

Interreg Programme Management Handbook

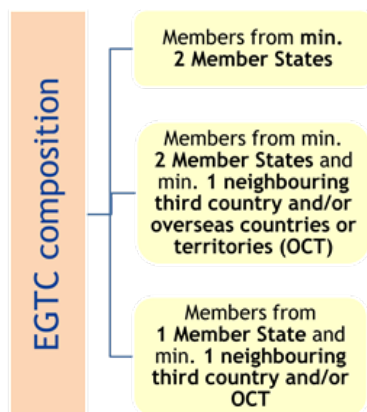
Guide to the 2021-2027 period

The Interreg Programme Management Handbook comprises a series of factsheets. They can be read individually, or collectively, to understand the relevance of certain aspects of Interreg management. They cover the relevance, legal basis, key challenges and approaches to the given subject.

Factsheet | EGTC – European Grouping of Territorial Cooperation

1. What is it? What is the definition of this work?

“EGTC” stands for **European grouping of territorial cooperation**. It is an entity with legal personality under European law. Its objective is to facilitate and promote territorial cooperation, with a view to strengthening the Union’s economic, social and territorial cohesion.



EGTCs are made up of public entities (Member States, including outermost regions, national, regional and/or local authorities and other public-law bodies) and/or non-profit or public-equivalent private entities providing public services and being from at least two countries. Under specific conditions, it is also possible for entities from outside the European Union to participate in an EGTC. In this case, the country must either be a neighbour of one of the Member States involved, or part of a joint cross-border, transnational or sea-basin programme. However, in all cases at least one member of the EGTC has to be located on the territory of an EU Member State.

Each EGTC shall be governed by its convention, describing its tasks and competences, and shall establish its status, organs (min. assembly and a director) and rules for its budget.

2. Why are we discussing it?

The international composition of EGTCs and its scope of action naturally enable them to take on new Interreg projects quickly and efficiently, or even be directly involved in the Interreg programme management. Therefore, just as in the 2014-2020 years, but even more for the 2021-2027 period, EGTCs are perceived by the European Commission (EC) and the Member States as taking an active role in Interreg programmes.

It is worth underlining that EGTC could act as sole beneficiary in Interreg projects, which in practice means that they would be permitted to carry out cooperation projects by themselves, on the basis of their composition requirements. They can also be a useful tool for implementing projects and actions of macro-regional strategies.

An inherent feature of the EGTC is to enhance genuine cooperation of its members. For example, an EGTC has legal personality, and the most extensive legal capacity makes it possible for its members to jointly acquire properties, manage public services or employ staff.

3. What are the Legal references and basis for this topic?

The main legal basis for EGTC is governed by the EGTC Regulation (EC) N° 1082/2006, amended by Regulation (EU) No 1302/2013 and EU Regulation 2021/2060 (CPR). At the same time, in matters not regulated under the EGTC Regulation, the applicable law is the national law of the Member State where the EGTC has its registered office.

It's important to remember that EGTCs are legal entities and are not necessarily connected to any financial programmes or funding source of the EU. Thus, they are not limited to any of the financial periods of the EU. However, the EGTC was a brand-new instrument when the EGTC Regulation 1082/2006 entered into force on 1 August 2007. In order to evaluate the effectiveness of this new tool, the Commission was obligated to prepare in 2011 a report on the Regulation application, as well as proposals for its amendments. This is how amendments to the EGTC Regulation 1082/2006 were proposed, together with the 2014-2020 Cohesion Policy legislation pack. Later on, further amendments were made in the new 2021-2027 Cohesion Policy legislation pack. The Regulation 1302/2013 amending the EGTC Regulation 1082/2006 introduced changes like:

- Establishment of EGTC is to be easier and faster (e.g., by introducing a tacit approval procedure after 6 months as a formal approval of EGTC establishment, except in the Member State where the EGTC' seat is located).
- The EGTC Convention becomes the main document of the EGTC, where provisions on staff, taxation, procurement and other aspects related to the functioning of the EGTC can be regulated.
- Public undertakings of Annex III of Directive 2004/17/EC (private law) and undertakings entrusted with operations of services of general economic interest can be part of an EGTC.
- The participation of entities from outside the EU is possible and has clearer rules - EGTCs with one entity from one Member State and another one from a non-EU Member State are possible.

4. Good practice examples, innovative approaches

Prior to the the 2021-2027 period a few EGTCs were involved in ETC/Interreg projects. With the introduction of the Small Project Funds (SPF) instrument their role was somewhat increased as they also often take the role as Management and sole beneficiary of the SPF. This proved that EGTCs:

- Are natural-born beneficiaries of Interreg as their partnerships naturally fulfil cooperation criteria.
- Provide the chance to build on existing knowledge and experience of the partnership, and at the same time offer the possibility to establish a stable, long-term commitment of partners, therefore strengthening cooperation.
- Can offer the possibility for project partners to hire staff together and make joint purchases.
- May build links to other programmes/funding sources, spreading the reach of territorial cooperation.

In practice, programmes willing to make the most of EGTCs must remember to:

- Include the sole beneficiary rule in their implementation provisions (contracts, monitoring system, Control guidance, etc.)
- Be aware of which EGTCs exist in your programme area and if their objectives align with your programme's objectives.
- Think about including relevant EGTCs among your key programme partners

The Committee of the Regions, the European Commission and Interact are constantly making joint efforts to increase awareness of EGTCs.

Disclaimer: Cooperation can be complex, and while Interact's job is to make it easier, Interact cannot offer assurances on the accuracy of our pan-European information in any specific context.

Furthermore, understanding and knowledge evolves throughout the programming period. If you spot something out of date or inconsistent, please contact us at communication@interact.eu

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