

OECD Multi-level Governance Studies



# Building More Resilient Cross-border Regions

CONSIDERATIONS IN GOVERNANCE  
AND PARTNERSHIPS





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# Foreword

Supporting the development of cross-border regions is a growing priority for many governments across the OECD. This reflects the important role these regions play, for example, in terms of their contribution to GDP. The growing attention to cross-border development also reflects the fact that these regions often face significant development challenges related to their proximity to national borders. In addition to trade barriers, behind and at the border, these include legislative, regulatory, governance, cultural and language obstacles. Depending on the country and regional context, these factors can constrain regional economic integration, impede the delivery of cross-border services (e.g. transport, healthcare, utilities, security, environmental protection) and/or hamper the co-ordination of cross-border disaster management efforts.

This OECD report synthesises findings from the “Building More Resilient Cross-Border Regions” project. This initiative was supported by and responds to a request from the European Commission to: i) assess how multi-level governance arrangements can support resilient cross-border development; and ii) develop analysis and tools that can help policy makers establish or reinforce cross-border governance mechanisms. The report draws on the OECD’s work with cross-border governance bodies in five European pilot regions. It provides insights and recommendations for other cross-border regions in the European Union, OECD and beyond to strengthen their development performance and resilience. The five pilot regions are located on the borders between: Belgium and France; Lithuania and Poland; Luxembourg and France; France and Spain; and Portugal and Spain.

The report starts by examining why the development of cross-border regions often lags behind non-border regions, and considers the multi-level governance mechanisms in place to bolster their development. Using insights from the five pilot regions as a basis, it then examines cross-border governance arrangements through the lens of the OECD Cross-border Governance Framework developed as part of this project. The framework identifies four complementary governance dimensions: cross-border governance architecture; ii) strategic planning; iii) funding and financing; and iv) promotion and advocacy for cross-border development. The report shows that, despite differences in development contexts and specific cross-border challenges faced by border regions, the cross-border bodies that are established to address these challenges often encounter similar obstacles. These include adopting practical strategies to guide co-operation efforts, securing funding to implement concrete initiatives and maintaining robust political support to address cross-border needs. Finally, this report includes considerations for subnational, national and international policy makers on how they can strengthen cross-border governance frameworks to enhance the resilience and socio-economic development of cross-border areas.

This report was developed as part of the Programme of Work of the OECD’s Regional Development Policy Committee (RDPC), a leading international forum in the fields of regional, urban and rural development policy and multi-level governance, which is served by the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE). The RDPC emphasises the importance of multi-level governance and place-based approaches that are tailored to regional and local needs. To support the RDPC’s leadership in this area, the OECD created the Multi-level Governance Studies series in 2016. This report contributes to the body of knowledge contained in this series. The report was approved by the RDPC through written procedure on 10 December 2024 (CFE/RDPC(2024)24).



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The report was co-ordinated by Stephan Visser, under the supervision of Maria Varinia Michalun, Head of the Governance and Strategic Planning Unit in the Regional Development and Multi-level Governance Division in CFE, led by Dorothée Allain-Dupré.

Chapters 1 (Defining cross-border regions and their development challenges) and 2 (Cross-border governance architecture) were drafted by Stephan Visser (CFE) and Raj Kharel (external contributor). Chapter 3 (Strategic planning for cross-border development) was prepared by Stephan Visser. Chapter 4 (Funding and financing cross-border co-operation) was developed by Stephan Visser. Chapter 5 (Promotion and advocacy for cross-border development) was prepared by Geoff Upton (CFE).

The full report benefited from valuable input and comments provided by Nadim Ahmad, Deputy Director of CFE; by Dorothée Allain-Dupré, Marc Bournisien de Valmont, Claire Charbit, Isabelle Chatry, Enrique Garcilazo, Margaux Tharaux and Margaux Vincent in the CFE Regional Development and Multi-level Governance Division; and by external contributors Alison Merrick, Meghan Hennessy, and Raj Kharel.

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# Abbreviations and acronyms

<b>BGTC</b>	Benelux Grouping of Territorial Co-operation
<b>CEER</b>	Centre for Euroregional Studies
<b>COVID</b>	Coronavirus disease of 2019
<b>CPI</b>	Projects of Common Interest
<b>DG REGIO</b>	Directorate-General for Regional and Urban Policy of the European Commission
<b>ECBM</b>	European Cross-Border Mechanism
<b>EGTC</b>	European Grouping of Territorial Co-operation
<b>ERDF</b>	European Regional Development Fund
<b>EU</b>	European Union
<b>EUR</b>	Euro (currency)
<b>FR</b>	France
<b>GDP</b>	Gross Domestic Product
<b>IDETA</b>	Inter-communal company serving the districts of Tournai, Ath and surrounding communities ( <i>Intercommunale de Développement Économique des Arrondissements de Tournai, d'Ath et de communes avoisinantes</i> )
<b>IEG</b>	Inter-communal company serving the district of Mouscron and municipality of Estaimpuis ( <i>Intercommunale d'Etude et de Gestion</i> )
<b>IT</b>	Information Technology
<b>NUTS</b>	Nomenclature of Territorial Units for Statistics, classification for statistical purposes used by the EU and Eurostat
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PDAT</b>	Spatial Planning Master Programme ( <i>Programme Directeur d'Aménagement du Territoire</i> )
<b>PMF</b>	Pôle Métropolitain Frontalier du Nord Lorrain
<b>POCTEP</b>	INTERREG VA Spain-Portugal Operational Programme ( <i>Programa Operativo Cooperación Transfronteriza España-Portugal</i> )
<b>PPS</b>	Purchasing Power Standard
<b>RedCoT</b>	Cross-border Co-operation Network Spain-Portugal (Red de Cooperación Transfronteriza España-Portugal)
<b>SCoT</b>	Territorial Coherence Plans ( <i>Schémas de Cohérence Territoriales</i> )
<b>SDTGR</b>	Greater Region Territorial Development Plan ( <i>Schéma du Développement Territorial de la Grande Région</i> )
<b>SRADDET</b>	Regional Scheme for Territorial Planning, Sustainable Development, and Territorial Equality ( <i>Schéma Régional d'Aménagement, de Développement Durable et d'égalité des Territoire</i> )
<b>TP</b>	Territorial Level
<b>VAT</b>	Value-added tax
<b>WVI</b>	Inter-communal company Wallonie-Bruxelles International ( <i>Wallonie-Bruxelles International</i> )

# Executive Summary

Recognising the economic potential of border areas, national and subnational governments along with the European Union (EU), have introduced regulatory, policy and financial mechanisms to facilitate cross-border co-operation. Despite these efforts, cross-border regions generally perform below non-border regions in key metrics. For instance, in 2021 GDP per capita in the EU's border regions was 86% of the EU average (100%).

The development gaps experienced by border regions can be attributed to fundamental, often structural, barriers they face, including legislative, regulatory and territorial-administrative obstacles, as well as language and cultural differences. For instance, regulatory differences in tax, tariffs, and standards have a significant impact on businesses in cross-border regions. Firms engaged in cross-border trade face costs up to 50% higher than domestic businesses, even within the EU single market. These barriers also impede the capacity of border regions to effectively address disasters whose consequences transcend national boundaries. For instance, a lack of co-ordination among EU Member States when implementing border closures and travel restrictions during the COVID-19 pandemic, contributed to the GDP of cross-border regions dropping by twice as much as that of the EU average.

In 2017, legal and administrative barriers in the EU's border regions were estimated to result in a loss of 3% of European GDP (EUR 458 billion), which translated to six million fewer jobs in cross-border regions. It is estimated that by addressing even 20% of the existing legal and administrative obstacles, the GDP of cross-border regions would be boosted by 2% and over one million jobs would be created. These figures underscore the urgent need to establish and strengthen governance mechanisms to support socio-economic growth, improve the delivery of public services, and enhance the quality of life in cross-border regions.

## Key findings

- **Many countries have established governance bodies to address shared challenges in cross-border regions.** These bodies differ significantly in terms of their objectives, organisational structure and membership base. While some have been established to address a very specific need (e.g. to improve access to healthcare), most have a broad mandate related to fostering socio-economic growth and integration. A common challenge is that the membership base and internal governing structures often fail to fully support cross-border objectives. This is frequently due to a lack of involvement by public bodies with relevant competences to address shared border challenges.
  - For governance bodies to be more effective, it is essential to ensure that the right public institutions and partners for cross-border co-operation are involved and the appropriate territorial scale for action is established to address challenges shared on both sides of a border.
- **Cross-border governance bodies adopt varying planning and co-development methods and formats, from project-based plans to integrated, long-term strategies.** Where cross-border governance bodies have adopted strategic planning documents, these often share common limitations, including a lack of clear guidance on implementation, monitoring and evaluation.

- For cross-border governance bodies to deliver on their objectives, it is essential that—at a minimum—they develop an organisational strategy outlining how their organisation will contribute to broader cross-regional goals. This strategy should also define key implementing partners on both sides of the border, their roles and responsibilities, and identify the resources necessary to support effective implementation of cross-border initiatives.
- **Cross-border challenges (e.g. limited healthcare access and congestion) can provide a compelling case for cross-border public service delivery** when supported by the free movement of goods and people and institutional frameworks enabling cross-border co-operation. However, governance bodies often find these too complex to manage, focusing instead on providing 'softer' services, such as networking and promotional activities. These actions foster collaboration albeit with a more limited direct impact on socio-economic development and citizen well-being.
  - While supporting cross-border public service delivery can support regional economic development and resident well-being, not all cross-border bodies have the capacity for such initiatives. Bodies with limited resources should start with foundational activities such as information sharing and networking, building toward more ambitious projects as capacities grow.
- **Funding for cross-border governance bodies is often precarious, with membership contributions usually only covering operational costs, limiting the capacity to fully achieve cross-border objectives.** Often, membership contributions are not adjusted to reflect changing needs and contexts. This lack of flexibility hampers the ability of governance bodies to carry out their mandate and respond to emerging challenges and opportunities.
  - Clear and transparent mechanisms for establishing membership contributions are needed, along with regular review processes, to foster trust among cross-border partners, and ensure the bodies are financially viable and responsive to changing circumstances, costs and strategic goals.
- **While cross-border governance bodies often rely on funding and financing from international organisations and institutions (e.g. European Union, international development banks), many other funding and financing opportunities are underused.** These include national and subnational grants, as well as non-governmental contributions. To build the financial resilience of cross-border governance initiatives, different measures can be considered:
  - National and international policy makers could reassess the eligibility criteria of untapped funding programmes to ensure that available financial resources can be better utilised to support cross-border co-operation and objectives;
  - Cross-border bodies should strategically explore untapped international and national grants, and co-operation with the private sector, while also boosting their technical capacity to prepare quality project proposals and absorb funding effectively.
- **Long-term political support for cross-border initiatives can be hard to generate and sustain.** Contributing factors include a gradual loss of interest by politicians in cross-border co-operation and insufficient awareness of specific cross-border challenges among decision makers. Additionally, political churn from regular electoral cycles often leads to a loss of institutional knowledge about cross-border priorities, making it harder to sustain the long-term support needed to address them. To build and maintain durable political support, it is essential for cross-border bodies to:
  - Generate and disseminate evidence on cross-border challenges to subnational and national decision makers, highlighting the "costs of inaction" (i.e. economic losses, inefficiencies in public services) to stress the urgency of addressing these issues.
  - Emphasise the benefits of enhanced cross-border co-operation for citizen well-being (e.g. improved public services, economic growth), to generate public demand for sustained political support and action on cross-border initiatives.

# **1 Defining cross-border regions and their development challenges**

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This chapter examines why cross-border regions in the European Union often lag behind non-border regions on different development indicators. It discusses different barriers hindering their development, including regulatory, governance and cultural differences. The chapter also explores the multi-level governance tools and mechanisms established by the European Union as well as national and subnational governments to reinforce cross-border governance, and where progress is lacking. Finally, the chapter presents the OECD Cross-border Governance Framework. From this, subsequent chapters present an analysis of the cross-border governance arrangements in five cross-border regions and what other cross-border regions can learn from their practices.

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## Introduction

Supporting the development of cross-border regions has become a growing priority for governments across different OECD Member countries, as policy makers seek to enhance the socio-economic development of border regions and, in some contexts, also foster cross-border integration. To achieve these goals, countries are increasingly establishing policy mechanisms that reflect the unique challenges and opportunities that cross-border regions experience. The European Union (EU) has been particularly proactive in developing governance mechanisms to support cross-border development, largely driven by its single market initiative. While countries outside the EU are developing innovative policy approaches, the EU's long-standing efforts can offer valuable insights for other OECD Member countries working to address the complex issues facing cross-border regions.

In 1993, the European Union (EU) created the single market, a common economic area where goods, services, capital, and people can move freely without barriers. Since this milestone, it has boosted European competitiveness and economic growth. By 2019, the single market was estimated to have increased the EU's GDP by around 9% on average, providing an annual income advantage of approximately EUR 840 for every EU citizen (in 't Veld, 2019<sup>[1]</sup>; Bertelmann Stiftung, 2023<sup>[2]</sup>).

The single market has generated important benefits for cross-border regions, which make up 40% of the EU's territory. They are also home to 30% of the EU population and account for about 30% of EU GDP (Official Journal of the European Union, 2023<sup>[3]</sup>). The removal of tariffs, customs barriers and many regulatory discrepancies have made it easier for residents to find jobs in neighbouring countries, resulting in 1.8 million cross-border commuters as of 2022 (European Commission, 2024<sup>[4]</sup>). It has also boosted economic growth and competition while fostering opportunities for cross-border co-operation in the delivery of key public services, such as healthcare, transport, and education. Finally, the free movement of people has fostered cultural exchange and strengthened regional identities.

Despite these advancements, cross-border regions continue to face significant development challenges related to their proximity to national borders. For instance, legal and administrative barriers in border regions, which can affect the construction of transport infrastructure and the delivery of cross-border services, are estimated to result in a loss of 3% of the European GDP (EU 458 billion). This translates into a loss of 8.6% of jobs (about six million) in land-border regions (Camagni, Capello and Caragliu, 2017<sup>[5]</sup>). It is estimated that by addressing even 20% of the existing legal and administrative obstacles, the GDP of cross-border regions would be boosted by 2% and over one million jobs would be created (European Commission, 2017<sup>[6]</sup>). Cross-border regions also face distinct challenges when managing crises that ignore national boundaries, such as floods, wildfires, and other natural disasters. Differences in national regulations, emergency response protocols, and co-ordination mechanisms can lead to delays and inefficiencies in disaster response.

In response to the multiple challenges faced by cross-border regions and recognising their potential for further economic growth, the EU, national, and subnational governments have developed and implemented a wide range of legal, policy, and financial mechanisms to support cross-border co-operation. These include the creation of the European Groupings of Territorial Co-operation (EGTC) framework, which allows public authorities from different countries to establish formal cross-border governance bodies and pool resources to address shared needs. They also include the provision of Interreg funding to support regional development and co-operation in land and maritime cross-border regions. Efforts such as these have contributed to the establishment of over 90 EGTCs and the creation of more than 1 500 cross-border public service delivery initiatives throughout Europe (European Parliament, 2024<sup>[7]</sup>; European Committee of the Regions, 2024<sup>[8]</sup>; ESPON, 2022<sup>[9]</sup>).

Despite these efforts, challenges persist, with cross-border governance bodies often struggling to effectively address needs and priorities that are shared on both sides of a border. For this reason, policy makers in OECD Member countries and EU Member States may wish to explore how to further strengthen



multi-level governance arrangements to support economic development, improve cross-border public service delivery, and enhance the well-being of citizens in cross-border regions.

The first part of this chapter presents an overview of particular challenges facing cross-border regions including a host of barriers affecting their performance. The chapter then discusses how robust multi-level governance arrangements can help address cross-border issues and further unlock their development potential. This is followed by a brief discussion of efforts by the EU and national and subnational governments to establish tools and mechanisms to reinforce cross-border governance. The chapter concludes by introducing the “Building More Resilient Cross-border Regions” project, which has generated analysis and tools to establish and reinforce cross-border mechanisms. The final section will introduce the four pillars of the OECD Cross-border Governance Framework. These serve as the basis for the following chapters presenting key lessons from the project’s work with different cross-border regions in the EU. The key concepts of the OECD Cross-border Governance Framework and lessons learned from the project are also relevant to cross-border regions outside the EU, providing a foundation to address shared development challenges.

## Development challenges of cross-border regions

While many cross-border regions share certain characteristics (e.g. they are often located far from national political and economic centres), they are strikingly different in terms of economic and social conditions, to take just two examples. In general, however, cross-border regions tend to lag behind non-cross-border regions on a range of indicators, such as economic performance and public service delivery (European Parliamentary Research Service, 2023<sup>[10]</sup>). This disparity can be explained by a range of specific barriers to their development, including legislative, regulatory, governance, cultural and language differences. These can hinder regional economic integration, impede the delivery of cross-border services, and hamper the management of emergencies that transcend national boundaries.

### *Defining cross-border regions*

Cross-border regions are unique geographical areas that exist along the borders of two or more countries (Box 1.1). Their defining feature is the presence of an international boundary—which can be land-based or maritime—that influences the lives of the people residing and working within these regions<sup>1</sup>. Despite sharing this basic characteristic, cross-border regions can differ widely in their development, economic and geographic conditions, and the degree of interaction among the communities on either side of the border. The diversity in resources, infrastructure, and population density in these regions results in varied forms of social and economic connectivity and collaboration between neighbouring countries.

#### Box 1.1. Challenges in defining cross-border territories

There are many different definitions of border regions. For instance, Eurostat defines cross-border territories as those NUTS 3 (TL3) regions that are either directly adjacent to an international border or close enough to be significantly influenced by it. Eurostat’s methodology manual on territorial typologies includes two key criteria for identifying cross-border regions:

1. **Regions with a land border:** These are NUTS 3 (TL3) regions that directly share an international border with a neighbouring country.

2. **Regions within 25 kilometres of a land border:** These are territories that are not located on an international border but are situated within 25 kilometres of one, which means they are often affected by cross-border dynamics (e.g. commuting of cross-border workers).

According to this classification, there are 458 cross-border regions in the EU-27, of which 355 regions have a direct land border, and 103 regions fall within the 25-kilometer proximity zone. Defining cross-border regions accurately is crucial, particularly when determining which areas are eligible for EU funding under cross-border co-operation programmes.

There are, however, important limitations to this definition. For instance, it does not take into account cross-border interactions, such as commuting or the use of public goods and services available in the cross-border region by citizens from both sides of a border. These interactions can vary significantly depending on various factors, such as economic disparities across border areas, differences in public service availability, or infrastructure quality. Economic disparities, in particular, can lead to imbalanced cross-border flows, where residents of one region might frequently travel to the region across the border for work or services not available in their home area. Similarly, the presence and quality of transport infrastructure connecting cross-border regions play a crucial role in facilitating cross-border movement. These factors determine whether cross-border interactions are confined to smaller areas or encompass larger territories.

Source: Author's elaboration, based on (Eurostat, 2024<sup>[11]</sup>).

Many cross-border regions are located on the peripheries of countries in sparsely populated areas, far from the capital city. In 2023, the average population density of EU border regions was 68 people per square kilometre, compared to 143 for non-border regions (Eurostat, 2024<sup>[12]</sup>). The vast difference in population density means that border regions often face challenges related to limited economic development and access to public services and infrastructure.

Not all cross-border regions, however, are rural or peripheral. Some encompass large urban centres or even cross-border metropolitan areas. For instance, in two EU Member States (Croatia and Denmark) the population density of border regions was higher than that of non-border regions (Eurostat, 2024<sup>[12]</sup>). In such cases, cross-border integration can take several forms (Decoville et al., 2013<sup>[13]</sup>).

- **Integration by specialisation**, where one city might, for example, offer more employment opportunities while the other provides superior residential infrastructure. A good example of this comes from the Malmö (Sweden) and Copenhagen (Denmark) cross-border region. Copenhagen offers relatively more job opportunities, attracting many Swedish cross-border workers (Greater Copenhagen, 2024<sup>[14]</sup>). Meanwhile, Malmö provides housing that is, relatively speaking, more affordable. Not surprisingly, Swedish citizens working in Copenhagen tend to live in Sweden; however, many Danish nationals also choose to live in Sweden (ESPON, 2022<sup>[15]</sup>).
- **Integration by polarisation**, where people relocate to or seek employment in a highly attractive economic centre across the border. Luxembourg exemplifies this type of integration. Its strong economy and significantly higher wages compared to neighbouring parts of Belgium, France and Germany make Luxembourg a lucrative place to work. As a result, in 2019 over 212 000 cross-border workers from Luxembourg's neighbouring countries, such as France, Germany and Belgium, commuted to Luxembourg on a daily basis, seeking better employment opportunities (OGBL, n.d.<sup>[16]</sup>). This high volume of cross-border commuting can support economic activity but also create pressure on local infrastructure (e.g. public transport), generating both positive and negative effects.
- **Integration by osmosis**, where cities on opposite sides of a shared border offer comparable opportunities, leading to balanced flows of workers and residents. The macro-cross-border region

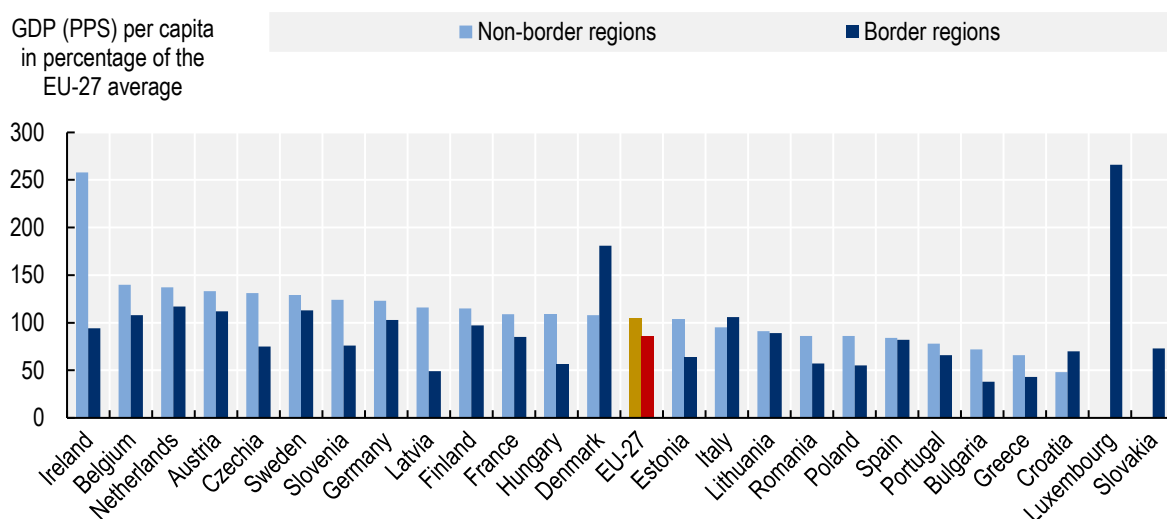
that includes Liège (Belgium), Maastricht (The Netherlands) and Aachen (Germany) illustrates such a type of integration (Decoville et al., 2013<sup>[13]</sup>).

The different forms of integration reflect the complexity and variety of cross-border regions. They also show that the potential for large economic disparities between two sides of a border can be a driver for cross-border integration.

*EU cross-border regions tend to have poorer economic and public service outcomes than non-cross-border regions*

Regional development indicators show that the EU's cross-border regions generally underperform non-border regions across a range of metrics. For instance, data on GDP per capita from 2021 reveals notable differences across border and non-border regions (Figure 1.1). In general, GDP (PPS) per capita in border regions was 86% of the EU average (100%), while in non-border regions, it was 105%. (Eurostat, 2024<sup>[17]</sup>). The most significant disparities are observed in countries such as Bulgaria, Czechia, Hungary, Ireland, Latvia and Slovenia, where the differences across border and non-border regions are substantial compared to the EU average. Denmark, Italy and Croatia, where border regions have higher GDP (PPS) than non-border regions (Eurostat, 2024<sup>[17]</sup>), are exceptions. The substantial GDP gap between a country's border and non-border regions highlights internal economic inequalities, which could be linked to a number of factors that affect growth. These include limited access to major economic hubs, infrastructure constraints, or socio-political effects.

**Figure 1.1. GDP per capita of border and non-border regions in select EU Member States, as a percentage of the EU-27 average, 2021**



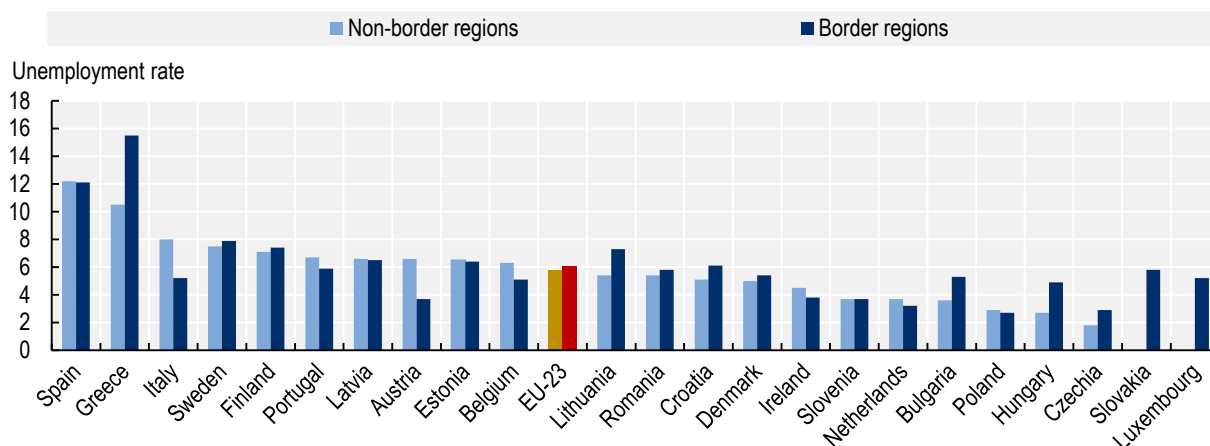
Note: Purchasing power standard (PPS), per capita in percentage of the EU-27 (2020) average. Eurostat lists all NUTS 3 territories in Luxembourg and Slovakia as border regions. Cyprus and Malta are not included as, for this indicator, both are listed as non-border regions by Eurostat.

Source: Author's elaboration, based on (Eurostat, 2024<sup>[17]</sup>).

Data on unemployment rates also highlight disparities among border and non-border regions in the EU, though the gap is smaller compared to GDP (PPS) per capita (Figure 1.2). In 2023, on average unemployment among people between the ages of 15 and 74 was slightly higher in border regions (6.0%) than in non-border regions (5.8%). In some countries unemployment was significantly higher in border regions, such as in Hungary (+45pp), Czechia (+38pp), Greece (+32pp), Bulgaria (+32pp) and Lithuania

(+26pp). However, there are also several countries where border regions outperformed their non-border peers (i.e. Austria, Belgium, Ireland, Italy, the Netherlands and Portugal). Factors that could contribute to the differences in unemployment rates include varying levels of economic development, cross-border co-operation, differences in access to labour markets, or the impact of regulatory and economic barriers in regions bordering non-EU Member States.

**Figure 1.2. Unemployment rate (from 15-74 years) in border and non-border regions in select EU Member States, 2023**

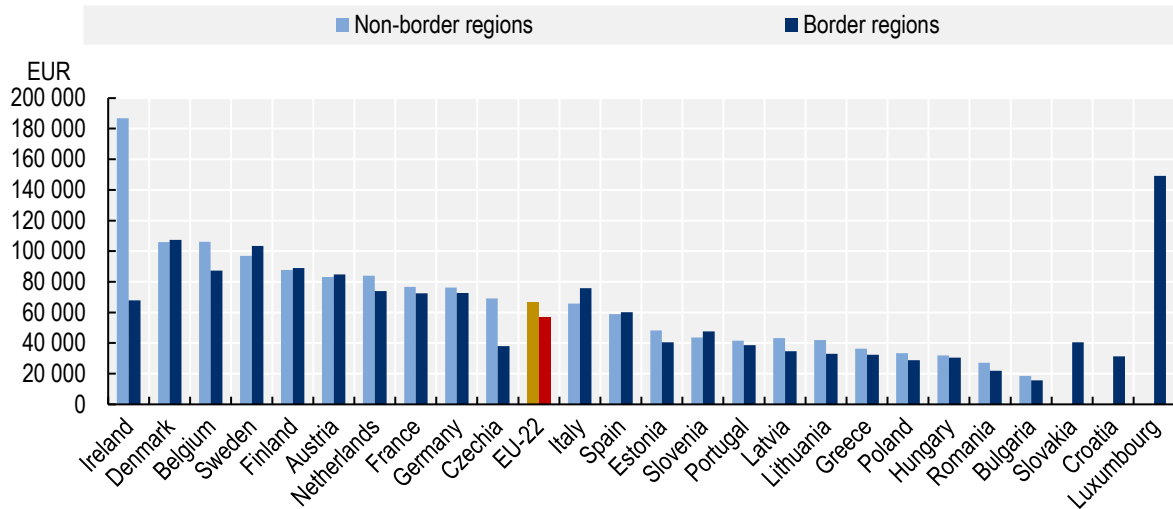


Note: No data are available for France and Germany. Cyprus and Malta are not included as both are listed as non-border regions by Eurostat. EU-23 presents the unweighted average of the EU Member States included in the figure, except Luxembourg and Slovakia as, for this indicator, Eurostat lists all NUTS 3 territories in both countries as border regions.

Source: Author's elaboration, based on (Eurostat, 2024<sup>[18]</sup>).

Labour productivity data reveal that the EU's border regions are generally less productive than non-border regions, with an average productivity level of EUR 57 136 in border areas compared to EUR 66 497 in non-border areas (a 14% difference). However, significant variations exist at the country level (Figure 1.3). In most EU Member States, border regions lag behind, with the most marked gaps in Belgium, Czechia and Ireland. In contrast, a few countries, notably Italy, Slovenia, and Sweden, report higher productivity levels in border regions than in non-border areas. The productivity disparities may stem from varying levels of economic integration, availability of skilled labour (including from neighbouring countries), differences in cross-border trade dynamics<sup>2</sup>, and the availability of public and private investment in these regions.

**Figure 1.3. Labour productivity (EUR) in border and non-border regions in select EU Member States, 2021**



Note: Cyprus and Malta are not included in this figure as both are listed as non-border regions by Eurostat. EU-22 presents the unweighted average of the EU Member States included in the figure, except Croatia, Luxembourg and Slovakia as, in the relevant dataset used to generate this figure, Eurostat lists all NUTS 3 territories in these countries as border regions.

Source: Authors elaboration, based on (Eurostat, 2024<sup>[19]</sup>; Eurostat, 2024<sup>[20]</sup>)

Transport performance in border regions also tends to be lower than in non-border regions. While road transport performance in cities, towns, and suburbs is relatively similar between border and non-border areas, rural border regions show a more pronounced disparity (European Commission, 2021<sup>[21]</sup>). This lower performance is influenced not only by the complexity of co-ordinating cross-border infrastructure but also by natural barriers such as mountains and large rivers, which often demarcate national borders. The disparity in rail transport performance between border and non-border regions is greater than that observed in road transport. Possible explanatory factors include challenges with technical interoperability (e.g. differences in width of rails) and timetable co-ordination (European Commission, 2021<sup>[21]</sup>).

Unfortunately, up-to-date data on a wide range of metrics such as access to public services in EU border regions compared to non-border regions is relatively scarce. However, historical data from 2009 may offer some insight. At that time, 15% of the population in border regions lived more than 30 minutes from a hospital, compared to 10.4% for the EU overall (Eurostat, 2009<sup>[22]</sup>). When examining the data more closely, significant differences could be seen between internal border regions (those bordering other EU Member States) and external border regions (those bordering non-EU Member States). Specifically, 13.1% of people in internal border regions and 24.9% in external border regions lived more than 30 minutes from a hospital. Similarly, in 2009 10.1% of people living in internal border regions and 24% in external border regions lived more than an hour away from a university, compared to 7.4% across the EU (Eurostat, 2009<sup>[22]</sup>). These gaps can be attributed to fundamental barriers faced by border regions, which are addressed below.

### **Barriers to the development of cross-border regions**

Because of their proximity to national boundaries, cross-border regions often face many barriers to their socio-economic development. These include differences in legislation and regulation, territorial-administrative structures, language and culture.

*Legislative and administrative factors lead to significant economic losses*

Legal and administrative barriers are widely considered to be the most significant obstacles to the development of cross-border regions in the EU, directly affecting 53% of its population (European Commission, 2015<sup>[23]</sup>). A 2015-2017 assessment identified over 200 legal and administrative impediments affecting cross-border regions in Europe (European Commission, 2017<sup>[24]</sup>). Over 90% of them fall into five broad policy areas:

- Labour market and education;
- Social security and health;
- Transport and mobility;
- Industry and trade; and
- Policy planning and provision of public services.

These issues affect citizens, businesses, and governments alike, complicating everyday interactions and economic activities across borders (European Commission, 2017<sup>[6]</sup>).

The increase in cross-border movement of people and goods has generally led to a rise in legal and administrative obstacles reported by citizens (European Commission, 2015<sup>[23]</sup>). As people cross borders more frequently, they engage more often with the neighbouring countries' legal systems and administrative procedures, which exposes them to a wider range of potential bureaucratic challenges and inconsistencies. For instance, the lack of formal recognition of educational qualifications obtained in a neighbouring country can act as a barrier to employment. Individuals might have to undertake costly procedures to have their credentials recognised in order to pursue their profession on the other side of their country's border. Moreover, different tax and social security systems (i.e. pensions and healthcare) can create confusion and result in situations where cross-border workers are deprived of benefits in both countries (e.g. tax benefits, unemployment insurance) to which nationals in each country are entitled (European Commission, 2015<sup>[23]</sup>). The complexity of these systems can discourage people from working across a border.

Differences in legislation and administration also severely affect businesses, SMEs and the overall economy of cross-border regions. For firms participating in cross-border trade, crossing borders means managing different sets of tax regulations, tariffs, import/export regulations, environmental standards, etc. In the EU, despite the single market, these issues persist. Firms are therefore less likely to trade freely across the border, which weighs on the overall economy of the region. For instance, companies doing cross-border business are estimated to incur costs that are 50% higher than those faced by domestic businesses (European Commission, 2017<sup>[25]</sup>). Nearly half of these additional costs stem from translation expenses, followed by costs related to gathering information, submitting documents, certification, and collecting data and documents.

Legislative and administrative barriers also pose significant challenges to governments, for example when investing in cross-border infrastructure. Cross-border transport and energy projects often experience delays and cost overruns. For example, 30% of EU "Projects of Common Interest" were delayed due to permit issues<sup>3</sup> (European Investment Bank, 2023<sup>[26]</sup>). In fact, such cross-border infrastructure projects typically take twice as long to complete as domestic projects. Moreover, red tape has been identified as one of the main challenges in establishing cross-border public services in Europe (ESPON, 2022<sup>[9]</sup>).

These examples illustrate why legal and administrative barriers alone were estimated to account for a GDP loss of EUR 458 billion (3% of EU GDP) or almost 6 million jobs (3% of total employment in the EU-27) in 2017 (Camagni, Capello and Caragliu, 2017<sup>[5]</sup>).



*Differences in multi-level governance arrangements can affect the capacity of cross-border regions to effectively address shared challenges*

Differences in multi-level governance arrangements (e.g. territorial-administrative structures and political, administrative and fiscal decentralisation) in neighbouring countries can hamper cross-border development and co-operation. For example, there are significant asymmetries in the attribution of competences to government actors on either side of the Portuguese-Spanish border. Spain's regions are responsible for a wide range of tasks, including regional healthcare planning, managing the regional education system and organising the protection of environmental areas. In Portugal, these responsibilities mostly fall under the purview of the national government<sup>4</sup> (OECD, 2023<sup>[27]</sup>; European Committee of the Regions, 2024<sup>[28]</sup>). Without effective co-operation among different levels of government, in such cases, implementing cross-border initiatives can be particularly complex.

Such differences raise practical questions about who the relevant decision makers are on either side of a border and who should be involved when trying to resolve cross-border challenges in areas such as healthcare, education or river management. In these cases, diagonal co-ordination—bringing together actors from different levels of government (e.g. regional authorities in Spain and municipal authorities in Portugal)—and ensuring a mutual understanding of differences in mandates, decision making processes and resources becomes crucial to effectively manage cross-border regions.

*Language and socio-cultural differences can hamper co-ordination and communication*

Language and cultural differences can hinder the development of cross-border regions by affecting citizens, businesses and governments in distinct ways. For cross-border residents, language and cultural barriers can create obstacles in daily life, from accessing public services to engaging in cross-border social and economic activities. For example, when seeking healthcare services across the border, language differences can complicate communication with healthcare providers. As stated above, residents may also face administrative and financial hurdles, such as having to translate or even certify documents (e.g. medical records, diplomas, or professional qualifications), in order to access services or employment opportunities on the other side of the border. This not only adds costs but can delay access to essential public services or job prospects. It can also deter residents of the cross-border region from accessing services or pursuing employment opportunities altogether (EGTC Eurodistrict PAMINA, 2019<sup>[29]</sup>).

Additionally, cultural differences can reduce trust in cross-border interactions. The way people interact, work, and communicate can cause hesitancy and reluctance to engage with counterparts across the border, making people less likely to use public services or engage with individuals from neighbouring regions (European Commission, 2015<sup>[23]</sup>).

For businesses, language and cultural differences can also hinder operations (European Commission, 2017<sup>[6]</sup>). For instance, companies may struggle to hire staff or necessary experts or collaborate with firms across the border due to language differences, difficulty obtaining official recognition of degrees or qualifications or when business practices differ significantly due to cultural norms. These challenges can limit cross-border trade, investment, and workforce mobility, thereby dimming the economic potential of the region.

Finally, at the governmental level, language and cultural barriers can directly affect public bodies. In many policy areas (e.g. security, emergency care, disaster-risk management), the ability to co-ordinate and co-operate effectively across borders often depends on mutual trust and understanding, which can be undermined by cultural and linguistic differences (Birdi et al., 2020<sup>[30]</sup>). For example, local, regional or national government officials may struggle with cross-border co-ordination on policy initiatives, such as mounting a response to a weather-related disaster affecting the cross-border region because of divergent bureaucratic procedures and practices.

### *Challenges to managing emergencies whose effects transcend national boundaries*

The challenges posed by the above-mentioned barriers (e.g. legal, administrative, cultural) come to the fore most critically during emergency situations. Natural disasters do not stop at national borders. For example, around 70% of the European continent's freshwater bodies form at least part of one transboundary river basin, meaning that flooding in one country can quickly spread to another, affecting multiple regions and requiring co-ordinated responses to manage water flow, mitigate damage, and protect communities (Joint Research Centre, 2024<sup>[31]</sup>).

