examples as in each case a total of 12 different actors were involved. In the latter case, the Belgian province of Antwerp was the Managing Authority. The *Euregio Middengebied* was formally the JTS but fulfilled in practice all tasks jointly with another existing Euregio (i.e. the *Euregio Scheldemonde*). Aspects related to technical financial management were delegated to a private bank in Belgium (DEXIA-bank), although the Province of East-Flanders was formally the Paying Authority.

Only 7 of the 64 Strand-A programmes were delivered through fully cross-border integrated management arrangements. Here, existing permanent cross-border co-operation structures either directly ensured all of the main management functions (4 programmes) or at least larger parts of those (3 programmes). The programmes *PAMINA* and *Northern Ireland-Ireland* show that the way such cross-border arrangements had been put into place was different (see: **Box 2.12**).

¹ e.g. guidance, information or local contact point for project promoters; support for project generation; co-ordination of the relations between project and/or programme partners; support in completing the dossiers/application forms; participation in the assessment of dossiers or opinion in the selection process; participation in the monitoring of projects during their implementation (help in preparing balance sheets and in the submission of financial claims, support for the technical monitoring of projects, etc.); management of initiatives such as ‘People-to-People’ actions or a ‘Small Projects Fund’; participation in 1st and 2nd level control.

Box 2.12: Cross-border integrated management arrangements - the example of the PAMINA & Northern Ireland-Ireland programmes

In the **PAMINA programme**, a genuine “bottom-up driven process” was observed during which the regional/local authorities had made use of provisions in a far-reaching inter-state agreement promoting cross-border co-operation (i.e. the Karlsruhe Agreement) to provide their pre-existing informal cross-border co-operation structure with its own legal personality based on public law. This up-grading process was backed up by the joint political will of the decentralised actors and undertaken through a specific project which received funding under INTERREG IIIA. The integration and organisational concentration of the MA & JTS functions proved to be beneficial, as it improved the efficiency of the day-to-day programme management and led to a more client-oriented provision of advice and assistance services.

In the **Ireland-Northern Ireland programme**, the establishment of genuine cross-border management structures was more the result of a “top-down driven process” which built upon the wider peace process since 1999. Central governments significantly pushed the establishment of new cross-border co-operation structures over which the concerned regional/local authorities progressively took ownership. By virtue of the “Good Friday Agreement” (i.e. the Belfast Agreement, signed between the UK and Ireland in 1999), a “Special European Union Programmes Body” (SEUPB) was established which is financed by the Finance Ministries of the two Member States. It had direct responsibility for the administration of EU cross-border programmes (incl. INTERREG IIIA & PEACE II) and was also involved in the cross-border elements of other Community Initiatives such as Leader+, URBAN II and EQUAL. For the INTERREG IIIA programme, the SEUPB ensured the roles of MA and JTS and was also delegated the function of the PA. SEUPB was explicitly delegated all necessary powers for the exercise of its functions, vested in the Chief Executive, giving SEUPB practical authority over the running of these programmes.

A strong cross-border integration of the primary management functions was in general only possible because the co-operation structure had a sufficiently solid legal capacity which allowed it to take over formal responsibility against the Community level. This was most often ensured through an own legal personality which was either based on public law (e.g. *Germany-Netherlands; Ems Dollart; PAMINA; Saarland–Moselle–Western Palatinate*) or on national private law with a public-equivalent status (*Euregio Meuse-Rhine*). Another solution was that a legal backing was provided through an international treaty (*Ireland-Northern Ireland*). Only the *Øresund* programme management arrangement is an exception in this respect as the co-operation structure “Øresund Committee” did not have an own legal personality but was entrusted with a very wide range of tasks.²

A small group of Strand A programmes established highly centralised management arrangements in which national authorities continued to play a dominant role (11 out of 64 Strand-A programmes). With the exception of programme *Greece-Italy*, they all covered external borders and new internal borders. Here, progress in terms of decentralisation was difficult to achieve as the provisions especially of the external EU-funding schemes favoured more centralised joint management arrangements (i.e. the PHARE and TACIS/MEDA).

(...)

² The Committee acted as the JTS which was responsible for contacts with potential applicants, programme guidance, the internal handling of applications and the provision of recommendations to the “Interreg IIIA Working Group” and the Steering Committee. In addition, the Committee also carried out on a delegation basis almost all tasks of the Managing Authority (i.e. the Greater Copenhagen Authority).

