

# **TERRITORIAL COOPERATION AFTER 2007**

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**The territorial cooperation nowadays appears as one of the most important area of the EU' cohesion policy. In my study I look after the cohesion policy, after its reform in 2006. First, I deal with cooperations existing along the EU's internal borders, within the framework of the cohesion objective "european territorial cooperation". Following this, I examine in detail the cooperations, which can be form along the external borders. I also deal with the European Grouping of Territorial Cooperation (EGTC), which is a new cooperation possibility within the scope of the objective "european territorial cooperation". Finally, I look after briefly the IPA and ENPI neighbourhood policy instruments, which are available for the candidate and potential candidate countries.**

## **European territorial cooperation, cohesion policy, EGTC, IPA, ENPI**

### Introduction

In the programming period 2007-2013 we face a really new form of the European Union's cohesion policy. The former few years has brought many changes: a never perceived sized enlargement has come on, which effects the growing of the territory and the population too. To manage the problems of the enlarged EU, it needed to reform the cohesion policy too. As a result of this reform, new objectives change the formers, and the existing supporting instruments, which has been working for many years has disappeared, and new and more efficient supporting structure supplant.

The Community has noticed, that economic and development differences, existing between regions, mean problems not only for the certain member state, but also for the whole Community and can endanger the competitiveness and cohesion. As a solution of this critical situation, on the basis of the experiences of the past programming periods, from 2007, the territorial cooperation appears as a single objective, by which the strengthening of economic and social cohesion can be realised more efficiently.

Nevertheless, the Commission has made a suggestion, to create a new legal instrument, the European Grouping of Territorial Cooperation (hereafter EGTC), which as a cross-border regional authority, is regulated in a separate regulation.

#### 1. The European territorial cooperation

In this programming period (2007-2013), the Regulation 1083/2006/EC<sup>1</sup>, the so called general cohesion regulation designates three main objectives: over the “convergence” and “regional competitiveness and employment”, the “European territorial cooperation” appears as third cohesion objective, which – built on the experiences of the former INTERREG Community Initiative – puts the territorial dimension of the cohesion policy on the level of single cohesion objective.

The objective “European territorial cooperation” (henceforth ETC) covers “*regions having land or sea frontiers, the areas for transnational cooperation being defined with regard to actions promoting integrated territorial development and support for interregional cooperation and exchange of experience.*”<sup>2</sup>

Under the objective ETC, bilateral cooperations can be create between EU member states, along the Community’s internal borders. The ETC, which is financed by the European Regional Development Fund (hereafter ERDF), drifts to “*strengthen cross-border cooperation through joint local and regional initiatives, strengthening transnational cooperation by means of actions conducive to integrated territorial development linked to the Community priorities, and strengthening interregional cooperation and exchange of experience at the appropriate territorial level.*”<sup>3</sup>

Although, the general cohesion regulation contains the basic provisions, there is also a separate regulation, which concerns to the ETC as a single objective. The pertinent

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<sup>1</sup> Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999, OJ L 210, 31.7.2006, p. 25-78

<sup>2</sup> Regulation 1083/2006/EC, OJ L 210, 31.7.2006., Preamble, paragraph (19)

<sup>3</sup> Regulation 1083/2006/EC, OJ L 210, 31.7.2006, Article 3, paragraph (1) c)

Regulation 1082/2006/EC<sup>4</sup> distinguishes five different types of the territorial cooperations. Likewise the former programming periods, there are three variant dimensions: the (1) cross-border, the (2) transnational and (3) the interregional cooperations. In addition these categories, there are two complementary programs, (4) the ESPON 2013 and (5) the INTERACT II. Considering, that the latter two forms also rest on interregional basic, practically, they can be regard as sub-branches of the cooperations existing between regions. Accordingly, on the next few pages I delineate in detail the recited five types of cooperations.