When a natural disaster strikes, disparate regulations and emergency response protocols can add to confusion and delays, severely affecting efficient cross-border co-ordination. Different national regulations on emergency response and cross-border assistance authorisation can slow down the flow of aid, while conflicting standards for protocols can result in disjointed or contradictory actions. This misalignment hampers the kind of swift, co-ordinated efforts that are essential for effective disaster-risk management.

One particularly relevant example was the COVID-19 pandemic, when there was often a lack of co-ordination among countries in their implementation of border closures and travel restrictions. While some countries imposed strict border closures, others opted for partial closures or less stringent measures (Peyrony, Rubio and Viaggi, 2021<sup>[32]</sup>). This disjointed response to the pandemic, compounded by a lack of consultation with local authorities, led to confusion and disruptions for cross-border communities, particularly those who relied on cross-border travel for work, healthcare, or family reasons (Peyrony, Rubio and Viaggi, 2021<sup>[32]</sup>). The severe disruptions to cross-border mobility during the pandemic contributed to the GDP of cross-border regions dropping by twice as much as the EU average (Capello, Caragliu and Panzera, 2023<sup>[33]</sup>).

Another significant challenge in managing emergencies in cross-border regions is that what may be a high priority for one country might not be the same for the other. This, in turn, can lead to an imbalance in disaster preparedness and response efforts. An example of this is the dispute between Germany and Poland over the Oder River. The river demarcates part of the Polish-German border, and the dispute centres on contrasting visions for its development. Poland seeks to deepen and narrow the river to facilitate barge traffic, tourism, and flood prevention, while Germany focuses on preserving its natural state, arguing that alterations increase the potential for flooding. This issue hindered recovery efforts after a pollution incident killed thousands of fish in 2022 (Politico, 2022<sup>[34]</sup>; Joint Research Centre, 2023<sup>[35]</sup>).

## **Multi-level governance arrangements supporting cross-border regions**

Addressing the many barriers to the development of cross-border regions requires adaptable multi-level governance arrangements that allow policy makers to effectively navigate the complexities of cross-border interactions. In recent decades, the EU, along with national and subnational governments in EU Member States, has introduced a wide array of legislative, regulatory and funding mechanisms to enhance cross-border co-ordination and co-operation. These include measures to support investments in service delivery and infrastructure, as well as to foster the creation of robust governance structures for pooling of resources and expertise among communities on both sides of a border. Despite these efforts, significant challenges remain due to disparate administrative structures, decision-making processes, and resource allocation across countries. This has led to calls for new regulatory tools and the consolidation of governance mechanisms to more effectively address local needs and priorities.

### ***Flexible multi-level governance frameworks enable effective cross-border co-operation***

A robust and adaptable multi-level governance framework (Box 1.2) is crucial for supporting cross-border development, as the challenges faced by these regions are often complex and interconnected, spanning

local, regional and national boundaries. Issues such as limited access to affordable public services, transboundary water pollution, or legislative barriers that constrain businesses from operating across borders cannot be effectively addressed by any single level of government or country alone. A co-ordinated, multi-level, approach is essential for tackling such challenges in a comprehensive manner. For instance, improving cross-border public transport may require the joint efforts of local, regional, and national governments in neighbouring countries. Local authorities could focus on urban planning and managing local transit systems; regional bodies could be tasked with regional transport networks; and national governments could provide regulatory frameworks and essential (co)funding to establish and maintain cross-border public transport services.

### Box 1.2. Defining multi-level governance

Multi-level governance refers to the institutional and financial interactions among and across levels of government and a broad range of non-governmental stakeholders, including private actors and citizens, when designing and implementing public policies with subnational impact. This interaction is characterised by a mutual dependence among levels of government and runs vertically (among different levels of government), horizontally (across the same level of government), and in a networked manner with non-governmental stakeholders (e.g. citizens, private actors).

Countries' multi-level governance frameworks include:

- The territorial-administrative structure (e.g. number of government tiers);
- The assignment of tasks and responsibilities among levels of government;
- Fiscal frameworks (e.g. revenue sources and equalisation mechanisms);
- Financial and human capacities at all levels of government to carry out their mandates;
- Vertical and horizontal co-ordination mechanisms;
- Mechanisms for engagement with non-governmental actors;
- Data collection and performance measurement, accountability and transparency frameworks.

Source: Author's elaboration based on (OECD, 2024<sup>[36]</sup>).

One of the challenges in cross-border governance issues relates to the fact that a country's multi-level governance framework may differ from that of its neighbour(s). These structural differences can include divergences in the number of government levels; the depth of political, fiscal, or administrative decentralisation arrangements; co-ordination mechanisms for delivering policy or services; as well as regulatory differences. To manage such differences in a cross-border environment, governments need to be able to engage with relevant authorities and non-governmental actors on the other side of the border. For instance, allowing subnational governments to consult with actors from across the border, such as during the design of a regional or spatial development plan (even when one side may have already adopted similar plans), could help ensure that plans are cohesive and take into account the broader cross-border context. Additionally, allowing public funding to be spent in a neighbouring region could allow for shared investments in infrastructure or public services that benefit both sides of the border. Furthermore, facilitating the delivery of public services (e.g. healthcare and public transport) on a cross-border basis, could provide cross-border regions with an additional tool to address regional needs, and improve both regional attractiveness and quality of life for residents. Finally, adjusting data-gathering methods to enhance comparability with datasets of neighbouring countries can improve the evidence-informed design of cross-border policy initiatives and assess their performance over time.

Multi-level governance systems that allow for effective co-ordination and co-operation among and across governments in neighbouring countries can have a number of benefits, such as:

- Ensuring consistent and complementary policy making by aligning goals across borders, reducing the risk of contradictory policies and reinforcing development initiatives on both sides.
- Optimising resource use by pooling resources and expertise across regions, reducing inefficiencies and better addressing shared challenges through joint efforts.
- Enhancing the role of regional and local authorities by formalising their involvement in cross-border decision making, ensuring that policies are aligned with local needs and increasing the impact of development initiatives.
- Promoting smoother implementation of cross-border strategies, plans and projects by: i) clarifying the assignment of the roles and responsibilities among levels of government; and ii) generating a greater understanding of decision-making procedures (e.g. related to infrastructure investment and public service delivery) in neighbouring countries.

### ***Recent efforts to reinforce cross-border governance***

In the European Union, all levels of government have adopted different regulatory, policy, funding, and co-ordination mechanisms to improve the performance of border regions. This has led to the emergence of different forms of cross-border governance across the European Union.

#### *EU-level support for cross-border governance*

The EU started promoting cross-border co-operation in the 1980s, including through the European Outline Convention on Trans-frontier Co-operation between Territorial Communities or Authorities. This convention intended to facilitate co-operation by subnational governments across national borders, allowing them to create agreements and joint frameworks for addressing common challenges (Council of Europe, 1980<sup>[37]</sup>). Since then, various regulatory, policy, funding, and co-ordination mechanisms have been implemented, including the European Grouping of Territorial Co-operation (EGTC) structures, Interreg funding, and the b-solutions project, to enhance cross-border support among Member States.

In 2006, the EU adopted the EGTC regulation, which allows public authorities to work together across borders under a single legal framework, supporting three of the four strands of European Territorial Co-operation policy: cross-border, trans-national, and interregional co-operation (Box 1.3) (European Commission, 2024<sup>[38]</sup>; La MOT, n.d.<sup>[39]</sup>).

#### **Box 1.3. The four strands of the EU's territorial co-operation policy**

The European Union has a specific instrument to fund territorial co-operation called Interreg. It covers four strands of transboundary co-operation, outlined below:

- **Cross-border co-operation** focuses on improving collaboration between NUTS 3 (TL3) regions from at least two different EU Member States that are located on (or directly adjacent to) a shared border. Programme areas for cross-border co-operation should be identified as those territories on a shared border or separated by a maximum of 150 km of sea where cross-border interaction may effectively take place.
- **Transnational co-operation** extends this cross-border co-operation to larger areas that span multiple countries on the mainland of the EU or territories around sea basins, working together on common challenges such as environmental management, energy networks, or sustainable transport.

- **Inter-regional co-operation** can involve all EU regions, regardless of their geographical location, and aims to facilitate knowledge sharing and policy learning across the entire EU to improve regional development policies.
- **Co-operation among the EU's outermost regions** supports EU regions located in Amazonia "Plateau des Guyanes"; the Caribbean; the Middle Atlantic / Gulf of Guinea; and the Indian Ocean (from Australia to India and the Eastern coast of Africa) and Mozambique Channel to co-operate with their neighbouring countries and territories.

In each strand, there are also co-operation programmes with non-EU Member States, such as Moldova, Tunisia and Ukraine.

Source: Author's elaboration, based on (European Commission, 2024<sup>[38]</sup>; La MOT, n.d.<sup>[39]</sup>; European Union, 2021<sup>[40]</sup>).

By 2024, more than 90 EGTCs have been established, the majority of which focus on cross-border co-operation. The creation of 10 EGTCs since 2021 speaks to a continued interest across European regions in establishing new cross-border governance bodies (European Parliament, 2024<sup>[7]</sup>; European Committee of the Regions, 2024<sup>[8]</sup>). Compared to other cross-border governance bodies (e.g. Euroregions), EGTCs present a range of advantages. The legal status of EGTCs enables quicker and more efficient decision making. They also help 'stabilise' co-operation by defining common objectives and strategies, making co-ordination less vulnerable to political changes on either side of a border. Moreover, EGTCs increase the visibility of regional actors at national and EU levels, enhancing a cross-border region's ability to advocate for its needs and defend its interests in broader policy discussions (European Committee of the Regions, 2018<sup>[41]</sup>).

Significant EU funding and financing for cross-border co-operation has mainly come from the Interreg programme, which is a central component of the EU's Cohesion Policy (European Commission, 2024<sup>[38]</sup>). Launched in 1990, Interreg initially focused on cross-border co-operation. Over time, it expanded to trans-national, inter-regional co-operation and co-operation for the EU's outermost regions. For the 2021-2027 programming period, Interreg's budget of nearly EUR 10 billion is allocated through 86 programmes, most of which support cross-border co-operation (European Commission, 2024<sup>[38]</sup>; OECD, 2024<sup>[42]</sup>). These programmes benefit a wide range of actors, including EGTCs.

The b-solutions initiative, launched in 2017, helps cross-border actors (e.g. EGTCs) cut through red tape along the EU's internal borders (i.e. between Member States) (Association of European Border Regions, 2024<sup>[43]</sup>). Through calls for proposals, the b-solutions initiative offers legal and technical support to: i) assess border challenges in areas such as employment, health and transport; ii) identify potential solutions to address the challenges; and iii) outline a legal framework to push solutions forward (Box 1.4). By publishing analyses and solutions from individual projects, the initiative fosters peer-to-peer learning, helping other regions overcome similar challenges and improve cross-border co-operation.

### Box 1.4. b-solution projects: examples from the fiscal and transport policy sectors

Since its inception in 2017, the b-solution initiative has provided legal support to 165 pilot cases with the aim of improving cross-border co-operation, of which the following are two examples.

#### **Portugal and Spain: Paying VAT on cross-border mobility services in the Rio Minho cross-border region**

In the Rio Minho cross-border region between Portugal and Spain, the EGTC Rio Minho helped establish a cross-border e-bike system to promote sustainable mobility and better connect municipalities. However, tax-related regulatory issues, particularly the payment of Value Added Tax (VAT), hampered the system's viability. Since the e-bike service operates in both Spain and Portugal, determining which VAT rate to apply was complicated. The b-solutions project proposed potential solutions, such as an EU-level regulation on the obligations of companies that provide digital services whose recipients are located in different EU Member States.

#### **Italy and Slovenia: Creating new cross-border bus lines**

The EGTC GO, covering the municipalities of Gorizia (Italy), Nova Gorica (Slovenia), and Šempeter-Vrtojba (Slovenia), faced a range of challenges to establish a new cross-border bus network, including differing operating rules, pricing systems and language barriers. The b-solutions case focused on the mobilisation of relevant actors at local, regional and national levels to help design a bilateral co-operation agreement. Under the accord, the territory shared by the three cities would form a single urban system thus enabling transport operators to set up new cross-border bus lines.

Source: Author's elaboration, based on (European Commission, 2020<sup>[44]</sup>; Association of European Border Regions, 2024<sup>[43]</sup>; European Commission, 2024<sup>[45]</sup>)

The European Commission also works to integrate the border dimension into EU legislation and instruments, for example by establishing the Border Focal Point within its Directorate General for Regional and Urban Policy (European Commission, 2024<sup>[46]</sup>). The Border Focal Point's responsibilities include ensuring that EU policies do not negatively affect border regions and, in fact, support their development. It does so by promoting territorial impact assessments and linking cross-border needs with available European Commission services. It also generates and supports the exchange of knowledge on cross-border co-operation, for instance by developing thematic reports (e.g. the impact of the COVID-19 pandemic on border regions) (European Committee of the Regions, 2024<sup>[47]</sup>; OECD, 2023<sup>[27]</sup>). Another objective of the European Commission is to put cross-border co-operation on the agenda of EU, national and subnational policy makers.

### ***Cross-border governance arrangements introduced by national and subnational governments***

National and subnational governments in individual EU Member States have established a wide range of legislative, regulatory, policy, financial and co-ordination mechanisms to support effective cross-border governance.

#### *Legislative and regulatory mechanisms*

Many national governments have taken steps to formalise and streamline cross-border co-operation through legislative and regulatory reforms. For example, in 2007, the French Ministry of Health and Solidarity and the Belgian Ministry of Social Affairs and Health signed a co-operation agreement to address the need for cross-border emergency medical aid along the Franco-Belgian border (France-Belgian Health



Observatory, n.d.<sup>[48]</sup>). The agreement established a framework that permits cross-border collaboration in urgent medical situations, with emergency medical services from one country able to intervene in the other country when useful.

Another example comes from the Netherlands, which adopted a special regulation mandating “cross-border policy checks” during the design stage of new national policies. This requires government bodies to assess the potential impact of proposed policies on border regions in areas such as tax collection, social security, healthcare, crisis management and to mitigate any negative effects (Government of the Netherlands, 2023<sup>[49]</sup>).

### *Policy and planning instruments*

National and subnational governments across the EU have also implemented policy and planning instruments to support cross-border development. A notable example is the Joint Cross-border Development Strategy adopted by Spain and Portugal in 2020 (Government of Portugal-Government of Spain, 2020<sup>[50]</sup>). The objective of the strategy is to improve the quality of life for residents on both sides of the border by fostering co-operation in areas such as mobility, public service delivery, socio-economic development and regional attractiveness. It outlines actions to achieve these goals through joint efforts. An example from the subnational level is the development of a 10-year cross-border co-operation strategy for the Basque region (covering parts of the French-Spanish border) by the Pays Basque inter-municipal grouping (France) (La MOT, n.d.<sup>[51]</sup>). The strategy intends to strengthen co-operation on shared governance and cross-border priorities, including mobility, the ecological transition and employment.

### *Funding and financing mechanisms*

Several European countries have established special funding mechanisms to support cross-border co-operation. For instance, since 2011, the Hungarian government has provided financial support from the central state budget for the operation of EGTCs that involve Hungarian government bodies (e.g. local governments) (Central European Service for Cross-Border Initiatives - Budapest, 2022<sup>[52]</sup>). Another example comes from Luxembourg, which, under a framework agreement with France on cross-border transport, has allocated over EUR 200 million to improve rail connectivity between the two countries. This includes funding for the construction and upgrading of different 'Park and Ride' facilities in France (Government of Luxembourg, 2023<sup>[53]</sup>).

### *Co-ordination mechanisms*

In addition to EGTCs, special bodies have been set up to foster co-ordination among and across local, regional, and national government bodies in neighbouring countries. One example is the France-Luxembourg Inter-governmental Commission, established in 2010. Through its annual high-level meetings, the Commission strengthens cross-border co-operation in areas such as mobility, transport, healthcare, and security (Government of France, n.d.<sup>[54]</sup>). Another example comes from Portugal and Spain, which in 2023 established the Cross-border Co-operation Network (RedCot) (Ministry of Foreign Affairs, European Union and Co-operation of Spain, 2023<sup>[55]</sup>). The objective of this network, which includes 31 cross-border governance bodies of different types (e.g. EGTCs, Euroregions, and Eurocities), is to foster information exchange and promote good practices in areas such as healthcare, employment and infrastructure.

Finally, some countries have used the EGTC framework as a platform to strengthen existing mechanisms for cross-border co-operation. For example, in 2014, the Benelux countries (Belgium, Luxembourg, and the Netherlands) updated their regulatory framework to create Benelux Groupings of Territorial Co-operation (BGTCs) (Benelux Secretary General, 2014<sup>[56]</sup>). These bodies are based on the EGTC regulation but offer local actors more flexibility in establishing internal governing bodies.

### *Renewed efforts to address structural hindrances to cross-border development*

Despite the above-mentioned efforts by the European Union and its Member States, concerns remain that structural barriers—such as regulatory and legal obstacles—continue to hamper the development potential of cross-border regions. For instance, EGTCs are legal entities involving government bodies from different countries and are therefore considered to be effective in facilitating cross-border co-operation; however, they lack powers to resolve regulatory obstacles in cross-border cases (European Commission, 2023<sup>[57]</sup>).

Such concerns led to calls for the creation of a European Cross-Border Mechanism (ECBM). The ECBM was designed to provide a voluntary legal framework allowing laws from one EU Member State to be applied in cross-border regions where national laws impede the creation of barriers to joint projects. The ECBM proposed two main measures to overcome legal obstacles hampering the growth of cross-border regions (European Parliamentary Research Service, 2023<sup>[10]</sup>):

- **Self-Executing European Cross-Border Commitment:** This measure would enable one Member State (the "committing" state) to adopt and enforce a law or regulation from a neighbouring Member State (the "transferring" state) within its own borders. This essentially means that the committing state could make an exception (or derogation) to its national law, applying the transferring state's law directly in the relevant cross-border area.
- **European Cross-Border Statement:** This approach would enable a formal legislative process within the committing Member State, allowing it to modify its national laws to accommodate and apply a neighbouring state's law.

The proposal developed by the European Commission was ultimately not endorsed by the European Council due to concerns over its nature and scope, including the effect on Member States' territorial sovereignty and on the principle of subsidiarity. In 2023, an amended proposal was developed to take into account these concerns (Box 1.5). In October 2024, Member State EU ambassadors reached an agreement allowing the presidency of the European Commission to begin talks with the European Parliament on the proposal (European Council, 2024<sup>[58]</sup>).

#### **Box 1.5. Proposed EU regulation on facilitating cross-border solutions**

The proposed regulation intends to enhance cross-border interactions by addressing challenges in areas such as infrastructure development and cross-border public service delivery, focusing on land border regions. A key element is the voluntary establishment of cross-border co-ordination points within EU Member States. The co-ordination point should act as 'one-stop shops' for handling cross-border 'files' (e.g. description of specific regulatory challenges encountered in a cross-border region and their consequences). Public or private entities may initiate these files when they encounter cross-border obstacles.

Once a cross-border file has been submitted, the co-ordination point can either assess the file itself or pass it to the appropriate competent authority, depending on the Member State's legal framework. Member States retain full discretion to decide how to overcome (e.g. administrative action, legal or regulatory amendment) the cross-border challenge encountered. The co-ordination point also reports back to the European Commission about the progress and outcome of cross-border files to ensure transparency and facilitate peer learning.

Source: Author's elaboration, based on (Council of the European Union, 2024<sup>[59]</sup>).

Other measures are also being discussed. For instance, EU Member States do not consider the current financing and legal instruments available at the EU level to provide a comprehensive and effective response to the obstacles affecting cross-border regions. In response, in 2022 the European Parliament requested that 0.26% of the EU's Cohesion Policy budget be earmarked exclusively for the development of border regions at the beginning of every new Programming Period, starting with the 2028-2034 period (Official Journal of the European Union, 2023<sup>[3]</sup>). It also requested this funding to be entrusted to EGTCs or comparable cross-border governance bodies.

## Introducing the OECD Cross-Border Governance Framework to assess and reinforce co-operation

In response to the ongoing debate on how the EU Member States can further strengthen cross-border co-operation mechanisms to create more prosperous border regions, the European Commission and OECD implemented the "Building More Resilient Cross-border Regions" project in 2023 and 2024. The project's overall objective was to help improve cross-border governance in the European Union through reinforced multi-level governance arrangements and the co-development of cross-border co-operation initiatives (Annex Box 1.A.1). As part of the project, the OECD assessed the governance arrangements supporting cross-border development in five pilot regions. It also developed analysis and tools that can help other cross-border regions establish or further strengthen their cross-border governance systems.

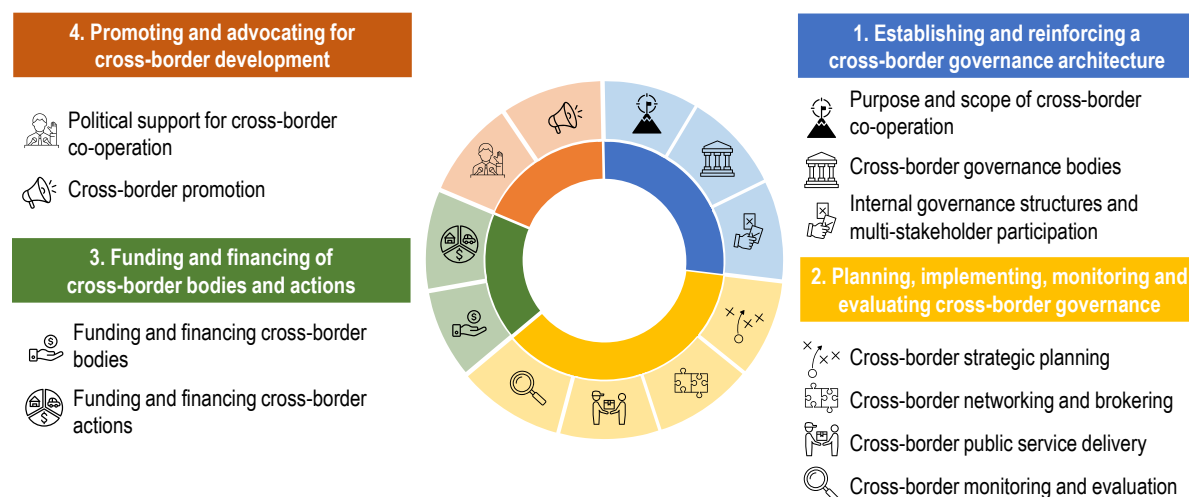
The lessons learned from these five pilot regions are also intended to provide insights and guidance to other EU cross-border regions interested in reinforcing multi-level governance arrangements that support cross-border co-operation. Furthermore, many insights may also prove valuable for cross-border regions outside the EU, offering guidance and good practices that may be adapted to address cross-border governance challenges in other international contexts.

The OECD Cross-Border Governance Framework (Figure 1.4), developed as part of this initiative, identifies the main aspects that policy makers should consider when establishing or reinforcing existing cross-border co-operation initiatives. It is structured around four complementary dimensions:

1. **Structure:** Establishing and reinforcing a cross-border governance architecture;
2. **Strategy:** Planning, implementing, monitoring, and evaluating cross-border co-operation initiatives;
3. **Resources:** Funding and financing cross-border bodies and actions; and
4. **Advocacy:** Promoting and advocating for cross-border development.

The Cross-border Governance Assessment Tool serves as a self-assessment checklist, offering a comprehensive list of over 140 'considerations' relevant to establishing, operating, monitoring, and evaluating cross-border governance systems.

Figure 1.4. OECD Cross-border Governance Framework



Source: Author's elaboration.

The ensuing four chapters examine the cross-border governance arrangements in the five pilot regions, using the framework's four dimensions. The chapters highlight commonalities, differences, strengths, and challenges of the cross-border governance arrangements within these regions. Additionally, the chapters propose policy measures to be taken at the subnational, national, and EU levels to further unlock the potential of cross-border regions. This analysis and the recommendations presented herein may also offer insights that can inform cross-border governance improvements in other international contexts.

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## Notes

<sup>1</sup> While this report primarily focuses on land borders, the concepts discussed are generally also applicable to maritime borders.

<sup>2</sup> When discussing trade, this report approaches the topic not from the perspective of tariffs, but through the lens of trade facilitation.

<sup>3</sup> Projects of Common Interest (PCIs) are key cross-border infrastructure projects that link the energy systems of EU countries, particularly to help achieve EU climate objectives in accordance with the Paris Agreement (European Investment Bank, 2023<sup>[26]</sup>).

<sup>4</sup> Except, in some cases, in the autonomous regions of the Azores and Madeira.

## Annex 1.A. Information about the “Building More Resilient Cross-border Regions” project

### Annex Box 1.A.1. The “Building More Resilient Cross-border Regions” project

As part of the EU-funded “Building More Resilient Cross-border Regions” project, the OECD developed a Cross-border Governance Blueprint for cross-border co-operation bodies in five pilot regions. These pilot regions were selected by the European Commission’s DG REGIO after a call for proposals and are located in the following countries:

- **Belgium and France.** Partner: Eurometropole Lille-Kortrijk-Tournai;
- **France and Spain.** Partner: EGTC Cerdanya Hospital;
- **Lithuania and Poland.** Partner: European Grouping of Territorial Co-operation (EGTC) Nemunas-Niemen;
- **Luxembourg and France.** Partners: EGTC Alzette Belval, Pôle Métropolitain Frontalier, PRO-SUD;
- **Portugal and Spain.** Partner: EGTC Rio Minho.

The Blueprints consist of two parts: a Cross-border Governance Assessment and a corresponding Action Plan. The Assessment offers the above-mentioned cross-border governance bodies, and their members, an analysis of the governance arrangements supporting cross-border development in their regions, identify their strengths and challenges. Building on the Assessment, the subsequent Action Plan proposes concrete measures that could be taken by the governance bodies, and their partners, in the short and medium terms to address the most urgent governance challenges.

The OECD also developed a Cross-border Governance Framework and Assessment Tool and organised different thematic peer-to-peer learning events to generate dialogue among experts and practitioners on topics such as cross-border strategic planning, funding and financing, and promotion and advocacy.

Source: Author’s elaboration.

## **2 Architecture of cross-border governance bodies**

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This chapter focuses on the first dimension of the OECD Cross-border Governance Framework: Cross-border governance architecture. It starts by exploring the benefits of institutionalising cross-border co-operation and analyses the different purposes for which cross-border governance bodies can be established. Then, the chapter examines differences in the architecture of cross-border governance bodies, focusing for example on their membership bases, internal governing bodies and the ways in which non-governmental actors can support cross-border decision making. Finally, this chapter provides considerations for regional, national and international policy makers on how to design and reinforce the architecture of cross-border governance bodies so they can deliver on shared needs.

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## Introduction

Cross-border regions in the European Union (EU) often face a range of barriers (e.g. legal, administrative, cultural, linguistic) to their development, which can require cross-border actors, such as subnational governments, to establish formal governance arrangements.

While establishing formal governance structures is not essential for cross-border co-operation, it can have significant advantages. It enables actors on both sides of a border to align objectives and co-ordinate activities more effectively, facilitating the achievement of shared goals. Additionally, a formal structure can streamline decision-making procedures and clearly define roles, responsibilities, and operational processes. Such arrangements can foster trust and stability in co-operation, even in times of political change. The creation of a formal governance architecture can also provide a framework for mobilising financial resources.

Cross-border governance arrangements can support a variety of objectives, from fostering a shared cross-border identity and contributing to holistic cross-border development, to delivering essential public services. They can also help build trust between public bodies and non-governmental actors by increasing exchange, enhancing social capital, and fostering a sense of belonging.

The architecture of cross-border governance bodies can vary significantly, including in terms of the type of internal governing bodies established and decision-making processes; this flexibility enables them to adapt to very specific circumstances. For instance, in some cases, EU cross-border partners simply establish the decision-making bodies, such as a General Assembly, that are required under relevant EU regulations. In others, a wide range of deliberative and decision-making bodies have been created, including technical working groups, to facilitate the co-development of cross-border initiatives by public and non-governmental actors.

For cross-border governance bodies to deliver on their objectives, policy makers need to be able to navigate a series of common challenges related to the institutional architecture. These include securing the participation of the public actors with the necessary competences and resources to help address cross-border challenges, and establishing a fair distribution of voting rights among founding members. Other common challenges include ensuring spaces for structured dialogue with non-governmental actors, and designing the cross-border governance architecture in a manner that permits adaptability as needs or circumstances shift.

This chapter focuses on the first dimension of the OECD Cross-Border Governance Framework: Establishing and reinforcing a cross-border governance architecture. It consists of two sections. The first section analyses the variety of purposes for which cross-border governance bodies can be established, building on the experiences of cross-border governance bodies established by the five pilot regions. The second section looks at how cross-border governance bodies can differ, focusing on issues such as internal governing bodies, membership base, and decision-making mechanisms. Both sections include a range of recommendations for national and subnational policy makers interested in establishing or reinforcing robust and adaptable cross-border governance bodies.



### Box 2.1. Recommendations for establishing or reinforcing effective cross-border governance bodies

**To enable cross-border governance bodies to fully achieve their goals, it is essential that they:**

- Secure the formal participation of relevant public institutions (at the local, regional, and/or national levels) who have the competencies and resources (e.g. human and financial) necessary to accomplish the body's objectives.

**To fully operationalise the internal governing structures (e.g. General Assembly, Advisory Council) of cross-border governance bodies, founding partners should ensure that:**

- The body has the necessary human and financial resources to support these structures (e.g. to organise meetings, prepare agendas, support follow-up actions).
- Each internal component in the governance structure has a clear, well-defined purpose and set of responsibilities that are linked with the governance body's strategic objectives (e.g. draft, review or approve activity plans, budgets, project proposals).

**To achieve a functional balance between political direction and operational autonomy necessary for sustaining member engagement and operational stability, cross-border governance bodies should:**

- Consider adopting guidelines requiring newly-elected Presidents to set priorities—aligned with the body's strategic objectives—and propose actions for cross-border initiatives during their term. This can help shore up political commitment to cross-border action.
- Ensure that the body's technical team is adequately staffed and equipped with the necessary skills and expertise to manage day-to-day operations and support key functions (e.g. budget preparation, strategic planning, co-ordination with diverse public institutions).
- Arrange for core staff (e.g. Director) to be employed and funded by the cross-border governance body itself, and not by individual members, to avoid dependence on the financial circumstances and decisions of members.

**To ensure a balanced and inclusive rotation of the presidency in cross-border governance bodies, such bodies could consider:**

- Adopting guidelines that call for rotation between and within national delegations—especially when the governance bodies include government entities positioned in different territorial-administrative tiers (e.g. municipality vs. region). Such arrangements can bolster the interest of a broad group of formal members in the work and strategic direction of the cross-border body.

**To ensure that the work of cross-border governance bodies meets the needs of local communities and builds their ownership for cross-border action, such bodies should:**

- Consider establishing formal spaces for non-governmental actors to participate in cross-border decision making. For example, bodies could pilot a multi-actor working group that tracks engagement levels and outcomes over time to guide future initiatives for broader non-governmental participation.

**To promote fair, balanced, and transparent decision-making processes in cross-border governance bodies, these bodies should:**

- Carefully manage the distribution of votes and seats among formal members—across and within national delegations—to account for asymmetries in delegation composition, population, and territory size.
- Periodically review vote and seat distribution to allow for adjustments as necessary (e.g. when new members join).

**To ensure that cross-border governance bodies can continue to meet cross-border needs and provide value to their members over time, they should periodically review their:**

- Objectives, to confirm they remain relevant and aligned with the needs and priorities of members;
- Membership base, to assess whether changes are necessary, for instance, due to shifts in the multi-level governance arrangements of co-operating countries;
- Internal governance structures, to identify and address any areas that may not be performing effectively.

Source: Author's elaboration.

## Why establish a cross-border governance body?

Cross-border regions grapple with multiple challenges such as limited socio-economic development and competitiveness, limited access to specific public services, and a need for shared management of natural resources (e.g. rivers). To help address these challenges, various governance mechanisms can be employed to foster more effective co-ordination and co-operation across borders. For example, neighbouring countries can adopt formal agreements to address challenges in specific sectors. In 2007, the governments of France and Belgium signed a co-operation agreement to allow emergency medical services from one country to respond in the other when their intervention is the quickest solution to providing patient care (France-Belgian Health Observatory, n.d.<sup>[1]</sup>).

Another approach is to organise periodic meetings among relevant stakeholders at national, regional, and local levels, which facilitates structured dialogue and exchange on specific cross-border challenges and priorities. However, such meetings may face limitations. For instance, gatherings may lack the mechanisms needed to implement and monitor concrete actions, which can impede the sustained impact of cross-border dialogue and resulting initiatives. Furthermore, they are vulnerable to political changes, particularly when they are not based on formal agreements.

Setting up formal cross-border governance bodies is another option to address shared needs. Establishing such bodies brings numerous benefits (Box 2.2). For instance, cross-border governance bodies can provide a shared framework for aligning goals and co-ordinating actions, streamlining decision-making processes, and pooling human and financial resources for cross-border action. These benefits illustrate why, over the past two decades, many cross-border regions in the EU have established formal cross-border governance bodies, such as European Groups of Territorial Co-operation (EGTC)<sup>1</sup>.

### Box 2.2. The potential benefits of establishing formal cross-border governance bodies

Formalising cross-border co-operation by establishing a dedicated governance body can have a series of benefits, including:

- **Providing a shared framework** to help actors on both sides of a border align their goals and priorities, and co-ordinate implementation efforts, thus enhancing the likelihood of meeting common objectives.
- **Enabling more streamlined, transparent, and efficient resolution** to cross-border challenges by establishing protocols for decision making. This clarity can help reduce potential conflicts or delays in decision making and implementation.
- **Mobilising or pooling resources** (e.g. funding, staff, expertise) dedicated to cross-border action.
- **Ensuring consistent, reliable co-operation** across borders and continuity in partnerships, even amidst political changes, by delineating roles and responsibilities among actors.
- **Helping build trust among stakeholders** and enabling the transparent assessment of cross-border initiatives through accountability and clear reporting procedures.

Source: Author's elaboration.

Decisions on whether and how to establish cross-border governance bodies depend, to a large extent, on the cross-border co-operation objectives of all partners. This will influence which governmental actors to involve and which internal governing bodies to set up. The pilot regions studied clearly reveal that there are many good reasons for setting up a cross-border governance body.

A cross-border governance body's scope and purpose directly influences decisions made regarding its architecture. For instance, while a body with a broad, multi-sectoral focus may require a more elaborate governance structure, involving a range of public and non-governmental actors, an entity focused on one specific issue may be leaner in its decision-making apparatus.

### *Different motivations for formalising cross-border co-operation*

Different reasons for establishing cross-border governance bodies can be identified. These include formalising and strengthening existing co-operation initiatives within a cross-border region; mobilising financial support for cross-border initiatives; and addressing specific cross-border needs such as access to essential public services by cross-border residents. The first reason identified above appears to be the most common motivation for establishing a cross-border body.

Many cross-border governance bodies are established to strengthen existing co-operation initiatives among public and non-governmental actors within a cross-border region. Rather than forming around a single pressing issue, these bodies emerge from longstanding collaborations and shared experiences among founding partners, such as local governments and civil society organisations. This history of collaboration can make partners more amenable to exploring a wide range of potential areas for cross-border action. As a result, these governance bodies are often established with deliberately broad objectives, such as promoting socio-economic development. Moreover, these objectives typically identify a wide range of focus areas for cross-border co-operation, including culture, housing, mobility, education, and healthcare. The Eurometropole Lille-Kortrijk-Tournai, EGTC Alzette Belval, and EGTC Rio Minho are particularly salient examples of successful collaboration initiatives (Box 2.3).

### Box 2.3. Examples of cross-border governance bodies with a broad mandate

The three following cross-border governance bodies were created to deepen existing co-operation efforts. Each pursues broad objectives, such as fostering territorial cohesion in the cross-border region.

#### **Eurometropole Lille-Kortrijk-Tournai**

The EGTC, established in 2008, builds on cross-border co-operation in the Franco-Belgian border region dating back to 1991, when local actors from Belgium and France began collaborating on the Blue Park project. This initiative was launched to promote a shared, cross-border space defined by the region's many waterways, to connect communities and to offer opportunities for leisure, culture, tourism and sustainable economic development. To deepen the existing collaboration, public actors on both sides of the border created the Eurometropole.

#### **EGTC Rio Minho**

The EGTC was established in 2018 by subnational governments in Portugal and Spain to enhance the coherence and effectiveness of cross-border initiatives led by different Eurocities. The Eurocities support the promotion of cross-border cultural and social exchanges among border municipalities located on the Minho river. The EGTC has several objectives, which include supporting the socio-economic development and cohesion of the Rio Minho region, promoting and protecting its cultural and natural heritage, and promoting the Rio Minho cross-border tourism brand.

#### **EGTC Alzette Belval**

The creation of the EGTC Alzette Belval in 2013, brought together subnational and national governments from France and Luxembourg, following a decade-long co-operation among cross-border communities through municipal cross-border committees. The creation of the EGTC was spurred by urban development projects initiated on the French and Luxembourgian sides of the border. The establishment of the EGTC provided a single body with legal personality and the financial autonomy necessary to support the joint efforts. The EGTC seeks to enhance the territory's economic cohesion and attractiveness, and support co-operation in numerous sectors, including culture, mobility, employment, housing, environment, education, and healthcare.

Source: Author's elaboration, based on Eurometropole Lille-Kortrijk-Tournai: (Eurometropole Lille-Kortrijk-Tournai, 2021<sup>[2]</sup>; OECD, 2023<sup>[3]</sup>); EGTC Rio Minho: (OECD, 2023<sup>[3]</sup>); EGTC Alzette Belval: (La MOT, n.d.<sup>[4]</sup>; OECD, 2023<sup>[3]</sup>).

The broad objectives and sectoral focus of the Eurometropole Lille-Kortrijk-Tournai, EGTC Rio Minho and EGTC Alzette Belval provides them with the flexibility to pursue a range of opportunities to support cross-border development, subject to various local and regional needs. However, their broad mandate also presents a number of challenges. For instance, it can require co-ordinating with a wide range of stakeholders across multiple sectors, which can slow decision making and implementation. It can also potentially dilute the cross-border focus. It is also difficult to sustain political commitment and ensure the continuous flow of the resources necessary to deliver results across a range of sectors. For instance, in recent years, the Eurometropole Lille-Kortrijk-Tournai has struggled to maintain political interest in its work (see Chapter 5) and avoid a fragmentation of efforts across a wide range of sectors (e.g. education, water management, language, culture) (OECD, 2023<sup>[5]</sup>).

In some cases there are more specific reasons for establishing a cross-border governance body with a broad focus. For instance, in 2023, Polish and Lithuanian local governments created the EGTC Nemunas-Niemen (Box 2.4). Although its overarching mission is to enhance socio-economic cohesion and resilience,

its functional purpose is to provide local and regional actors with a mechanism for mobilising and managing funding for cross-border projects (EGTC Nemunas-Niemen, 2023<sup>[6]</sup>; OECD, 2023<sup>[3]</sup>).