No fully integrated transnational management arrangements for Strand B programmes

Fully integrated transnational management arrangements which are comparable to the cross-border integrated arrangements set up by a few Strand-A programmes (i.e. an existing cross-border structure ensuring the MA/PA/JTS functions)³ were not established under Stand B.

The main reason for this was the previously mentioned lack of an adequate and far-reaching legal instrument for transnational co-operation. This prevented Strand-B programmes from setting-up co-operation structures which could be endowed with sufficiently strong legal capacity allowing them to take on most or all of the main programme management functions (i.e. an own legal personality preferably on ground of public law). Due to this, the expectations of the INTERREG III Guidelines were not met because they were clearly too ambitious in the case of Strand B (i.e. realisation of a “significant advance” on the period 1994-1999). Moreover, the suggested solution of using EEIGs proved to be largely inappropriate in practice (see: **Box 3.11**).

Box 3.11: Legally structuring transnational co-operation – an attempt made under the North West Europe programme

In the case of the **programme North West Europe**, a “European Grouping for Transnational and Interregional Co-operation” (*Groupement européen de coopération transnationale et interrégionale*, GECOTI) was established in 2003 based on the EEIG-Regulation. This partnership between the Nord-Pas-de-Calais Regional Council and the Walloon Region became in fact the new legal employer of the JTS staff and helped to improve the overall efficiency and stability of the programme management structure. The EU-legal personality did, however, not enable the EEIG-GECOTI to act as the joint transnational Managing Authority for the programme.

(...)

The impact of INTERREG III on co-operation

The overall co-operation performance of INTERREG III is “medium-high”

Across the 73 INTERREG III programmes⁴ for which the depth and intensity of co-operation could be determined using the synthetic indicator, it can be concluded that the co-operation performance by INTERREG III at the end of the period 2000-2006 was at a “medium-high” level.

- 38% of the INTERREG III programmes achieved high depth and intensity of co-operation (i.e. 18 Strand-A and 10 Strand-B programmes).
- A further 40% have reached a medium depth and intensity of territorial co-operation (i.e. 24 Strand-A, 2 Strand-B and 3 Strand-C programmes). The Strand-A programmes covered all of the “old” internal EU-borders and some external and new EU-borders where the general framework conditions at the outset of INTERREG III were favourable.
- A low depth and intensity of co-operation was observed in 22% of the INTERREG III programmes analysed (15 Strand-A and one Strand-C programme). The Strand-A programmes all covered external EU-borders and new internal EU-borders where the general framework conditions at the outset of INTERREG III were in general unfavourable.

If it is assumed that the 8 programmes for which no data is available also belonged to the last group, the share of INTERREG III programmes not having performed well in terms of co-operation would represent slightly more than a quarter of all the programmes (i.e. 28%), the remaining three quarters having performed well.

³ E.g. cross-border structures taking over the MA/PA/JTS role under the PAMINA & Euregio Maas-Rhein programmes.

⁴ No data for the Strand-A programmes Sardinia-Corsica-Tuscany, Greece-Albania, Greece-FYROM, Greece-Bulgaria, Greece-Cyprus, Greece-Italy and Greece-Turkey as well as for the Strand-B programme Archimed.

Factors leading to successful & effective co-operation were different among the Strands

The factors having most influence on the establishment of successful and effective co-operation were quite different for Strand-A on the one hand and Strands B and C on the other. In Strand A, the depth and intensity of strategic co-operation at the level of the programmes was in general high and was the most important factor which allowed this Strand to achieve a good overall co-operation performance. For Strands B and C, the most important factor was the higher depth and intensity of project-level co-operation.

A “zero-sum” situation in terms of progress under Strand A

Overall, partial progress compared to the period 1994-1999 was achieved by most of the more experienced Strand-A programmes covering the “old” internal EU-borders:⁵

These programmes generally improved the depth and intensity of cross-border co-operation at a strategic level. Important factors which contributed to this improvement were a participatory and well-informed joint programming process, a decentralised or even fully integrated cross-border programme management and a stronger formalisation of their co-operation (i.e. conclusion of management agreements). Another noteworthy aspect was that many programmes also directly involved existing cross-border structures which helped to achieve a higher level of cross-border integration in the programme management.

At a project level, co-operation intensity was also in general high. The share of joint projects in the project portfolio of these programmes was generally very high (100%) or high (over 80%). An aspect which contributed to this performance was that programme partners were well aware of and also committed to co-operation. This was reflected in the joint project appraisal/selection procedures which applied selection criteria geared to ensuring a high degree of cross-border relevance and also in sound provision of assistance to projects.

