

## BULLETIN

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## **EGTCs:** Assessment and Prospects

## Adriana Skorupska

Established in 2006, a legal instrument called European Groupings of Territorial Cooperation (EGTC) was intended to serve the objectives of EU cohesion policy and the Europe 2020 strategy. However, in Poland this instrument has been used at a small scale. The four EGTCs established on the Polish borders focus on projects that can be carried out through other forms of cooperation. Among the challenges that EGTCs should encompass are management of the environment or transport projects.

European Groupings of Territorial Cooperation (EGTC) comprise an EU tool enabling central governments, local governments and other actors such as universities and hospitals facilitate effective cross-border, transnational, or interregional cooperation. They are distinguished from other instruments (Euroregions, associations) primarily by their legal personality and legal capacity.

EGTCs offer a higher level of institutionalisation that then creates the chance to form more stable cooperation structures. It removes the need to sign contracts between partners on a case-by-case basis. EGTCs are financed by membership fees and international resources. They benefit from European Territorial Cooperation programmes and others within European Structural and Investment Funds. Moreover, some projects use funds from Horizon 2020, LIFE, Connecting Europe Facility, Erasmus and Europe for Citizens.

The groupings are created to accomplish a particular task (e.g., hospital management) or a series of tasks in different spheres. Many EGTCs are a continuation of previous contacts and cooperation often associated with the Euroregion formula. The legal regulation also allows the participation of entities from non-EU countries.

**EGTCs** in Europe. By the end of 2016, 65 EGTCs had been established. They include national, local and regional authorities as well as other public actors from 20 EU Member States, plus one partner from Ukraine, two from Switzerland and one from Palestine. Most of the groupings (56 as of now) are a cross-border type and focus on local and regional issues. Less often, they encompass interregional or networked cooperation that goes beyond Europe. In most cases, the members are local governments and in some others they are research units, healthcare institutions, national parks, local-government associations and states (such as Luxembourg and France's EGTC—Grand Region). Their activity level varies. Some of the groupings did not take any action in 2016 or failed to comply with the tasks set out in the statutes.

Most of the EGTCs involving local government units were established in Hungary and France (24 in each). Hungary was one of the first countries to adopt the EU regulation on EGTCs, and established its first grouping in 2008. EGTCs with Hungarian entities have become an important policy instrument in the region. Hungary is also the only country that supports the EGTC budget. At first, the central government treated it as a tool to support the Hungarian minority in neighbouring states. Recently, much more emphasis has been placed on the management and economic development of border regions.

There are many groupings on the border of Slovakia (17) and Spain (16). There are no EGTCs in the Baltic States, Finland, Denmark, the United Kingdom or Ireland. In other countries, the number of EGTCs ranges from one to nine.

There is a difference between groupings established in Western and Central Europe. The first focus more on research and science cooperation, energy issues, or administration of a specific object (EGTC Cerdanya was set up to manage a hospital on the French-Spanish border). The EGTCs in Central Europe focus on tourism, education, social, and transport projects. Differences in the functioning of the EGTCs are also apparent among countries in the same region. A good example here are groupings formed with the participation of Hungarian local governments in comparison to those with Polish local government members.

At present, however, unlike some Hungarian groups, none of the EGTCs with Polish participation have a managerial function in the programme.

**EGTCs** in **Poland.** The Polish central government was rather sceptical of EGTCs; preparation of relevant documents and obtaining consent from relevant ministries took several years. Local authorities that decided to launch a grouping counted on access to additional funding. They wanted to take on the responsibility for managing cross-border Small Project Funds (micro-projects are part of EU cross-border programmes and often are managed by Euroregions).

The first grouping—EGTC TRITIA—was established on the Polish-Czech-Slovak border in 2013. Formalisation was preceded by cooperation among regional authorities. In the same year, also on the southern border, EGTC TATRY was established. The grouping was created based on an existing Euroregion, its members are local-government associations on both sides of the border. It was created with the intention of managing a fund of small projects on the Polish-Slovak border. The activities of the two groupings have so far focused on the implementation of projects related to tourism, culture and training and did not differ much from previous forms of cooperation.

The Central European Transport Corridor EGTC set up in 2014 has a different character. The main aim of the grouping, which gathers local authorities from Sweden, Poland, Hungary and Croatia, is to foster cooperation on transport within this corridor (the first of its kind in Europe). However, the grouping is open to wider activity. An example is an innovative project concerning the analysis of the "smart" specialisation of member regions to find new areas of cooperation for EGTCs. The last one, EGTC NOVUM, was established on the Polish-Czech border with the participation of both regional governments and Euroregions in this area. It has set similar goals as the other groupings on the Polish southern border (tourism, transport, and environment protection).

**Prospects.** By joining the EGTC project, Polish local authorities wanted to have an effective instrument for cooperation and financial support. The long process to establish the grouping, a lack of targeted funds, and failure to obtain the status of a micro-project management institution hindered the development of EGTCs. All four groupings have registered offices in Poland and work under Polish legislation. Their willingness to cooperate is still a large resource. They were all created in a bottom-up process and preceded by a needs analysis. Setting up a separate fund to support this cooperation instrument would help boost the Polish EGTCs, like in Hungary.

EGTC TATRY, in preparing for the new EU budget season (financial perspective), created the 2014–2020 Strategy, which is coherent with Polish and Slovak local, regional and national strategies and EU documents. This created the opportunity to make better use of the new instrument, especially because of the emphasis given to innovative actions that are part of the Europe 2020 strategy.

To find innovative and effective solutions, it is worth looking for new partners and spheres of cooperation. An example of this is the support for cooperation between clusters from border areas to create international counterparts. Specifically, energy clusters would fit in with the 2020 strategy. Following the example of Hungary, the groupings could also put more emphasis on the economic sphere.

As the Three Seas Initiative (TSI) develops, the EGTC Central European Transport Corridor—an entity focused on the development of transport infrastructure along the north-south axis, but also open to wider cooperation—may become one of the instruments for achieving and fulfilling the TSI project's objectives. In the longer term, it may be important to involve partners from third countries in EGTCs. Hungary has done it recently, deciding to establish EGTC Tisza with partners from Ukraine. Despite very extensive plans for joint initiatives, the group's activities are still in the organisational phase. However, this formula may be attractive for local governments located on Poland's eastern border.