Such a funding-focused approach, however, carries several risks. For instance, it can encourage ‘fund-chasing’, where efforts are directed towards applying to funding calls whose focus and scope may not always be aligned with actual needs of the border region. Additionally, a sharp focus on external funding may lead partners to overlook opportunities for enhanced co-operation—such as promoting joint tourism initiatives or facilitating exchange and dialogue on disaster-risk management—that do not require mobilising such resources.

#### Box 2.4. Establishment of the EGTC Nemunas-Niemen

Co-operation along the Lithuanian-Polish border dates back to 1997, when local actors from Belarus, Lithuania and Poland established the Cross-Border Union Euroregion Niemen-Nemunas-Hemah. Local actors from the Russian Kaliningrad region later joined. Polish and Lithuanian counterparts suspended their participation in the organisation in March 2022, in response to Russia’s large-scale war of aggression against Ukraine. In 2023, Polish and Lithuanian local governments revived their collaboration by creating the EGTC Nemunas-Niemen.

Source: Author’s elaboration, based on (La MOT, 2018<sup>[7]</sup>; EGTC Nemunas-Niemen, 2023<sup>[6]</sup>; OECD, 2023<sup>[3]</sup>).

Finally, there are also examples of cross-border governance bodies created to address a very specific issue, such as improving access to a particular public service. These bodies often have narrowly defined objectives, focusing on just one sector. A highly specific mandate can offer cross-border governance clear benefits. For instance, it allows for targeted resource allocation and streamlined governance, tailored to meet specific local needs. Furthermore, it can facilitate quicker decision-making processes by concentrating on a single set of priorities. The focused structure can also help build specialised expertise within the governance body, which ultimately enhances the overall quality of service delivery.

One case that exemplifies this approach is the EGTC Cerdanya Hospital, whose creation was driven by the need to improve healthcare access in the Cerdanya and Capcir cross-border region along the French-Spanish border (EGTC Cerdanya Hospital, 2014<sup>[8]</sup>). Healthcare centre closures had put the region at risk of becoming a healthcare “desert”, particularly on the French side, and reducing its appeal as a place to live (OECD, 2023<sup>[5]</sup>). In response, the Catalan, Spanish, and French administrations formally agreed to establish a hospital to be governed under the EGTC framework, enabling the co-ordination of healthcare services across both countries and pooling of financial resources.

#### *The breadth of co-operation objectives influences the architecture of cross-border governance bodies*

Establishing a clear, shared understanding among founding partners about the need to formalise cross-border co-operation is essential, whether the aim is to foster socio-economic development or deliver a specific service across the entire region. How broad or specific the overall objective of a cross-border governance body is and the number of policy sectors it should focus on influences core decisions on the design of its architecture. For instance, its focus can:

- Help determine which levels of government and which specific public bodies need to be involved, for example because they have the relevant competences and resources to help address critical cross-border challenges;
- Guide decisions on the engagement with non-governmental actors, assessing how their participation can add value;

- Help define the territorial scope of co-operation, whether limited to a few border communities or encompassing a larger border area;
- Inform the establishment of internal governance mechanisms, such as dedicated technical teams to co-ordinate cross-border initiatives effectively;
- Help identify the type of actions that are needed to carry out the mandate and, in so doing, highlight which resources (e.g. political support, funding, and skills) are needed to ensure sustained operational success.

## Establishing and reinforcing the architecture of cross-border governance bodies

Once the purpose for institutionalising cross-border governance has been defined, policy makers need to design an appropriate governance architecture. This involves selecting the type of cross-border governance body to establish, determining which public bodies and non-governmental actors to involve, organising decision-making structures, and setting up essential internal governing bodies.

Almost regardless of the governance structure selected, cross-border bodies will need to navigate a set of potential imbalances. These imbalances may arise from differences in: government or administrative structures; cultural norms linked to community engagement and participation; as well as organisation and operations of technical support teams. Cross-border governance bodies will always—or almost always—face two core challenges:

1. **Ensuring the participation of relevant public actors.** This entails involving actors with the competences and financial resources needed to help accomplish the body's overall objective. It also requires balancing the representation of public bodies from co-operating countries to foster an equitable distribution of resources and potential benefits of co-operation.
2. **Establishing and operationalising internal governing bodies and decision-making processes.** This includes, for example, achieving balanced representation of members through fair vote distribution, and creating formal spaces for engagement with non-governmental actors. It also involves striking the right balance between high-level political guidance and operational autonomy, as well as conducting periodic reviews of internal structures to maintain their effectiveness over time.

### ***Ensuring the participation of relevant public actors***

The effectiveness of cross-border co-operation in any transboundary area depends, to a large extent, on the government actors involved, their respective tasks, and the resources (e.g. financial and human) they can mobilise to address shared priorities. In some cases, cross-border governance bodies involve both national and subnational governments, others include only subnational governments as members. This will affect how they operate, how internal governance bodies communicate, and in the end, the scope of action that can be carried out to meet overall objectives. The resulting dynamic brings a set of specific benefits and challenges.

*The participation of different levels of government can present cross-border governance bodies with challenges and opportunities*

Determining which government bodies to involve in a cross-border governance body is relatively straightforward when the overall objective is specific and limited to a single sector. This is because the entities with the relevant competencies and resources to implement cross-border actions within that sector are typically more limited and clearly defined. For example, the EGTC Cerdanya Hospital was founded by French and Catalan public health institutions, including the French Ministry of Health and the Catalan

Department of Health (Annex Table 2.A.1) (EGTC Cerdanya Hospital, 2014<sup>[8]</sup>). The inclusion of only those authorities with a mandate in public healthcare planning streamlines decision making (OECD, 2023<sup>[5]</sup>).

The question of which actor to involve and at which levels of government is much harder when the cross-border governance body is striving for broader objectives that link to a wide range of sectors. Such bodies typically include representatives from various levels of government—local, regional, and national—as founding members. The EGTC Alzette Belval (Annex Table 2.A.2.) and Eurometropole Lille-Kortrijk-Tournai (Annex Table 2.A.3.) provide examples of cross-border governance bodies involving multiple levels of government. Both organisations bring together national government representatives, as well as representatives from all levels of subnational government in the co-operating countries.

Cross-border governance bodies with a broad membership base are, generally speaking, easier to co-ordinate in terms of economic development, infrastructure and cultural exchange, which is particularly important as sectoral responsibilities in these areas often vary between co-operating countries. For instance, while implementing a cross-border initiative related to tourism is the exclusive competence of regional-level governments in Belgium, the same decision may require input from multiple levels of government (e.g. departments and municipalities) in France (OECD/UCLG, 2022<sup>[9]</sup>; OECD/UCLG, 2022<sup>[10]</sup>).

Second, the participation of multiple levels of government can bring together public stakeholders with a wide range of competences when it comes time to design and deliver cross-border action. Incorporating diverse perspectives during the design and implementation phases can help avoid overlap with existing national and subnational policies and programmes, and improve the well-being of residents in the region (OECD, 2023<sup>[5]</sup>).

Third, a wide range of national and subnational governments involved can lobby and network within their level of government to support cross-border initiatives from their inception. Such efforts could, for example, help encourage national and regional governments to develop and adopt supportive laws, legislation, or regulations, or mobilise resources for specific projects.

Fourth, the involvement of different levels of government can help cross-border governance bodies bring local issues to the attention of higher-level authorities (OECD, 2023<sup>[5]</sup>). This can be particularly important when local border challenges can only be resolved with the input of higher levels of government with the relevant competences and financial resources to do so. This is the case in the border region between France and Luxembourg, where congestion, pollution and funding for essential public services are among the region's top cross-border challenges (Box 2.5). These challenges often cannot be addressed by local governments alone and require support (e.g. regulatory, financial) from regional and national levels of government. Fifth and finally, the participation of different levels of government from co-operating countries can also help regional and national government bodies identify local initiatives that may be adapted to serve other border regions of the co-operating countries.



### Box 2.5. Economic trends driving co-operation in the France-Luxembourg cross-border region

For most of the 20<sup>th</sup> century, economic development in the Luxembourg and French border region was largely driven by steel production. However, in response to the decline of the steel and iron producing industries, starting in the 1970s, Luxembourg pushed to diversify its economy by creating a fiscally advantageous environment, among other developments. This resulted in sharp economic gains, particularly compared to the French border region. While GDP in Lorraine (TL2), France increased by 44% between 2000 and 2022 (from EUR 45.7 to 65.8 billion), that of Luxembourg rose by 237% (from EUR 23 to 77.5 billion). By 2021, the average GDP per capita (PPS) in Luxembourg was 3.5 times higher than in Lorraine (90 900 vs. 25 900, respectively).

Luxembourg's strong economic growth, relatively high wages and labour demand resulted in many jobs being performed by cross-border workers. In 2024, 44% of people working in Luxembourg resided in neighbouring countries, of which 54% (124 160) came from France. This has a series of important consequences. For instance:

- It caused significant traffic congestion between French and Luxembourgian border communities and increased CO<sub>2</sub> emissions from commuting.
- Housing costs on the French side of the border have risen due to the higher spending power of French cross-border workers and increasing demand from Luxembourg residents facing expensive housing in their own country.

Continued growth of Luxembourg's economy is estimated to result in a doubling of cross-border workers between 2022 and 2050, potentially exacerbating the existing economic, environmental and social challenges faced by the cross-border region.

Source: Author's elaboration, based on (EUROSTAT, 2024<sup>[11]</sup>; EUROSTAT, 2024<sup>[12]</sup>; OGBL, n.d.<sup>[13]</sup>; Fondation Idea, 2023<sup>[14]</sup>; OECD, 2023<sup>[5]</sup>; AGAPE, 2024<sup>[15]</sup>; AGURAM, 2024<sup>[16]</sup>).

Despite the many benefits of cross-border governance bodies involving institutions from multiple levels of government, there are also challenges involved. Typically, there are important differences in the territorial-administrative organisation and decentralisation arrangements among co-operating countries that could hinder effective cross-border co-operation. An example comes from the EGTC Alzette Belval.

With three levels of subnational government (regions, departments and municipalities), France has a more elaborate territorial-administrative structure than Luxembourg, which only has one subnational tier (municipalities). This difference can lead to longer decision-making processes in France, as more levels of government may need to be involved in, and sign off on, cross-border initiatives (e.g. design of a cross-border strategy or development of a project proposal) (OECD, 2023<sup>[5]</sup>). This requires the EGTC Alzette Belval and its partners to carefully manage expectations of their members regarding decision-making procedures on either side of the border. For instance, it is important for members to understand that the involvement of multiple layers of government in France can lead to slower processes and the need for more extensive co-ordination. This understanding is crucial for setting realistic timelines and ensuring effective co-ordination and co-operation among the two countries (OECD, 2023<sup>[5]</sup>).

Beyond managing the expectations of its members, the cross-border governance bodies also have to carefully sequence engagement with government bodies in co-operating countries when developing joint initiatives. This means that the EGTC Alzette Belval often engages first with French partners to reach a common position, or co-develop project proposals, before bringing in the Luxembourgian partners (OECD, 2024<sup>[17]</sup>). This practice can help avoid situations where Luxembourgian partners, who may be able to reach an agreement sooner than their French counterparts, experience delays. Such an approach can help

minimise potential frustration about differences in the decision-making procedures between France and Luxembourg.

*Governance bodies solely involving subnational governments may not be able to fully deliver on their mandate*

There are also examples of cross-border governance bodies whose members only include subnational governments. This structure may reflect a desire to address local cross-border issues more directly and efficiently. The participation of only subnational governments, can have a number of benefits, including streamlined decision making and a focus on local solutions. A relevant example comes from the EGTC Rio Minho (Annex Table 2.A.4. ), which is composed solely of subnational governments (CIM Alto Minho, 2024<sup>[18]</sup>; Deputación Pontevedra, 2024<sup>[19]</sup>; OECD, 2023<sup>[5]</sup>). Interviews with local stakeholders indicated that having only local governments represented within the EGTC has made reaching agreements on cross-border initiatives (e.g. development of a sustainable mobility project) relatively straightforward (OECD, 2023<sup>[5]</sup>). This is likely because the Spanish and Portuguese members, as local governments, are able to easily identify shared challenges and develop practical, citizen-centred solutions.

Despite the ease of working only at the same tier of government, doing so can have significant drawbacks for cross-border governance and co-operation. For instance, again in the case of the EGTC Rio Minho, it has contributed to a limited understanding among national and regional-level actors of the challenges and priorities facing border municipalities within the cross-border region (OECD, 2023<sup>[5]</sup>). Moreover, it has made it hard to attract attention and mobilise national level support for addressing certain cross-border challenges for which relevant competences reside with regional and national government bodies (OECD, 2023<sup>[5]</sup>). This is particularly the case with respect to water quality in the Minho river and issues related to navigation on the river. Several members of the EGTC are keen to work on resolving these problems but are not empowered to do so.

Cross-border governance bodies composed solely of subnational governments, or a single tier of subnational government, can pursue different actions to address or mitigate the challenges described above. One approach would be to involve relevant national-level stakeholders in an advisory role, for example by inviting them to participate as observers in one or more relevant working groups. This could keep them informed of local challenges and ensure their expertise and support are accessible (see Chapter 5). Alternatively, cross-border governance bodies could also consider establishing from the outset or adjusting overall objectives to focus more closely on sectors and issues where subnational governments (or a single level of government) have the necessary competencies and resources to act effectively.

*Ensuring balanced representation in terms of territorial scope and population*

Beyond deciding which levels of government should be represented, it is important to ensure balanced representation in terms of the number of participating government bodies, as well as the territories and populations they represent. Balanced representation can facilitate an equitable distribution of the resources needed for cross-border co-operation and can help ensure that development initiatives benefit all participating regions relatively equally.

Achieving parity can be challenging, however due to factors such as demographic and territorial disparities, as well as differences in administrative structures. As such, most cross-border governance bodies are not perfectly balanced in terms of the number of members or the population and territory they cover. For instance, the Eurometropole Lille-Kortrijk-Tournai spans 3 636 km<sup>2</sup> and encompasses a population of 2.2 million (Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[20]</sup>). While the population is fairly evenly distributed across Belgian and French members, the territory itself is not, with 19% located on the French side and 81% on the Belgian side. Conversely, in the EGTC Alzette Belval, which covers 147 km<sup>2</sup> and serves

106 000 inhabitants, the Luxembourg side has a significantly higher population density, though both sides have a similar land area (EGTC Alzette Belval, 2022<sup>[21]</sup>).

There are also cases where the imbalances are more marked. For instance, the EGTC Nemunas-Niemen was founded by a Polish regional association of subnational governments, representing 35 regional and local governments that have a population exceeding one million — and a single Lithuanian local government home to approximately 50 000 inhabitants (Statistics Poland, 2023<sup>[22]</sup>; OECD, 2023<sup>[5]</sup>) (Annex Table 2.A.5. ). Such imbalances can pose financial, management and operational risks if not carefully managed.

Imbalanced membership structures can lead to disproportionate financial responsibilities for smaller delegations, creating potential financial strain for certain members. Moreover, it may result in decisions that do not fully consider the diverse needs of all territories involved, particularly if one side is underrepresented. Finally, delegates from more populated regions might feel discouraged from fully participating if they perceive an unequal influence in decision-making processes.

Whether imbalances in the membership composition of cross-border governance entities are large or small, they need to be carefully considered when establishing internal governance bodies. This includes making informed decisions on the distribution of voting rights and membership contributions (see Chapter 4).

### ***Establishing and managing internal governing bodies***

Before establishing a cross-border co-operation initiative to address particular development challenges, it is essential that policy makers or founding members first consider which governance mechanism(s) would be most suitable to achieve joint objectives. There are two particularly important elements for policy makers to consider.

First, they need to assess which type of cross-border governance body is most suitable for meeting their aims. In the EU, one possibility is to establish a formal cross-border governance body, such as an EGTC, Euroregion or Eurodistrict. Euroregions or Eurodistricts are relatively flexible organisations, with no mandated structures. This flexibility can make them suitable for local-level co-operation, where quick adaptability is essential for meeting a variety of co-ordination needs. In contrast, creating an EGTC offers a formal, legally-binding structure that can streamline cross-border co-operation, making it especially valuable for more structured and long-term co-operation (European Committee of the Regions, 2018<sup>[23]</sup>). An EGTC enables partners to pool resources effectively and provides a stable framework for managing shared cross-border actions.

Second, when establishing a cross-border governance body, policy makers need to think carefully about the internal governing structures that can enable relevant actors to make timely and effective decisions on transboundary issues. These structures determine which actors have a voice, who can make decisions, how those decisions are made, and critically, how voting power is divided up among co-operating partners.

Deciding which internal governing structures to establish can depend on a variety of factors, including the purpose of the cross-border body, as well as any formal requirements that may apply. For instance, the EU Regulation on a European Grouping of Territorial Co-operation requires an EGTC to establish, at a minimum: i) a representative assembly of EGTC members; and ii) a director to act on its behalf (EUR-Lex, 2014<sup>[24]</sup>). EGTCs are, however, free to create additional internal governing structures, and many do. Annex Table 2.A.6. shows the range of internal structures established by different cross-border governance bodies. In addition to a General Assembly, many created an executive board or council and an advisory and/or supervisory council, each of which serve specific purposes (Table 2.1). Moreover, most cross-border governance bodies have also set up formal teams to work on technical issues.

**Table 2.1. Examples of internal governing structure used by cross-border governance bodies**

Governing body	Description
<b>General Assembly</b>	<ul style="list-style-type: none"> <li>Typically composed of elected representatives from the formal members (e.g. local, regional and national governments) and leads decision making.</li> <li>Generally responsible for reviewing and approving the cross-border governance body's strategic plan, budget, and annual activities report.</li> <li>May have authority to modify or approve the body's internal regulations and statutes, appoint or remove the director, and dissolve the body if deemed necessary.</li> </ul>
<b>Presidency</b>	<ul style="list-style-type: none"> <li>Typically chairs its General Assembly and serves as the high-level representative of the organisation.</li> <li>While often a more ceremonial position, the Presidency can also play an active role in supporting the preparation and implementation of decisions adopted by the General Assembly or Bureau.</li> <li>Generally rotates every between national delegations to ensure balanced representation.</li> </ul>
<b>Executive Bureau or Council</b>	<ul style="list-style-type: none"> <li>Generally composed of representatives from formal members.</li> <li>Typically serves as a strategic deliberation body responsible for preparing or reviewing documents such as strategic plans and budgets before they are presented to the General Assembly.</li> </ul>
<b>Supervisory and advisory bodies</b>	<ul style="list-style-type: none"> <li>Usually established to enhance oversight and guidance.</li> <li>A Supervisory Board may be charged with reviewing the cross-border governance body's annual accounts and financial report, notifying the General Assembly of any irregularities.</li> <li>An Advisory Council may provide non-binding advice on strategic matters such as strategic priorities. To carry out this responsibility, Advisory Councils are often composed of non-member public institutions and non-governmental actors, thus helping to foster diverse perspectives on strategic matters.</li> </ul>
<b>Director</b>	<ul style="list-style-type: none"> <li>Leads the cross-border governance body's technical team and oversees daily operations.</li> <li>Responsibilities typically include implementing decisions from the General Assembly or Executive Bureau/Council, drafting reports and budgets, and managing organisational, and administrative tasks.</li> <li>Co-ordinates relationships with external entities, supports project delivery, and leads efforts to mobilise project funding.</li> </ul>
<b>Technical working groups</b>	<ul style="list-style-type: none"> <li>The statutes of many cross-border governance bodies allow for the creation of technical working groups at the discretion of the General Assembly or Executive Bureau/Council.</li> <li>Can be composed of representatives from EGTC members, non-member public institutions and non-governmental actors (e.g. academia, civil society organisations) can discuss thematic priorities and co-develop proposals for cross-border projects.</li> </ul>

Source: Author's elaboration, based on (Smart Minho, 2018<sup>[25]</sup>; EGTC Cerdanya Hospital, 2014<sup>[8]</sup>; EGTC Alzette Belval, 2023<sup>[26]</sup>; OECD, 2023<sup>[5]</sup>; Eurometropole Lille-Kortrijk-Tournai, 2021<sup>[2]</sup>; OECD, 2023<sup>[3]</sup>).

Despite the variation in internal governing structures, cross-border governance bodies commonly face similar obstacles regarding their operations, including:

- Difficulties in fully operationalising some of the formal bodies;
- Maintaining a fair rotation of the presidency to balance representation across and within national delegations;
- Striking the right balance between high-level political direction and operational autonomy to maintain both accountability and flexibility;
- Providing adequate space for non-governmental actors to participate meaningfully;
- Achieving an equitable and fair distribution of voting rights among formal members.

*Ensuring internal governance bodies are operational depends on having a clear purpose and using resources effectively*

Operationalising internal governing bodies enables critical deliberative, decision making and advisory and oversight functions to be performed as set out in founding statutes. However, not all cross-border governance bodies are equally successful in this. Factors that can explain difficulties in operationalisation include limited technical human resources within the cross-border governance body, an unclear purpose for certain cross-border governance bodies, and limited interest from stakeholders in participating.

With regard to human resources, many cross-border governance bodies have small technical teams, consisting of only a few staff members (OECD, 2023<sup>[3]</sup>). This limits their ability to manage day-to-day operations, including organising meetings (e.g. General Assembly), preparing agendas and documents (e.g. draft budgets, activity plans), and supporting follow-up on decisions. For instance, the EGTC Nemunas-Niemen does not yet have a dedicated, full-time technical team (OECD, 2023<sup>[3]</sup>). It was set up in March 2023, however neither its General Assembly nor its Supervisory Board have yet been made operational (OECD, 2023<sup>[5]</sup>). While the organisation is still in its early stages of institutional development, this delay is problematic, as it hinders critical decision making that is needed to set strategic objectives for the organisation and establish a sustainable funding model.

In other cases, internal bodies can become deprioritised if they are not considered essential to the overall functioning of the governance body or if their purpose is not clearly defined. A striking example comes from the EGTC Rio Minho. Since the EGTC's creation in 2018, it has held only one meeting of its Advisory Council, which convenes at the Director's discretion and is responsible for issuing non-binding opinions on topics selected by the Co-ordinating Council (OECD, 2023<sup>[5]</sup>). The fact that the objective of the Advisory Council is relatively unclear may have contributed to its deprioritisation.

Finally, limited stakeholder interest or capacity to engage on certain topics can further hinder the ability of cross-border governance bodies to organise regular meetings and fully operationalise their internal governing structures. For instance, the EGTC Eurometropole Lille-Kortrijk-Tournai created eight thematic working groups in which a range of public and non-governmental actors participate. While some working groups are very active and meet multiple times a year, others are dormant (e.g. those focused on language learning and alternative energy). The main reason for this is the limited interest of cross-border public and private stakeholders in these specific areas (OECD, 2023<sup>[3]</sup>).

To avoid creating internal governing bodies that may not become fully operational, policy makers involved in designing them should ensure:

- That the necessary human and financial resources are available to support these bodies' functioning (e.g. for organising meetings, preparing agendas).
- That each body has a clear, well-defined purpose (e.g. help draft, review, provide an opinion on or approve strategic documents, including activity plans, budgets or financial statements). Without this focus, there may be a lack of incentive for the cross-border governance body to allocate scarce resources towards their operation. The lack of a clear purpose may also discourage outside stakeholders from participating.

#### *Detailing rules on presidency rotation can enhance leadership diversity*

Ensuring a balanced and inclusive rotation of the presidency in cross-border governance bodies is essential for integrating diverse perspectives, building ownership, and leveraging the unique competencies of each member. However, when the leadership role is consistently held by the same member, it can, however, lead to a loss of fresh perspectives and insights, and may reduce the interest of other members in the work and strategic direction of the cross-border body.

These challenges are seen in the Eurometropole Lille-Kortrijk-Tournai, where the General Assembly elects a new EGTC President every two years, with the position alternating between representatives from France and Belgium (Eurometropole Lille-Kortrijk-Tournai, 2021<sup>[2]</sup>). Yet, the presidency has not been broadly shared across the various government levels within the EGTC. Since its inception 16 years ago, only the European Metropolis of Lille has held the presidency on the French side, possibly due to its larger annual financial contributions to the EGTC's budget (OECD, 2023<sup>[5]</sup>). Yet, other members (e.g. Hauts-de-France Region, Nord Department), which have never held the presidency, also play crucial roles in cross-border co-operation. These entities, each of which have distinct geographic coverage and responsibilities, could bring valuable perspectives, insights, and priorities to the EGTC, potentially enriching its overall approach.

and effectiveness. The lack of rotation of the presidency within national delegations may have contributed to the limited participation of EGTC members in General Assembly meetings (see Chapter 5) (OECD, 2023<sup>[5]</sup>).

To ensure a balanced and inclusive rotation of the presidency and integrate diverse perspectives, it may be beneficial for cross-border governance bodies to adopt more specific guidelines on rotating the presidency of the governance body. Such guidelines could, for example, call for rotation between national delegations as well as within them, especially when they include government entities at different levels. For instance, internal regulations could stipulate that one specific member is not allowed to hold the national presidency twice in a row.

### *Striking the right balance between high-level political direction and operational autonomy*

Achieving a functional balance between political prerogatives and operational autonomy is essential for sustaining member engagement and operational stability. High levels of political involvement in setting the organisation's direction and guiding concrete action can ensure political priorities are well-reflected and help build a strong political commitment to cross-border initiatives. However, it can also lead to shifts in focus based on political changes, potentially disrupting long-term goals. Meanwhile, high levels of operational autonomy and steering by technical teams can support continuity and effectiveness in managing day-to-day activities, ensuring that the governance body functions smoothly. Too much autonomy, however, can result in disconnection from political priorities and a lack of accountability, which may weaken overall support and alignment with member interests.

In the pilot projects analysed, there appears to be limited political steering within the cross-border governance bodies (e.g. Eurometropole Lille-Kortrijk-Tournai and EGTC Alzette Belval). Presidencies tend to be viewed as ceremonial roles and presidents are seldom active in setting or influencing the governance body's agenda (OECD, 2023<sup>[5]</sup>; OECD, 2024<sup>[17]</sup>). As a result, technical directors and their support teams often take a leading role in shaping agendas and steering activities. This autonomy can ensure continuity and effectiveness but also reduce political engagement.

To avoid this situation, cross-border governance bodies could consider establishing guidelines that require newly elected Presidents to define priorities and propose actions for cross-border initiatives during their term (e.g. two years). This could strengthen member interest in (and ownership of) the actions of the cross-border governance body. At the same time, it is fundamental that these priorities align with the cross-border governance body's mid- to long-term strategic objectives in order to ensure coherence and stability.

### *Secondment of core staff by individual members can reduce their focus and jeopardise their neutrality*

For cross-border governance bodies to function effectively, it is important for technical teams to be highly skilled. First, the team needs to be sufficiently staffed and equipped with the relevant skills and knowledge to handle day-to-day operations and support critical functions such as budget preparation, strategic planning, and project funding mobilisation (see Chapters 3 and 4).

Second, technical staff must be adept at managing the complexities of engaging with a diverse range of public institutions across different government levels, each of which may operate under distinct political leadership. In particular, when cross-border governance bodies establish a joint technical team—as is the case in most EGTCs—the team must be allowed to balance the distinct interests of founding members, make unbiased decisions, and function in a manner that is relatively insulated from the individual interests of members.

In some cases, however, technical support teams are vulnerable to shifting political priorities, especially when core staff are employed and funded by individual members rather than the cross-border governance body itself. For example, the EGTC Nemunas-Niemen does not yet have its own dedicated technical staff,

relying instead on support from personnel within its founding members (OECD, 2023<sup>[5]</sup>). This means that the EGTC Director, employed by the Euroregion Niemen Association, must balance their cross-border co-operation duties with their primary role in the Association. This dual responsibility can make it hard for staff to balance the time commitments, interests and priorities of the EGTC and the Euroregion Niemen Association.

Similarly, there have been periods during which one of the two technical secretaries of the EGTC Rio Minho was hired by the EGTC—and paid through membership contributions—and the other was seconded from one of the body's founding members (OECD, 2024<sup>[17]</sup>; OECD, 2023<sup>[5]</sup>). This is in line with the EGTC's statutes, which suggest that its two technical secretaries should, ideally, be on the payroll of the EGTC's founding members (Smart Minho, 2018<sup>[25]</sup>). Such an arrangement risks leaving the work of the technical secretariat vulnerable to budgetary decisions within one of the EGTC's members. For example, a member can decide to no longer pay the salary of the seconded staff or may request that the individual be reincorporated into the member's own organisational structure. It also creates an accountability challenge for the technical secretaries, given that the interests of internal governing bodies and the interests of the local governments providing funding for the technical secretary may not always align.

To avoid these issues, cross-border policy makers should make sure that technical staff can be hired and paid for by the cross-border governance body. This is particularly critical for the head of the technical support team (e.g. EGTC Director), whose responsibilities require neutrality and a clear alignment with cross-border governance objectives. For more technical or project-focused staff, reliance on shared or seconded personnel may pose less of a risk, as their roles are often more narrowly focused on project-specific tasks with fewer conflicting interests.

### *Balanced representation requires adapting seat and vote distribution to local contexts*

A further challenge for cross-border governance bodies is how to manage asymmetries in the composition of national delegations. Such asymmetries, which can be profound, can reflect differences in the territorial-administrative structures of the co-operating countries. For instance, one country may have more subnational government tiers than its neighbour. Local government units may also vary in size across borders, with smaller, more numerous units on one side compared to the other. To ensure fair representation, these asymmetries require careful consideration when assigning seats and votes in the primary governing bodies, such as the General Assembly or Executive Bureau. There is no single model for seat and vote distribution. Instead, solutions must be adapted to the specific local context and needs.

The EGTC Alzette Belval initially had a 50%-50% division between France and Luxembourg in both seats and votes (OECD, 2023<sup>[5]</sup>). However, when an additional Luxembourg municipality joined the cross-border governance body, and the seat distribution was adjusted accordingly. Luxembourg now has nine representatives in the General Assembly (including four from the national government and one from each municipality), while France is represented by eight members (representatives from the national government, a region, two departments, and four inter-municipal groupings) (EGTC Alzette Belval, 2023<sup>[26]</sup>). Despite this shift in seats, voting power remains evenly distributed, with each national delegation holding 20 votes to maintain decision-making parity.

Another model was adopted by the EGTC Cerdanya Hospital, where, in each core governing body (e.g. Board of Directors, Advisory Council, and Executive Committee), the delegation from Catalonia (Spain) holds 60% of the seats, with the French delegation holding the remaining 40% (EGTC Cerdanya Hospital, 2014<sup>[8]</sup>). This distribution reflects differences in the population size of the French and Catalan parts of the Cerdanya cross-border region (OECD, 2023<sup>[5]</sup>).

Importantly, the distribution of votes within each national delegation can also differ. For example, in Alzette Belval, the French representatives each hold an equal number of votes (four per member). In contrast, Luxembourg's votes are allocated with greater weight given to the national government (ten votes), while



each municipality has two votes (EGTC Alzette Belval, 2023<sup>[26]</sup>). This nuanced distribution reflects the unique governance priorities and territorial organisation within each country, enabling balanced yet context-sensitive representation in cross-border decision-making processes.

The experience of these cross-border governance bodies shows that there is no “golden rule” for achieving a fair and balanced representation across borders. Decisions regarding seat and vote distribution should be strategic, mutually agreed upon, and could be based on factors such as population, territory size, and financial contribution to the cross-border governance body. Another critical factor is flexibility; that is, representation structures should be adaptable, with periodic reassessments to ensure that they continuously reflect the evolving needs and context of the cross-border region.

*Cross-border governance bodies frequently lack formal spaces for engagement with non-governmental actors*

Determining whether and how to enable the structured participation of non-governmental actors (e.g. academia, businesses, individual residents) is another challenge faced by different cross-border governance bodies. Depending on the core objective of the cross-border governance body, facilitating the participation of non-governmental actors in its internal governing bodies can have substantial benefits. For example, it can help foster their interest in cross-border initiatives, create a shared sense of purpose, and generate ownership of concrete projects. Moreover, by integrating the perspectives of those who will be directly involved in or affected by cross-border initiatives, establishing spaces for engagement with non-governmental actors can help ensure that cross-border strategies and projects are both practical and meet the needs of local communities.

Few cross-border governance bodies, however, enable the structured participation of non-governmental actors in cross-border decision making (OECD, 2023<sup>[5]</sup>). Several factors may explain this limitation. First, only public actors can be formal members of an EGTC. This restriction does not, however, preclude an EGTC and its members from finding alternative ways to facilitate non-governmental participation, such as their participation in working groups. Second, cross-border bodies sometimes struggle to identify relevant non-governmental actors (e.g. from civil society organisations and academia) who are willing and able to join regular meetings (OECD, 2023<sup>[5]</sup>). This challenge may stem from limited knowledge within the body about which actors to engage with or, alternatively, a lack of awareness among non-governmental actors about the body and how it can support its work (OECD, 2023<sup>[5]</sup>).

A notable exception is the Eurometropole Lille-Kortrijk-Tournai, which set up a Civil Society Forum as one of its core internal governing bodies when it was founded in 2008 (Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[20]</sup>). Moreover, in 2017, it created several thematic working groups, in which non-governmental actors can also participate (Box 2.6).

### Box 2.6. The working groups of the Eurometropole Lille-Kortrijk-Tournai

In 2017, nine years after its establishment, the Eurometropole amended its by-laws to emphasise the co-development of cross-border initiatives. This led to the creation of eight thematic working groups in which non-governmental actors can participate. The groups cover the following topics: Blue Park; higher education; cross-border employment and mobility; digitalisation; cross-border job placements; language learning; and promoting alternative energy.

The creation of the working groups, in which representatives from the EGTC's members, academia, the business sector and community organisations participate, has helped ensure that cross-border decision making takes better account of specific regional and local needs. For instance, through the EGTC's sectoral working groups, elected representatives of the General Assembly, non-governmental actors with sectoral expertise and technical staff of the cross-border agency work together to develop initiatives that are well-matched with local priorities and resources.

Source: Author's elaboration based on (OECD, 2023<sup>[5]</sup>).

Cross-border governance bodies interested in reinforcing their structural engagement with non-governmental actors could consider piloting a multi-actor working group and closely monitoring its performance over a defined period. This approach could enable the body to assess the effectiveness of the engagement model and gather insights that could inform the establishment of additional thematic working groups in the future. Such a pilot could also enable the body to adjust and refine the engagement approach with a view to ensuring it is still practical and contributes to organisational goals.

Given that in some regions there is limited public awareness of and interest in cross-border co-operation (see Chapter 5), it may be important to select a topic for the pilot that generates strong interest and enthusiasm among non-governmental stakeholders on both sides of the border (e.g. healthcare, tourism, jobs). This could help build momentum and demonstrate the value of such engagement to the leadership of the cross-border governance body, relevant non-governmental actors, and the general public.

To ensure sustained stakeholder engagement, the outcomes of working group meetings must be valuable and relevant to the organisation's mission and the cross-border region's strategic priorities. Aligning the focus of the working groups with these priorities can ensure that their work supports long-term goals, making their contributions more meaningful, and likely to gain support from decision makers. Equally critical is ensuring that the outcomes of the working group meetings are relevant for the public and non-governmental actors participating. To ensure continued engagement over time, the governance body should provide regular feedback to the working groups that clearly state how their input is used. This step is vital but often overlooked, and result in participants feeling their input is disregarded, thereby reducing their willingness to contribute to future engagement processes.

*Periodic revision of internal governing structures can reinforce the effectiveness of cross-border governance bodies*

National and subnational policy makers involved in cross-border governance bodies should periodically review their mandates and governing structure(s). These reviews can be crucial for ensuring continued relevance as socio-economic dynamics in cross-border regions shift, potentially altering regional priorities and necessitating adjustments to the governance body's mandate and objectives.

Additionally, changes in multi-level governance arrangements within co-operating countries, such as shifts in local or regional government competences or municipal amalgamations, can affect the frameworks for collaboration. Such developments may call for adjustments to the governance structure within cross-border

bodies in order to ensure continued effectiveness. Finally, regular assessments of existing internal governance structures are also essential. If certain bodies are not performing effectively, this could signal that structural adjustments are needed. These considerations can lead to essential revisions to the mandate, mission, or broader governance architecture of cross-border co-operation initiatives.

## Conclusion

While establishing formal governance bodies is not essential for cross-border co-operation, it can offer significant benefits, such as aligning objectives among partners, streamlining decision making, and supporting resource mobilisation. Creating a formal cross-border governance body can also enhance stability in co-operation, even amid political changes, and reinforce accountability in joint initiatives.

Cross-border governance bodies can pursue various objectives, from fostering socio-economic development and territorial cohesion to delivering essential public services. The objectives they aim to achieve are shaped by factors such as regional challenges, historical context, and the previous co-operation experience of cross-border partners. In turn, their specific goals and the sectors they are mandated to work in often influence the architecture of the governance body.

To effectively carry out their work, cross-border bodies require governance structures tailored to the unique challenges and opportunities of their regions, as well as the multi-level governance arrangements of the co-operating countries. In addition, securing the participation of those public actors with the necessary competences and resources to help address cross-border challenges is fundamental. Success also depends on establishing a fair distribution of voting rights among founding members. Creating a capable and independent technical team can help internal governing bodies become operational and, ultimately, help their cross-border initiatives move forward. Finally, it is essential for governance bodies to be adaptable when cross-border needs, priorities, or circumstances change.

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## Note

<sup>1</sup> This report builds on the work with cross-border governance bodies in five pilot cross-border regions in the European Union (see Foreword and Chapter 1). The main cross-border governance body that the OECD worked with in each region was an EGTC. Therefore, Chapters 2 to 5 focus primarily, though not exclusively, on this form of cross-border governance body.

## Annex 2.A. Composition and internal governing bodies of select EGTCs

**Annex Table 2.A.1. Members of the EGTC Cerdanya Hospital**

Government tier	France	Spain
National	<ul style="list-style-type: none"> <li>- Ministry of Healthcare</li> <li>- French National Health Insurance Fund for Salaried Workers</li> </ul>	
Regional		- Catalan Healthcare Department

Source: Author's elaboration, based on (EGTC Cerdanya Hospital, 2014<sup>[8]</sup>).

**Annex Table 2.A.2. Members of the EGTC Alzette Belval**

Government tier	France	Luxembourg
National	- National government	- National government
Regional	- Grand Est region	
Departmental	- Meurthe-et-Moselle and Moselle departments*	
Municipal	- One inter-municipal grouping representing eight municipalities**	- Five municipalities

Note: \*The Meuse Department (FR) is an associated member of the EGTC Alzette Belval; \*\*Rumelange joined the EGTC in 2022, becoming the 13<sup>th</sup> municipality to form part of the organisation.

Source: Author's elaboration, based on (EGTC Alzette Belval, 2023<sup>[26]</sup>; PRO-SUD, n.d.<sup>[27]</sup>; OECD, 2023<sup>[5]</sup>; OECD, 2023<sup>[3]</sup>).