The progress made along the old internal EU-borders was balanced by the less satisfactory co-operation performance of programmes covering old and new external borders and several new internal borders. An important reason for this was the EU-funding procedures applied at the old/new external borders. These procedures were cumbersome until 2004 (i.e. combination of INTERREG III and PHARE/TACIS-CBC or MEDA) and have since 2004 only achieved partial success in being integrated in the new neighbourhood approach. This late change led to a generally low overall intensity of project-level co-operation along these borders. The share of joint projects was generally low or very low. This weakness can also be observed in case of many programmes covering the new internal EU-borders.

Our evaluation evidence showed also that low shares of joint projects were not only caused by external factors. It was also often the result of an absence of programme-level awareness of and a commitment to the value of co-operation. This was reflected in the often modest quality of the criteria and processes for project-selection, ranging from joint but rather formal procedures just checking the basic eligibility and thematic adequacy of the project applications submitted to separate appraisal and selection processes.

⁵ Exceptions are probably the programmes Sardinia-Corsica-Tuscany and Greece-Italy, for which no assessment could be made in this evaluation due to the lack of data and response to requests for information.

No significant progress under Strand B

The Strand-B programmes did not result in the expected advance on the previous situation but this cannot be attributed to the programmes themselves.

Despite the rather limited experience gained in transnational co-operation during the years 1997-1999, strategic co-operation at the level of programmes did not significantly change in the 2000-2006 period. The transnational decision-making partnerships were jointly made but compared to Strand-A less inclusive. The programme management arrangements were largely decentralised and the main partners had more often than before formalised their co-operation through a conclusion of specific agreements or conventions which contributed to more efficient transnational management processes. Our case study evidence suggests that the efficient implementation performance was mostly achieved by those programmes having established a strong Joint Technical Secretariat, whereas in the opposite case quite considerable weaknesses existed.

The only aspect by which a significant advance could have been achieved was the setting up of a fully integrated transnational programme management system. An establishment of structures for such a system was not possible, as no appropriate legal instrument existed for such structures. Progress has only been made at the beginning of the current period 2007-2013 with the Community regulation on "European Groupings of Territorial Co-operation" (EGTC).

All Strand-B programmes, however, achieved a very high intensity of project-level co-operation (100% share of joint projects) and in most cases also a high depth of co-operation (i.e. share of sophisticated & experimental projects > 60%).

(...)

Important soft leverage effects

All Strands of INTERREG III generated important soft leverage effects in terms of actor mobilisation, increased inter-cultural understanding and development of social capital.

Our analysis shows that operations supported by INTERREG III directly mobilised a large number of individuals and organisations coming from different levels of government and various sectors throughout Europe (i.e. 1 million individuals representing around 68,000 different organisations). Co-operation and exchange among actors from different countries and professional backgrounds significantly improved inter-cultural and cross-sector understanding.

This was particularly important in the new EU Member States where previous experience with territorial co-operation was still weak during the period 2000-2006. The contribution of Strand-A programmes to further intensifying cross-country inter-cultural understanding at a grassroots level was significant.

Social capital was built up through the individual and organisational learning effects associated with programme and project-level co-operation which would not have existed without INTERREG. The experiences made and the new knowledge acquired were used by the actors involved during and after the lifetime of a project/programme to improve individual skills and capacities, changing organisational contexts and procedures and developing further the quality and depth of co-operation. The evidence from the 16 case studies and the 80 projects examined more in depth clearly demonstrates that this took place, albeit to varying degrees.

INTERREG III significantly widened and intensified administrative inter-action in various policy fields across Europe. It contributed to establishing a growing capacity for self-organisation between decentralised levels of government from different countries which also furthered a progressive integration of administrative processes in Europe. In a wider perspective, this also contributed to a further development of the still evolving EU-model of multi-level governance. It is also clear, however, that the reputation of many INTERREG III programmes in the wider public has not yet been well developed. Especially under more experienced Strand-A and Stand-B programmes, publicity and communication measures were more efficient in addressing the core INTERREG 'clients' rather than

in mobilising new actors. In terms of generating awareness amongst the general public about the day-to-day border problems and territorial development opportunities or the achievements supported by the programmes, significant progress still needs to be made.

Modest direct & indirect financial leverage effects

All INTERREG programmes generated some financial leverage effects, although the aggregated budget figures across all Strands show that the private sector funding contribution was modest (Strand A: € 239 million; Strand B: € 23 million; Strand C: € 3.6 million).