### Cross-border cooperation

In Europe, the main goal of the cross-border cooperations is to integrate areas, which are facing with same problems, but they are separated by internal borders. In these areas it is simpler and more efficient to find solution together for common problems, like employment or development of infrastructural networks.<sup>5</sup>

Before 2007, in the „INTERREG – era” the cross-border cooperation was the most important dimension of the territorial cooperations. More than 80 % of the separated financial instruments were appropriated to support the component “A”, the so called cross-border cooperations.<sup>6</sup> The role of cross-border cooperations does not decrease in the programming period 2007-2013: within territorial cooperations, the cross-border cooperations remain the most emphasised group, in point of the number of programmes and the financial background too. Two-third of the financial instruments, some 73,86 % can be allocate between the participants, beneficiaries of cross-border programmes.<sup>7</sup>

These cooperations primarily concentrate on developing competitiveness in border regions, but shall also approve the economic and social integration on both sides of the borders.<sup>8</sup> Participation is opened from the beginning for the twelve new member states; the only condition is, that these programmes shall consist of at least two partners, coming from different member states, i.e. from different sides of the border.

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<sup>4</sup> Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC), OJ L 210, 31.7.2006, p. 19-24

<sup>5</sup> 2006/702/EC: Council Decision of 6 October 2006 on Community strategic guidelines on cohesion, OJ L 291, 21.10.2006, p. 11-32

<sup>6</sup> Katrin Böttger: Grenzüberschreitende Zusammenarbeit in Europa, Occasional Papers Nr. 32., Europäisches Zentrum für Föderalismus-Forschung, Tübingen, 2006, p.87

<sup>7</sup> Regulation 1083/2006/EC, OJ L 210, 31.7.2006, Article 21, paragraph (1) a)

<sup>8</sup> Council Decision 2006/702/EC, OJ L 291, 21.10.2006, p. 32.

## Transnational cooperation

As a type of territorial cooperations, under transnational cooperations strategically important questions, problems, challenges can be manage and solve.<sup>9</sup> The base of cooperations between the participating partners (cooperating member states) is not the nearness of the borders, like in the case of cross-border and interregional cooperations, but the existing of a common problem, which needs handling. Accordingly, whole areas can pull together in transnational cooperation, for example, which “*share the same river basin or coastal zone, belonging to the same mountainous area or being crossed by a major transport corridor.*”<sup>10</sup> Another linking point can be the common history, institutional structures or existing cooperation or Conventions.

In the programming period 2007-2013 – like in the past – there are 13 areas, which take part in transnational cooperations; 20,95 % of the separated financial instruments can be allocated for these programmes.<sup>11</sup>

## Cooperation between regions

Cooperations between regions, the so called interregional cooperations primarily conform to the objectives of the renewed Lisbon Strategy: strengthening innovation, small- and medium enterprises, environment and risk-prevention also play a dominant role in creating interregional cooperations. 5,19 % of the financial sources can be turn for finance cooperation networks and changing experiences.<sup>12</sup>

As I have mentioned above, the complementary two programmes, i.e. the ESPON and INTERACT too, appear as separate program, but their roots can be look after in the interregional cooperations. Although this close linking, I review these two category under separate point in my study.

## The ESPON 2013

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<sup>9</sup> Council Decision 2006/702/EC, OJ L 291, 21.10.2006, p. 32.

<sup>10</sup> Council Decision 2006/702/EC, OJ L 291, 21.10.2006, p. 32.

<sup>11</sup> Regulation 1083/2006/EC, OJ L 210, 31.7.2006, Article 21, paragraph (1) b)

<sup>12</sup> Regulation 1083/2006/EC, OJ L 210, 31.7.2006, Article 21, paragraph (1) c)

Within the framework of the INTERREG III Community Initiative, the Commission has created the ESPON<sup>13</sup> programme. With the animation of this instrument, the Commission's main goal was to build an scientific community up in the field of regional development, and hereby to contribute to moderate the territorial imbalances, existing between the EU's regions.

The programme was available for the then twenty-five member states, and also could take part Norway and Switzerland. Under the programme, regional development researches were supportable, which were realised with community and national co-financing. The main objective of the programme was to make more efficient the adoption, application and enforcement of the European Development Plan at national level. Moreover this, with the help of the ESPON programme, the Commission also has concentrated to build the regional dimension in other community policies.

In the last phase of the programme, the Commission has decided to maintain the ESPON programme in the future too. Between 2007-2013, the programme continues its work under the name ESPON 2013.<sup>14</sup> The programme's financial base is the ERDF, but it is also supportable from the amount, which is separated for the objective ETC.

In the introduction of the ESPON 2013 Operational Programme, we can read, that the ESPON 2013 aims at strenghtening cohesion policy with collected information and studies, related to the working mechanism of the development policy.<sup>15</sup> An important novelty is, that in the present programming periode beside the member states, candidate, potential candidate and the EU's partner states also can take part.