**Annex Table 2.A.3. Members of the Eurometropole Lille-Kortrijk-Tournai**

Government tier	Belgium	France
National	- Belgian Federal Government	- Government of France
Regional	<ul style="list-style-type: none"> <li>- Flanders and Flemish Community</li> <li>- Wallonia and French Community</li> <li>- Wallonia and Brussels Federation</li> </ul>	- Hauts-de-France Region
Intermediate	<ul style="list-style-type: none"> <li>- Province of West Flanders</li> <li>- Province of Hainaut</li> </ul>	- Nord Department
Other (e.g. inter-communal authority, inter-municipal grouping)	<ul style="list-style-type: none"> <li>- LEIEDAL (inter-municipal company serving the district of Kortrijk)</li> <li>- WVI (inter-municipal company serving the districts of Roeselare, Ieper and Tielt)</li> <li>- IDETA (inter-municipal company serving the arrondissements of Tournai (exc. Estaimpuis) and Ath, municipalities of Lessines, Silly and Enghien)</li> <li>- IEG (inter-municipal company serving the district of Mouscron and municipality of Estaimpuis)</li> </ul>	- European Metropolis of Lille

Source: Author's elaboration, based on (Eurometropolis, 2023<sup>[28]</sup>).



Annex Table 2.A.4. Members of the EGTC Rio Minho

Government tier	Portugal	Spain
National		
Regional		
Intermediate	- Intermunicipal Community of Alto Minho – composed of ten municipalities that are located close to the Minho river	- Provincial Council of Pontevedra: 16 of its municipalities that are located close to the Minho river
Local		

Source: Author's elaboration, based on (CIM Alto Minho, 2024<sup>[18]</sup>; Deputación Pontevedra, 2024<sup>[19]</sup>).

Annex Table 2.A.5. Members of the EGTC Nemunas-Niemen

Government tier	Lithuania	Poland
National		
Regional		- Podlaskie Voivodeship
Intermediate		- Four county governments located within Podlaskie Voivodeship - Two county governments located within Warmian-Masurian Voivodeship
Local	- Alytus City Municipality	- 23 city and/or municipal governments located within Podlaskie Voivodeship - Five city or municipal governments located within Warmian-Masurian Voivodeship

Note: The polish members are part of the Euroregion Niemen Association.

Source: Author's elaboration, based on (Euroregion Niemen Association, 2024<sup>[29]</sup>).

Annex Table 2.A.6. Internal governing bodies of select EGTCs

EGTC Alzette Belval	EGTC Cerdanya Hospital	EGTC Niemen-Nemunas	EGTC Rio Minho	Eurometropole Lille-Kortrijk-Tournai
General Assembly	Board of Directors	General Assembly	General Assembly	General Assembly
Presidency	Presidency	Director	Director	Presidency
Bureau	Executive Committee	Supervisory Board	Co-ordinating Council	Bureau
Director	Advisory Council		Advisory Council	Civil Society Forum
	Director		Supervisory Council	Working Groups
			Technical Secretariat	Cross-border agency

Source: Author's elaboration based on Alzette Belval: (EGTC Alzette Belval, 2023<sup>[26]</sup>); EGTC Cerdanya Hospital: (EGTC Cerdanya Hospital, 2014<sup>[8]</sup>); EGTC Niemen-Nemunas (EGTC Nemunas-Niemen, 2023<sup>[6]</sup>); EGTC Rio Minho: (Smart Minho, 2018<sup>[25]</sup>); Eurometropole Lille-Kortrijk-Tournai (Eurometropole Lille-Kortrijk-Tournai, 2021<sup>[2]</sup>).

# **3**

## **Strategic planning for cross-border development**

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This chapter focuses on the second dimension of the OECD Cross-border Governance Framework: Strategic planning. It first compares different formats used for strategic planning, and assesses their relative strengths and limitations. Then, the chapter analyses the wide range of actions that cross-border governance bodies implement to deliver on their mandate. It highlights why many cross-border governance bodies opt for providing 'soft' cross-border actions, such as networking and promotional activities, rather than supporting the delivery of essential services, such as cross-border public transport. Finally, the chapter presents considerations for regional, national and international policy makers on how to support cross-border planning to boost socio-economic development and citizen well-being in border regions.

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## Introduction

Robust strategic planning is crucial for tackling cross-border challenges such as flagging socio-economic development, congestion, and limited healthcare access. It can provide a roadmap for joint action by defining clear objectives and priorities for co-operation. It can also facilitate the mobilisation and allocation of financial and human resources. Finally, by formulating clear targets, it can help policy makers monitor whether cross-border initiatives are achieving their goals or adjustments are needed.

Traditional approaches to strategic planning for regional development often fall short in cross-border regions. This can occur for a variety of reasons. The absence of legal or regulatory frameworks for cross-border development planning is one. Another is that existing strategic planning documents developed by national and/or subnational governments may already address cross-border issues. This can make a cross-border development strategy unnecessary and/or risks layering additional planning requirements on top of those that are already in place.

All cross-border governance bodies must consider which approach to strategic planning is likely to add the most value to their cross-border region and to co-operating partners. One approach can be to focus on supporting the integrated development of the transboundary region, and adopt a strategy that sets objectives to advance the region's socio-economic development needs and priorities. Another approach can be to focus on the cross-border governance body's own development over time in order to meet its mandate and objectives and develop an organisational strategy in support of this. Deciding on which approach is more suitable for a cross-border governance body can depend on a range of factors, including the body's overall objective, and the human and financial resources available to support strategy design and implementation.

Where cross-border governance bodies in the European Union (EU) have adopted strategic planning documents—either to guide the development of their organisation or of the cross-border region—common limitations in their design can often be identified. A frequent gap is the lack of clear guidance on implementation. Without a defined implementation framework, it is difficult to estimate the resources needed for cross-border development, prioritise actions, or secure necessary funding, each of which risks frustrating the cross-border body's objectives. Additionally, many planning documents lack adequate monitoring and evaluation frameworks. Without them, the effectiveness of cross-border strategies remains difficult to determine, reducing their potential to meet regional needs and foster sustainable development and well-being in cross-border communities.

This chapter focuses on the second dimension of the OECD Cross-Border Governance Framework: Cross-border strategic planning, implementation, monitoring and evaluation. It consists of two parts. The first section addresses the value of strategic planning for cross-border development, drawing on the experiences of cross-border governance bodies in five regions. In particular, it compares the different approaches and formats used for strategic planning, and assesses their strengths and limitations. Subsequently, the section provides a series of considerations for regional, national and EU-level policy makers to support cross-border planning. The second part of the chapter explores the wide range of services and support provided by cross-border governance bodies to contribute to the socio-economic development and well-being of cross-border communities. The chapter finishes with a series of considerations for policy makers to strategically assess and prioritise cross-border actions to ensure cross-border governance bodies can deliver on their mandate.

### Box 3.1. Recommendation to strengthen cross-border strategic planning

**When deciding on the approach and format for strategic planning for cross-border development, cross-border governance bodies should:**

- Carefully assess the human and financial resources available for strategy design and implementation, and whether existing strategic planning documents developed by national and/or subnational governments already effectively address cross-border issues.

**For cross-border governance bodies to be able to deliver on their objectives, it is essential they:**

- Develop—at a minimum—an organisational development strategy that can guide how they contribute to broader cross-border regional objectives, define implementing partners on both sides of the border, and identify the necessary resources to support implementation.

**To ensure that cross-border development strategies reflect local needs and capacities, cross-border governance bodies are encouraged to:**

- Engage relevant stakeholders in the strategy design process, particularly those whose support is essential for its implementation and those most affected by its actions.

**To ensure a cross-border development strategy can be implemented effectively, cross-border governance bodies should consider:**

- Setting clear, concrete, ambitious yet realistic objectives that provide direction, ensure alignment among relevant stakeholders, and demonstrate how these goals align with existing local, regional, and national plans;
- Identifying the public and non-governmental actors essential for strategy implementation, along with the specific contributions (e.g. human, financial) they can provide;
- Pinpointing the funding and financing sources required to achieve the objectives;
- Determining who will be responsible for overseeing and co-ordinating the efforts of different partners.

**To enable cross-border governance bodies to track the outcomes of their work, they should adjust actions where needed, document good practices and share results with relevant stakeholders. More specifically such bodies should:**

- Ensure that any strategic planning document includes clear and measurable targets and indicators, clarify what monitoring and evaluation activities will be carried out, and how findings will be used.

**To support robust strategic planning by cross-border governance bodies, European Union (EU) policy makers could consider:**

- Establishing a database of cross-border strategic planning documents, providing cross-border policy makers with examples to draw inspiration from and facilitate peer learning;
- Organising recurring training sessions or peer-to-peer exchanges focused on strategic planning for cross-border development;
- Integrating a cross-border strategic planning toolbox into the Interreg Learning Platform. The toolbox could include online training material and strategic planning guidelines on stakeholder consultation, for example.

- Adjusting the European Grouping of Territorial Co-operation (EGTC) regulation to encourage EGTCs to adopt medium- to long-term development planning documents.
- Making the adoption of an organisational development strategy a prerequisite for cross-border governance bodies to access Interreg funding.

**To enhance the potential of development strategies adopted by local and regional governments in border regions to effectively address cross-border challenges, policy makers could consider:**

- Adopting spatial and territorial planning frameworks that encourage, or even require, consultation with specific public and non-governmental actors across borders during strategy design, ensuring that the needs, priorities, capacities, and expertise of relevant stakeholders are reflected, and that priorities are aligned where possible.

**To help cross-border governance bodies take evidence-informed decisions on the type of actions to implement to address border needs, national and regional policy makers could consider:**

- Establishing co-ordination mechanisms where cross-border governance bodies can exchange on challenges and showcase innovative practices that could be scaled or adapted by other governance bodies.
- Conducting periodic surveys to assess the outcomes of cross-border co-operation, such as gathering feedback on public awareness and satisfaction with cross-border service delivery, as well as trust in neighbouring communities.

Source: Author's elaboration.

## Design of strategic planning documents

Traditional approaches to regional development planning may not be suitable for cross-border regions due to the unique complexities and dynamics of cross-border co-operation, such as the absence of regulations or other guidelines for cross-border strategic planning. Common challenges to effective strategic planning faced by cross-border governance bodies include engaging with relevant stakeholders during the design phase, clarifying implementation roles and resources, and establishing comprehensive frameworks for monitoring and evaluation. Addressing these challenges can help translate strategic objectives into concrete actions, track progress and, ultimately, contribute to meeting specific cross-border needs.

### ***Benefits and challenges to strategic planning for cross-border development***

There are a number of ways in which good-quality strategic planning supports more effective cross-border co-operation. First, it can provide a roadmap for joint action by articulating clear objectives and priorities for the cross-border region. Second, it can guide the mobilisation and allocation of financial, human and material resources to reach shared objectives. Third, it forms the basis for performance measurement through monitoring and evaluation exercises and enables stakeholders to hold cross-border governance bodies accountable. Fourth, it can create a reference point for engagement, partnership and investment by providing a common framework and shared goals around which different groups can rally. Finally, it can guide communication with stakeholders in the cross-border region by clarifying the objectives of cross-border co-operation and how such co-operation can be of value to them. For instance, communication material can illustrate how a cross-border strategy targets needs expressed by residents and businesses.

Strategic planning is commonly understood to include three basic stages (Box 3.2), from conducting an assessment and setting the development vision to implementation, monitoring and evaluation.

### Box 3.2. Stages of the strategic planning cycle

The strategic planning cycle reflects a comprehensive approach to developing, implementing, monitoring, and evaluating strategies, policies, plans and other initiatives. Following the three stages illustrated in Figure 3.1 can help policy makers ensure that strategic planning documents are well-designed, executed efficiently and effectively, regularly monitored to identify progress and improve implementation, and evaluated to determine outcomes.

#### Stage 1. Assessment and design

This stage involves assessing the current development situation by gathering and analysing data on a wide range of relevant indicators. The assessment enables policy makers to detect trends and identify development gaps and priorities, on the basis of which a clear and strategic long-term vision, objectives and priorities can be defined. Finally, this stage typically involves defining how, and with which resources and stakeholders the strategy will be implemented, monitored, and evaluated.

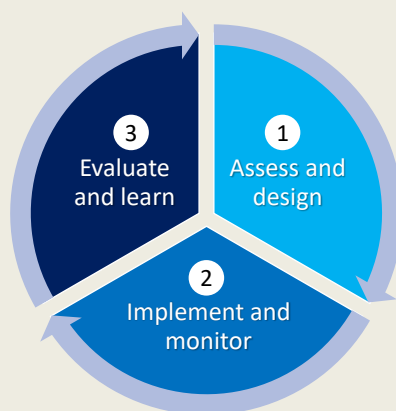
#### Stage 2. Implementation and monitoring

The practical application of the strategic planning document occurs in this stage. Resources are mobilised, goods and services are procured, and planned actions are carried out. Effective implementation involves co-ordinating stakeholders, managing resources efficiently, and maintaining flexibility to adjust to unforeseen challenges. This stage also involves ongoing monitoring to identify progress and address challenges promptly.

#### Stage 3. Evaluation and learning

This stage involves evaluation, conducted at specific intervals (e.g. interim and ex-post) to assess the effectiveness, efficiency, and sustainability of the interventions carried out. It also involves documenting evaluation results and sharing them with relevant stakeholders, enhancing transparency and accountability. Finally, in this stage evaluation findings are used to improve future planning efforts, closing the feedback loop and fostering continuous improvement.

Figure 3.1. Strategic planning cycle



Source: Author's elaboration, based on (OECD, 2024<sup>[1]</sup>; OECD, 2021<sup>[2]</sup>; OECD, 2022<sup>[3]</sup>).

There is no single or best format for strategic planning for cross-border development. Rather, different formats can be adopted by cross-border policy makers, including the following:

- **A high-level, cross-border development vision** that outlines the long-term objectives for the region, offering a flexible framework that public and non-governmental actors can build upon, without being prescriptive about the specific actions they should take.
- **A development strategy for the cross-border co-operation body** that establishes organisational goals, specifies actions for the co-operation body and its partners, includes a performance measurement framework, and identifies funding sources.
- **A comprehensive, integrated cross-border development strategy** that details a vision for development, sets objectives and priorities, and includes a robust implementation plan, as well as a monitoring and evaluation framework.
- **A cross-border spatial development plan** that can guide land use, infrastructure, and environmental initiatives on both sides of the border, promoting cohesive spatial development and sustainable growth.

Strategic planning for cross-border co-operation can also imply embedding a cross-border perspective into existing planning documents (e.g. national, regional or municipal development strategies, plans or other relevant documents).

Which strategic planning format offers the most value to the cross-border region and to co-operating partners depends on at least two factors. First, the existence of different national, regional and local development plans that may already be in place on both sides of the border can affect decision making on whether or not to adopt a cross-border development strategy. For instance, if existing plans already address cross-border challenges, this could make the design and implementation of a dedicated strategy for the development of the cross-border region redundant and unnecessary. Second, cross-border governance bodies, like many other public entities, often have very limited human and financial resources available to support comprehensive strategic planning efforts (OECD, 2023<sup>[4]</sup>). This can hinder their ability to lead the design and implementation of integrated cross-border planning documents and instead require the adoption of another format (e.g. high-level development vision, organisational development strategy), which may demand fewer human resources to develop and implement.

When considering which format for strategic planning for cross-border development to adopt, policy makers should also define their approach to co-development (Box 3.3). There are two ways to think about co-development in the context of cross-border co-operation: i) as a targeted and flexible approach focused on the collaborative design and implementation of specific initiatives by actors on both sides of a border; and ii) as a comprehensive approach that conceives of a cross-border region as a shared space to be developed through joint efforts. These two interpretations are complementary, with the targeted approach providing practical guidance to design and implement broader strategic goals and address immediate challenges.

### Box 3.3. Two approaches to co-development in cross-border co-operation

#### Co-development of specific cross-border initiatives

The first approach emphasises the co-design, co-implementation, and co-evaluation of cross-border planning documents, specific projects, and initiatives. It emphasises inclusive, collaborative strategic planning processes with a focus on targeted areas of cross-border co-operation. This approach encourages shared ownership and responsibility for strategic documents and projects, ensuring they



are adapted to the realities of the cross-border context. It can foster adaptive, targeted and locally-led solutions to local challenges (i.e. limited cross-border public transport options).

### **Co-development of a cross-border region**

The second approach to co-development treats the cross-border region as a single entity. The goal is to address systemic challenges through a shared vision and long-term, co-ordinated efforts for the mutual benefit of the entire region. This approach aligns with adopting comprehensive, integrated strategies that set clear objectives and assigns responsibilities effectively. It requires a long-term commitment from stakeholders to address regional challenges (e.g. related to public transport, environmental management). Co-development can also involve one country funding projects in another, on the premise that specific investments that are made across the border can benefit the entire region. For instance, under a framework agreement with France on cross-border transport, Luxembourg has invested over EUR 200 million to improve rail connectivity between the two countries. This investment facilitates daily commuting for thousands of workers, reduces traffic congestion on both sides of the France-Luxembourg border and thereby supports socio-economic development in the entire cross-border region.

This second approach to co-development is particularly relevant to cross-border functional zones. These are border areas characterised by functional relationships, co-operative stakeholder networks, and governance mechanisms, aimed at solving common problems. Across the European Union (EU), several cross-border regions (e.g. Alzette Belval along the Franco-Luxembourgian border) have been designated as functional zones, where a cross-border governance body manages and distributes EU funds to support local cross-border projects.

Source: Author's elaboration, based on (Interreg Greater Region, 2024<sup>[5]</sup>; Jakubowski et al., 2020<sup>[6]</sup>; Government of Luxembourg, 2023<sup>[7]</sup>).

## ***Cross-border regions use a wide range of strategic planning formats to guide co-operation***

There are few formal regulations on strategic planning for cross-border development. Consequently, planning formats used by cross-border governance bodies tend to vary substantially. Some regions have implemented an integrated cross-border development strategy, while others only have an organisational development plan. Other regions rely solely on project-based planning. The following section analyses the benefits and challenges associated with each of these practices, providing examples from different cross-border governance bodies.

### *Adopting an integrated strategy to guide the development of a cross-border region*

Adopting a comprehensive, long-term strategy for the entire cross-border region can add value to cross-border co-operation. Ideally based on a long-term vision and ambitious goals for the future of a cross-border region, such a strategy can act as an anchor for mobilising political and public interest in cross-border co-operation. It can also serve as a point of reference for regional and local planning documents.

There are also some challenges associated with this type of approach however, as certain conditions need to be in place for it to be effective. These include a clear demand from relevant authorities to develop this type of strategy; clarity on who should support implementation; and the availability of sufficient resources to guide its design and execution. Moreover, the broad nature of integrated strategies means that they can overlap with other national, regional or local plans, potentially duplicating planning efforts. Without robust co-ordination mechanisms in place, such redundancy may imply that stakeholders fail to leverage synergies or will compete for similar financial resources.

Additionally, integrated cross-border strategies can be hard to achieve. Cross-border governance bodies, such as European Groupings of Territorial Co-operation (EGTCs), typically do not have the human and financial resources and competences to lead the implementation and co-ordination of such strategies. Relatedly, public actors may be inclined to prioritise the implementation of their own planning documents (e.g. regional or municipal development plans) over that of an integrated cross-border strategy due to legislative or regulatory requirements that mandate the implementation of such plans, for which they may be held accountable by regional or local councils.

Furthermore, the development of integrated cross-border strategies may be resource-intensive. Their potentially broad thematic and territorial scope necessitates extensive engagement and consultation with a wide range of public and non-governmental actors to gather their input (e.g. regarding priorities) and to generate ownership for both implementation and results. This process can be time-consuming and costly, potentially imposing excessive burdens on cross-border governance bodies with limited resources.

The 2030 Cross-border Strategy adopted by the EGTC Rio Minho (Portugal and Spain) illustrates some of the benefits and challenges associated with adopting an integrated strategy for the development of the cross-border region (Box 3.4). The Rio Minho 2030 Cross-border Strategy has guided the EGTC's partners regarding cross-border priorities. For example, interviews indicated that the strategy has been used by municipalities within the cross-border region to inform the design of their own cross-border co-operation plans and projects (OECD, 2023<sup>[8]</sup>).

#### Box 3.4. 2030 Cross-border strategy for the Rio Minho cross-border region

Upon its establishment in 2018, the EGTC Rio Minho set out to develop a long-term, integrated development strategy for the cross-border region. The document was developed with technical support from the Centre for Euroregional Studies (CEER)<sup>1</sup>, and was approved in 2019.

Building on a robust diagnostic of key socio-economic and demographic development trends and challenges, the strategy identified five strategic axes to guide the development of the Rio Minho cross-border region: i) joint governance and services programmes; ii) sustainable and responsible tourism; iii) cross-border culture; iv) sustainable mobility; and v) innovative economy and sustainability. For each of these axes, the strategy also identified strategic objectives and broad lines of action.

The manner in which the strategy was developed reflects the EGTC's emphasis on co-development. In addition to the significant technical support given by CEER to the drafting process, the strategy was also the product of the EGTC's extensive consultation with public and non-governmental actors on a draft version. The consultation process included several meetings with local, regional and EU actors to discuss regional challenges and priorities, two cross-border fora with over 70 civil society and non-governmental actors, and an online survey for residents of the cross-border region on its website.

Source: Author's elaboration, based on (EGTC Rio Minho, 2019<sup>[9]</sup>).

There are, however, concerns among the EGTC and its partners about whether the strategy can be implemented. For instance, the EGTC does not have the competences to implement most of the actions outlined in the strategy. Moreover, the strategy does not identify the human and financial resources that are needed in order to achieve its objectives. It also does not specify if and how the EGTC will co-ordinate with other stakeholders (e.g. municipalities, non-governmental actors) to guide the implementation of the strategy (EGTC Rio Minho, 2019<sup>[9]</sup>).

### *Adopting an organisational development strategy*

An organisational development strategy serves as an operational roadmap for entities managing and operating the cross-border governance body and as such can offer a number of benefits. First, it can help cross-border governance bodies focus and define clear priorities for cross-border action that match the ambitions of founding members. Second, it can help cross-border governance bodies pinpoint, ex-ante, the human and financial resources needed to support cross-border development. Third, it can help members identify how the strategy will benefit the communities in the region and assess whether the necessary competences and resources are already available within the organisation. Fourth, it can establish clear accountability for the cross-border governance body and its partners in advancing cross-border activities by clarifying tasks and responsibilities. Finally, it can provide members and external stakeholders with a clear idea of what they can expect the cross-border governance body to deliver in the short and long term.

The experience of the EGTC Cerdanya Hospital (France and Catalonia, Spain) helps illustrate the potential benefits of an organisational development strategy. The EGTC Cerdanya Hospital's Strategic Plan 2023 provides a roadmap for cross-border action by presenting basic information about the hospital (e.g. members, mission), featuring a high-level assessment of challenges and opportunities, and identifying actions to be implemented in the short and medium term. Furthermore, the plan explains why the hospital functions the way it does, outlines its overall goals, and details how it plans to further achieve a series of specific objectives (EGTC Cerdanya Hospital, 2023<sup>[10]</sup>). Thereby, the plan serves three distinct groups:

1. **The cross-border community** that the hospital serves, by providing basic information on how the hospital operates and the healthcare services it offers to cross-border residents;
2. **The broader regional healthcare sector**, by highlighting partnerships with different institutions to deliver a range of healthcare services and by identifying specific objectives that require co-operation with public and private healthcare providers in the region;
3. **The EGTC staff**, by offering clarity on the hospital's strategic objectives and outlining the actions it needs to take to achieve these goals.

The targeted nature of an organisational development strategy, while helpful as an organisational roadmap, also has limitations as it may overlook regional development priorities that require wider engagement and integration. Without providing an ambitious, long-term vision for cross-border development, organisational development strategies may struggle to inspire and mobilise stakeholder support.

Cross-border governance bodies that have been set up recently may find themselves struggling to decide which type of strategic format to take—an organisational strategy or an integrated regional strategy. These considerations are currently being explored by the EGTC Nemunas-Niemen (Lithuania and Poland). Established in 2023, this EGTC is assessing what type of strategic planning document to adopt, as founding partners have divergent views on which type of strategy would add the most value to the EGTC and the cross-border region (OECD, 2023<sup>[4]</sup>). While Polish partners tend to favour developing a long-term, integrated cross-border strategy, the Lithuanian partner, Alytus City Municipality, sees greater value in designing an organisational development strategy, or a combination of both types of documents (OECD, 2023<sup>[4]</sup>). This reflects the fact that Polish partners view a strategic plan as an opportunity to outline broad objectives for the development of the cross-border region that many public and non-governmental actors could rally behind. Lithuanian partners, however, see the design of a strategic planning document as a chance to provide clarity on what the EGTC as an organisation should aim to achieve and with what resources (OECD, 2023<sup>[4]</sup>).

Fortunately, an organisational strategy and an integrated regional development strategy are not mutually exclusive, and there have been attempts to integrate them in one document, as seen in the approach taken by the EGTC Alzette Belval. Its seven-year strategy (Box 3.5) includes a series of goals for the cross-

border region, effectively blending elements of an organisational development plan with aspects of an integrated strategy for the cross-border region (EGTC Alzette Belval, 2021<sup>[11]</sup>).

### Box 3.5. Strategic planning efforts by the EGTC Alzette Belval

The EGTC Alzette Belval has approved three cross-border strategies to date, the latest of which has strategic objectives covering seven areas: healthcare, mobility, 'living together', sustainable development, spatial development, educational co-operation, and co-operation between France and Luxembourg more broadly. While the focus areas of the EGTC's third strategy are very similar to those of the first two, its approach to strategic planning has evolved in important ways:

1. **Territorial focus:** While the first two strategies encouraged the implementation of projects targeting the EGTC's 13 municipalities, the current strategy also proposes projects to be implemented on only one side of the border that could have positive spillover effects for the entire cross-border agglomeration.
2. **Implementation period:** The first strategy only covered two years, in order to enable rapid review and revision. The current strategy covers a seven-year period that is aligned with the Interreg programming period (2021-2027). This extended timeframe has helped the EGTC obtain recognition as a functional zone under the Interreg IV Greater Region Programme. As such, it now manages a sizable EU fund to support local cross-border projects.
3. **Monitoring and evaluation framework:** Since the second strategy, the EGTC has included a basic results framework that specifies output indicators and reference values (i.e. what was achieved during the previous strategic planning period).

Source: Author's elaboration, based on (OECD, 2023<sup>[12]</sup>; EGTC Alzette Belval, 2021<sup>[11]</sup>; EGTC Alzette Belval, 2017<sup>[13]</sup>; EGTC Alzette Belval, 2017<sup>[13]</sup>; OECD, 2023<sup>[4]</sup>; OECD, 2024<sup>[14]</sup>).

### *Adopting theme- or project-based planning documents*

Instead of adopting an integrated strategy for the development of the cross-border region or an organisational development plan, some cross-border regions rely on thematic or project-based planning documents. This practice offers at least three benefits. First, it can help governance bodies and their partners focus funds, expertise, and efforts on specific issues or areas that are most critical at a given time. This targeted approach can lead to more effective problem-solving and potentially quicker results compared to broader, less targeted strategies. Second, adopting these types of planning documents can foster stakeholder engagement by focusing on specific themes or projects for which there is a clear demand from public or non-governmental actors. Third, it can enable meaningful engagement with specific groups or communities that might otherwise be overlooked in larger, more comprehensive planning processes.

Without a unifying vision—either for the cross-border region as a whole or for the cross-border governance body—the adoption of multiple thematic documents could create fragmented and/or incoherent efforts. For instance, different stakeholders may pursue projects that are not aligned or complementary in terms of the cross-border objectives, ultimately weakening the overall outcomes of cross-border co-operation. Additionally, resource allocation can become difficult without clear priorities, and there is a risk of neglecting parts of the organisation's mission that are not covered by ad hoc thematic or project-based planning documents.

These challenges arose when the EGTC Eurometropole Lille-Kortrijk-Tournai (Belgium and France) was created. While the organisation has developed several thematic documents that inform its actions in

specific sectors (e.g. mobility, environment), it does not currently have an integrated cross-border development strategy or organisational development plan that sets clear objectives to guide its cross-border action, or lines of action and organisational resources that can support implementation, monitoring and evaluation (OECD, 2024<sup>[14]</sup>). As such, the organisation's overarching mission, as well as the accountability of relevant actors for supporting different cross-border activities, are not always clear. Clarifying these elements could provide a more structured framework for the activities of cross-border governance bodies, and help their members better understand the added value the organisation can bring to them.

### ***Common challenges to the design of cross-border planning documents***

The quality of strategic planning documents directly affects how cross-border partners can address shared needs and opportunities. High-quality documents should reflect actual needs and priorities, set clear and ambitious (yet realistic) objectives, establish measurable targets and indicators to track progress, and be presented in a format that facilitates easy understanding and uptake by decision makers and implementers. An analysis of different strategic planning documents adopted by cross-border governance bodies highlights some common limitations in the way they are designed. Particular challenges can include difficulties in engaging key stakeholders, a lack of clarity on implementation, and limited guidance on monitoring and evaluation.

#### *Engaging with relevant actors early in the strategy design process*

Engaging with a wide range of stakeholders at the outset of the planning process, while possibly challenging, has long-term benefits. First, it can help to ensure that the needs and priorities of both public and non-governmental actors are more accurately reflected within the strategic planning document. Working with civil servants and other players who will be responsible for implementing the strategy can also help to make the design of proposed goals and actions more realistic. Furthermore, robust stakeholder engagement can help to build ownership of the strategic objectives and bolster political and non-governmental backing for successful implementation. Finally, by providing opportunities for different groups of stakeholders to discuss and exchange views on cross-border development priorities, engagement processes can enable diverse groups to identify shared objectives and align efforts more effectively.

Engaging a wide range of stakeholders effectively can, however, be challenging. Limited availability of human or financial resources to carry out engagement activities, such as organising focus groups or disseminating surveys can hinder the ability of a cross-border governance body to gather diverse input. Additionally, there may be limited interest from relevant stakeholders to participate, particularly if they have already been involved in similar planning initiatives on multiple occasions, which can lead to engagement fatigue and a reluctance to commit further time or resources. Another challenge is the risk of unbalanced participation, where certain actors dominate the process, leading to feedback that does not fully capture the needs or priorities of the broader community or relevant sectors, or where input provided may not be critical to the design of an effective cross-border strategy.

Cross-border governance bodies in the pilot regions generally engage with a wide range of stakeholders during the design of strategic planning documents, placing particular emphasis on robust consultations with their members (e.g. local and regional governments) and academia. For instance, in the Eurometropole, the Blue Park working group—composed of elected representatives, non-governmental actors, and technical staff—helped draft the Blue Park planning booklet (Box 3.6) (OECD, 2023<sup>[4]</sup>).

### Box 3.6. Co-development of the Blue Park of the Eurometropolis booklet

In 2018, the Eurometropole Lille-Kortrijk Tournai developed the Blue Park of the Eurometropolis booklet. It is currently the organisation's most elaborate strategic planning document. The booklet represents a cross-border vision statement that relates to the EGTC's Blue Park initiative, a cross-border, multi-disciplinary initiative focused on waterways in the region. It was developed by one of the EGTC's working groups.

The booklet identifies the EGTC's 14 founding members as key actors responsible for supporting the Blue Park's development. It focuses on the strategic nature of the Blue Park in its capacity to promote a shared space defined by its many waterways, to connect communities and to offer opportunities for leisure, culture, tourism and sustainable economic development. The booklet is an important communication tool that can help champion and articulate the benefits of cross-border co-operation within the region, and also mobilise stakeholders to support cross-border action.

The Blue Park booklet and related Blue Park activities are the results of the EGTC's emphasis on co-development. The Blue Park working group, which is composed of elected representatives of the EGTC's General Assembly, non-governmental actors and technical staff, helped draft the booklet and supports the identification and organisation of concrete activities. The EGTC has also organised workshops with higher education researchers and other sectoral experts to identify concrete initiatives that could further ensure that the Blue Park project supports the well-being of cross-border residents. These co-development practices have contributed to the Blue Park project being coherent with local priorities, which is important for gaining public interest and support. Additionally, it has helped the EGTC mobilise local contributions—both in terms of funding and community engagement—and ensure that the project's objectives are met.

Source: Author's elaboration based on (Eurometropolis Lille-Kortrijk-Tournai, 2022<sup>[15]</sup>; OECD, 2023<sup>[4]</sup>; Eurometropolis Lille-Kortrijk-Tournai, 2018<sup>[16]</sup>).

Despite strong engagement with their members and academia, some cross-border bodies have faced challenges in involving civil society organisations and individual citizens. For example, the EGTC Alzette Belval struggled to secure substantial input from community-based organisations and citizens during the design of their strategies (OECD, 2023<sup>[12]</sup>). This means that the strategies have been primarily shaped by the EGTC's technical team and founding members. The lack of input from non-governmental actors can limit the strategies' responsiveness to the broader community's needs and diminish local ownership.

#### *Cross-border strategic planning documents should include detail on their implementation*

Implementing cross-border development strategies can be more complex and challenging than for other types of regions for a number of reasons. For instance, a myriad of actors and stakeholders on opposite sides of a border—who may have different competencies and resources capacities and act within different legal and regulatory frameworks—are involved in the cross-border development strategy cycle or—at least—affected by the actions necessary to implement the strategy. Moreover, strategies can be designed without clear funding or financing prospects for implementation or investment. It can also be the case that no institution or actor has been assigned the responsibility—and with it, the accountability—for implementation. Without accountability and in an environment of competing demands and resources, strategic objectives risk moving down the priority list.

During the design stage of a cross-border development strategy, several actions can be taken to support its effective implementation (OECD, 2024<sup>[1]</sup>). First, setting clear and measurable objectives is essential to

provide direction and ensure that all stakeholders are aligned on the strategy's goals. Additionally, a collaborative approach to design, such as involving key actors from the outset, helps ensure the strategy reflects actual needs and available capacities, while also building ownership among stakeholders. Successful implementation will also depend on identifying actors with the necessary competences and resources, as well as securing the funding sources needed to achieve the objectives. Finally, determining who will be responsible for overseeing and co-ordinating the efforts of different partners can build accountability and facilitate the strategy's execution.

Often, the strategic planning documents for cross-border development provide limited clarity on how they will be implemented (OECD, 2023<sup>[4]</sup>). For instance, the cross-border planning documents developed in the pilot regions typically do not include information on which actors need to be involved to support implementation or how it will be funded and financed. This is an important omission, insomuch as it risks limiting the accountability of relevant actors for supporting cross-border development. It is particularly significant, moreover, when strategic planning documents outline strategic objectives and priorities that cannot be achieved by the cross-border governance bodies alone.

This is the case with the Rio Minho 2030 Strategy, as well as the different Joint Territorial Healthcare Projects developed by the EGTC Cerdanya Hospital to co-ordinate public healthcare planning and delivery in the Cerdanya cross-border region in France and Spain (Box 3.7). Neither of these documents provides much detail about which local, regional and national public institutions are called upon to help meet the strategies' objectives and/or how they can contribute (e.g. by providing financial or human resources).

### Box 3.7. Joint Territorial Healthcare Projects of the EGTC Cerdanya Hospital

The EGTC Cerdanya Hospital has two overarching objectives: i) to establish, operate and manage a cross-border hospital serving the regions of Cerdanya and Capcir in France and Spain; and ii) to promote the co-ordination of healthcare delivery planning and delivery in the region through a 'territorial healthcare project'. Since the hospital started operations in 2014, it has developed two Joint Territorial Healthcare Projects. They represent an effort by the EGTC to co-ordinate public healthcare services across the Cerdanya and Capcir cross-border region. The first iteration of this plan, covering the 2014-2021 period, provided a framework for co-operation across nine key areas, including emergency and continuous care, maternal health and paediatrics.

In 2021, the EGTC convened public healthcare institutions active in the cross-border region to develop a new Joint Territorial Healthcare Project. The new project was initiated when actors realised that the first Project had not been implemented. The objective of the second Project has been to redefine strategic objectives and areas of improvement to better respond to the needs of the population and healthcare professionals in the territory. It was based on elements of a shared needs assessment. Specifically, the current Joint Territorial Healthcare Project identifies several priority actions to bring about better, more co-ordinated healthcare delivery in the region, including by:

- Enabling different healthcare authorities from France and Catalonia, Spain to delegate tasks to the EGTC Hospital to support joint planning in specific healthcare fields;
- Enhancing regular engagement and consultation with elected officials and citizens, as well as directors from relevant healthcare institutions in the region;



- Establishing a healthcare observatory within the EGTC to provide and analyse data (e.g. on evolving healthcare needs and service delivery) to inform healthcare planning.

Source: Author's elaboration, based on (EGTC Cerdanya Hospital, 2022<sup>[17]</sup>).

The lack of clarity on strategy implementation presents significant risks. First, it means that cross-border actors may not have a clear understanding of how they can or are expected to contribute to meeting the strategy's objectives (OECD, 2023<sup>[4]</sup>). Second, without clear implementation guidance, it is difficult for the cross-border governance body and its partners to accurately assess the human and financial resources required to support the strategy's implementation, prioritise actions, and secure the necessary funding. This can result in a lack of preparedness to effectively support the strategy's goals.

*While conventional development plans may address cross-border needs, they often lack guidance on implementation*

The lack of information on implementation is not only a feature of many strategies developed by the cross-border governance bodies. It is also often a characteristic of territorial and spatial development plans adopted by local and regional governments in border regions. For instance, development strategies adopted by local, regional and national governments in the France-Luxembourg cross-border region<sup>2</sup> typically include a cross-border perspective. In a practical sense, strategies acknowledge that: i) key local or regional challenges are influenced by cross-border dynamics (e.g. the increase in cross-border workers); and ii) addressing these challenges requires enhanced cross-border co-operation. Moreover, most strategic plans identify the main actors on the other side of the border (e.g. the Luxembourg Ministry of Housing and Spatial Planning) that would have to be engaged to improve co-operation. Their strategy design process also generally includes consulting actors on both sides of the border. As such, the different strategies provide a foundation for policy makers at the local, regional and national levels to consider the cross-border dimension in their work (Luxembourgian Ministry of Housing and Spatial Development, 2022<sup>[18]</sup>; Union of the SCoT Nord Meurthe-et-Mosellan, n.d.<sup>[19]</sup>; SCoT du Centre Ouest Aveyron, 2024<sup>[20]</sup>; Greater East Region, n.d.<sup>[21]</sup>; Luxembourgian Ministry of the Economy, 2022<sup>[22]</sup>; Luxembourgian Ministry of Housing and Spatial Planning, 2024<sup>[23]</sup>).

However, the strategies and plans provide very limited information on how such enhanced co-operation should come about or what success would look like. For example, some merely call for more cross-border consultation (without concrete action plans) or indicate that initiatives in fields such as mobility, economic development or education should adopt a cross-border perspective. Acknowledging cross-border challenges without outlining concrete actions, roles for implementation, or specifying which resources can be allocated to address the obstacles can leave gaps in the practical application of the strategy. This lack of specificity makes it difficult to translate broad objectives into concrete actions and measurable outcomes.