The direct effect that public programme funding (ERDF and national) had on mobilising private sector funding was highest in the case of Strand A (3.8% of the public expenditure), but much lower in the case of Strand B (1%) and Strand-C (0.75%). These variations can be explained by their different intervention rationales which were in Strand-A closer to a “traditional” regional development programme than in Strands B and C. But this is not the only explanation. Within Strand-A, the financially small programmes were more successful in mobilising private sector capital than the larger programmes focussing interventions mostly on an establishment of infrastructures. This suggests that the extent and quality of co-operation were also important factors in mobilising private sector actors (e.g. bottom-up prepared and needs-oriented intervention strategies; sophisticated and well-prepared projects offering benefits for public and private sector actors, etc).

INTERREG III – a European added value

The INTERREG III Community Initiative was at the beginning of the period 2000-2006 the only EU-funding instrument which provided comprehensive and substantial support to the territorial development of areas stretching across administrative boundaries of European countries on the basis of a multi-annual, multi-thematic and co-operative approach.

INTERREG III addressed obstacles which still hampered the integration of Europe as well as exploiting new development opportunities and challenges resulting from a widened and deepened European Union. Considered from this wider perspective, INTERREG III generated real Community added value in different ways under the different Strands of the Community Initiative.

Community added value of Strands A & B

The main Community added value of Strands A and B was its support to establish an additional co-operative governance dimension for territorial development complementing and enriching the still predominantly country-focussed territorial development approaches in Member States and neighbouring countries.

But the overall maturity of this co-operative governance dimension only developed slowly during the period 2000-2006 and is different among the Strands. Strand A further strengthened and deepened a cross-border governance dimension along most borders between the “old” EU-Member States. Along the other borders, this process either stagnated (“old” external borders) or started to develop (new internal and external borders). Strand B strengthened and deepened a transnational governance dimension in the case of *Baltic Sea* and further developed such a dimension in the more experienced continental programmes (*North-West Europe, North Sea, Alpine Space, Atlantic Area, Northern Periphery*). In the other cases, this process either stagnated (*MEDOCC, Archimed, CADSES*) or started to develop at an initial stage (*Canarias-Madeira-Acores, Indian Ocean-Réunion, Caribbean*).

Topic 2

1. Working with conventional types of cooperation, mostly based on private law, is easier and less committing. Only those who want a **stronger and more institutionalised cooperation** need an EGTC.
2. Most difficulties can be found in terms of “**political will**”, as well as regarding the **technical application of the EU Regulation into national Law**.
Argument: the EU Regulation does not match some provisions of national laws. But this was just the reason for this Regulation: to overcome these difficulties, obvious since decades and having been used as an argument to hinder the establishment of cross-border structures based on public law.
3. No, **the community should not intervene**. It should simply take care that the regulation is adopted and implemented in the different national legislations.

Topic 3

1. The EU should not give preference to flagship programmes or projects. That will be against any experience in cross-border cooperation and any evaluation of INTERREG A Programmes. In the contrary the EU has to take much more into account the **results of the most recent evaluation** and the **specific needs of every region**. It should also **reduce the influence of national authorities** on A Programmes.

The EU should not support institutionalisation in financial terms. Experience shows that operations like an EGTC only happen when EU funds are available. The establishment of an ETC is not a question of money!!!

2. It is not a question of percentage. Real cross-border cooperation always creates **added value**: European, political, institutional, economic and social-cultural added value. EGTC is only an instrument to succeed.
3. The European Investment Bank, like any other bank, can support programmes and projects by rendering loans/credits, mostly for large infrastructural projects. The Bank is not usually involved.
4. All neighbouring countries should be eligible for cooperation through an EGTC. The regions will be different depending whether cross-border, transnational or interregional cooperation is concerned. This cooperation is only really possible if the regulation is modified in the following terms: **cooperation with at least 1 (not 2 like up to now) EU Member States is allowed**. Furthermore in third countries an EGTC can not be introduced through the EU. But third countries may join the EU regulation or adapt their law in such a way that an EGTC is possible.

Topic 3: Evidence from the INTERREG III ex-post evaluation

Policy implications for European Territorial Co-operation after 2013

(...)

Maintaining the current range of regions eligible for territorial co-operation

The contribution that territorial co-operation can make to territorial cohesion suggests maintaining the current range of eligible areas for future territorial co-operation and thus including wealthier regions. But there are other reasons supporting this position.