## Az INTERACT II

The INTERACT programme<sup>16</sup> – like the above mentioned ESPON – has appeared as a component of the INTERREG III Community Initiative. The main objective of the

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<sup>13</sup> European Spatial Planning Observation Network, ESPON

<sup>14</sup> „Common understanding on Orientations of an ESPON II”, Presidency Conclusions, no. 2.4, EU Informal Ministerial Meeting on Territorial Cohesion, Luxembourg, 20/21 May 2005

<sup>15</sup> ESPON 2013 PROGRAMME, European observation network on territorial development and cohesion, European Commission Decision C(2007) 5313 of 7 November 2007, p. 5

<sup>16</sup> INTERREG Animation Cooperation and Transfer

programme was, by summarising the experiences, to help to increase the efficiency in the third generation of this community initiative.

The programme, which has started its work in 2002, is aimed at increasing the quality of the INTERREG programmes and to help in sharing the experiences, which have accumulated in the field of cross-border, transnational and interregional cooperations. During the working of the INTERACT, the main features – so the strengths and weaknesses – of the INTERREG were sized up by SWOT analysis. The priorities of the programme fit in with the goals of INTERREG. The INTERACT programme has proved to be successful, so from 2007, it continues its work under the name INTERACT II, as the second generation of the programme.

#### The European Grouping of Territorial Cooperation (EGTC)

The EGTC is the new cohesion policy's very new and important instrument in the programming period 2007-2013. It is a cooperation form having legal personality that Community law offers to partners involved in territorial cooperation.

This cooperation is built on the experiences of the former INTERREG III Community Initiative. The creation of this tool was motivated by many factors, like that some problems have arisen during the realisation of the INTERREG projects because of the differences are between the national legal systems.

With the creation of the EGTCs the cooperation between the states, coming from the other side of the borders, could be stronger and the realisation of the projects could be more efficient because of the single legal framework of the territorial cooperation. The objective of the EGTC is “*to facilitate and promote cross-border, transnational and/or interregional cooperation between its members [...] with the exclusive aim of strengthening economic and social cohesion.*”<sup>17</sup>

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<sup>17</sup> Article 1(2) of Regulation (EC) 1082/2006, OJ L 210., 31.7.2006., p. 19

We can speak about some different types of the EGTCs.<sup>18</sup> From the point of view of the EGTC-participants we can make a distinction between groupings with homogeneous and heterogeneous structure. In a homogeneous structured EGTC all of the participants come from the same group, for example all of them are local authority. In the case of the heterogeneous EGTCs the participants do not come from the same category. Within the heterogeneous EGTCs we can make another distinction according to the number of the different participants equal or not, namely the structure symmetrical or asymmetrical.

From the point of view of the applicable law the fund of limitation is that the EGTCs are regulated by public or private law; moreover the liability of the members is limited or unlimited. Considering the EGTC's activity on the one hand we can speak about EGTCs with community financing or not-community financing, and on the other hand about EGTCs active on behalf of the members or help to coordination between the members.

## 2. Cooperation along the external borders of the EU

When we examine the different types of the territorial cooperations, we should notice, that not only inside the Community, but also along its external borders is there a possibility to build cooperations up. As a result of the EU's enlargement in 2004 and in 2007, the length of external borders has increased, so the Community shall take into account lots better the problems, challenges and possibilities, which appear by the altering of the borders.

In the past few years, a recognition has strengthened, in accordance with working for the cohesion of the EU can not be enough: cohesion policy and the territorial dimension shall be closely linked with the neighbourhood policy. The cohesion policy not can be hardly separated from the neighbourhood policy, what is more, with the help of the neighbourhood policy instruments, cooperations can be create more efficiently between member states and candidate, potential candidate and partner states.

Along the external borders, we can differ two types of the cooperations: some of them are creatable by EU member states and candidate (or potential candidate) countries, while others

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<sup>18</sup> The European Grouping of Territorial Cooperation – EGTC, CdR 117/2007 (Study), Committee of the Regions, Brussels, January 2007, p. 141-142

can build up with the EU's partner countries. However, this distinction is not so marked, because all of these cooperations are regulated under the EU's neighbourhood policy. Accordingly, the differentiation is justified because of the available financial instruments, i.e. the IPA and ENPI.