Finally, there are basic challenges to enforcing the cross-border dimension of territorial development strategies. Ensuring that actors operating in different countries support implementation is particularly difficult due to variations in legal frameworks, administrative processes, governance structures and a dearth of financial mechanisms to encourage action by actors on the other side of the border (OECD, 2023<sup>[12]</sup>; OECD, 2023<sup>[4]</sup>).

*Planning documents provide limited guidance on monitoring and evaluation*

To help cross-border governance bodies and their partners achieve their strategic objectives, it is important that the planning documents they adopt include clear targets and indicators and specify the monitoring and evaluation activities that will be conducted. Including such information provides the governance body with

a framework to track whether it is meeting its objectives. Information obtained from monitoring and evaluation can help governance bodies meet three distinct goals (OECD, 2024<sup>[1]</sup>):

- **To support operational decision making**, by providing evidence to help identify implementation delays or bottlenecks, and adjust resource allocation and implementation strategies accordingly;
- **To strengthen accountability** related to the use of resources, the efficiency of internal management processes, or the outputs and outcomes of a given cross-border initiative;
- **To enhance transparency**, providing public and non-governmental stakeholders with information on whether the efforts carried out by the cross-border governance body and its partners are producing the expected results.

Developing and using a robust monitoring and evaluation or performance measurement framework requires several elements to be in place. For instance, cross-border governance bodies need specific skills and expertise, for example to set targets, formulate indicators, and gather and analyse qualitative and quantitative data to track performance over time. Such human resources and information are often lacking in cross-border governance bodies, which may help explain why their strategic planning documents often do not include guidance on monitoring and evaluation. This absence undermines their ability to track progress, identify and respond to implementation challenges, and demonstrate accountability.

The lack of information on monitoring and evaluation is evident in a number of the cross-border planning documents developed by the pilot cross-border regions. For instance, the planning documents created by the EGTC Cerdanya Hospital (Strategic Plan 2023) and EGTC Rio Minho (Rio Minho 2030 Strategy) do not include a basic monitoring and evaluation framework (with indicators and targets), which significantly hinders the ability of the EGTCs and their partners to track whether the strategies are actually helping to meet regional and/or organisational objectives and needs.

Some monitoring does take place within these cross-border governance bodies, typically through annual activity reports presented to their deliberative organ, such as the General Assembly. Additionally, mandatory monitoring is conducted for EU-funded projects. However, across the pilot regions, there is typically no systematic assessment of the performance of the cross-border governance bodies to identify whether objectives are being met or to inform adjustments to the strategy or associated activities. The EGTC Alzette Belval stands out as an example of progress made by a cross-border governance body in terms of monitoring and evaluation. The organisation has made important improvements to its monitoring and evaluation approach since implementing its first strategy in 2014. As of its second strategy, the EGTC has included a basic results framework that specifies output indicators and provides reference values. This adjustment has helped the EGTC prepare annual activity reports for its General Assembly. Moreover, at the end of the implementation period of its second strategy, the EGTC conducted an executive evaluation that identified which objectives had been fully met, partially achieved, or still needed attention (OECD, 2023<sup>[4]</sup>). This evaluation helped inform the design of the EGTCs third and current strategy.

### *Challenges related to data accessibility and comparability*

To support robust strategic planning, cross-border governance bodies also need access to comparable local data from both sides of the border. Such data can help them to i) design strategies that reflect the actual needs of the region and ii) track progress over time. However, in many cross-border regions, there is a significant lack of comparable data, which can hinder the development of well-informed strategies and the ability to monitor their effectiveness.

Often, the frequency of data collection and publication varies between countries. There may also be differences in the data gathering methods, and data published across different platforms can be difficult to find (OECD, 2023<sup>[4]</sup>). The scarcity of comparable data affects strategic planning in at least two ways, including by i) complicating the identification of needs and strategic priorities and ii) hampering efforts to set development targets.

Addressing the dearth of comparable cross-border data is a priority of many cross-border governance bodies, including the EGTC Nemunas-Niemen and EGTC Cerdanya Hospital (OECD, 2023<sup>[4]</sup>). Both expressed a desire to establish a cross-border observatory. They can look at the cross-border observatory established by the EGTC Rio Minho for inspiration. This observatory, launched in 2022, was established with the support of academic researchers from Galicia and Northern Portugal. The platform includes 320 municipal-level indicators spanning ten thematic areas providing statistics that can help policy makers better understand the cross-border context, identify key challenges and develop targeted responses (OECD, 2023<sup>[4]</sup>).

### *Considerations for subnational policy makers drafting cross-border strategic planning documents*

Regardless of the type of cross-border planning document that is eventually taken up, policy makers should take several considerations into account, in order to ensure that the document is both practical for cross-border governance bodies and their members and can be effectively implemented and monitored. These include:

- Identifying key trends, gaps, and priorities to establish a clear and strategic long-term vision, along with specific objectives and priorities;
- Aligning the cross-border strategic planning document with existing local, regional, and national plans can help identify and build on synergies;
- Including an implementation plan that clarifies which actors can support implementation and the types of contributions they might offer (financial or in-kind support) can help convert shared objectives into tangible action;
- Outlining potential funding and financing sources can help ensure that proposed measures have the necessary financial backing;
- Establishing a monitoring and evaluation framework can help policy makers track progress and make adjustments as needed.

Finally, strategic planning documents should be presented in clear and accessible language to facilitate uptake by relevant stakeholders, including newly elected local and regional officials. Overly detailed and complex documents can overwhelm the intended audience and hinder actionable insights. This is especially true in the context of cross-border planning, where many stakeholders may not be well-versed in cross-border development challenges or the governance initiatives designed to address them. In such a context, clarity and brevity are particularly important to ensure that the strategies are embraced by relevant public and non-governmental actors, and effectively implemented.

In order to be useful to politicians, civil servants and non-governmental actors alike, the EGTC Alzette Belval has developed succinct strategic documents (its current strategy is only 35 pages long). They include a short presentation of the cross-border region and easy-to-understand figures to facilitate their uptake. This makes the EGTC's strategies much more concise and accessible than typical regional development strategies, which sometimes include several hundred pages of highly technical language (Luxembourgian Ministry of Energy and Spatial Planning/ECAU, 2022<sup>[24]</sup>).

### *How regional, national and EU-level policy makers can support cross-border planning*

There are also actions that national and regional governments can take to support the design, implementation and monitoring and evaluation of cross-border planning documents. For instance, national and regional governments could assess the need to adjust planning regulations to facilitate cross-border collaboration. For example, spatial and territorial planning frameworks could encourage or even require consultation with specific public and non-governmental actors across borders when designing strategies.

In addition to consultation, another measure could be to create cross-border supervisory or advisory committees to support the design of cross-border development strategies. Governments could encourage or mandate the formation of these bodies to oversee co-ordination, ensure compliance with consultation requirements, and foster ongoing dialogue among government bodies on both sides of the border.

Governments can also implement innovative joint planning mechanisms inspired by projects such as the MORO pilot on land-use planning and development in border regions (Box 3.8). This pilot, implemented by subnational governments in France and Germany, uses simulation games to tackle planning challenges in cross-border areas. By applying similar innovative methods, policy makers can simulate planning scenarios, test policies, and explore collaborative solutions, thus creating a stronger foundation for strategic alignment and integrated planning.

### Box 3.8. Gamifying cross-border strategic planning

Germany's MORO initiative has led research projects on land-use planning for 25 years. One component of this initiative is a Franco-German pilot project studying how the territorial development of border regions can be made more coherent by using the German "Planspiel" method. It involves decision makers from both countries. The objective of "Planspiel" (or role-playing simulations) is to address challenges by simulating realistic scenarios. The simulation enables participants to familiarise themselves with complex processes and contexts, and test different measures to understand their potential impacts.

As part of the pilot, the "Planspiel" approach has been implemented in different cross-border regions, including the SaarMoselle region and Upper Rhine region on the Franco-German border. In the former, the simulation focused on integrated planning for a cross-border agglomeration, and in the latter, the emphasis was on cross-border economic development and joint land-use policies. Both exercises resulted in practical recommendations to enhance collaboration and coherence in cross-border development efforts.

Source: Author's elaboration, based on (National Agency for Territorial Cohesion of France, n.d.<sup>[25]</sup>) (National Agency for Territorial Cohesion of France, 2023<sup>[26]</sup>).

At the EU level, several initiatives could be undertaken to support cross-border planning. One valuable measure would be to establish a database of cross-border strategic planning documents, providing policy makers with examples to draw inspiration from and facilitate peer learning. Such a database could be modelled on initiatives such as the online Regional Planning Observatory for Development created by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC, 2024<sup>[27]</sup>). The Observatory provides information on the different types of strategic planning documents (e.g. national, regional, urban, spatial), planning laws and co-ordinating bodies in the region. Such a resource could provide policy makers with practical examples and good practices from other cross-border regions, enabling them to adopt and then adapt successful strategies.

Another initiative could involve organising recurring training sessions or peer-to-peer exchanges focused on strategic planning for cross-border development. This approach would foster knowledge-sharing and collaboration among policy makers and experts from different regions (e.g. staff of EGTCs, Euroregions, Eurocities, regional and local governments), enhancing their ability to design functional cross-border strategies. In parallel, the European Commission could consider integrating a cross-border strategic planning toolbox into the Interreg Learning Platform. The toolbox could include online training materials, strategic planning templates and guidelines (e.g. on stakeholder consultation), which would allow policy

makers to learn at their own pace. Such a virtual resource could be a cost-effective way to provide easily accessible materials and guidance to local and regional governments.

Additionally, there could be value in exploring adjustments to the EGTC regulation to encourage EGTCs to adopt medium- to long-term development planning documents to guide their actions, enable monitoring and evaluation and, thereby, support improved accountability for cross-border action. The European Commission could consider making the development of an organisational development strategy a criterion for awarding Interreg funding to cross-border governance bodies, such as EGTCs. While this is already encouraged in some cases (e.g. for EGTCs seeking funding from programmes such as Interreg VA Spain-Portugal, POCTEP), applying this requirement more broadly could ensure that EGTCs have a basic strategic plan in place (OECD, 2023<sup>[4]</sup>).

## Implementing cross-border action

Cross-border governance bodies can play a significant role in supporting the socio-economic development and well-being of cross-border communities. To fulfil their mandates and meet strategic objectives, these bodies operate across various sectors such as education, culture, healthcare and tourism. They also engage in activities such as conducting research, supporting strategic planning, investing in infrastructure, networking, and lobbying for cross-border development (OECD, 2023<sup>[4]</sup>). A critical question for policy makers to consider is through which type of activities these bodies can most effectively meet cross-border needs.

While cross-border development challenges (e.g. limited access to healthcare, congestion) may highlight the need for cross-border public service delivery, governance bodies often find such initiatives too complex to support. Providing essential public services may require increased levels of political support and changes in the membership structures to include entities with the necessary service delivery competencies. Moreover, the complexity involved in co-ordinating multiple stakeholders, managing differences between relevant legal frameworks (e.g. regarding service delivery standards), and securing long-term funding makes many cross-border governance bodies hesitant to provide essential public services directly (OECD, 2023<sup>[4]</sup>). As a result, they focus on delivering 'softer' services, such as networking and promotional activities, which foster collaboration, knowledge-sharing, and integrated development efforts. However, these 'softer' services may be more limited in terms of their potential to enhance the socio-economic development and well-being of cross-border residents.

By helping cross-border governance bodies develop better tools to monitor their performance, increasing the availability of comparable cross-border data, and strengthening structured exchanges with and among these bodies, national and EU-level policy makers can support more effective cross-border co-operation. These actions can help cross-border partners identify the type of actions that are likely to help them meet their objectives.

### ***Services and support provided by cross-border governance bodies***

The tasks carried out by cross-border governance bodies can vary significantly, from 'soft' forms of co-operation (e.g. organisation of cultural events) to the delivery of very specific services (e.g. provision of healthcare services in a cross-border hospital) (European Committee of the Regions, 2018<sup>[28]</sup>). One reason for this variation are differences in the overall objectives of cross-border governance bodies (see Chapter 2). For instance, whereas the EGTC Cerdanya Hospital focuses specifically on providing healthcare services, many other cross-border governance bodies—those with broader overall objectives—carry out activities across different sectors, ranging from healthcare and emergency services to education, culture, transport, and tourism (Annex Box 3.A.1). While focusing on the sectors in which cross-border governance bodies operate provides valuable insights into their thematic priorities, another way to understand their

work is to consider the types of activities they pursue. This approach categorises actions not by sector, but by the nature of the activities themselves. This offers complementary perspectives that can, for example, help identify capacity needs and strategic gaps more effectively. The actions carried out by the cross-border governance bodies operating in the five pilot regions, for example, fall into eight categories, shown in Table 3.1.

**Table 3.1. Examples of cross-border governance activities, by type**

Category	Examples
<b>Promoting the cross-border region</b>	<ul style="list-style-type: none"> <li>- <b>Eurometropole</b>: Organisation of events such as Blue Walks, offering free guided tours on foot, by bike, and by boat and annual “Culture Hour” events to promote cross-border dialogue and cultural exchange.</li> <li>- <b>EGTC Alzette Belval</b>: Promotion of the cross-border region through hiking and cycling events showcasing local heritage.</li> <li>- <b>EGTC Rio Minho</b>: Design and promotion of the VISIT Rio Minho brand, which promotes the natural and cultural heritage of communities on both sides of the border, with the river as a unifying theme.</li> </ul>
<b>Public service delivery</b>	<ul style="list-style-type: none"> <li>- <b>EGTC Cerdanya Hospital</b>: Construction and management of a cross-border hospital, including the delivery of quality care across areas including emergency and continuous care, maternal health and pediatrics.</li> <li>- <b>EGTC Rio Minho</b>: Purchase and operation of e-bikes at different service points in border towns to enhance sustainable mobility in the region.</li> <li>- <b>Eurometropole</b>: Creation of a cycling loop in the cross-border area, including the development of road signs.</li> </ul>
<b>Training and advice</b>	<ul style="list-style-type: none"> <li>- <b>EGTC Rio Minho and EGTC Alzette Belval</b>: Training of public and non-governmental actors on identifying and accessing EU funding mechanisms to support cross-border projects.</li> </ul>
<b>Networking and exchange</b>	<ul style="list-style-type: none"> <li>- <b>EGTC Alzette Belval</b>: Facilitation of peer-to-peer knowledge exchange among tourism professionals from French and Luxembourgian cross-border communities.</li> <li>- <b>EGTC Rio Minho</b>: Facilitation of peer-to-peer knowledge exchange on cross-border initiatives among the region's three Eurocities, in order to enhance the coherence of cross-border action.</li> <li>- <b>Eurometropole</b>: Organisation of exchanges among mayors known as (<i>réunions de proximité</i>) on both sides of the Franco-Belgian border to identify cross-border challenges and find joint solutions.</li> </ul>
<b>Information brokering</b>	<ul style="list-style-type: none"> <li>- <b>EGTC Alzette Belval and Eurometropole</b>: Gathering and publishing information on cross-border public goods and services such as sports facilities and libraries, as well as cultural events.</li> <li>- <b>EGTC Rio Minho</b>: Publication of practical information for citizens on employment and COVID-19 restrictions.</li> <li>- <b>Eurometropole</b>: Publication of the “Eurometropole in Figures” guide that provides insights into the cross-border region; and of a guide on Franco-Belgian institutions to help newly-elected officials understand roles and responsibilities of public bodies on both sides of the border.</li> </ul>
<b>Strategic planning</b>	<ul style="list-style-type: none"> <li>- <b>EGTC Alzette Belval</b>: Co-development of a strategic vision for the development of the Alzette Belval cross-border agglomeration.</li> <li>- <b>EGTC Rio Minho</b>: Establishment of a cross-border observatory to monitor socio-economic trends in the region.</li> <li>- <b>Eurometropole</b>: Adoption of a strategic plan to develop Blue Park for promoting regional cycling and cultural activities.</li> </ul>
<b>Research</b>	<ul style="list-style-type: none"> <li>- <b>EGTC Alzette Belval</b>: Delivery of a feasibility study for a cross-border bus corridor to enhance public transport links.</li> <li>- <b>EGTC Rio Minho, Eurometropole, EGTC Alzette Belval</b>: Implementation of several b-solutions projects, e.g. to find solutions to regulatory obstacles that hamper the access of cross-border residents to healthcare.</li> </ul>
<b>Lobbying and advocacy for cross-border development</b>	<ul style="list-style-type: none"> <li>- <b>EGTC Alzette Belval</b>: Advocacy with local authorities to address challenges in cross-border healthcare delivery.</li> <li>- <b>PMF</b>: Lobbying of Luxembourgian authorities to co-fund French childcare facilities attended by children of cross-border workers.</li> <li>- <b>EGTC Cerdanya Hospital</b>: Lobbying of the Spanish government to streamline the process to recognise diplomas of French healthcare professionals working for the cross-border hospital.</li> </ul>

Source: Author's elaboration based on: EGTC Alzette Belval (AGORA, n.d.<sup>[29]</sup>; EGTC Alzette Belval, 2024<sup>[30]</sup>; EGTC Alzette Belval, n.d.<sup>[31]</sup>; EGTC Alzette Belval, 2023<sup>[32]</sup>; EGTC Alzette Belval, 2024<sup>[33]</sup>; OECD, 2023<sup>[4]</sup>); PMF: (OECD, 2023<sup>[4]</sup>); Eurometropole: (OECD, 2023<sup>[4]</sup>; Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[34]</sup>; Eurometropole Lille-Kortrijk-Tournai, 2021<sup>[35]</sup>); EGTC Rio Minho: (VISIT Rio Minho, 2024<sup>[36]</sup>; OECD, 2023<sup>[4]</sup>); EGTC Cerdanya Hospital: (OECD, 2024<sup>[14]</sup>).

As shown in Table 3.1, the range of activities carried out by cross-border governance bodies with a narrow public service delivery-oriented objective is relatively limited compared to that of cross-border governance bodies with broader overall objectives. For instance, the Cerdanya Hospital focuses on providing medical



services and is engaged in lobbying and advocacy initiatives. In contrast, bodies such as the Eurometropole, EGTC Alzette Belval, and EGTC Rio Minho carry out a wider range of activities. These include promoting cross-border tourism, supporting strategic planning (e.g. of local governments), facilitating networking and exchanges among public and non-governmental stakeholders and brokering information. They also include conducting research to overcome regulatory obstacles and enhance cross-border co-operation in areas such as public transport. The differences in the types of actions pursued by cross-border governance bodies have important consequences, both for their human and financial resource needs, as well as their ability to address cross-border needs.

### *Direct and indirect effects of cross-border action on socio-economic development and residents' well-being*

The impact of the actions carried out by cross-border governance bodies on socio-economic development and resident well-being can differ significantly. Large-scale public service initiatives, such as healthcare provision or public infrastructure investments, can have direct and measurable effects on improving accessibility to essential public services.

In contrast, activities that support the design of territorial and spatial development plans or promote networking provide more indirect, long-term benefits by establishing a foundation for future co-operation and investment. These efforts are crucial for building relationships, aligning strategies and laying the groundwork for larger initiatives. However, they may lack immediate and visible impacts, which could be perceived as a disadvantage by politicians and citizens expecting quick, tangible results. Similarly, promoting tourism through initiatives such as joint branding campaigns or developing shared touristic routes can enhance regional visibility and encourage collaboration. However, they may not yield immediate returns or directly address pressing socio-economic challenges.

Furthermore, organising cultural events can go a long way in fostering a shared identity and promoting social cohesion across borders (see Chapter 5). Such initiatives can create goodwill and strengthen community ties. However, their impact is often harder to measure in terms of direct socio-economic development or citizen well-being. This makes it challenging to demonstrate how these activities contribute to addressing specific cross-border development challenges and needs.

Despite the more intangible and long-term nature of 'softer' forms of cross-border action they can contribute to building relationships and trust among stakeholders on both sides of the border. For example, different cross-border governance bodies do not specifically focus on emergency services (e.g. EGTC Rio Minho). However, their established networks and exchanges among stakeholders in co-operating countries can facilitate co-ordinated responses to crises such as floods, wildfires or the COVID-19 pandemic (OECD, 2023<sup>[4]</sup>). Through continuous collaboration, these bodies can contribute to an environment of mutual understanding, which can prove vital in emergency situations.

### *How national and subnational policy makers to strengthen cross-border action*

To ensure that cross-border governance bodies can effectively contribute to socio-economic development and improve the well-being of cross-border residents, national and subnational policy makers must strategically assess and prioritise cross-border actions. When deciding on which actions to pursue, policy makers involved in cross-border bodies should carefully balance regional needs and the financial and human resources that are readily available or could realistically be mobilised. While delivering cross-border public services, such as healthcare, education, and emergency services, can have the most tangible impact, this may not be feasible for all cross-border bodies due to varying capacities, resources and possible legislative or regulatory restrictions.

For those cross-border bodies with limited human and financial resources, it is recommended to focus initially on foundational activities such as information sharing, networking and promotion of the cross-



border region. Such ‘soft’ co-operation activities can lay a strong groundwork for more ambitious initiatives over time, as resources and capacities grow. A relevant example comes from the EGTC Rio Minho, which has gradually expanded its scope of activities over time, moving from providing training and advice to Eurocities and brokering information, to implementing an e-bike project and establishing a cross-border observatory (OECD, 2023<sup>[37]</sup>; OECD, 2023<sup>[4]</sup>). This evolution illustrates the dynamic nature of EGTC activities and highlights the importance of adaptive staffing strategies that align with changing priorities and capacities.

It is equally important to regularly review whether the scope of activities should evolve in response to emerging needs or strategic opportunities, and to assess whether cross-border governance bodies are achieving their objectives. Such reviews ensure that any shifts in focus remain feasible and sustainable, enabling bodies to adapt strategically over time. This adaptive approach must be backed by robust monitoring and evaluation practices. Effective monitoring and evaluation can enable cross-border bodies to learn from successes and challenges, and identify areas where progress may be slow going. It can also help document good practices. For example, evidence on successful service delivery models or strategies to overcome regulatory challenges can serve as valuable sources of knowledge for other cross-border regions (Box 3.9).

### Box 3.9. Benefits of evaluating the performance of the EGTC Cerdanya Hospital

The EGTC Cerdanya Hospital's Strategic Plan 2023 includes some reflections on past performance, strengths, and challenges. However, no formal evaluation of the hospital's operations has taken place since its creation more than a decade ago. This is a missed opportunity, not only for the hospital and its administration, but also for the Spanish and French governments, as well as the European Union, which have supported this singular initiative to use an EGTC for delivering cross-border healthcare services.

A comprehensive evaluation would enable the hospital to identify what has worked well, the obstacles it has encountered, and whether these challenges were addressed through structural reforms or ad hoc solutions, while also identifying opportunities for improvement. Such insights can inform policy decisions by the EGTC, as well as by policy makers in other cross-border regions and across the EU, helping to determine the feasibility of replicating or adapting this model in other areas.

Additionally, an evaluation could capture practical solutions the EGTC has found to regulatory and legislative challenges. As solutions may not have been documented yet, an evaluation could offer a valuable knowledge base for other hospitals, EGTCs, or cross-border governance initiatives facing similar challenges. This could contribute to broader EU-level policy learning, fostering innovation and effectiveness in cross-border co-operation.

Source: Author's elaboration, based on (OECD, 2023<sup>[4]</sup>).

Furthermore, cross-border governance bodies, as well as subnational and national government representatives can explore establishing co-ordination mechanisms promote an exchange on challenges and showcase innovative practices, which could be scaled or adapted in other border regions. For instance, if effectively operationalised, the Cross-border Co-operation Network (RedCot), which includes cross-border governance bodies operating along the Portuguese-Spanish border, could foster information exchange and promote good practices on cross-border co-operation (Ministry of Foreign Affairs, European Union and Co-operation of Spain, 2023<sup>[38]</sup>).

Finally, national and regional policy makers could consider conducting surveys to support evidence-based decision making on cross-border initiatives. These surveys could address two significant challenges: i) the lack of compatible cross-border statistics; and ii) the difficulty of measuring the outcomes of cross-border actions in areas such as cultural exchange and information brokering. For example, surveys could assess public satisfaction with cross-border service delivery, such as healthcare, and measure trust levels in neighbouring communities and institutions, and in cross-border governance bodies. Such information could help national and subnational policy makers, including those in cross-border governance bodies, refine and adapt cross-border actions to better meet community needs.

### *Considerations for the European Commission to help reinforce the impact of cross-border action*

The EU could implement several policy measures to support cross-border governance bodies in fostering socio-economic development and enhancing the well-being of cross-border residents. One initiative could be to develop guidelines for monitoring and evaluating the performance of these bodies. These guidelines could include indicators to measure impact across various areas, such as tourism, public trust, and access to essential services. Such guidance could enable cross-border bodies to conduct more comprehensive monitoring and evaluation, helping them to track progress, identify bottlenecks, and make data-driven decisions to maximise their impact. Such tools would be valuable not only for the cross-border governance bodies and their members, who could better assess the results of their joint actions, but also for the EU to compare the performance of different cross-border governance bodies, and determine the effectiveness of cross-border initiatives more broadly.

Moreover, there are opportunities to enhance the accessibility of border data on Eurostat. Currently, Eurostat provides disaggregated data for border regions on a limited set of metrics, such as employment, GDP, private sector composition, and crime. However, it does not apply this level of granularity to indicators that are equally important such as productivity and access to essential services, even though such data are often available at the TL3/NUTS3 level. Moreover, there is an opportunity to enhance the availability of border data on issues related to resident well-being (e.g. housing, environment). Increased data granularity would enable policy makers to better understand and address the specific challenges faced by border areas, thereby supporting evidence-informed decision making on what type of cross-border actions to carry out.

Lastly, to improve the delivery of essential cross-border public services, the European Commission could work to identify specific barriers that cross-border governance bodies, particularly EGTCs, experience in service delivery areas such as healthcare, education and transport. By examining the political, financial, legal, and/or administrative challenges these bodies encounter, the Commission could determine whether adjustments to the EGTC regulation or additional guidance are needed to enable more cross-border governance bodies to support the delivery of essential public services.

## Conclusion

Robust strategic planning is essential for effective cross-border co-operation, as it helps regional actors achieve shared objectives by setting clear goals and provides a roadmap for joint action. It can also support the mobilisation and allocation of resources, ensuring that financial, human, and material assets are directed toward common objectives. Analysis from different cross-border governance bodies reveals that traditional approaches to regional development may not suit cross-border contexts due to unique complexities, such as differences in territorial administrative structures and the required regional and local development planning documents. Consequently, policy makers must adopt flexible and inclusive strategic planning practices tailored to cross-border needs.

For cross-border governance bodies to deliver on their objectives, it appears important that—at a minimum—they develop an organisational strategy outlining how their organisation will contribute to meeting broader cross-regional goals. Such a strategy should also state the main partners involving in implementing the strategy on both sides of the border, as well as their roles and responsibilities. Finally, it should identify the resources necessary to support effective implementation of cross-border initiatives. Evidence from the pilot regions indicates that these elements are not always included in a cross-border development strategy.

To deliver on their objectives, cross-border governance bodies tend to focus on ‘soft’ activities, such as networking and promotional efforts, rather than complex public service provision, which is often deemed too challenging to manage. Although these ‘soft’ actions foster collaboration, their direct socio-economic impact may be more limited. To maximise the benefits of cross-border co-operation, national and EU-level policy makers are encouraged to support cross-border governance bodies by enhancing data accessibility, developing monitoring tools, and facilitating structured exchanges between these bodies and national governments. Such support can help cross-border governance bodies identify the most effective cross-border actions, and pinpoint any barriers that need to be overcome to help them achieve their goals.

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## Notes

<sup>1</sup> CEER is a research partnership between six public universities in Galicia and North Portugal (EGTC Rio Minho, 2019<sup>[9]</sup>).

<sup>2</sup> Relevant territorial and spatial planning documents include: Spatial Planning Master Programme (Programme Directeur d'Aménagement du Territoire, PDAT), Luxembourg in Transition, Regional Scheme for Territorial Planning, Sustainable Development, and Territorial Equality (Schéma Régional d'Aménagement, de Développement Durable et d'égalité des Territoire, SRADDET), Territorial Coherence Plans (Schémas de Cohérence Territoriales, SCoT) for the Nord Meurthe et Mosellan and Thionilloise agglomeration and the Greater Region Territorial Development Plan (Schéma du Développement Territorial de la Grande Région, SDTGR).



## Annex 3.A. Thematic focus of cross-border governance bodies in the EU

### Annex Box 3.A.1. Thematic focus of EGTC activity

A 2020 assessment found that EGTCs work on 13 thematic areas, some of which overlap.

- **Healthcare and emergency services:** includes healthcare delivery through the EGTC Cerdanya Hospital, as well as efforts by EGTCs to promote inter-governmental agreements regarding co-operation of emergency services and exchange among first responders.
- **Natural disaster prevention and solidarity:** includes measures to prevent natural disasters such as floods, for example, by reinforcing water management infrastructure.
- **Natural protection and preservation of environment:** initiatives range from developing communication material on environmentally friendly living, providing vouchers to encourage the purchase of 'climate-friendly' goods, increasing awareness of natural hazards, to improving the ability to deal with emergencies.
- **Access to public services and European citizenship:** examples of projects include initiatives to establish bus lines between cross-border communities and pooling resources to establish cross-border childcare facilities.
- **Investment projects:** there are few examples of investment projects by EGTCs, and they often focus on relatively small investments, such as improving cycling infrastructure or establishing a new ferry connection.
- **Transport infrastructure and 'soft' transport projects:** initiatives include developing a cross-border transport logistics action plan, establishing expert networks to address obstacles to improved transport infrastructure, and developing digital solutions (e.g. apps) to provide live information on traffic and cycling paths in cross-border regions.
- **Integrated tourism:** examples include projects to increase the visibility of regional products and cultural assets, upgrading tourism infrastructure, as well as integrating considerations related to nature conservation into cross-border tourism strategies.
- **Education:** includes initiatives to promote co-operation and exchange among higher education institutions, develop an educational game for children to discover a cross-border territory, and create a Master's programme on cross-border co-operation and integration.
- **Culture:** initiatives often focus on enhancing a region's attractiveness to tourists, as well as on fostering the sense of a shared cross-border identity among residents, including by promoting a common tourism brand and joint tourism planning.
- **Attracting EU funding:** many EGTCs apply to EU funding programmes and support public and non-governmental actors (e.g. local governments, businesses) in identifying and applying for EU funding opportunities.

- **Economic co-operation, jobs, and growth:** includes initiatives to reduce the obstacles that EU citizens encounter when working in another EU Member State, organising job fairs, as well as enhancing employment creation through local product development and branding.
- **Spatial planning:** examples include the development of a spatial plan for a cross-border area, the design of integrated investment initiatives, and enhancing the availability of cross-border data to improve strategic planning efforts.
- **Fund management:** A few EGTCs are responsible for managing small project funds (e.g. EGTC GO). Some others act as Managing Authorities for EU funds (e.g. Interreg Grande Région) or manage a cross-border funding programme (EGTC Galicia – Norte de Portugal).

Source: Author's elaboration, based on (European Committee of the Regions, 2020<sup>[39]</sup>).

# **4**

## **Funding and financing cross-border co-operation**

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This chapter focuses on the third dimension of the OECD Cross-border Governance Framework: Funding and financing of cross-border governance bodies and action. It first explores how cross-border governance bodies fund their staff and operational costs, building on international examples. Specifically, it discusses different models for determining membership contributions and how these can be adjusted to meet changing cross-border priorities and circumstances. Then, the chapter discusses the need for many cross-border governance bodies to mobilise project funding to meet their objectives. It explains the reliance of many governance bodies on Interreg funding, and discusses alternative funding and financing sources. Finally, the chapter presents considerations for regional, national and international policy makers on how to build the capacity of governance bodies to ensure sustainable and adaptable funding and financing for cross-border co-operation.

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## Introduction

Sustainable and adaptable funding for day-to-day operations and the implementation of concrete actions is a must if cross-border governance bodies are to effectively achieve their objectives. However, their funding is often precarious, with membership contributions sometimes only covering operational costs, limiting their ability to implement ambitious projects. Additionally, membership contributions can be inflexible, which can make it difficult for cross-border governance bodies to adapt to changing contexts or address emerging challenges and opportunities. A further challenge is the frequent lack of multi-year financial planning in many of these bodies, which can create uncertainty among members regarding financial expectations and the potential need for additional external resources to meet operational costs and investment needs.

To ensure the long-term effectiveness of cross-border governance bodies, policy makers must take concrete action to diversify revenue streams. While many cross-border bodies currently rely on Interreg funding, other funding and financing options, such as private sector contributions, are also available and could be more actively pursued. A lack of time and skills for proposal writing and a limited awareness of non-Interreg funding mechanisms are common obstacles that can prevent diversification.

To enhance the financial sustainability of cross-border governance bodies and actions, several measures are necessary. First, ensuring flexibility around membership contribution formulas. This can pave the way for periodic adjustments that may be needed to meet changing needs, priorities, and circumstances. Second, adopting multi-annual financial plans can provide greater predictability for members by establishing clear, long-term financial expectations. Third, strengthening in-house capacity to identify funding opportunities and draft good-quality proposals can further support the mobilisation of project funding. Fourth, reinforcing the skills required to absorb available funding and invest it effectively can help cross-border governance bodies avoid unspent funds and project delays. Fifth and finally, reviewing the eligibility criteria of EU funding mechanisms that are infrequently used by cross-border governance bodies could improve their use and expand their impact. Addressing these areas can significantly enhance the financial sustainability of cross-border bodies, improve their ability to adapt to emerging challenges, and help them to deliver on their strategic goals.

This chapter focuses on the third dimension of the OECD Cross-Border Governance Framework: Funding and Financing cross-border governance bodies and action. It consists of two parts. The first part explores how cross-border governance bodies are funded. It discusses membership contributions, and details different mechanisms used for dividing and adjusting contributions among members. The second part focuses on the efforts of cross-border governance bodies to mobilise project funding. It explores different funding and financing mechanisms available and provides examples of how different cross-border governance bodies have been able to diversify their revenue streams. The chapter finishes with a series of considerations for policy makers to build the capacity of cross-border governance mechanisms to mobilise, absorb and invest funding effectively.

### Box 4.1. Recommendations to ensure sustainable and adaptable funding for cross-border co-operation

**Cross-border governance bodies need the operational capacity to carry out their mandate. As such, they should consider:**

- Establishing annual membership contributions that cover basic staffing and operational costs so that the governance bodies are able to address cross-border issues, even when funding for cross-border projects fluctuates.
- Periodically reviewing the volume of membership contributions to allow for adjustments that may be needed to meet changing needs, priorities, and circumstances (e.g. members' fiscal capacities, inflation).
- Establishing clear criteria (e.g. population, financial capacity, parity) for dividing membership contributions among formal members, to promote fairness and shared responsibility for cross-border initiatives.
- Regularly reviewing the division of membership fees, to ensure it remains fair amidst changing circumstances (e.g. changes in member composition, financial capacities).

**To enable strategic financial planning, and help cross-border governance bodies and their members anticipate future financial needs and allocate resources effectively, they should consider:**

- Adopting multi-annual financial plans that include staff, operational, logistical, project, and other costs, with exact figures for the first year and estimates for subsequent years.

**To ensure cross-border governance bodies are able to mobilise the necessary funding and financing to implement concrete initiatives and build financial resilience, they should consider:**

- Assessing existing skills and expertise related to mobilising funding and financing (e.g. proposal writing, engagement with donors), as well as future needs to identify potential gaps.
- Reinforcing in-house capacity to identify funding opportunities and draft good-quality proposals, particularly for those international, national or subnational funding mechanisms that align with the governance body's co-operation objectives. This could be done by:
  - Organising targeted training by external experts or leveraging experienced staff to train colleagues;
  - Inviting experts from formal members to organise ad hoc training, provide on-the-job coaching or assist in drafting different parts of project proposals.

**To ensure cross-border governance bodies can effectively absorb and invest project funding and financing, and avoid project delays, they should:**

- Build in-house skills and expertise in the following fields:
  - Strategic planning, to ensure project proposals are in line with available resources and/or based on a realistic estimation of what human resources can be mobilised to support project implementation;
  - Procurement of goods and services, to ensure timely and cost-effective resource allocation;
  - Human resource management, to quickly scale operational capacity when project funding becomes available.

**To ensure an increased uptake of a wider range of EU-sponsored funding and financing programmes by cross-border governance bodies, the European Commission could consider:**

- Reviewing the eligibility criteria of underused EU funding mechanisms to assess whether bodies such as EGTCs can participate in calls or if adjustments may be needed to facilitate their access.
- Developing and disseminating written materials (e.g. an online brochure or toolkit) that offer practical guidance on: i) alternative funding and financing options available to cross-border governance bodies; and ii) how to apply for them.

Source: Author's elaboration.

## Funding cross-border governance bodies

Ensuring sustainable and adaptable funding for cross-border governance bodies helps them achieve cross-border development objectives and address the needs of border communities effectively. Sufficient and steady funding makes it easier to hire and retain skilled staff that specialise in cross-border co-operation, as well as cover operational expenditures (e.g. office space, communication infrastructure, necessary travel). As such, reliable funding for cross-border governance bodies can help them remain focused on addressing cross-border issues over time, even when funding for cross-border projects fluctuates. Moreover, ensuring that funding mechanisms are adaptable to changing needs and circumstances provides cross-border governance bodies with the necessary flexibility to tackle new and emerging cross-border challenges.

In practice, however, funding for cross-border governance bodies is often precarious, as evidenced by the cross-border governance bodies studied. Membership contributions are usually their primary source of funding, which may cover only basic operational costs. This means that cross-border governance bodies often need to mobilise external resources in order to carry out concrete projects. Moreover, membership contribution structures often lack flexibility, making it difficult for cross-border governance bodies to cover costs arising from changing contexts (e.g. inflation) and effectively address emerging or unexpected challenges and opportunities. Additionally, many cross-border governance bodies do not use multi-year financial plans, which can create uncertainty among members regarding financial expectations, especially regarding membership contributions, operational costs, and potential investment needs.

### **Membership contributions**

Differences in the revenue levels of cross-border governance bodies reflect differences in their mandates, membership composition, and the financial capacity and commitment of members to support cross-border co-operation. For example, in order to provide quality healthcare, the European Grouping of Territorial Co-operation (EGTC) Cerdanya Hospital has managed a budget exceeding EUR 20 million annually since opening in 2014 (EGTC Cerdanya Hospital, 2024<sup>[1]</sup>). Cross-border governance bodies that are not tasked with providing a specific public service tend to have much smaller budgets (Annex Figure 4.A.1). The Eurometropole Lille-Kortrijk-Tournai, for instance, maintained a budget of between EUR 1.2 million and 1.4 million from 2008 to 2023 (Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[2]</sup>).