A first reason is that excluding wealthier regions and continuing support for only lagging regions would not make sense in the case of transnational and inter-regional co-operation, as this exclusion would compromise the wider logic of these types of co-operation. How and in particular where can a territorial integration of larger transnational areas be achieved if their economic centres are excluded? Similarly, how can an effective exchange and transfer of experiences on territorial development across Europe take place if better-off regions are excluded from inter-regional co-operation?

A second reason is that any attempt to reduce the scope of eligible areas for cross-border co-operation will have to deal with more fundamental legal and political concerns. The new provisions of Title XVIII on Economic, Social and Territorial Cohesion of the Lisbon Treaty provide a solid backing for border areas to be maintained generally eligible, as cross-border regions are explicitly listed among the regions to which this policy should pay particular attention (Article 174).

The wealthier cross-border regions have received relatively modest financial EU support and these programmes have achieved under INTERREG III mostly a high level of depth and intensity of co-operation. In addition, they often pioneer new forms of co-operation and problem solving in relation to highly complex or sensitive issues which are crucial for furthering cross-border integration throughout Europe (e.g. cross-border labour market, R&D/innovation, cross-border health care, cross-border policy and security co-operation, cross-border governance and democracy etc.).

Topic 4

- At the moment there is neither a need to strengthen the Community identity of the EGTC (it is clearly a European instrument), nor to rename the EGTC. This would only create confusion.

Topic 4: Evidence from the INTERREG III ex-post evaluation

Main findings on INTERREG III (2000-2006)

(...)

Soft co-operation outcomes were equally important drivers to generate a territorial development impact ...

Our analysis of the reported outputs and results of INTERREG III has shown that the operations under both Strands primarily produced ‘soft’ co-operation outcomes.⁶ These outcomes generated clear direct effects in the programme areas and helped to solve problems or contributed to better addressing joint development opportunities.

In the case of Strand-B, the significance of such outcomes was very high, as all operations were joint and because soft co-operation was the pre-dominant intervention rationale. The significance of the direct effects achieved by soft co-operation was strongly determined by the very nature of the issues addressed:

- In the case of local/regional issues for which a common interest existed, the improvements achieved were of relatively low transnational significance if they did not also involve the generation of more comprehensive transnational policy concepts.
- In the case of issues with a transnational relevance, soft co-operation outcomes achieved important improvements. Our case study evidence shows that this was especially if large-scale project partnerships covering the entire programme area or a more extended sub-zone within the programme area tackled such issues (*Baltic Sea*) or if thematic project clusters jointly achieved lasting improvements in a larger part of the programme area (*North-West Europe*).

Within Strand-A, a similar situation existed for the more mature and smaller Strand-A programmes. Here, the share of joint projects was usually at 100% and soft co-operation was again the main rationale of intervention and small-scale physical investments. The associated improvements usually affected either the entire programme area or at least larger parts of it mainly due to the smaller size of the eligible zone. In the less mature Strand-A programmes, especially in those covering external borders or new internal borders, the significance of soft co-operation outcomes was reduced due to the lower share of joint projects. Improvements were less significant and more focussed in thematic/geographical terms.

Our evaluation has shown, however, that the Strand A and B programmes usually addressed problems or development challenges which required a more permanent or on-going action to be tackled effectively. Soft co-operation had to involve establishing joint and durable problem-solving capacity in a programme area to achieve lasting improvements and a more substantial territorial development impact.

⁶ Soft co-operation outcomes represent a variety of non-physical but still tangible outcomes associated to the establishment of topical networks and information platforms or clusters, the joint design and/or application of specific policy tools and new management techniques or processes as well as to the joint elaboration of studies, policy concepts or development plans.

... but only if they established a joint & durable problem solving capacity

The wide range of informal and formal co-operation networks and structures which bring together a wide range of actors from the public, semi-public and private-sector were an important starting point for creating such a problem-solving capacity. The durability of this problem-solving capacity was variable between the Strands however and within each Strand, depending very much on the overall level of sustained project co-operation.

A comparison between the Strands reveals that the average proportion of projects still operating two years after the end of ERDF support was considerably higher under Strand A (approximately 50%) than under Strand B (approximately 31%). Notwithstanding the fact that many of the operations were deliberately conceived as “one-off projects” because they could successfully achieve a lasting improvement through a time-limited action, the overall situation remained unfavourable for Strand-B. This was because the proportion of one-off actions was higher under Strand-A than under Strand-B.