### 2.1. Cooperation with accessing countries

As I mentioned above, in consequence of the eastern enlargement of the EU, the importance of creating cooperations along the external borders has also increased. The Community has emphasised, that cooperations between member and candidate countries have special role: they function as mediators, which bind Central-East-Europe and the Western Balkans with the European Union.

Cooperations, which are creatable along the external borders can be support by the IPA (Instrument for Pre-Accession Assistance) established by Council Regulation No 1085/2006/EC.<sup>19</sup> The assistance should support the candidate and potential candidate countries in their efforts to strengthen democratic institutions and the rule of law, reform public administration, carry out economic reforms, respect human as well as minority rights.<sup>20</sup>

As we can see, the instrument definitely concerns on the Western Balkans space, by taking its political, economic and social characteristics into account.

From the components of the IPA, the territorial cooperation is available for all countries on the Western Balkans, independently their candidate or potential candidate status. These cooperations appear as operational programmes, on the part of member states, and as action plans on the non-EU states.

In this programming period, 12 different IPA programmes start, which are supported by 11,47 billion €.

### 2.2. Cooperation with third countries

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<sup>19</sup> Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission on European Union Development Policy: "The European Consensus" (2006/C 46/01), OJ C 46, 26.2.2006., p. 1-19

<sup>20</sup> 2006/ C 46/01, in point 13



On the past few pages it could be seen, that the circle of the cooperations, which are creatable with the contribution of candidate or potential candidate countries, are very wide. However, it is interest to examine, what are the possibilities in the case of those neighbouring countries, which stay outside the EU in the foreseeable future.

It is undesirable, that the dividing lines, existing between these countries and the Community, also function as political and economic boundaries, which share in a wider sense grasped European into two parts. To prevent this, the Community has cretaed a new assistance within the neighbourhood policy, which supports cross-border cooperation programmes between member and permanent outsider countries. “The European Consensus on Development”<sup>21</sup> draws up, that “*EU partnership and dialogue with third countries will promote common values of: respect for human rights, fundamental freedoms, peace, democracy, good governance, gender equality, the rule of law, solidarity and justice.*”<sup>22</sup>, therefore they play prominent role from the point of view of the Community.

The main instrument in creating cooperations with third countries is the ENPI (European Neighbourhood and Partnership Instrument) established by the European Parliament and Council Regulation 2006/1638/EC.<sup>23</sup> It integrates the former CARDS, TACIS and MEDA programmes under a single device, fore the sake of increasing efficiency in the appropriation of Community supports. The priorities are put down in country or operational programmes.

Community assistance shall promote enhanced cooperation and progressive economic integration between the European Union and the partner countries and, in particular, the implementation of partnership and cooperation agreements, association agreements or other existing and future agreements.<sup>24</sup>

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<sup>21</sup> Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument, OJ L 310, 9.11.2006, p. 1-14

<sup>22</sup> Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA), OJ L 210, 31.7.2006, p. 82-93

<sup>23</sup> Regulation 1085/2006/EC, in the recital 13

<sup>24</sup> Regulation 1638/2006/EC, Article 2, paragraph 1

Similarly the programmes, which realise under the ETC objective, the ENPI also has all territorial, so cross-border, trans-national and interregional dimension. The largest part of the ENPI concerns on the interregional programmes, which are aimed at help in the partner countries to carry out the EU's neighbourhood policy and create efficient cooperation with Russia. The participants fix the provisions and regulations of these cooperations in bilateral agreements, so called action plans. In this programming periode, 12 billion € can be allocate within the framework of the ENPI, but the ERDF also co-finance these programmes from the side of the participant member states.

### Closing remarks

After a short overview of the territorial cooperations, which are creatable along the internal and external borders of the EU, it can be seen, that practically, the two common policies, so the cohesion and neighbourhood policy mean the two different dimensions, two sides of the same instrument.

Considering that, lawmakers agree, that it is undesirable to handle these common policies separately; instead of this, connecting them can be a suitable solution in the future. The cooperations between the member states and non-member states should function as bridges, which link the eastern and western parts od Europe.

The above mentioned recognition has large importance: since based on this approach, with the help of integrated handle, the cooperations and the national appropriation of the supports, coming from the Community, can be more efficient and effective.

## Literature

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