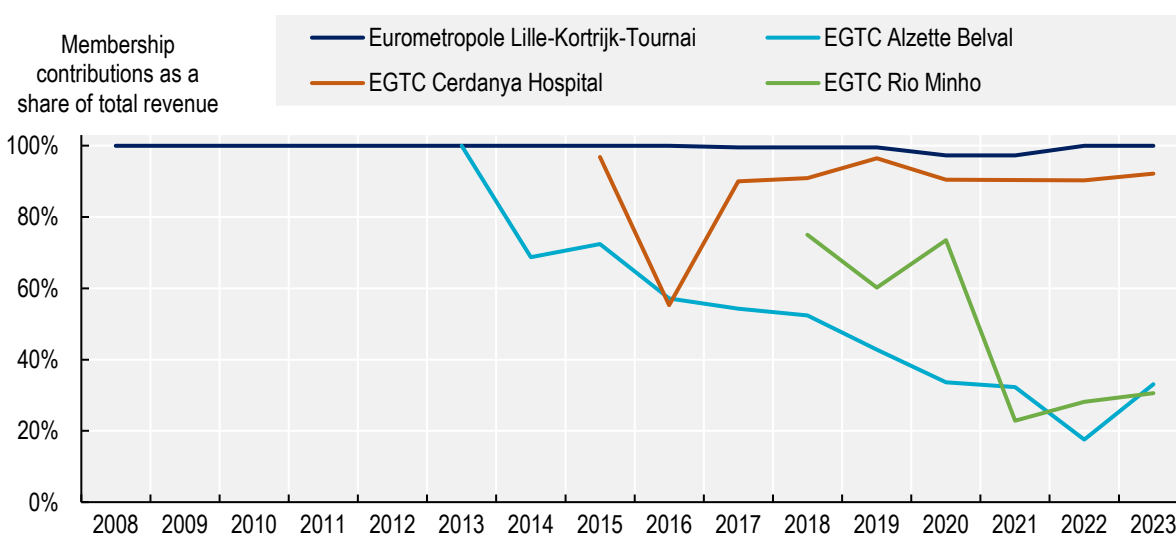
#### *Some cross-border bodies rely more on membership contributions than others*

Cross-border governance bodies typically rely on membership contributions to cover their staff and operational costs. The method for dividing these contributions among members, however, varies across governance bodies to account for factors such as population size. Tailoring the way membership contributions are divided among members can help ensure that contributions are considered fair and aligned with the member capabilities.

The degree to which cross-border governance bodies rely on these fees also varies (Figure 4.1). This can have important implications on the need to mobilise external funding. For instance, cross-border governance bodies that depend heavily on membership fees often need to secure additional funding from alternative sources to support their operations. Moreover, maintaining strong political and institutional support from members is particularly critical when a significant portion of funding comes from member contributions, as any reduction in commitment can jeopardise the organisation's financial stability. Furthermore, a reliance on membership fees may restrict an organisation's flexibility to adapt to new challenges or opportunities.

Some cross-border governance bodies, such as the Cerdanya Hospital and the Eurometropole Lille-Kortrijk-Tournai, are almost entirely funded through membership contributions (EGTC Cerdanya Hospital, 2024<sup>[1]</sup>; Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[2]</sup>). Where reliance on such contributions is high, ensuring sustained political support and commitment from member institutions is vital, in order to ensure a predictable and steady stream of funding for cross-border action. In the case of the Eurometropole Lille-Kortrijk-Tournai, for example, which is almost entirely dependent on membership contributions, a stable funding base from members permits the EGTC to maintain ongoing operations and cover essential staff costs.

**Figure 4.1. Membership contributions as a share of annual revenue of select EGTCs**



Note: This figure represents the share of membership contributions as a portion of total annual revenue, including any unspent funds carried over from previous years.

Source: Author's elaboration, based on EGTC Rio Minho: (EGTC Rio Minho, 2024<sup>[3]</sup>); EGTC Cerdanya Hospital: (EGTC Cerdanya Hospital, 2024<sup>[1]</sup>); Eurometropole Lille-Kortrijk-Tournai: (Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[2]</sup>); EGTC Alzette Belval: (EGTC Alzette Belval, 2024<sup>[4]</sup>).

Other cross-border governance bodies, however, show that it is possible to reduce the reliance on membership contributions over time. For instance, while the EGTCs Rio Minho and Alzette Belval initially relied heavily on membership contributions, they gradually secured external funding, for instance from EU programmes (EGTC Alzette Belval, 2024<sup>[4]</sup>; EGTC Rio Minho, 2024<sup>[3]</sup>). This development highlights the potential for cross-border governance bodies to expand their financial base beyond membership contributions, thus enhancing their capacity to pursue diverse projects and adapt to emerging opportunities.

Overall, the evidence suggests that cross-border governance bodies should aim to secure stable contributions from members while also encouraging diversified funding streams. This dual approach can



help minimise financial vulnerability and enable cross-border governance bodies to expand their capacity to support cross-border action.

*Diverse approaches to dividing up membership fees can be adopted to cater to unique border contexts*

Beyond ensuring a stable funding base, cross-border governance bodies must also consider how to divide the level of membership contributions fairly among formal members, and the factors on which to base these. The way in which membership contribution levels are calculated (e.g. in terms of benefits of cross-border action or the fiscal capacity of members) can nurture perceptions of equity and shared responsibility. How contributions are divided up may also affect agenda-setting and decision-making influence, as funding shares may correlate with voting power.

The mechanisms that cross-border governance bodies use to divide membership contributions among national delegations often reflects the unique structure and needs of the organisation, and generally fall into two main categories: equal division and differentiated contributions. Some cross-border governance bodies use a straightforward 50-50 split among national delegations. This is the case for the Eurometropole Lille-Kortrijk-Tournai, where French and Belgium delegations each provide half of the annual membership contribution (Eurometropole Lille-Kortrijk-Tournai, 2021<sup>[5]</sup>). The 50-50 division can simplify financial arrangements and emphasise the idea of equal investment in and benefits from cross-border co-operation, fostering a sense of balanced partnership.

In contrast, some bodies use a differentiated model that allocates membership fees based on specific factors, such as population distribution. For instance, the EGTC Cerdanya Hospital determines fees based on a 60-40 split, with Catalonia (Spain) covering 60% and France 40% (EGTC Cerdanya Hospital, 2024<sup>[6]</sup>). This reflects the population imbalance between the Catalan and French regions of Cerdanya at the time the EGTC was established (OECD, 2023<sup>[7]</sup>). Such a differentiated approach can help align contributions with factors such as population size or economic capacity, promoting fairness in funding. Another relevant example comes from the EGTC Alzette Belval. Between 2013 and 2021, the contributions were evenly split among members from France and Luxembourg. Following the accession of the city of Rumelange, Luxembourg, to the EGTC in 2022, Luxembourg's share of the EGTC membership fees increased from 50% to 60%, while that of France dropped to 40% (EGTC Alzette Belval, 2024<sup>[4]</sup>; OECD, 2023<sup>[7]</sup>).

Cross-border governance bodies can also employ various mechanisms to divide membership fees within national delegations. This differentiation can be based on multiple factors, such as population size of individual members or the number of members per delegation. For example, the EGTC Alzette Belval's French members (national government, Grand Est region, two departments and one inter-municipal grouping) each provide 20% of the French share of total membership contributions. Conversely, 50% of Luxembourg's contribution comes from the national government. The remaining 50% is provided by the five municipalities who are members of the EGTC (OECD, 2023<sup>[7]</sup>). This means that, in 2023, French and Luxembourgian municipalities contributed 28% of total membership fees, reflecting a relatively strong financial commitment of regional and national government levels to support the EGTC's operations and objectives.

These examples illustrate how cross-border policy makers can use membership contributions to promote fairness and shared responsibility for cross-border initiatives. Furthermore, they also highlight the importance of regular review processes to ensure that membership fees rules continue to be fair despite changing circumstances (e.g. changes in member composition, financial capacities, population).

*Flexibility in membership contributions helps cross-border bodies meet evolving needs*

Flexibility in the total volume of membership contributions can minimise funding problems that may arise suddenly or in the future. Member needs and priorities can shift over time, requiring adjustments in funding

to support new projects or strategic goals. Additionally, changes in the membership base, such as existing members leaving or new ones joining, may necessitate rebalancing contributions. The fiscal capacity of individual members may also fluctuate due to macroeconomic shifts, such as inflation, or crises that affect funding availability. Allowing membership contributions to be adjusted over time enables cross-border governance bodies to remain resilient, responsive, and financially sustainable.

Two distinct approaches to determining the volume of membership contributions for cross-border governance bodies were observed in this project: fixed contributions and periodic adjustments. The Eurometropole Lille-Kortrijk-Tournai, for example, has adopted the former approach, having capped membership fees at EUR 1.26 million in 2011 (OECD, 2023<sup>[7]</sup>). While this provided the organisation with financial certainty, the lack of periodic adjustments to membership contributions resulted in a loss of about 28% (in real terms) of its funding power due to inflation between 2008 and 2023. This effectively reduced its ability to maintain a stable level of operational capacity (World Bank, 2024<sup>[8]</sup>; Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[2]</sup>). While fixed contribution models can be popular with members, and provide short-term stability for the cross-border governance body, in the long term they can undermine financial sustainability as costs increase, making it challenging for organisations to carry out their mandate.

Other cross-border bodies allow for periodic adjustments to membership fees, enabling more flexible financial planning. The EGTC Cerdanya Hospital, for instance, combined an initial period of stable contributions with gradual increases to meet growing costs. From 2015 to 2020, membership fees were capped at EUR 20 million per year. From 2021, however, they were periodically raised, reaching more than EUR 25 million by 2023 (EGTC Cerdanya Hospital, 2024<sup>[1]</sup>). These adjustments helped the hospital avoid deficits that had arisen in prior years and enabled it to keep pace with rising operational demands. The Cerdanya Hospital also created a special commission to explore how to streamline the process of determining membership contributions to meet changing needs (Box 4.2). For its part, the EGTC Rio Minho has demonstrated remarkable flexibility in adjusting membership contributions, including substantial increases and decreases (e.g. +199% from 2019 to 2020 and -55% from 2020 to 2021) (EGTC Rio Minho, 2024<sup>[3]</sup>). This approach demonstrates the EGTC's ability to adapt its funding mechanism to meet the demands of specific projects while responding to shifting financial conditions. For example, the decrease in membership contributions took place during the height of the COVID-19 pandemic, which strained the fiscal capacity of the EGTC's members (OECD, 2023<sup>[7]</sup>).

#### **Box 4.2. Commission to review the process for adjusting the EGTC Cerdanya Hospital's budget**

The EGTC Cerdanya has recently established a mixed commission for its funding and financing, on which sit its founding members (the French ministry of Health, the regional health agency of Occitanie, the Catalonia Health Department, and the management team of the EGTC). The Commission is mandated to explore the development of a new funding and financing model that simplifies the current annual tripartite budget negotiations (between the French and Catalan governments and the EGTC). In particular, it is looking at the possibility of automatic changes to membership contributions based on: i) funding increases in the hospital sector in both French and Spain; and ii) expected costs of the EGTC, to be included in multi-annual investment plans.

Source: Author's elaboration, based on (OECD, 2023<sup>[7]</sup>).

There are different ways in which cross-border governance bodies can adjust the volume of membership contributions. The simplest approach is to use annual budget proposals to determine changes in the volume of membership contributions. By voting on draft budgets, members maintain control over adjustments to their contributions, ensuring that decisions are aligned with current financial realities and organisational needs.

Another option is to formalise provisions to adjust membership fees, for example, by including them in founding statutes. Specifying that contributions can be revised at designated intervals (i.e. every second year) can provide greater stability and predictability for both the cross-border governance body and its members, helping to avoid drastic fluctuations from year to year.

### ***Financial planning practices***

As a financial planning tool, multi-annual financial plans offer institutions a structured framework to help anticipate future financial needs, prioritise initiatives and allocate resources effectively. For cross-border governance bodies, multi-annual financial planning is particularly critical due to the complexity and sustained financial commitment often required to address cross-border challenges. By establishing predictable funding and clarifying financial expectations among members, multi-annual financial plans can enhance financial stability, support strategic alignment, and enable the pursuit of larger, transformative initiatives that can make a lasting impact in a cross-border territory.

#### *The absence of multi-annual financial plans can hinder proactive resource mobilisation*

Many, but not all cross-border governance bodies rely on annual instead of multi-annual financial plans (OECD, 2023<sup>[7]</sup>). Of the five cross-border governance bodies studied, only one (the EGTC Rio Minho) uses financial plans that span multiple years. There are several reasons that could explain the reliance on annual financial plans. First, through their very nature, cross-border governance bodies bring together public stakeholders from different countries, each of which may have unique budgeting cycles, financial priorities, and economic conditions. Developing multi-annual financial plans may not align with budget practices or the flexibility each member might require. Additionally, without the legal capacity to secure or guarantee multi-year funding from their members cross-border governance bodies may default to annual financial plans.

The absence of multi-annual financial plans, however, can hamper cross-border governance bodies in several ways:

- Without clear, long-term financial expectations, members may be unsure about future contributions that may be needed, including to meet operational costs and investment needs. This uncertainty can hinder the ability to plan and commit resources.
- Cross-border governance bodies may be forced to focus on short-term decisions, which can be inefficient. Addressing cross-border challenges often requires sustained funding commitments, and a lack of long-term planning can restrict the ability to design and implement ambitious, impactful projects.
- Identifying the need to change membership contributions becomes challenging without multi-annual financial planning, which can cause funding gaps and strain the ability to meet strategic objectives.

One approach to ensuring more predictable and strategic financial perspectives is for cross-border governance bodies to create multi-year financial plans that include staff, operational, logistical, project, and other costs, with exact figures for the first year and projections for subsequent years. Such an approach can provide governance bodies and their members with relative clarity about mid-term financial commitments and how the financial capacity of the organisation to carry out cross-border action could develop. At the same time, it leaves sufficient flexibility for adjustments, given the uncertainty surrounding the capacity of cross-border governance bodies to mobilise external funding.

To further align financial planning with strategic objectives, cross-border governance bodies can consider including an annex in their multi-annual plans that list potential projects along with estimated costs. This addition can help them clarify: i) the types of initiatives they consider essential to fulfil their mandate; and

ii) the resources required to achieve them. In turn, this can support early-stage funding mobilisation efforts, enabling the organisations to proactively seek funding sources, such as competitive grants or additional member contributions.

## Funding and financing cross-border action

While membership contributions generally sustain the operations of cross-border governance bodies, they are often insufficient for them to fully deliver on their mandate. To ensure their long-term effectiveness, cross-border governance bodies should rely on a mix of funding and financing mechanisms for practical initiatives and investments. This may, however, be easier said than done, and can require creativity and capacity-building on the part of the governance body.

Most cross-border governance bodies in the EU rely on competitive EU funds for investment, yet many other funding sources remain under-utilised. These include EU programmes, national and subnational grants, and non-governmental contributions. Reliance on competitive EU funding sources can lead to financial vulnerabilities if priorities shift, or budgets decrease, or the cross-border governance body fails to identify calls or develop projects that are selected for funding. To build financial resilience, cross-border governance bodies should enhance their technical capacity to prepare strong proposals and manage funds effectively. Moreover, EU policy makers may need to reassess eligibility criteria for un- or underused funding and financing mechanisms, in order to ensure available resources can effectively support cross-border co-operation.

### ***Mobilising cross-border project funding***

To mobilise external funding and financing for cross-border action, governance bodies can draw on a range of mechanisms (Annex Table 4.A.1). For cross-border governance bodies in the EU, Interreg is an important source of funding. Between 2014 and 2020, approximately half of EGTCs relied on Interreg funding, usually as project partners or co-ordinators, with only a few serving as sole beneficiaries (European Committee of the Regions, 2018<sup>[9]</sup>). However, many other EU funding and financing mechanisms can be tapped into, several of which are tailored to different sectors, such as education (Erasmus+), research and innovation (Horizon Europe), digitalisation (Digital Europe) and environmental development (LIFE).

Beyond EU funding, several other sources of financial support are available for cross-border projects. International development banks, for example, can provide financial support, particularly for initiatives outside the EU. Additionally, grants from national and regional governments may be accessible, either through open calls or through specific funding agreements tailored to meet cross-border needs.

Finally, funding from non-governmental sources offers additional opportunities for financial support. This includes forming partnerships with private companies that may co-finance projects such as the construction and management of shared public infrastructure (e.g. public transport). Crowdfunding methods can also be used to gather financial support directly from the public.

Together, these diverse funding sources provide cross-border bodies with a range of possible resources that they need to deliver impactful cross-border projects. It is important, however, to develop the mechanisms and capacities to mobilise and manage funding effectively.

### *Different factors determine cross-border governance bodies' ability to mobilise project funding*

The ability of cross-border governance bodies to diversify their funding sources varies widely and is influenced by several factors. First, some governance bodies are formally barred from receiving certain types of cross-border funding and financing mechanisms. For instance, the statutes of the EGTC Nemunas-Niemen specify that it will not generate revenue by delivering economic activities or services to members or other partners (EGTC Nemunas-Niemen, 2023<sup>[10]</sup>). This means that it cannot generate revenue by providing paid services, such as delivering training sessions (e.g. on mobilising funding from EU programmes).

Second, the potential to mobilise co-financing plays a critical role, as some funding sources (e.g. most EU funding programmes) require a financial contribution that not all members of cross-border governance bodies, or the bodies themselves, can afford. This may affect, in particular, those cross-border governance bodies whose members mainly include small local governments with limited fiscal capacity (OECD, 2023<sup>[7]</sup>). Third and relatedly, the interest and financial capacity of individual members to provide funding can significantly affect the diversity of funding sources that a cross-border body can access. For instance, in the case of the Eurometropole Lille-Kortrijk-Tournai, individual members have been reluctant to provide funding beyond their annual membership contributions (OECD, 2023<sup>[7]</sup>).

Fourth, the human resource capacity within cross-border governance bodies affects their ability to mobilise project funding. Ensuring staff have sufficient available time and expertise in fundraising is necessary for successfully identifying funding opportunities, drafting competitive proposals, and lobbying potential donors. As highlighted in Chapter 3, many cross-border governance bodies only have a few staff members, constraining their capacity to mobilise additional resources (OECD, 2023<sup>[7]</sup>). Furthermore, it takes time to build expertise in proposal writing and to demonstrate the capacity to manage project funding effectively. Ultimately, the ability to show a proven track record in handling project funding can enhance a body's attractiveness to potential donors.

Some cross-border governance bodies have been successful in mobilising project funding from a wide range of sources. This success can be attributed to different factors, including the ability of some bodies to offer paid services to members and other stakeholders (e.g. for training and advice). Additionally, the willingness of members to provide co-financing for investment projects has enabled some bodies to secure financing from EU programmes. Finally, in the case of the EGTC Alzette Belval, strategic adjustments to its development strategy encouraged individual members to provide project contributions.

#### **Box 4.3. Diversifying funding for cross-border action: the example of the EGTC Alzette Belval**

In its early years of operation (2013-2017), the EGTC Alzette Belval derived almost all of its revenue from membership contributions. Since 2018, however, the organisation has been able to mobilise increasing amounts of project funding: initially only through Interreg, but later also from its members.

The Interreg-funded projects focused on: i) improving citizen awareness of the public goods and services on offer in the region; and ii) decreasing residents' reliance on cars by enhancing the region's "soft" mobility network, creating a safe network of cycle and pedestrian paths. Project funding from EGTC members enabled the development of a study for coherent spatial and architectural planning of the cross-border area. Additionally, funding from non-members (e.g. Luxembourg Ministry of Mobility) supported the development of a feasibility study for a cross-border bus corridor to enhance public transport links in the region.

The mobilisation of project funding from the EGTC's members was facilitated by changes to the organisation's development strategy. The EGTC's first two strategies encouraged the implementation

of projects targeting all municipalities in the cross-border region. In contrast, the current strategy also proposes projects to be implemented on only one side of the border, with the potential to create positive spillover effects for the entire cross-border agglomeration. This has encouraged individual members to fund projects.

Source: Author's elaboration, based on (OECD, 2023<sup>[7]</sup>; EGTC Alzette Belval, 2024<sup>[4]</sup>; EGTC Alzette Belval, 2021<sup>[11]</sup>; EGTC Alzette Belval, 2017<sup>[12]</sup>; Alzette Belval EPA, n.d.<sup>[13]</sup>).

### *Reliance on Interreg funding can create financial vulnerabilities for cross-border governance bodies*

Despite the relative success of the EGTC Rio Minho and EGTC Alzette Belval in mobilising project funding from a range of sources, the majority of their project funding has come from Interreg. By 2023, 31% of the total revenue of the EGTC Rio Minho and 33% of that of the EGTC Alzette Belval had come from this source (EGTC Rio Minho, 2024<sup>[3]</sup>; EGTC Alzette Belval, 2024<sup>[4]</sup>).

The reliance of many EU cross-border governance bodies on Interreg is understandable for several reasons. First, Interreg is a funding stream that is expressly aimed at supporting cross-border initiatives, making it a logical starting point for cross-border governance bodies seeking to mobilise EU funding. This marks it out from other EU funding programmes (Annex Table 4.A.1), which are not specifically or uniquely targeted to cross-border co-operation.

Second, many cross-border governance bodies have limited human resource capacity to pursue funding opportunities from alternative EU or national mechanisms, making Interreg the favoured option by default. Interviews with these bodies revealed that many lack the necessary time and skills to identify funding opportunities beyond Interreg and develop robust proposals for them (OECD, 2024<sup>[14]</sup>; OECD, 2023<sup>[7]</sup>). This may explain why cross-border governance bodies often have limited awareness of alternative EU funding options (Annex Table 4.A.1). For instance, there are no examples of EGTCs securing funds from programmes such as LIFE, Europe Creative, or Digital Europe. These programmes could, in principle, support valuable projects aimed at protecting cross-border green spaces and biodiversity, promoting cultural heritage in cross-border regions, and enhancing digital technology for SMEs and citizens, respectively. Another explanation for the limited engagement with alternative EU funding sources may be that cross-border governance bodies are uncertain about their eligibility for these programmes.

Third, while some national and regional governments in co-operating countries have established specific funding mechanisms for cross-border development, others have not. For instance, as of 2011, the Hungarian government has provided financial support from the national budget specifically for the operation of EGTCs that involve Hungarian government entities, such as local governments (see Chapter 1) (Central European Service for Cross-Border Initiatives - Budapest, 2022<sup>[15]</sup>). However, interviews with cross-border governance bodies indicated that they are often unaware of targeted funding opportunities for cross-border co-operation that are provided by national or regional governments in co-operating countries (OECD, 2023<sup>[7]</sup>).

Finally, there is limited evidence of cross-border governance bodies mobilising funding from the private sector to implement cross-border initiatives. The absence of private sector funding may suggest limited engagement with the private sector in general, or a lack of understanding of how investment by private actors could support cross-border initiatives while providing significant upside to investors. Additionally, it may reflect the fact that the initiatives pursued by cross-border governance bodies do not align well with private sector interests or priorities.

Dependence on competitive EU funding sources such as Interreg, however, can expose cross-border governance bodies to financial vulnerabilities if EU priorities shift, budgets decrease, or governance bodies

fail to prepare competitive proposals. To address this risk, it may be beneficial for cross-border bodies to diversify their project funding sources—not necessarily to reduce funding from Interreg but to build resilience against potential funding shifts.

*Leveraging member expertise can help cross-border governance bodies mobilise project funding*

Strengthening their capabilities to navigate EU or other competitive funding mechanisms, along with national and subnational grants and private sector investments, can enable cross-border governance bodies to secure additional financial resources and more effectively meet their strategic objectives. To achieve this, cross-border governance bodies could consider several measures.

To start with, cross-border governance bodies can consider mapping their existing skills, expertise, and experience, as well as future needs related to mobilising funding and financing for cross-border projects. This assessment can help to pinpoint current skills in areas such as identifying funding opportunities, proposal writing and project management. It can also help them assess their experience with various funding mechanisms, including from international institutions (e.g. EU, international development banks), and national or subnational grants, to highlight areas of proficiency. Additionally, the assessment can help determine the skills needed to better access funding mechanisms that will contribute to achieving each organisation's cross-border co-operation objectives. Together, these elements can reveal which skills and expertise need to be developed or strengthened to mobilise the necessary funding to achieve cross-border objectives.

Building or reinforcing skills and expertise can be achieved through different means. These include organising targeted training by external experts or leveraging experienced staff to train colleagues. However, given frequent human resource and financial constraints, cross-border governance bodies could prioritise building resource-mobilisation skills by drawing on the expertise of their members. Some members, such as local or regional governments, may have valuable experience in preparing project proposals for relevant grants from national governments or international institutions, which could be shared through ad hoc training, on-the-job coaching, or by assisting in drafting different parts of the proposals. Strengthening their capabilities to navigate international funding mechanisms, national and subnational grants, and private sector investments, can help cross-border governance bodies secure additional financial resources, and better deliver on their strategic objectives.

*Limited human and financial management skills can lead to unspent funds and project delays*

While reinforcing the ability to mobilise project funding may be essential for many cross-border governance bodies, it is equally important to develop the skills and processes necessary to absorb available funding and invest it effectively. For governance bodies that rely heavily on external resources, fluctuations in revenue can make it challenging to consistently absorb funding, as changes in project funding levels often require quick adjustments in planning and operations. Furthermore, core teams within these bodies, often funded through membership contributions, may lack the time or specific expertise required to manage new funds optimally, which can hinder the effective execution of cross-border initiatives. This lack of capacity can lead to several challenges, including an inability to fully invest available funds and delays in project implementation.

The EGTC Rio Minho provides a particularly salient example in this regard. In recent years, revenue growth has outpaced expenditures, leaving a considerable portion of its revenue unspent in 2020, 2021, and 2022 (EGTC Rio Minho, 2024<sup>[3]</sup>). If not addressed effectively, this underutilisation of funds could pose several risks. Without strengthening its capacity to absorb and deploy existing project funding, mobilising additional funds could exacerbate the underutilisation of resources, making it challenging for the organisation to



manage and implement future projects effectively. This difficulty in handling new projects could ultimately undermine the ability of the organisation to meet its strategic goals. It can also weaken its credibility when seeking additional resources in the future. If this challenge is not resolved, it may also lead members to reconsider approving annual increases in membership contributions, potentially jeopardising the organisation's financial sustainability and its ability to pursue ambitious cross-border initiatives.

In order to ensure effective funding absorption and investment, cross-border governance bodies should develop the necessary skills and processes, including in the following areas:

- Strategic planning, to ensure project proposals are in line with available resources or based on a realistic estimate of what human resources can be mobilised to support project implementation;
- Procurement of goods and services to ensure transparent, timely, and cost-effective resource allocation;
- Human resource management, enabling governance bodies to quickly scale operational capacity, for example by hiring additional staff when project funding becomes available.

By supporting the development of these competencies, policy makers can enable cross-border governance bodies to secure diverse funding sources and channel them into impactful projects.

### *Strategies for EU policy makers to support resource mobilisation efforts by cross-border governance bodies*

The limited mobilisation of funding mechanisms beyond those offered by Interreg highlighted in Annex Table 4.A.1 suggests that cross-border bodies in the EU may not be fully capitalising on available options. There are several actions that EU policy makers could take to address this issue.

For instance, policy makers can explore why certain EU programmes, such as LIFE and Creative Europe, are not used by cross-border governance bodies. This can include, for example, reviewing eligibility criteria to assess whether bodies such as EGTCs can, in fact, participate in calls or if adjustments may be needed to facilitate their access.

In the same vein, EU policy makers can also consider surveying cross-border governance bodies, such as EGTCs, to assess their awareness of available funding and financing mechanisms, their experience in applying to funding calls, and any obstacles they may have encountered in the process. Based on these findings, policy makers can implement targeted support measures, including organising online information sessions or developing guidance materials (e.g. an online brochure or toolkit). This would be a positive step in clarifying which funding mechanisms are accessible to cross-border governance bodies and whether any special conditions apply, such as specific eligibility criteria.

In addition, EU policy makers can work to increase the visibility of cross-border governance bodies that have successfully mobilised funding from non-Interreg sources, such as the European Structural and Investment Funds (ESIF), Horizon 2020, and Erasmus+ programmes that are underused by cross-border governance bodies. Highlighted examples could include:

- The EGTC Gorizia-Nova Gorica, which unites subnational governments from Italy and Slovenia, successfully managed an Integrated Territorial Investment (ITI) initiative to implement two major projects: "Building a Cross-Border Healthcare Network" and the "Isonzo-Soča Cross-Border Nature Park." The ITI had a total budget of EUR 10 million, 85% of which was provided by the European Regional Development Fund (ERDF), with the remaining 15% funded by national government institutions (European Commission, 2021<sup>[16]</sup>).
- The EGTC Efxini-Poli, comprising regional and local authorities from Greece, Cyprus, and Bulgaria, participated in a Horizon 2020-funded project (the predecessor to Horizon Europe). The project aimed to support urban innovation by enhancing co-operation among researchers and policy makers (EGTC Efxini Poli, 2019<sup>[17]</sup>).

These examples could be promoted through the above-mentioned online brochure or tool. Sharing these examples could help raise awareness of the alternative funding options that are available to cross-border governance bodies. Practical guidance could be offered on how to access and manage these resources effectively.

## Conclusion

Sustainable and adaptable funding is essential for cross-border co-operation bodies to achieve their objectives. However, as discussed, funding for these bodies can be precarious and unstable, with membership contributions at times covering only operational costs. Moreover, in some cross-border governance bodies, membership contributions do not change over time, hindering their ability to respond to evolving needs.

To ensure long-term effectiveness, cross-border governance bodies must, therefore, diversify revenue streams. To do so, they can tap into a wide range of mechanisms, including specific EU funding programmes and national and subnational grants. However, the ability of such bodies to mobilise project funding and financing depends on a range of factors, including technical skills and expertise, such as proposal writing. It also depends on the ability and willingness of governance body members to provide funding beyond their annual membership contributions.

The sustainability of cross-border governance bodies and actions will rely, at least in part, on membership contribution formulas that allow for periodic adjustments to meet changing needs and circumstances. Investing in building or reinforcing the fund-raising skills and the expertise of staff in a cross-border governance body is equally important. Moreover, governance bodies should ensure that the skills and processes required to absorb available funding and invest it effectively are available so that funds do not go unspent and project delays are minimised. Finally, national and international policy makers could provide cross-border governance bodies with enhanced guidance and practical examples on how to access underused funding mechanisms.

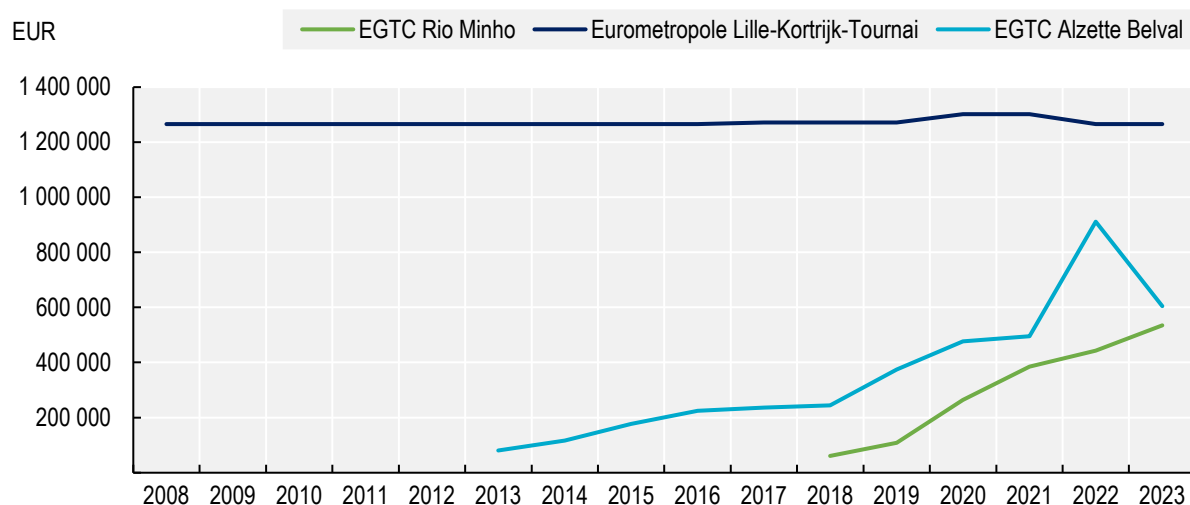
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## Annex 4.A. Revenue of select EGTCs

Annex Figure 4.A.1. Revenue of select EGTCs since their establishment



Source: Author's elaboration, based on EGTC Rio Minho: (EGTC Rio Minho, 2024<sup>[3]</sup>); Eurometropole Lille-Kortrijk-Tournai: (Eurometropole Lille-Kortrijk-Tournai, 2024<sup>[2]</sup>); EGTC Alzette Belval: (EGTC Alzette Belval, 2024<sup>[4]</sup>).

Annex Table 4.A.1. Funding and financing mechanisms that can support cross-border action

Funding and financing category	Examples	Notes
EU programmes under shared management	Interreg	These programmes offer funding opportunities to specific types of territories, including border and cross-border regions.
	European Social Fund	
	Small Project Fund	
EU programmes under direct and indirect management	Horizon Europe, for research-related projects	These programmes often encourage cross-border co-operation and partnerships among several EU Member States, making organisations, such as EGTCs, relevant potential beneficiaries.
	LIFE, for environment-related projects	
	Europe Creative, for culture-related projects	
	Erasmus+, for education-related projects	
	Single Market, for projects related to the competitiveness of SMEs	
	Digital Europe, for digitalisation-related projects	
Funding from national and subnational governments	For instance, grants for cross-border projects provided by national or regional governments	
Private sector funding opportunities	Private investors, banks	This approach can be particularly fruitful for funding and financing infrastructure investment
	Crowdfunding	Need to ensure whether national-level legislation and regulations allow for or support to crowdsourcing for cross-border projects.

Source: Author's elaboration, based on (European Commission, 2024<sup>[18]</sup>; European Commission, n.d.<sup>[19]</sup>; European Commission, 2024<sup>[20]</sup>; European Commission, 2024<sup>[21]</sup>; European Commission, 2024<sup>[22]</sup>; European Commission, 2024<sup>[23]</sup>).

# **5**

## **Promotion and advocacy for cross-border development**

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This chapter focuses on the fourth dimension of the OECD Cross-border Governance Framework: Promotion and advocacy for cross-border development. First, it considers a range of challenges that cross-border governance bodies face in generating sustained political commitment to cross-border action, and provides recommendations to help address them. Second, this chapter considers the extent to which public awareness and support for cross-border co-operation is important for addressing cross-border needs. Finally, it explores the challenges faced by cross-border governance bodies in building public support, and provides recommendations and examples of good practices that can help overcome them.

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## Introduction

Promotion and advocacy play an important role in building political and public awareness of and support for cross-border co-operation. In turn, elected officials and the public can help cross-border governance bodies bolster economic development, improve public service delivery and enhance the well-being of residents in cross-border regions. Ensuring political commitment and support for cross-border co-operation over time is essential for resolving challenges within a transboundary area. Political actors at the subnational and/or national levels can use their powers to enact legislation and adjust regulations—for example, to reduce regulatory barriers to cross-border service delivery—as well as to approve funding for cross-border bodies or specific projects. In so doing, they can establish the necessary framework conditions for cross-border action.

Ensuring public awareness and support for cross-border co-operation by non-governmental actors (e.g. private sector, civil society organisations, academia, residents) also has a number of benefits. It can foster active engagement in the design of cross-border strategic planning documents and initiatives, ensuring that these efforts are well-aligned with local needs. Increased awareness of the need for and/or benefits of cross-border co-operation can also help shore up support for the implementation of cross-border projects. Additionally, heightened public awareness surrounding cross-border action can encourage politicians to establish or strengthen cross-border co-operation initiatives. Informed residents can also draw the attention of politicians to specific cross-border challenges they want addressed. Finally, when residents are aware of the cross-border goods and services available to them, they are more likely to use them, which, in turn, can contribute to improved social and economic well-being on both sides of the border.

Evidence from the five pilot regions suggests that: i) long-term political support for cross-border initiatives can often be hard to generate or sustain; and ii) public awareness of cross-border co-operation and its tangible benefits is often limited. Advocacy and strategic engagement activities can reinforce political support because they help direct or refocus political attention to cross-border challenges and opportunities. Meanwhile, promotional activities can play an important role in improving public awareness by enhancing, for example, the visibility of the cross-border services and goods available to local residents.

This chapter focuses on the fourth dimension of the OECD Cross-border Analytical Framework: promotion and advocacy for cross-border development. The first part considers the importance of ensuring sustained political awareness and support for cross-border co-operation, and the challenges faced by cross-border governance bodies in achieving this goal. It also provides recommendations on how cross-border governance bodies can help address these challenges. The second part considers the extent to which public awareness and support for cross-border co-operation is important in addressing cross-border needs. It explores the challenges faced by cross-border governance bodies in building this support, and provides recommendations and good practice examples that can help overcome them. In doing so, this chapter offers guidance to subnational, national, and international policy makers to build and sustain political and public support for cross-border co-operation.



### Box 5.1. Recommendations to ensure sustained political and public awareness of and support for cross-border co-operation

**To foster sustained, long-term political interest and support for cross-border co-operation, cross-border governance bodies could consider:**

- Improving elected representatives' awareness of i) local challenges, and ii) the role that cross-border co-operation can play in helping to address them, including by:
  - Periodically surveying cross-border residents to gather insights on their challenges, needs and priorities for cross-border action, and presenting the results to relevant decision makers;
  - Organising field visits within the cross-border region for elected representatives, enabling them to explore specific cross-border challenges and opportunities in detail;
  - Conducting or commissioning targeted research that gathers and presents evidence on specific challenges and opportunities within the cross-border region, and presenting the findings to relevant decision makers.
- Developing ways to consistently and strategically engage with public actors (e.g. national or regional authorities) that have relevant competences and resources to address specific cross-border challenges, including by:
  - Organising periodic events (e.g. conferences) in order to inform relevant public actors of local challenges and create space to look for solutions;
  - Developing advocacy and lobbying materials to help engage strategically with relevant public actors. Such materials could, for example, highlight the 'costs of inaction' (e.g. such as economic losses and inefficiencies in public services due to a lack of cross-border co-operation), and underscore the urgent need for action.
- Developing induction materials that provide newly-elected officials with information on: i) cross-border needs, priorities and activities; ii) how the cross-border governance body functions; and iii) examples of successful cross-border projects and their benefits to the region. This can mitigate the loss of knowledge on cross-border co-operation due to regular electoral cycles.

**To foster sustained, long-term political interest and support for cross-border co-operation, national governments could consider:**

- Organising initiatives that raise elected representatives' awareness of the benefits of cross-border co-operation (e.g. national award ceremonies for high-impact cross-border initiatives).