The evidence from our 15 case studies provides insights into the extent of establishment of joint and durable problem-solving capacity.

- Among the twelve Strand A case studies, the mature programmes with existing cross-border structures and high shares of sustained project-level co-operation were most successful (*PAMINA, Øresund, Vlaanderen Nederland, Ireland-Northern Ireland*). They were followed by programmes where only intense project-level co-operation existed (*Alpenrhein-Bodensee-Hochrhein*) or where the overall co-operation intensity was low despite the existence of cross-border structures (*Spain-Portugal*). The less successful programmes had low shares of sustainable projects and cross-border structures did not exist or were only about to emerge (*Latvia-Lithuania-Belarus, Czech Republic-Poland, Italy-Slovenia, Austria-Slovakia, Karelia, Finland-Estonia*).
- In the three Strand-B case studies, the *Baltic Sea* programme was more successful than the *North West Europe* programme where the sustainability and the strategic scope/range of projects should be more carefully addressed in the future. The least successful programme was *MEDOCC*, where no significant progress was made.

Overall, soft transnational co-operation needs to become more durable in nature to achieve a more significant territorial development impact and within Strand A considerable efforts still need to be made in this respect.

Policy recommendations for Objective 3 (2007-2013):

(...)

(4) Where possible, the Objective 3 programmes should experiment with the new European Groupings for Territorial Co-operation to prepare the setting-up of fully integrated cross-border and transnational programme management structures for the period after 2013. Such processes may require some time to be implemented and such structures should already be in place and operational during the first years of the programmes in order to ensure a sound start of the implementation process.

Policy implications for European Territorial Co-operation after 2013

Encouraging a more integrated management of co-operation programmes

The future establishment of joint programme governance systems will remain - as in the past - a process of searching for pragmatic solutions which have to fit the specific administrative and legal/regulatory settings prevailing in each programme area. There is thus no golden rule for multi-level governance within territorial co-operation programmes which can be applied everywhere across Europe. Although the use of an EGTC for setting up joint programme governance structures should

remain optional, the European Commission should encourage future programmes to integrate their primary management functions under one roof by using an EGTC.

Our evaluation of INTERREG III has shown that a transfer of formerly separated management functions to a single structure can result in significant efficiency gains and also create more flexibility in terms of human resources involvement throughout the different phases of the programme life cycle. Another advantage is that a joint body can act as a legal employer and thus recruit staff from various countries. This allows the development of an increased operational capacity which is more suitable for the rather complex matters involved in the day-to-day management of territorial co-operation programmes.

The current INTERACT II programme and a new programme for the period after 2013 should provide targeted assistance in this respect by disseminating experiences gained with integrated management of territorial co-operation programmes and by stimulating a direct exchange of experiences among practitioners.

Topic 5

1. No, it would not be useful and would only introduce an additional barrier to set up an EGTC.
2. Unfortunately this group of experts only exists on paper and has not met since more than one year. Up to now there is no proposal to improve the EGTC regulation by this group of experts.
3. In our view, issues to be taken into account are:
 - a. The fact that national authorities can be a member of an EGTC is problematic, because they will never accept a majority voting (to be overruled by regional/local authorities). But without majority voting an EGTC makes no sense, and it would not be stronger than any private structure. Therefore we could better keep on working by agreements like before.
 - b. Private actors should never become members of an EGTC. The EGTC regulation was established on behalf of regional and local public authorities subjected to restrictions / cooperation by national law. Private actors do not have those problems. The EU regulation clearly states not to replace existing EU regulations. But by allowing private actors in an EGTC this would be the case, because the “European Economic Interest Grouping” already exist, allowing cooperation between public and private actors.
 - c. And the EU regulations underlines not to create double structures or to replace already existing cooperation structures. But exactly this happens when an EGTC is established only for INTERREG purposes in an area where a cooperation structure is already working.
 - d. An EGTC should allow general cross-border cooperation including the management of INTERREG Programmes; and not like now: first of all the management of INTERREG programmes and in exceptional cases also general cross-border cooperation.

Please find as Annex 1 our answer to the Consultation “The review of the EGTC Regulation”, launched by the EU-trio.es, the European Commission, the Committee of the Regions and INTERACT.

As Annex 2 (a, b and c) you will also find the study mentioned in the Introduction of this contribution.

The AEBR is ready for any additional information and clarification of our contribution through a meeting with the rapporteur and / or his team in Brussels.

Gronau, Westphalia, August 2010