**To foster high levels of public awareness and support for cross-border co-operation, cross-border governance bodies could consider:**

- Organising public communication and engagement activities that help build awareness and interest among residents in using cross-border public services.
- Setting up national-level co-ordination points to support liaison with public and private actors in cross-border regions, on the one hand, and relevant national public actors, on the other, in order to help address legislative and regulatory obstacles to cross-border development.

Source: Author's elaboration.

## Political commitment and support for cross-border co-operation

Initial political commitments on cross-border co-operation can only be translated into concrete action and results through sustained, long-term political interest and support. Common political obstacles to cross-border co-operation often include an early surge of enthusiasm from politicians that gradually wanes over time. National governments may also lack awareness of cross-border needs, and there is often limited understanding of the potential benefits (e.g. increased competitiveness) that enhanced cross-border co-operation can bring (OECD, 2023<sup>[1]</sup>). Furthermore, regular national and subnational electoral cycles can lead to a loss of institutional knowledge of cross-border issues and priorities if elected officials cycle out of office, diluting the levels of commitment and support.

### ***Declining political momentum behind cross-border co-operation***

Often, the establishment of a cross-border governance body is the result of a build-up of political interest and support for cross-border co-operation, although this can be difficult to sustain (OECD, 2023<sup>[1]</sup>). Changes in political leadership, such as after elections can lead to waning interest, as successors may not prioritise or value cross-border co-operation as much as their predecessors. Furthermore, political interest may diminish when the benefits of cross-border governance are not immediately visible or measurable within electoral cycles.

The experience of the Eurometropole Lille-Kortrijk-Tournai (Belgium and France) is instructive in this regard. This European Grouping of Territorial Co-operation (EGTC) was established in 2008 thanks in part to strong political enthusiasm and practical political agreement on both sides of the border for joint action (OECD, 2023<sup>[1]</sup>). However, in recent years, the level of enthusiasm has dropped, evidenced by lower participation of elected representatives in General Assembly meetings—only around 25% have attended its recent deliberative sessions in 2023 (OECD, 2023<sup>[1]</sup>). The immediate result is a lack of follow-up to ensure that cross-border decisions are implemented (OECD, 2023<sup>[1]</sup>). Such outcomes can create a number of risks for cross-border governance bodies.

First, reduced political participation in decision-making bodies of a cross-border governance body can limit the inclusiveness and scope of cross-border deliberations, as essential representatives from different levels of government may not be present to discuss and support initiatives. This absence can reduce the diversity of perspectives needed to address cross-border challenges effectively, leading to decisions that may not fully reflect local needs or that do not secure the backing necessary for successful implementation. In the end, it narrows the scope of cross-border decision making (at best), or could conceivably halt decision making completely (at worst).

Second, a loss of interest in cross-border co-operation can sometimes lead to a lack of follow-up on the implementation of cross-border actions. This, in turn, risks undermining the ability of the cross-border governance bodies and their founding partners to deliver concrete results in line with their cross-border objectives.

Where political interest in cross-border co-operation is waning, cross-border actors would need to strategically engage elected representatives in order to refocus the latter's attention on cross-border issues and bolster their participation in cross-border decision making and implementation.

*Governance bodies can bolster political support by raising politicians' awareness of local needs*

As politicians are ultimately accountable to their constituencies and depend on them for their votes, their enthusiasm and commitment to any initiative—cross-border or otherwise—depends largely on whether they see such actions as beneficial for their local priorities. Cross-border governance bodies can help bolster political momentum for cross-border action by raising elected representatives' awareness of the

benefits of cross-border co-operation, especially those emphasised by non-governmental actors (e.g. voters). Additionally, cross-border governance bodies could demonstrate how cross-border initiatives effectively address specific local needs, thus making these initiatives more relevant to local politicians.

To support such efforts, cross-border governance bodies could develop and disseminate surveys aimed at residents of the cross-border region. This would help them gather insight into the challenges (and opportunities) of living and working in a cross-border region, and identify their needs and priorities for cross-border action. The results of the surveys could then be shared with elected representatives. Alternatively, or as an additional step, cross-border governance bodies could offer to organise field visits within the cross-border region, in order to enable elected officials to explore specific cross-border challenges in detail and in dialogue with local stakeholders. A good example comes from the Eurometropole Lille-Kortrijk-Tournai, which supports regular peer-to-peer exchanges (known as *réunions de proximité*) between local mayors on both sides of the border to help identify cross-border challenges and find joint solutions (OECD, 2023<sup>[1]</sup>).

Another measure to increase politicians' awareness of local needs is to conduct or commission targeted research that gathers and presents evidence on specific challenges in the cross-border region. This research could assess the impact of these challenges on socio-economic development, service delivery, or resident well-being, as well as identify potential cross-border solutions. By presenting this evidence, cross-border governance bodies can offer elected representatives an evidence-based picture of the issues at hand, while illustrating how cross-border collaboration could benefit cross-border regions. For example, the EGTC Alzette Belval—along with its partners Pôle Métropolitain Frontalier (PMF) and PRO-SUD<sup>1</sup>—works with various research institutions, such as Fondation IDEA. Together, they encourage public debate on important socio-economic challenges facing the Franco-Luxembourgian cross-border region through research projects and publications on issues such as cross-border mobility (OECD, 2023<sup>[1]</sup>; Fondation IDEA, 2024<sup>[2]</sup>). Through these types of activities, cross-border bodies can enhance elected representatives' awareness of cross-border challenges, which, in turn, can help encourage them to explore opportunities for cross-border co-operation in areas of mutual need.

At the national level, governments can play an important role in bolstering political momentum for cross-border co-operation. In particular, they can organise initiatives that raise elected representatives' awareness of cross-border initiatives and their benefits for local communities, thereby encouraging additional cross-border action. For instance, in 2022, the European Committee of the Regions' EGTC organised an awards contest to recognise cross-border governance bodies that have implemented initiatives with significant potential to enhance economic and social well-being in border communities (EGTC GO, 2022<sup>[3]</sup>). National governments could organise similar contests, which could reward high-performing cross-border governance bodies while also providing a learning opportunity for their peers. This could help refocus the attention of political actors within EGTCs on cross-border opportunities, and could spur additional cross-border action.

To maximise the visibility and impact of such an award initiative, national governments could involve a broad spectrum of public and non-governmental representatives, including regional and local politicians, particularly from border regions. For instance, establishing a jury with political representatives from different governmental levels would not only enrich the evaluation process but also raise their awareness of cross-border governance initiatives and the unique challenges they face. Additionally, organising the awards ceremony within a larger event, such as the annual conference of an association of local governments, would ensure the presence of relevant stakeholders, amplifying the initiative's reach and impact.

### ***Insufficient support from public actors to resolve practical cross-border issues***

Another challenge faced by cross-border governance bodies is insufficient political support to resolve practical cross-border issues. While many cross-border governance bodies receive a baseline level of political support that ensures their continued operation (e.g. through recurring membership contributions), they often struggle to generate or maintain the backing that is needed from national and subnational decision makers to resolve specific cross-border challenges. This may be the result of insufficient co-operation between governance bodies and the levels of government with the mandate and resources to resolve these challenges (OECD, 2023<sup>[1]</sup>).

In the case of the EGTC Rio Minho, for example, environmental protection of the Minho river has been a priority for the organisation and its founding members. However, the organisation, which is composed of local governments from Spain and Portugal, has very limited co-operation with the national and regional governments with the relevant competences in river management (e.g. environmental protection) (OECD, 2023<sup>[1]</sup>). This lack of co-operation hampers the EGTC Rio Minho's ability to share critical information on local needs and priorities, and explore possible solutions with relevant regional and national government bodies (e.g. Galician Department of Environment Territories and Housing, or the Portuguese Environmental Agency) (OECD, 2023<sup>[1]</sup>).

Another significant challenge for cross-border co-operation bodies lies in getting relevant actors, such as national government agencies, to prioritise finding solutions to local cross-border challenges. In some cases, relevant stakeholders (e.g. national ministries) may lack awareness of local challenges or the problems being encountered by the cross-border co-operation body working to address those challenges. This issue is often compounded when the challenge is unique to a specific cross-border body or cross-border region, rather than one shared by multiple regions, which might otherwise prompt higher prioritisation by decision makers (OECD, 2023<sup>[1]</sup>).

Two relevant examples come from the EGTC Cerdanya Hospital. First, while the hospital does appear on the official list of French healthcare facilities (*Fichier National des Établissements Sanitaires et Sociaux*), it is often not considered a French hospital for practical purposes as it is located in Catalonia, Spain (OECD, 2024<sup>[4]</sup>). For example, when purchasing medical equipment from French companies, the hospital is at times charged higher prices because it is not considered a fully French institution, even though France's Ministry of Healthcare is one of its founding members. Moreover, the hospital is excluded from some French information systems and certain funding opportunities, such as a public investment fund for medical equipment (OECD, 2024<sup>[4]</sup>). This can be explained by the limited awareness and understanding among many public and non-governmental actors of what the EGTC is and how it works.

Second, the EGTC Cerdanya Hospital had to engage in a long-term campaign to encourage Spain's Ministry of Education, Vocational Training, and Sport to accelerate the process of recognising diplomas of its French staff, which could take several months to complete. Streamlining this process was critically important for the hospital's operations, as it would have enabled newly hired French staff to swiftly be able to provide medical services on both sides of region's border. However, it was only in 2024, following several years of requesting relevant support, that the Ministry adopted a fast-track system to provisionally recognise the healthcare qualifications of French doctors working for the hospital (Box 5.2). One possible reason for the delay may be that it has limited applicability, as few other Spanish hospitals face the same cross-border staffing needs.

### Box 5.2. EGTC Cerdanya Hospital: efforts to streamline the diploma recognition process in Spain

The formal diploma recognition process, which is managed by the Ministry of Education, Vocational Training, and Sport of Spain used to take several months. The slow process hindered the hospital's ability to efficiently integrate cross-border medical professionals and provide seamless care. In 2021, after years of lobbying by the EGTC Cerdanya Hospital, the Ministry agreed to assign a specific staff member to handle and prioritise EGTC requests for the recognition of diplomas of its staff in order to reduce delays. While this temporarily led to improvements, the contact person soon left the Ministry, meaning that up until 2024, the hospital had to contend with significant delays in processing diplomas.

In 2024, the Ministry agreed to a fast-track system for provisionally recognising healthcare qualifications for French doctors, nurses and other medical professionals, provided they work in the EGTC hospital and serve the Cerdanya cross-border region. This provisional recognition lasts for one year, with the possibility of a one-year extension. In the meantime, the medical diploma goes through the standard recognition process. The adoption of the fast-track system means that French healthcare professionals, such as radiologists, can fully carry out their work within a week after being hired by the hospital. The hospital continues to lobby for the adoption of a special recognition framework that would allow for the automatic recognition of medical diplomas for both French and Spanish staff working at the hospital.

Source: Author's elaboration, based on (OECD, 2023<sup>[1]</sup>; OECD, 2024<sup>[4]</sup>)

### *Approaches to direct the attention of decision makers to specific cross-border challenges*

Cross-border governance bodies need to consistently and strategically engage with public actors that have relevant competences and resources to address their cross-border issues. This engagement can ensure that key decision makers from various levels of government are informed about cross-border priorities and can work collaboratively on shared challenges. Depending on the issue at hand, this engagement might involve inviting relevant public actors to join the supervisory or advisory organs of a cross-border governance body. Such involvement could offer the cross-border governance body an opportunity to share with relevant actors the challenges the body and region face, and explore how these can be addressed through joint action.

Moreover, depending on local challenges, cross-border governance bodies could organise activities to inform national and regional authorities of local challenges and create a space to find solutions together. For example, to address practical challenges in managing the Minho River, the EGTC Rio Minho could collaborate with other EGTCs operating along the river and hold regular conferences on issues such as water quality and navigation (OECD, 2023<sup>[1]</sup>). Such activities could provide a forum for local governments, non-governmental actors (e.g. academia) and relevant regional and national government bodies to discuss local challenges and explore potential solutions. A practical example of this approach comes from the EGTC Alzette Belval, which organises regular meetings with relevant public authorities in France (e.g. Regional Health Agency) and Luxembourg (Ministry of Health and Social Security) to address regulatory challenges to cross-border healthcare delivery (OECD, 2023<sup>[1]</sup>).

Cross-border governance bodies could also engage strategically with public actors by developing lobbying and advocacy materials. These materials could provide key decision makers with targeted information on specific cross-border challenges. They could, for example, highlight the 'costs of inaction' (e.g. such as economic losses and inefficiencies in public services due to a lack of cross-border co-operation), and underscore the urgent need for action. Additionally, advocacy and lobby materials would provide concrete recommendations for steps that decision makers can take to address these challenges.

Two examples of lobbying to address specific cross-border challenges can be seen in the France-Luxembourg cross-border region. A regional association of French border municipalities, PMF, has been lobbying the Luxembourg government to provide financial support to sustain public childcare facilities in France, as many of these facilities receive the children of French workers employed across the border in Luxembourg (Box 5.3) (OECD, 2023<sup>[1]</sup>). In addition, PMF has been lobbying both Luxembourg and French authorities for public investment in a multi-modal mobility system (e.g. creating more park-and-ride spaces) to ease cross-border traffic congestion (La Semaine, 2024<sup>[5]</sup>).

### **Box 5.3. PMF: an example of lobbying efforts to ensure Luxembourg financial support for French creches**

The children of many French cross-border workers active in Luxembourg go to French public creches, which are funded and managed by French municipalities. However, municipal financial capacity to provide this service is limited, because, among other reasons, French cross-border workers pay income tax in Luxembourg and there is no income tax compensation system between the two countries. As such, PMF has been lobbying the Government of Luxembourg to provide financial support to French municipalities as a means to “make up for” the loss in income tax revenue and help cover the costs of creches in French cross-border communities.

PMF’s lobbying efforts have focused on highlighting the fact that providing support to French creches would be less costly than ensuring creche services in Luxembourg for the children of French cross-border workers.

Source: Author’s elaboration, based on (OECD, 2023<sup>[1]</sup>)

There may also be opportunities for national governments to play a more proactive role in helping cross-border governance bodies address specific cross-border challenges. As noted in Chapter 2, a draft European Union (EU) regulation on facilitating cross-border solutions will be considered for adoption by EU Member States next year (Council of the European Union, 2024<sup>[6]</sup>). A key element of the proposal relates to the voluntary establishment of cross-border co-ordination points by EU Member States.

If the regulation is adopted, national governments will be able to set up co-ordination points that can act as ‘one-stop shops’ for handling cross-border ‘files’ (e.g. descriptions of specific regulatory challenges encountered in a cross-border region and their consequences). Public or private entities in cross-border regions will be able to initiate these files when they encounter cross-border obstacles. Where cross-border obstacles pertain to laws or regulations, co-ordination points will be able to work with relevant actors (e.g. line ministries) to identify whether legislative or regulatory adjustments can be made to address them (Council of the European Union, 2024<sup>[6]</sup>). As a result, establishing cross-border focal points, could help improve the awareness of national and regional governments of specific challenges facing cross-border communities, and encourage them to identify relevant solutions.

### ***Loss of knowledge on cross-border co-operation due to regular electoral cycles***

The decision-making organs of cross-border governance bodies are frequently affected by elections held at various levels of government in co-operating countries. While the challenges related to political churn are not unique to cross-border regions, they may be more profound as the electoral cycles in co-operating countries are generally not in sync. This leads to more frequent disruptions and the need for continuous political engagement. For instance, between 2020 and 2023 there were three elections that affected the French and Luxembourgian membership base of the EGTC Alzette Belval (French Ministry of the Interior, 2024<sup>[7]</sup>; Luxembourgian Ministry of Home Affairs, 2024<sup>[8]</sup>):

- 2020: Municipal elections in France;
- 2021: Regional and departmental elections in France;
- 2023: Municipal and national elections in Luxembourg.

These elections affected the composition of the EGTC's internal governing bodies (e.g. General Assembly, Executive Bureau, President), which are composed of elected representatives (e.g. mayors, local and regional councillors). Frequent elections can lead to political churn and, by extension, a loss of institutional knowledge within decision-making bodies of cross-border challenges, the remit of the EGTC, its priorities, etc. (OECD, 2024<sup>[4]</sup>; OECD, 2023<sup>[11]</sup>). Constant efforts to build or renew political awareness and support for cross-border co-operation among newly-elected politicians is therefore required.

*Developing induction materials can help bring newly elected representatives up to speed on cross-border priorities*

Tools that enable the cross-border governance bodies to strategically and consistently engage with newly-elected officials can help build the latter's awareness, enthusiasm and commitment to cross-border co-operation. For instance, developing and disseminating induction materials among newly-elected representatives can equip them with important information (e.g. on local needs, the work of the cross-border governance body). This approach can help mitigate the loss of institutional knowledge that may result from electoral turnover and can take time to rebuild.

Such an approach is used by the EGTC Alzette Belval, which provides newly elected representatives with access to a number of cross-border resources, including a map of the cross-border region and a summary of the current EGTC strategy (OECD, 2023<sup>[11]</sup>). It has also supported the development of a booklet providing information on the similarities and differences in the electoral systems and competences of the municipalities in the cross-border region (OECD, 2023<sup>[11]</sup>).

Building on the EGTC Alzette Belval's current practices, cross-border governance bodies could consider developing clear induction materials to bring newly elected members up to speed on cross-border needs, priorities and activities, while improving their understanding of how the cross-border governance body functions. Such materials might include information on:

- Key challenges and priorities for the cross-border region;
- The governance structure of the cross-border governance body (e.g. the roles and responsibilities of the different internal governing bodies and how such bodies interact);
- Existing strategic planning documents outlining cross-border priorities;
- Examples of successful cross-border projects and their benefits to the region;
- Results that the cross-border governance body has helped achieve to date;
- Testimonials from businesses or citizens about the cross-border initiatives implemented by or together with the governance body.

## Public awareness of and support for cross-border co-operation

Public interest and support are often driving forces in establishing and sustaining cross-border initiatives. When citizens are actively engaged and see tangible benefits from cross-border projects, they are more likely to advocate for their continuation and expansion. This civic backing can also nudge political leaders to maintain a consistent focus on cross-border co-operation, even amidst changing political landscapes or electoral cycles. Additionally, public engagement in the work of a cross-border governance body, for example to co-design a strategic planning document or design a project proposal, can create a sense of



ownership among residents, which, in turn can strengthen their commitment to the success of these co-operative initiatives.

Cross-border governance bodies are often established to meet citizen demands for specific cross-border services (e.g. public transport, environmental or civil protection, education, healthcare) (ESPON, 2022<sup>[9]</sup>). Despite this, beyond their founding members, few non-governmental stakeholders are aware of the work carried out by cross-border governance bodies (OECD, 2023<sup>[11]</sup>). Cross-border governance bodies from all five pilot regions suggested that many residents and other non-governmental actors (e.g. academia, civil society and the private sector) have limited awareness of their governance body or the cross-border initiatives that it supports (OECD, 2023<sup>[11]</sup>). Nevertheless, some governance bodies have been more effective in mobilising public support for cross-border initiatives and have garnered greater public visibility than others.

Variations in public support for cross-border governance bodies can be attributed to a host of factors. These include differences in the structure of the cross-border governance bodies' internal organisation. Notably, the extent to which they allow for non-governmental participation varies significantly across the different bodies. For instance, the Eurometropole Lille-Kortrijk-Tournai established a Civil Society Forum and thematic working groups that help develop proposals for the design and implementation of cross-border initiatives (Eurometropole Lille-Kortrijk-Tournai, 2021<sup>[10]</sup>; OECD, 2023<sup>[11]</sup>). Such structures can foster public interest and support by involving local stakeholders directly in decision-making processes and ensuring that initiatives better reflect the needs and priorities of border communities. At the same time, many other cross-border governance bodies do not have formal spaces for participation by non-governmental actors.

Another factor behind variations in the visibility and public support enjoyed by cross-border governance bodies lies in the different types of cross-border services provided to border residents. While some cross-border governance bodies play a crucial role in delivering essential public services, such as healthcare, others primarily broker information on public goods and services available in the cross-border region. This distinction in the type of services provided influences the strategies governance bodies use to build public awareness and support, as explored below.

### ***The benefits of active engagement and communication with non-governmental actors***

High levels of public awareness and support for cross-border co-operation can be valuable for governance bodies, whether their mandate is broad or focused on a specific public service. However, the specific added value of strong public engagement may vary depending on the scope and nature of each governance body's mandate.

#### *Cross-border governance bodies need to remain responsive to both public and political priorities*

Many cross-border governance bodies are not established to support cross-border co-operation within a single sector, and rather have a broad mandate to facilitate cross-border co-operation in a range of potential areas (see Chapter 2). For instance, in the case of the EGTC Nemunas-Niemen, the founding statutes outline seven broad topics that cross-border co-operation may focus on: from improving access to local public services to supporting entrepreneurship and labour market integration (EGTC Nemunas-Niemen, 2023<sup>[12]</sup>). In such cases, developing robust mechanisms for engagement with residents and other non-governmental actors is particularly important. This engagement can help define the governance body's strategic objectives and specific cross-border activities, ensuring they are well-aligned with local needs.

A further benefit of such engagement is that it can also help mobilise in-kind and financial contributions from non-governmental actors to support cross-border action. Cross-border governance bodies, however,

must balance this focus on engagement with non-governmental actors with the need to build political interest and support for cross-border initiatives among their founding members.

The experience of the Eurometropole Lille-Kortrijk-Tournai provides a good example of the benefits of investing in engagement with non-governmental actors, while also highlighting potential risks. On the positive side, the involvement of non-governmental actors in the organisation's thematic working groups has helped ensure that cross-border proposals enjoy support from individual residents and other non-governmental actors, and take account of specific local needs (OECD, 2023<sup>[1]</sup>). It has also enabled the EGTC to mobilise in-kind contributions for cross-border action. For instance, non-governmental actors within one of the working groups were mobilised to develop a database that supports territorial studies related to water quality (OECD, 2023<sup>[1]</sup>). However, an emphasis on civil society engagement may also have diverted time and attention from engaging with founding members, and contributed to the decrease in political enthusiasm for cross-border co-operation. This underscores the importance of maintaining a balanced approach, ensuring that cross-border governance bodies remain responsive to both public and political priorities, while advancing its cross-border objectives.

#### *Outreach to residents can create a demand for cross-border public services*

Investing in engagement with non-governmental actors also offers benefits for cross-border governance bodies focused on delivering a specific public service. In such instances, opportunities for co-designing initiatives may be limited. For example, in the case of the EGTC Cerdanya Hospital, the delivery of healthcare services is guided by regional and national healthcare planning, medical protocols, and healthcare regulations, leaving limited space for residents to support the co-development of healthcare procedures or service offerings. Nevertheless, effective engagement and communication with non-governmental actors, particularly residents, remain critical for two reasons.

First, ensuring that residents are aware of and understand how to access a cross-border public service is essential to encourage uptake. For instance, providing clear information on how the service works and who is eligible to use it can help enhance residents' confidence in its accessibility and affordability.

Second, strong demand for the cross-border service from residents serves as a powerful reminder to politicians of its public value within the cross-border region. A clear demonstration of public value is essential for securing lasting political support for the service.

In light of the above, the case of the EGTC Cerdanya Hospital provides a pertinent illustration of the importance of effective public communication around cross-border service delivery (Box 5.4). A priority for the hospital is to clarify that it provides equal access to healthcare for both French and Catalan residents of the cross-border region. This is due to a public misconception that services are tilted in favour of Spanish residents (e.g. due to hospital location, staff nationality, predominant staff language), which has affected the willingness of some French residents to use the hospital's services (OECD, 2023<sup>[1]</sup>).

#### Box 5.4. EGTC Cerdanya Hospital: efforts to change the public's perception of the hospital

The EGTC Cerdanya hospital was established in 2010 to help address declining access to healthcare in the Cerdanya cross-border region. While French and Catalan (Spain) cross-border residents have equal access to the hospital, the majority of demand still comes from Catalan residents. For example, while Catalan residents represent 60% of the population of the cross-border region, Catalan residents made up 73% of hospitalisations in 2022. This imbalance in demand from French and Catalan residents is primarily related to the fact that the majority of the hospital staff is Spanish and the hospital is located in Catalonia. These factors contribute to the perception that the EGTC Cerdanya Hospital is a Catalan hospital, and not one that serves Catalan and French cross-border communities equally.

The hospital wants to strengthen its identity as a truly shared healthcare facility that serves Catalan and French border communities equally. For example, enhancing regular communication among French general practitioners and EGTC medical professionals could help address misconceptions about the EGTC and result in a smoother patient referral process.

Source: Author's elaboration, based on (EGTC Cerdanya Hospital, 2023<sup>[13]</sup>).

Public communication and engagement activities can help to build resident awareness and interest in using cross-border public services. However, such activities are likely to be better targeted and more effective when cross-border governance bodies have a solid baseline understanding of resident perceptions and experiences with these services, including whether or not they use them.

To identify how cross-border residents perceive cross-border services, cross-border governance bodies can consider developing and disseminating periodic surveys. For instance, such surveys might include questions covering:

- The perceptions and experiences of residents regarding the cross-border service, including whether they perceive it to be a genuine cross-border service;
- Previous use of the cross-border service;
- Perceptions of quality, affordability and accessibility.

Insights from the surveys could help the EGTC and its founding partners identify key perception issues and define actions to enhance awareness, trust, and accessibility of cross-border services. For example, the EGTC may choose to launch targeted communication campaigns, or organise informational briefings in local communities.

Where surveys are being periodically conducted, cross-border governance bodies can also track whether or not resident perceptions and use of the cross-border service are improving over time. Based on the findings, they can decide if any adjustments to their public communication and engagement activities—or even to the service itself—may be necessary.

#### *Promoting shared goods and services to help build support for cross-border co-operation*

Even when cross-border bodies are not responsible for providing a specific cross-border service, there are different ways in which cross-border governance bodies can build public awareness and support for cross-border co-operation.

One approach is to communicate about the public goods and services available to residents of the transboundary region, such as universities, swimming pools, parks and museums. For instance, the EGTC Alzette Belval has developed and published an interactive map on its website that provides information on

public goods and services in the cross-border region (e.g. sport clubs, libraries, parks) (OECD, 2023<sup>[11]</sup>). This approach enables residents to easily identify nearby resources and opportunities, encouraging them to explore and utilise these shared assets. Raising their awareness of goods and services that are available to the whole cross-border region may also help residents see the value in launching new cross-border initiatives, which could deliver additional benefits to citizens.

Another strategy for building public awareness and support is to organise events and activities that enable residents to actively engage with the cross-border region. The Eurometropole Lille-Kortrijk-Tournai, for example, has organised guided tours on foot, by bike and by boat showcasing the cross-border region's shared green and blue spaces (OECD, 2023<sup>[11]</sup>). It has also organised an annual festival in order to raise awareness of the cross-border region among residents (OECD, 2023<sup>[11]</sup>).

Finally, a further approach to bolstering public awareness and support for cross-border co-operation is to collaborate with local, regional, and national authorities, as well as businesses, to provide unique benefits to cross-border residents. Such an approach has been adopted by several cross-border governance bodies within the EU (Box 5.5).

#### **Box 5.5. Examples of partnerships with public and private actors to promote cross-border regions**

A number of cross-border actors within the EU have developed partnerships with public and private actors to promote their cross-border region to local residents. For instance, the border cities of Verín (Spain) and Chaves (Portugal) created a Eurocitizen card that offers benefits to local residents. Thanks in part to EU financial support, it provides residents with free entry to municipal museums, discounts on cultural events and shops, and opportunities to participate in cultural, sporting and recreational activities on both sides of the border.

In France and Germany, regional governments and public transport companies in the Strasbourg-Ortenau cross-border region offer special public transport tickets to facilitate cross-border mobility. Specifically, they allow people to buy a single ticket for traveling on different French and German bus and train networks, thereby increasing the ease of cross-border travel.

Source: Author's elaboration, based on (Eurociudad Chaves Verín, n.d.<sup>[14]</sup>; Ortenau, 2018<sup>[15]</sup>).

## **Conclusion**

Ensuring continuous political and public awareness and support for cross-border action can make the difference in the sustainability of cross-border governance. Generating lasting political support for cross-border co-operation can encourage governments to use their powers to enact legislation or adjust regulations to reduce barriers for cross-border service delivery, for example, or to approve funding for cross-border bodies or projects. Equally, investing in public awareness and support for cross-border co-operation among non-governmental actors can offer significant benefits. For instance, high levels of public engagement can foster active involvement in cross-border planning, helping to ensure co-operation initiatives are aligned with local needs.

Different measures can be taken by cross-border governance bodies to bolster political support. These include ensuring frequent engagement with relevant political actors, particularly those who may not be formal members. This could be done by inviting them to participate in advisory bodies or organising activities (e.g. conferences) to inform relevant authorities about local challenges and create spaces to look for solutions. Additionally, to address the challenges posed by a loss of knowledge on cross-border co-

operation due to political churn, cross-border governance bodies could invest in developing induction materials to help bring newly elected representatives up to speed on cross-border priorities.

For policy makers aiming to garner public support for cross-border co-operation, ensuring that cross-border initiatives provide tangible benefits to residents is essential. Cross-border co-operation should not remain an abstract concept for the public. Rather, where possible, it should offer concrete advantages such as access to information, services, and opportunities that enhance daily life in the region. Action to provide public services, organise cultural events, and disseminate clear information on available cross-border goods, jobs or other resources or benefits can help residents perceive these efforts as directly relevant and valuable to them, potentially strengthening both support and engagement.

Moreover, sustaining long-term public interest and support requires consistent, visible engagement and communication that reflects the unique identity and needs of the cross-border region. By promoting shared goods, services, and cultural assets, cross-border governance bodies can foster a sense of belonging and shared identity among residents. Cross-border governance bodies should therefore consider integrating regular communication efforts, community events, and collaborations that keep cross-border benefits top of mind among residents.

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## Note

<sup>1</sup> PFM and PRO-SUD are regional associations of local governments on the French and Luxembourgian sides of the cross-border region, respectively.



## Annex A. Cross-border Governance Framework and Assessment Tool

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This cross-border governance framework and assessment tool are designed for use by national and subnational governments that are interested in establishing or reinforcing their cross-border governance architecture. The framework identifies the main aspects that policy makers should consider when establishing or reinforcing existing cross-border co-operation initiatives. The tool serves as a self-assessment checklist, offering a comprehensive list of over 140 elements relevant to establishing, operating, monitoring, and evaluating effective cross-border governance systems.

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## Introduction

This cross-border governance framework and assessment tool are designed for use by national and subnational governments that are interested in establishing or reinforcing their cross-border governance architecture. The cross-border governance framework identifies the main aspects that policy makers should consider when establishing or reinforcing existing cross-border co-operation initiatives. These range from defining the purpose of enhanced cross-border co-operation, to strategic planning for transboundary development. They also include mobilising funding and financing for cross-border governance bodies and actions, as well as building political support for addressing shared cross-border challenges.

The cross-border governance tool builds on the framework and provides policy makers with a series of practical recommendations to:

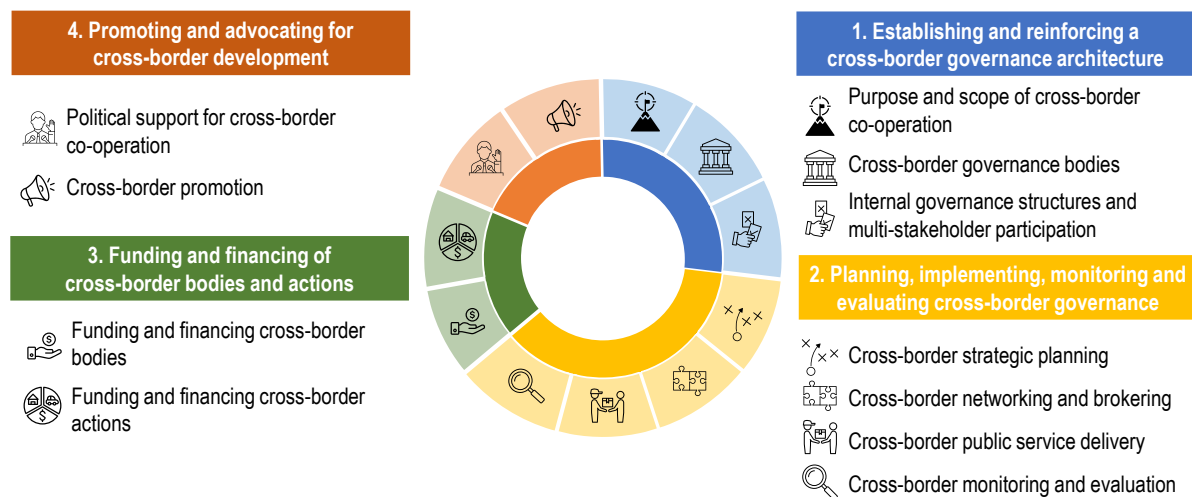
- **Assess the need for cross-border co-operation** and determine how to establish, organise and reinforce cross-border governance bodies.
- **Design, implement, monitor and evaluate strategic planning documents** that guide the actions of cross-border governance bodies and their partners.
- **Ensure sustainable funding and financing** for cross-border governance bodies and actions that can adapt to changing needs and circumstances.
- **Effectively promote and advocate** for the needs and interests of cross-border regions.

The tool can also be used by non-governmental actors, including academic institutions and civil society organisations. For example, academic institutions could use this tool to contribute to the design of cross-border development strategies, assess whether cross-border co-operation bodies are meeting their objectives, and support the creation and operation of cross-border observatories. Similarly, civil society organisations could leverage the tool to advocate for an increased contribution by non-governmental actors to the work of cross-border governance bodies. For instance, they could be allowed to co-develop cross-border projects. As such, the tool can be deployed as a resource that helps include diverse community needs and voices in cross-border activities.

## A framework for cross-border governance

The OECD Cross-border Governance Framework identifies four complementary dimensions: 1) establishing and reinforcing a cross-border governance architecture; 2) planning, implementing, monitoring and evaluating cross-border co-operation initiatives; 3) funding and financing cross-border bodies and actions; and 4) promoting and advocating for cross-border development. Each dimension includes one or more development areas (Figure A A.1).

Figure A A.1. Cross-border governance framework



Source: Author's elaboration.

### *Dimension 1: Establishing and reinforcing a cross-border governance architecture*

This dimension has three development areas:

- **Purpose and scope of cross-border co-operation:** Several conditions need to be in place before an informed decision can be made about the need to establish or reinforce a cross-border governance architecture. For instance, it is essential for policy makers to develop a robust, shared understanding of the cross-border region's challenges and opportunities. Furthermore, there should be consensus on whether the identified challenges or opportunities can be more effectively addressed through cross-border co-operation or existing national or subnational governance structures. Fulfilling these pre-conditions can help policy makers make an informed decision about the need for, or scope of, enhanced cross-border co-operation mechanisms.
- **Cross-border governance bodies:** This development area considers the different steps required to establish a cross-border governance body. Governance bodies that can support cross-border co-operation within the EU include EGTCs, Euroregional Co-operation Groupings (EGCs), cross-border working communities, Eurocities and Eurodistricts. This development area helps policy makers understand the process through which they can select a legal body for cross-border co-operation that is most in line with their territorial needs, objectives and available resources for cross-border co-operation.
- **Internal governance structures and multi-stakeholder participation:** The way in which internal cross-border governance structures are set up can affect decision-making on cross-border issues. This development area focuses on the various steps involved in establishing different types of internal governance structures (e.g. assembly, office of the presidency), deciding which actors should have a voice within the cross-border co-operation body, who should be able to make decisions, and how those decisions should be made. This development area also considers ways in which governance and decision-making structures can be adapted over time in order to suit evolving needs and priorities.

## ***Dimension 2: Planning, implementing, monitoring and evaluating cross-border governance***

This dimension includes four development areas:

- **Strategic planning for cross-border development:** This development area presents various ways in which policy makers can support strategic planning for cross-border development, ranging from creating comprehensive cross-border development strategies, to integrating a cross-border perspective into existing regional and/or local development plans. It also includes recommendations for policy makers in terms of defining their cross-border strategic planning needs, and elements to consider for the design and implementation of cross-border development strategies and action plans.
- **Cross-border networking and brokering:** Many cross-border governance bodies work as brokers of cross-border contacts, building trust among actors and supporting the co-ordination and co-operation of cross-border initiatives. This development area outlines steps that policy makers can take in order to establish cross-border networking and brokering activities (e.g. strategic relationship building and knowledge sharing). It also identifies steps that cross-border co-operation bodies can take to build their internal capacity to lead cross-border networking and brokering initiatives.
- **Cross-border public service delivery:** This development area lays out a series of critical considerations for cross-border regions interested in providing new cross-border services or enhancing the delivery of existing ones (e.g. public transport). It looks at issues such as defining the need for cross-border service delivery, the specific services that will be provided in the short- mid- and long-term, as well as the delivery models and funding mechanisms. It also addresses the need to assess whether legal and regulatory frameworks allow for, or are conducive to, cross-border public service delivery.
- **Cross-border monitoring and evaluation:** Robust monitoring and evaluation mechanisms and practices are essential for cross-border co-operation. For example, they can provide data that help policy makers assess project effectiveness and make informed decisions, for example, to adjust resource allocation. This development area identifies several elements to consider by cross-border policy makers involved in designing and implementing monitoring and evaluation activities. This includes clearly defining monitoring and evaluation goals and objectives (i.e. what should be tracked). It also includes ensuring that monitoring and evaluation findings are used effectively to support cross-border decision making.

## ***Dimension 3: Funding and financing cross-border bodies and actions***

This dimension has two development areas:

- **Funding and financing for cross-border governance bodies:** This development area identifies actions for policy makers to consider when deciding on the cross-border governance body's funding model. These include accurately assessing and costing the human resources and operational expenses required to sustain the activities of the governance body. They also include determining an equitable and clear mechanism to set membership fees, and periodically reviewing them.
- **Funding and financing for cross-border actions:** Cross-border co-operation bodies often turn to Interreg funding to implement projects (OECD, 2023<sup>[1]</sup>). However, there are many other funding and financing mechanisms available to them (e.g. a wide range of other EU programmes, project calls organised by national and subnational governments, private sector contributions and bank loans). This development area can guide the efforts of cross-border policy makers to mobilise and diversify funding and financing for cross-border action. It also lays out a wide range of EU funding

and financing mechanisms that could be tapped into, and details other non-EU funding and financing opportunities.

#### *Dimension 4: Promoting and advocating for cross-border development*

This dimension has two development areas:

- **Political support for cross-border co-operation:** This development area can help policy makers navigate different political challenges that can impede cross-border development, including the waxing and waning of political interest in cross-border co-operation, as well as a frequent loss of institutional knowledge on cross-border needs, priorities and efforts due to regular elections. In recognition of these challenges, the development area includes differentiated recommendations to (re)build political awareness of and support for cross-border co-operation among both newly-elected and incumbent politicians.
- **Cross-border promotion:** Promoting cross-border areas can have multiple benefits, from economic (e.g. to attract additional business investment or tourists) to cultural (e.g. to foster a stronger sense of cross-border identity). This development area looks at the steps that policy makers can take to: (i) identify their cross-border promotion needs and goals; and (ii) develop and implement a cross-border promotion plan.

### **The cross-border governance assessment tool**

The cross-border governance tool serves as a self-assessment checklist, offering a comprehensive list of elements relevant to establishing, operating, monitoring, and evaluating effective cross-border governance systems.

Different dimensions and development areas within the tool may serve cross-border regions at different stages of their co-operation. For example, regions that are in the early stages of establishing cross-border co-operation may find Dimension 1, Establishing and reinforcing cross-border governance bodies, to be most relevant. Conversely, for governance bodies that have been operational for some time, Dimension 3, Funding and financing cross-border bodies and actions, and Dimension 4, Promoting and advocating for cross-border development, may be more pertinent as they seek to secure sustainable funding and reinvigorate political support for cross-border co-operation.

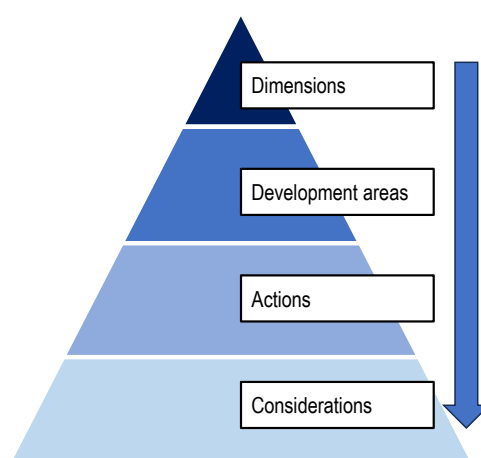
Moreover, while some development areas, such as strategic planning and stakeholder engagement, are relevant for all cross-border regions, others—such as providing cross-border public services – may depend on a region’s specific needs and goals. Similarly, while several development areas propose specific actions and considerations related to establishing and operating cross-border governance bodies, most of the elements covered by the tool are also relevant for cross-border regions that may not have a dedicated cross-border governance body.

This flexibility means that policy makers can use the entire tool as a comprehensive resource or focus on specific dimensions or development areas that are most relevant to their particular cross-border co-operation needs. It also means that this tool should not be used as a prescriptive or a one-size-fits-all template, but rather as a versatile resource that can assist cross-border regions in adapting to their unique challenges and opportunities.

#### *Structure of the cross-border governance tool*

The tool is divided into four broad governance dimensions, development areas, actions and considerations, as illustrated in Figure A A.2.

Figure A A.2. Structure of the cross-border governance tool



Source: Author's elaboration.

- **Dimensions:** This tool covers the four governance dimensions presented above. Taken together, they can guide policy makers through critical elements for setting up and managing cross-border governance arrangements, including cross-border governance bodies.
- **Development areas:** Each dimension identifies two or more development areas. Each development area includes a description of key elements that policy makers could consider when aiming to establish or reinforce cross-border governance and proposes an overall goal that can guide the actions of policy makers.
- **Actions:** Under each development area, the tool proposes different actions that can help cross-border regions achieve the goal.
- **Considerations:** For each action, the tool proposes a series of considerations for steps that policy makers could take, depending on their governance needs, the development context, etc.

The check and comment boxes included in the action tables can help policy makers visualise progress, track adjustments in strategic approaches, and focus on the dimensions and goals that require particular attention.

## Dimension 1: Establishing and reinforcing a cross-border governance architecture

This dimension includes three development areas: i) purpose and scope of cross-border co-operation; ii) cross-border governance bodies; and iii) internal governance structures and multi-stakeholder participation.

### ***Development area 1: Purpose and scope of cross-border co-operation***

*Goal: To define the purpose and scope of enhanced cross-border co-operation, building on a robust assessment of cross-border challenges and opportunities*

In recent decades, many cross-border regions in the EU have set up co-operation initiatives to address shared challenges such as limited access to public services, congestion, pollution, labour market inequalities, and disaster management. For instance, 90 European Groupings of Territorial Co-operation (EGTCs) have been established to date, ten of which have been created since 2021. This points to a continued interest across European regions in creating new cross-border governance bodies (European Parliament, 2024<sup>[2]</sup>; European Committee of the Regions, 2024<sup>[3]</sup>). Simultaneously, regions may pursue enhanced cross-border co-operation without establishing dedicated cross-border co-operation bodies.

Successfully addressing cross-border challenges, such as those mentioned above, often requires overcoming significant obstacles. These can include differences in legislation and regulations, in the responsibilities assigned to levels of government and in culture. Moreover, it takes time to establish cross-border governance bodies and build trust among cross-border actors. This means that for cross-border co-operation initiatives to be successful, policy makers should adopt a long-term perspective. It also means that enduring commitments from successive government administrations are necessary.

Therefore, when considering the need for enhanced cross-border co-operation, it is essential for the involved policy makers to develop a robust understanding of the cross-border challenges affecting the region. Similarly, policy makers should have a clear sense of the opportunities that strong cross-border co-operation might bring to the region (e.g. building economies of scale, improving public service delivery).

The following proposed actions can help cross-border regions create a shared, evidence-informed understanding of the need for enhanced cross-border co-operation. This forms the basis for defining clear cross-border co-operation objectives. The actions could help policy makers ensure that the groundwork for co-ordination and co-operation is based on mutual understanding of cross-border challenges and opportunities and buy-in, but also resilient enough to withstand shifting political landscapes.

The proposed actions (Table A A.1. ) are particularly relevant to cross-border regions that do not yet have formal cross-border governance bodies. They may, however, also be relevant to existing cross-border co-operation initiatives that are keen to revisit and refine their overall goals.



Table A A.1. Proposed actions and considerations for development area 1

Actions	Considerations	Checklist	Comments
Define the need for cross-border co-operation	<b>Establish a political steering group</b> (e.g. composed of representatives of local, regional and/or national government bodies) that can help to explore the need for enhanced cross-border co-operation and guide the creation of cross-border governance mechanisms, if deemed opportune.	<input type="checkbox"/>	
	<b>Assess the policy and service challenges facing the cross-border region</b> (e.g. congestion, pollution, limited access to specific public services), their root causes and effects (e.g. on specific sectors, actors).	<input type="checkbox"/>	
	<b>Assess the opportunities that can stem from enhanced cross-border co-operation</b> (e.g. to increase trust among cross-border actors; generate economies of scale to improve public service delivery; boost the region's attractiveness to talent, visitors and investment)	<input type="checkbox"/>	
	<b>Map previous or existing formal and informal cross-border co-operation initiatives</b> , including their objectives, achievements, etc.	<input type="checkbox"/>	
	<b>Map the public and non-governmental actors at the national, regional and local levels</b> (e.g. municipalities, regional business associations, civil society organisations, academic institutions) that could help address the identified cross-border challenge and identify their relevant competences.	<input type="checkbox"/>	
	<b>Determine whether enhanced cross-border co-operation is likely to offer better solutions to the identified challenge(s) than those that can be offered through existing governance mechanisms.</b> For example, the creation of a cross-border hospital in an underserved border region may be a more cost-efficient solution than creating medical centres on each side of the border.	<input type="checkbox"/>	
	Based on the assessments and mapping, <b>establish</b> : <ul style="list-style-type: none"> <li>- <b>A shared understanding of the cross-border challenges and opportunities</b> for enhanced cross-border co-operation;</li> <li>- <b>A mandate to take further action</b> (e.g. to establish or strengthen a cross-border governance body);</li> <li>- <b>An agreement regarding the territorial scale of the cross-border co-operation</b>;</li> <li>- <b>An agreement regarding the actors to be involved</b> in setting up a cross-border governance mechanism.</li> </ul>	<input type="checkbox"/>	
Define the objectives for enhanced cross-border co-operation	<b>Propose general, long-term objectives of enhanced cross-border co-operation.</b>	<input type="checkbox"/>	
	<b>Invite relevant public and non-governmental actors</b> (e.g. representatives from the private sector, civil society organisations, academia, thematic experts) to comment on and/or propose new objectives in order to include different perspectives and experiences, and build ownership of the initiative.	<input type="checkbox"/>	
	<b>Confirm (e.g. within the political steering group) the overall, long-term objectives of enhanced cross-border co-operation</b> , building on the feedback from relevant public and non-governmental actors.	<input type="checkbox"/>	

Source: Author's elaboration.

## **Development area 2: Cross-border governance bodies**

*Goal: To establish cross-border governance bodies that can help address shared cross-border challenges and opportunities.*

Before establishing a cross-border co-operation initiative to address particular development challenges, it is essential to first consider which governance mechanism(s) would be most suitable to achieving their joint objectives. There are two particularly important elements for policy makers to consider. First, they need to assess which type of governance arrangements are most suitable for reaching the cross-border region's objectives. One possibility is to establish a cross-border governance body. However, establishing such a body is not essential for successful co-operation; across the EU, there are numerous examples of alternative governance mechanisms that have been set up to support the achievement of cross-border goals. For instance, many cross-border public services are provided by networks involving national and local government bodies and service providers (Zillmer, 2024<sup>[4]</sup>).

Second, in case a decision has been reached to create a cross-border governance body, the relevant cross-border partners should decide on the most appropriate type of body through which cross-border activities (e.g. projects, investments) can be carried out. Governance bodies that support cross-border co-operation within the EU include EGTCs, EGCs, cross-border working communities, Eurocities and Eurodistricts (European Union, 2008<sup>[5]</sup>). This selection process can be followed by adopting a founding document (e.g. a constitution) that can guide cross-border action.

The decision regarding which type of cross-border governance body to establish can be influenced by several factors. For instance, it can depend on the purpose of cross-border co-operation as defined by involved partners, levels of political commitment and available human and financial resources. The process of developing a founding document may also depend on EU- or national-level requirements, co-operation objectives and the range of tasks that partners wish to attribute to a cross-border co-operation body.

As such, when establishing cross-border governance bodies, policy makers may wish to conduct background research on the suitability and feasibility of different governance bodies that could be established, based on the framework conditions of the cross-border region. Moreover, once a body has been set up, it is also important to ensure that the drafting of its founding document complies with legal requirements and fulfils the agreed-upon objectives of all partners. This can help to create a stable basis for long-term co-operation.

The following proposed actions (Table A A.2. ) can help guide policy makers through the process of establishing a cross-border governance body. They may be particularly useful for cross-border actors that have already defined the scope and purpose of expected cross-border co-operation within a region, but that have not yet developed, or are seeking to amend, the legal basis for such co-operation to take place.

Table A A.2. Proposed actions and considerations for development area 2

Actions	Considerations	Checklist	Comments
<b>Determine appropriate governance mechanisms to address shared needs</b>	<b>Consider establishing a technical working group</b> (e.g. comprised of representatives of the relevant national and subnational governments, including legal experts) dedicated to providing research and recommendations on prospective governance models for enhanced cross-border co-operation.	<input type="checkbox"/>	
	<b>Assess which governance mechanisms could be used or set up to address the region's cross-border challenges and opportunities.</b> These could include cross-border governance bodies such as EGTCs. They could also include a network model in which existing institutions and governance structures collaborate, for instance to deliver a cross-border public service (e.g. healthcare), or relatively light form of intergovernmental co-ordination (e.g. through a periodic cross-border conference). The assessment could take into account: <ul style="list-style-type: none"> <li>- <b>National and international frameworks for setting up cross-border governance mechanisms.</b> For example, in addition to the EU (see EGTCs), some countries have created special legal mechanisms to institutionalise cross-border co-operation;</li> <li>- <b>Suitability of different governance mechanisms</b> (e.g. network model, EGTC, EGC) based on the framework conditions of the cross-border region (e.g. cross-border objectives, territorial scale, involved partners);</li> <li>- <b>Financial and human resources required</b> for establishing and operating the different governance mechanisms;</li> <li>- <b>Legal requirements</b> for establishing and operating the different governance mechanisms;</li> <li>- <b>Experiences/lessons learned from other cross-border regions.</b></li> </ul>	<input type="checkbox"/>	
	<b>Decide on whether to pursue the establishment of a cross-border governance body (or bodies)</b> (e.g. through a vote among founding members).	<input type="checkbox"/>	
<b>Develop and adopt a constitution for the cross-border co-operation body/ies</b>	If a decision has been made to establish a cross-border governance body, <b>develop a draft constitution for the body</b> to be reviewed by involved partners. This document could include guidance on how potential conflict among co-operating partners will be managed. The constitution could be periodically reviewed to assess whether it remains well-aligned with cross-border needs and if modifications are necessary.	<input type="checkbox"/>	
	<b>Submit the constitution for approval</b> by local, regional and national government authorities, as applicable.	<input type="checkbox"/>	
	<b>Register the cross-border co-operation body (e.g. EGTC, EGC) at the subnational, national and/or international levels</b> , e.g. by using the EGTC registration guidelines developed by the European Commission.	<input type="checkbox"/>	

Source: Author's elaboration.

### ***Development area 3: Internal governance structures and multi-stakeholder participation***

*Goal: To set up or reinforce internal governance and stakeholder participation structures that support effective decision making on cross-border issues*

When establishing a cross-border governance body, policy makers need to think about the governance structures that can help relevant actors make timely and effective decisions on transboundary issues. Such structures influence which actors have a voice, who can make decisions, how those decisions are made, and importantly, how votes are distributed among co-operating partners.

In this regard, several steps can be envisaged. First, policy makers may need to review any specific legal requirements for governance structures. For instance, the EU Regulation on a European Grouping of Territorial Cooperation requires an EGTC to establish: i) a representative assembly of EGTC members and ii) a director to act on its behalf (EUR-Lex, 2014<sup>[6]</sup>).

Second, once legal requirements are defined, policy makers need to decide which type(s) of internal governance bodies to establish. They should also determine what human and financial resources are needed and available for their effective operation. Typically, several types are formed: executive bodies (e.g. a political director or presidency office); representative bodies (e.g. assemblies of elected officials); administrative bodies (e.g. a technical staff secretariat); and consultative bodies (e.g. working groups or advisory councils), each of which can support the cross-border agenda in unique ways (European Union, 2008<sup>[5]</sup>).

Third, policy makers need to consider multi-stakeholder participation in governance bodies. This involves determining how decision making among the founding members will be organised, for example on a parity basis or based on the population size of member territories. It also requires making decisions about the involvement of external actors in the work of the cross-border governance body. This can imply identifying which actors to involve and the means through which they may participate (e.g. in working groups or a non-governmental actor forum).

The following proposed actions (Table A A.3. ) can be particularly helpful for policy makers who are in the process of establishing a cross-border governance body, and are also considering elements such as how governance and decision-making structures should be organised. They may also be useful for policy makers that have established governance and decision-making structures but are considering amending them.

Table A A.3. Proposed actions and considerations for development area 3

Actions	Considerations	Checklist	Comments
<b>Establish governance and decision-making structures</b>	<b>Identify possible or mandated cross-border governance and decision-making structures</b> , e.g. in the case of establishing an EGTC, the relevant EU regulation mandates that a representative governance body, such as an assembly, must be established.	<input type="checkbox"/>	
	<b>Prepare an assessment of:</b> <ul style="list-style-type: none"> <li>- Any legal requirements linked to the establishment of various cross-border governance and decision-making structures;</li> <li>- Possible governance structures that could be established (e.g. assembly, executive council);</li> <li>- What their respective tasks and responsibilities could be;</li> <li>- The financial and human resource capacities required to support them over time;</li> <li>- Which governmental and non-governmental actors to invite to join the different structures;</li> <li>- How decision making within the governance structures could be organised (e.g. majority or supra-majority voting);</li> <li>- If and how the presidency of the governance body could rotate among its key founding partners to ensure a balanced and equitable leadership approach that reflects the diverse interests, perspectives and financial contributions of participating partners and fosters ownership;</li> <li>- What mechanisms could be used to ensure compliance with the body's regulations, division of tasks and responsibilities among members, etc.</li> </ul>	<input type="checkbox"/>	
	<b>Present the findings of the assessment, for discussion and critical review among founding partners.</b>	<input type="checkbox"/>	
	<b>Develop a final proposal for how cross-border governance and decision-making structures could be organised</b> , subject to approval by the founding partners. This could include developing statutes that outline the tasks and responsibilities of various bodies, the resources that will enable them to fulfil their responsibilities, as well as cross-border decision-making modalities.	<input type="checkbox"/>	
<b>Ensure continued relevance and functioning of governance and decision-making structures</b>	<b>Hold periodic meetings to review whether the governance and decision-making structures are functional and have added value, and whether adjustments or reforms need to be made.</b>	<input type="checkbox"/>	

Source: Author's elaboration.

## Dimension 2: Planning, implementing, monitoring and evaluating cross-border governance

This dimension includes three development areas: i) strategic planning for cross-border development; ii) cross-border networking and brokering; cross-border public service delivery; and iii) cross-border monitoring and evaluation.

### *Development area 4: Cross-border strategic planning*

*Goal: To adopt and implement strategic planning documents that enable public and non-governmental actors to address shared cross-border challenges and opportunities*

Good-quality strategic planning is an important mechanism to support effective cross-border co-operation for a number of reasons. First, it can serve as a roadmap for joint action by setting clear objectives. Second, it can support an effective allocation of resources (e.g. human, financial). Third, it can provide a benchmark against which performance can be measured. Fourth, it can create a reference point for long-term engagement, partnership, and investment.

A wide range of approaches to strategic planning are available to cross-border policy makers. These range from designing a fully-fledged, integrated cross-border development plan, to embedding a cross-border perspective into existing planning documents (e.g. regional or municipal development plans). Which approach to take depends on many factors, including the overall objective of cross-border co-operation, and whether existing national, regional, local or cross-border development plans reflect and address cross-border challenges. It also depends on the human and financial resources available to design and implement a cross-border strategic planning document.

The effectiveness of strategic planning for cross-border development rests on more than just the type of strategic planning document adopted (e.g. integrated cross-border development strategy, organisational development strategy). It also relies on its quality (e.g. the clarity of its objectives and targets) and the extent to which relevant stakeholders were engaged in its design.

The following actions and considerations (Table A A.4. ) can be useful for regions interested in establishing new cross-border governance mechanisms, for example by providing guidelines to determine the most suitable approach to cross-border strategic planning. In addition, they can be valuable for regions with established governance frameworks, for instance to help them review and strengthen existing cross-border strategic planning documents. Finally, they could support proactive communication about key cross-border objectives and how they benefit citizens and businesses.

Table A A.4. Proposed actions and considerations for development area 4

Actions	Considerations	Checklist	Comments
Define strategic planning needs and capacities	<b>Map and assess recent cross-border strategic planning initiatives</b> , their objectives, achievements, actors involved in their design and implementation, for example to identify what worked in terms of the design process and their implementation.	<input type="checkbox"/>	
	<b>Assess whether there are international, national or subnational:</b> <ul style="list-style-type: none"> <li>- Rules and regulations regarding the design of strategic planning documents for cross-border development. For example, some countries may require an assessment of the possible cross-border effects of new/adjusted laws, regulations or policies prior to their adoption;</li> <li>- Policy frameworks (e.g. international development agreements) that relate to and could shape cross-border development priorities (e.g. the EU Territorial Agenda 2030).</li> </ul>	<input type="checkbox"/>	
	<b>Map existing strategic planning documents that are relevant to the development of the cross-border region</b> (e.g. national, regional and local development strategies or plans); identify which actors are involved in their design and implementation; assess whether the documents address cross-border challenges and/or propose cross-border actions; and identify any gaps and possible complementarities.	<input type="checkbox"/>	
	<b>Identify national and international good practices related to cross-border strategic planning that could serve as examples, as the co-operating partners decide on their approach to cross-border strategic planning.</b>	<input type="checkbox"/>	
	Based on the mappings, <b>define cross-border strategic-planning needs</b> . This can, for example, include the need for: <ul style="list-style-type: none"> <li>- A high-level, cross-border development vision;</li> <li>- A comprehensive cross-border development strategy;</li> <li>- A spatial development strategy that delineates geographical planning and land use priorities;</li> <li>- A strategy for the cross-border co-operation body (e.g. EGTC).</li> </ul> Cross-border strategic planning needs can depend on several factors, including the purpose and scope of the cross-border co-operation initiative, and whether existing strategic planning documents developed by national and/or subnational governments address cross-border issues.	<input type="checkbox"/>	
	<b>Assess human and financial resources available for cross-border strategy design and implementation.</b> This includes an assessment of the strategic planning skills and expertise, and staff time available (e.g. in the cross-border co-operation body) to guide strategic planning and implementation.	<input type="checkbox"/>	
	<b>Decide on the scope and approach to strategic planning</b> (i.e. which type of planning document(s) to develop), based on identified cross-border strategic planning needs and available resources.	<input type="checkbox"/>	
Develop a robust and realistic strategic planning document	<b>Mobilise external expertise (e.g. from researchers, private consultants) to support the strategy design process, if needed.</b>	<input type="checkbox"/>	
	<b>Engage relevant public and non-governmental actors in the strategy design process</b> to obtain relevant information and perspectives, while building awareness of the strategy and ownership of the final planning document.	<input type="checkbox"/>	
	<b>Conduct a development diagnostic.</b> This typically involves a qualitative and quantitative assessment of the current economic, social, environmental and/or organisation conditions (depending on the type of strategic planning document).	<input type="checkbox"/>	



	<b>Develop a focused results framework</b> that identifies objectives, lines of action, and proposes ambitious, yet realistic targets and indicators, for example using the S.M.A.R.T. and R.A.C.E.R. criteria.	<input type="checkbox"/>	
	<b>Ensure alignment and complementarity with existing strategic planning documents</b> (e.g. international, national, regional and local strategies for territorial development, sector development plans).	<input type="checkbox"/>	
	<b>Develop an implementation plan</b> that identifies the actors that will contribute to implementing the planning document, their relevant competences and the type of contribution they could make (e.g. financial, in kind).	<input type="checkbox"/>	
	<b>Identify sources to fund and finance the initiatives that support strategy implementation</b> (e.g. membership fees, grants, loans), clearly differentiating between sources of funding that are already secured and those that are more uncertain, for example because they need to be mobilised through competitive grants.	<input type="checkbox"/>	
	<b>Develop a monitoring and evaluation plan</b> , identifying the frequency of monitoring and evaluation activities and how the gathered information will be used.	<input type="checkbox"/>	
<b>Proactively communicate about the strategy to key audiences</b>	<b>Ensure the strategy is publicly available</b> , for example on the websites of the cross-border co-operation body (e.g. EGTC) and its founding members.	<input type="checkbox"/>	
	<b>Prepare an executive summary of the strategy that can be easily communicated to key audiences</b> (e.g. newly elected officials) and uses easy-to-understand language.	<input type="checkbox"/>	
	<b>Regularly prepare and disseminate communication material about the strategy to key audiences.</b> The messages can, for example, refer to specific objectives or lines of action, highlighting how they seek to improve the lives and livelihoods of cross-border communities and businesses. This also includes identifying strategic channels of communication (e.g. websites, newsletters, social media).	<input type="checkbox"/>	
<b>Convert strategic objectives into concrete action plans</b>	<b>Develop annual action plans that convert strategic objectives into concrete actions</b> , clearly assign responsibilities, draft a budget, and propose metrics to track progress. Ensure that cross-border action plans are aligned with action plans of its founding partners and other relevant actors.	<input type="checkbox"/>	
<b>Support strategic planning activities of relevant public bodies to advance cross-border development objectives</b>	<b>Identify strategic planning documents (e.g. national, regional or local development strategies) that could benefit from a strengthened cross-border development perspective</b> (e.g. identify how the influx of cross-border workers could be affected by a national or regional labour market or skills policy).	<input type="checkbox"/>	
	<b>Identify opportunities to provide input during the design phase of relevant strategic planning documents</b> (e.g. municipal development plan) to ensure they effectively incorporate a cross-border perspective. This could be achieved by sharing evidence of cross-border challenges and opportunities, highlighting the outcomes of previous initiatives, and demonstrating the costs of inaction on specific issues.	<input type="checkbox"/>	
	Depending on the strategic planning needs of the cross-border region, <b>convene relevant authorities to conduct joint cross-border planning exercises</b> , for example to design an integrated cross-border spatial development plan.	<input type="checkbox"/>	
	<b>Encourage peer reviews of draft strategic plans (e.g. municipal development plan) by subnational governments located on opposite sides of the border.</b> This could foster diverse perspectives and align objectives.	<input type="checkbox"/>	

Source: Author's elaboration.

### ***Development area 5: Cross-border networking and brokering***

*Goal: To broker cross-border contacts and information sharing, in order to support relationship-building, knowledge-building, and implementation of cross-border initiatives*

One of the key objectives of many cross-border co-operation bodies is to facilitate networking among public and non-governmental actors in the cross-border region and serve as a broker of contacts and information. This role is important for building trust among actors on both sides of the border, and to support co-ordination and co-operation on cross-border initiatives.

Cross-border networking and brokering can include different tasks, such as: i) facilitating contact and exchange between actors (both public and non-governmental); and ii) facilitating flows of information (e.g. on different regulations, assignment of responsibilities of different levels of government). Such tasks may either support cross-border co-operation in a broad sense (e.g. by promoting relationship-building and knowledge sharing between cross-border actors), or by being supportive of specific sectoral objectives (e.g. securing regulatory change to support cross-border service delivery in a specific area).

The following proposed actions (Table A A.5. ) can be useful for actors involved in newly established cross-border co-operation bodies that are interested in learning more about how to set up effective cross-border networking and brokering activities. They may also be useful for actors from well-established cross-border co-operation bodies keen to consider ways to improve the effectiveness of their cross-border networking and brokering activities.

Table A A.5. Proposed actions and considerations for development area 5

Actions	Considerations	Checklist	Comments
<b>Define cross-border networking and brokering activities</b>	<b>Map possible cross-border networking and brokering opportunities that could support the strategic priorities of the cross-border governance body</b> , along with tasks and responsibilities for specific actors to support the implementation, monitoring and evaluation of these activities. Such activities could include: <ul style="list-style-type: none"> <li>- Collecting and disseminating information for cross-border actors on the tasks and responsibilities of different levels of government in areas where obstacles to cross-border co-operation exist;</li> <li>- Collecting and disseminating information for cross-border actors on divergent regulations on different sides of the border that present obstacles to cross-border co-operation;</li> <li>- Organising networking events for cross-border actors (both public and non-governmental);</li> <li>- Establishing a hotline for cross-border actors (both public and non-governmental), in order to help them identify institutions and actors that they can reach out to in order to resolve specific cross-border issues.</li> </ul>	<input type="checkbox"/>	
	<b>Follow up with actors from relevant levels of government on the implementation of cross-border decisions</b> (e.g. by providing them with tailored information regarding the cross-border decision, and the specific actions and resources that are required to ensure its implementation).	<input type="checkbox"/>	
	<b>Prepare an annual report on how cross-border networks and actively brokering cross-border relationships</b> have supported the implementation of transboundary decisions.	<input type="checkbox"/>	
<b>Build internal capacity to undertake cross-border networking and brokering activities</b>	<b>Conduct a cross-border employee training needs assessment to identify any knowledge or skills gaps</b> that could hinder their ability to serve as a broker for cross-border relationships and interests (e.g. language, communication skills).	<input type="checkbox"/>	
	<b>Where gaps are identified, provide learning opportunities to upskill staff</b> (e.g. language training, online training modules, peer-to-peer learning opportunities).	<input type="checkbox"/>	
	<b>Periodically review skill needs to undertake cross-border networking and brokering</b> (e.g. if new employees are onboarded) and provide upskilling opportunities as necessary.	<input type="checkbox"/>	

Source: Author's elaboration.

## ***Development area 6: Cross-border public service delivery***

*Goal: To provide cross-border public services that meet the needs of residents and businesses*

In recent decades, many cross-border regions in Europe have started delivering cross-border public services. As of May 2022, data suggest that 1 551 cross-border public services are being delivered across the EU (ESPON, 2022<sup>[7]</sup>).

The reasons for delivering cross-border public services can be manyfold. For example, cross-border public service delivery can enhance accessibility of public services to un- or under-served territories and population groups. Cross-border public service delivery can also increase the affordability of services, through economies of scale. Cross-border public services are most frequently provided in specific sectors such as public transportation (61.5%), environmental protection and civil protection (8.6%) and disaster management (8.5%), which have recorded the greatest number of cross-border service delivery initiatives in Europe. An important share of initiatives also target education and healthcare (ESPON, 2022<sup>[7]</sup>).

It is important for policy makers wishing to initiate or enhance cross-border public service delivery to reflect on different elements. First, it is essential to define the need for, or opportunity, offered by the delivery of one or more cross-border services. It is also important to develop a robust understanding of the obstacles to public service delivery, which can range from legal or regulatory and physical, to cultural and economic reasons. Second, once an agreement has been reached about providing public service(s) on a cross-border basis, policy makers need to assess if there is a business case, and if so, carefully define the short-, mid- and long-term objectives. These objectives may be different as regions may want to start delivery through a pilot project and gradually expand the scope and type of services on offer (ESPON, 2018<sup>[8]</sup>).

Third, policy makers need to carefully assess whether national legislative and regulatory frameworks allow for, or are conducive to, cross-border public service delivery, and what modifications may be needed and which actors can make or authorise such changes. Fourth, policy makers should define the specific services that will be provided, the beneficiaries (both in terms of groups and territories), and the payment model. Fifth, they need to decide which organisation will be in charge of delivering services and how such services will be provided. This includes identifying the actors who will be involved in co-ordinating, providing and supervising the service delivery (ESPON, 2018<sup>[8]</sup>).

As cross-border public service delivery is not a linear process and can encompass a wide range of service areas, not all proposed actions (Table A A.6. ) may be equally relevant or applicable to all regions.

Table A A.6. Proposed actions and considerations for development area 6

Actions	Considerations	Checklist	Comments
Agree on which public services to provide on a cross-border basis and set overall service objectives	Agree on which cross-border public services to provide, if at all (e.g. [public] transportation, civil protection, education, healthcare, environmental protection, economic development). This could be based on an evidence-based assessment of the key service delivery challenges, their root causes and effects (e.g. on specific services, sectors, communities, etc.).	<input type="checkbox"/>	
	Identify possible solutions to meet the identified cross-border public service delivery needs, e.g. by delivering public services on a cross-border basis or through national or local service delivery mechanisms.	<input type="checkbox"/>	
	Define where the cross-border public service(s) will be delivered (e.g. in which part of the region).	<input type="checkbox"/>	
	Define the beneficiaries of the cross-border public service(s). These can include, for example: cross-border workers, people requiring medical care, students, businesses, tourists.	<input type="checkbox"/>	
	Formulate expected results for the short, medium and long terms.	<input type="checkbox"/>	
	Identify the public and/or non-governmental actors that can support the delivery of the cross-border service(s) and map their competences.	<input type="checkbox"/>	
	Set expectations of decision makers in terms of the support (political, financial, human, material) needed in the short, medium and long term to increase the possibility for continued quality cross-border service delivery.	<input type="checkbox"/>	
Assess and promote strengthening relevant legal and regulatory frameworks	Assess relevant national, subnational and EU-level legislation and regulations affecting the delivery of the proposed cross-border service(s). This is to identify, for example, whether cross-border public service delivery is permitted as well as any service standards and/or requirements.	<input type="checkbox"/>	
	Identify whether adjustments to the legal and regulatory framework are necessary to support cross-border public service delivery, and which actors can make such changes.	<input type="checkbox"/>	
	Lobby for legal or regulatory changes that can support cross-border public service delivery.	<input type="checkbox"/>	
Decide on the organisation and delivery of the cross-border public service(s)	Define the involved public bodies and their responsibilities, e.g. which body/bodies (e.g. national, regional or local governments, EGTCs) will co-ordinate the delivery of the service(e.g. by local service providers), deliver the service(s), provide supervision, etc.	<input type="checkbox"/>	
	Define the cross-border service delivery model. For example, cross-border healthcare services could be delivered in a hospital, through mobile clinics or via digital platforms. It may also be beneficial to start with a pilot project and, based on lessons learned, gradually expand service provision.	<input type="checkbox"/>	
	Define the model for funding and financing the cross-border public service(s). This includes reflecting on: <ul style="list-style-type: none"> <li>- Whether the service(s) will be free for users and, if so, for which users (e.g. permanent or temporary residents);</li> <li>- The costs for establishing/upgrading the service delivery mechanisms;</li> <li>- The costs for maintaining service delivery capacity over time.</li> </ul>	<input type="checkbox"/>	
	Decide on legal and fiscal matters, e.g. in which country income, VAT and other taxes will be paid.	<input type="checkbox"/>	
	Define the tools and infrastructure needed for the delivery of the cross-border public services. Both "hard" (e.g. roads, energy grid) and "soft" infrastructure (e.g. human resources) may be required.	<input type="checkbox"/>	

Source: Author's elaboration.

## **Development area 7: Cross-border monitoring and evaluation**

*Goal: To ensure that monitoring and evaluation of cross-border governance, actions and development trends takes place, and evidence is used to improve performance*

Robust, outcome-oriented monitoring and evaluation frameworks are crucial for the success of cross-border co-operation initiatives for a number of reasons. They can provide governments with data to assess the effectiveness of projects and help policy makers make informed adjustments, for example to meet changing needs. By providing evidence about the benefits of cross-border actions or shining a spotlight on areas that need attention, monitoring and evaluation can help shore up support for cross-border co-operation. Moreover, making monitoring and evaluation data publicly available can enhance transparency in public action (including spending), strengthen accountability, and help build trust in cross-border action.

When designing their monitoring and evaluation approach, cross-border co-operation bodies and their partners can consider several steps. First, it is important for them to define their monitoring and evaluation goals and what criteria to track. This can include the implementation of a strategic planning document (e.g. integrated cross-border development strategy), cross-border development trends (e.g. cross-border labour mobility, pollution), or cross-border service delivery (e.g. access and quality of public services provided).

Second, cross-border co-operation bodies and their partners should critically assess the human, financial, and material resources (e.g. IT resources) necessary and available to ensure quality and sustained monitoring and evaluation. For instance, increasing the availability of comparable local level data (e.g. on economic, social and demographic indicators) may require stable funding to work with research institutions.

Third, cross-border co-operation bodies may wish to identify public and non-governmental needs for cross-border data, determine where gaps exist, and explore how they can be bridged. For example, by facilitating collaboration between statistics institutes and research centres, cross-border co-operation bodies can help address challenges related to cross-border data comparability, thereby enhancing the utility of the data collected.

The following actions and considerations (Table A A.7) can be useful for regions interested in establishing new cross-border governance mechanisms or reinforcing existing ones. For example, they can provide guidance on how to ensure that monitoring and evaluation findings are used to improve strategy implementation. The actions and considerations may also help cross-border co-operation bodies identify actions to increase the availability and use of data on cross-border priorities, thereby contributing to better informed cross-border policies and actions.

Table A A.7. Proposed actions and considerations for development area 7

Actions	Considerations	Checklist	Comments
<b>Establish and implement a monitoring and evaluation framework</b>	<b>Identify clear monitoring and evaluation objectives</b> , such as enhancing accountability, ensuring transparency, and supporting evidence-informed decision-making.	<input type="checkbox"/>	
	<b>Define what should be monitored and evaluated, for example:</b> <ul style="list-style-type: none"> <li>- The performance of the cross-border governance body;</li> <li>- The implementation of a cross-border development strategy;</li> <li>- Cross-border development trends across key development areas (e.g. economic, climate, social, innovation ecosystem);</li> <li>- The delivery of cross-border public services.</li> </ul>	<input type="checkbox"/>	
	<b>Define the monitoring and evaluation activities, methodologies, tools and indicators to be used, and set realistic, yet ambitious targets.</b> This should be based on a clear understanding of available and necessary human, financial and material (e.g. IT) resources. Actors involved in carrying out the monitoring and evaluation activities (e.g. by providing or analysing data) should be consulted to ensure the proposed activities, methodologies, tools and indicators are realistic.	<input type="checkbox"/>	
	<b>Provide training for relevant staff (e.g. of a cross-border governance body)</b> to ensure they understand their roles within the monitoring and evaluation framework and are capable of performing them effectively.	<input type="checkbox"/>	
	<b>Integrate a mechanism for the periodic review and refinement of monitoring and evaluation objectives</b> and methods, based on results achieved, and/or new cross-border challenges or opportunities.	<input type="checkbox"/>	
<b>Learn from implementation (through continuous monitoring, mid-term and ex-post evaluation)</b>	<b>Conduct periodic monitoring exercises</b> to learn from strategy/project implementation and/or cross-border public service delivery.	<input type="checkbox"/>	
	<b>Organise regular meetings to discuss monitoring results among relevant technical staff and decision makers</b> to ensure that they are used to improve implementation.	<input type="checkbox"/>	
	<b>Share monitoring results with relevant public and non-governmental stakeholders</b> in order to foster transparency and encourage feedback.	<input type="checkbox"/>	
	<b>If relevant, conduct a mid-term review of the strategy/project to track progress</b> , identify bottlenecks and determine whether the planning document needs to be updated.	<input type="checkbox"/>	
	<b>Share the results of the mid-term review with relevant public and non-governmental stakeholders</b> in order to foster transparency, encourage feedback and generate buy-in for possible adjustments to the strategic planning document.	<input type="checkbox"/>	
	<b>Update the strategic planning document based on the outcomes of the mid-term review</b> , if deemed necessary.	<input type="checkbox"/>	
	<b>Conduct an ex-post evaluation to assess the effectiveness and impact of the strategy or project.</b> The evaluation can provide insights into what worked well, what did not, and steer future planning efforts.	<input type="checkbox"/>	
	<b>Consider applying for a b-solutions project</b> to build a more robust understanding of specific legal or administrative challenges to cross-border co-operation and obtain practical policy recommendations.	<input type="checkbox"/>	
	<b>Assess the specific cross-border data needs of relevant public and non-governmental actors.</b>	<input type="checkbox"/>	



<b>Enhance data collection and use for cross-border governance</b>	<b>Map public and private institutions that produce and manage data relevant to cross-border activities</b> , e.g. national and subnational statistics offices, subnational governments, business chambers, universities.	<input type="checkbox"/>	
	<b>Establish a partnership with relevant institutions</b> to increase the availability, comparability and use of cross-border data for development purposes.	<input type="checkbox"/>	
	<b>Map and assess existing data sets for their quality, accuracy and comparability</b> . This analysis can also help identify critical gaps in data availability and awareness of existing data sets.	<input type="checkbox"/>	
	Based on the mappings, <b>develop a plan outlining specific actions to address the identified data gaps</b> , e.g. by harmonising data collecting techniques, using innovative technologies, or creating a cross-border data observatory.	<input type="checkbox"/>	
	<b>Establish a mechanism to regularly update the data needs assessment</b> to help refine data collection, analysis and dissemination strategies.	<input type="checkbox"/>	
<b>Establish and operate a cross-border observatory</b>	Together with relevant public and private institutions that produce and manage data relevant to cross-border activities, <b>define the objective and scope of a cross-border observatory</b> . This should be based on several elements, including: <ul style="list-style-type: none"> <li>- A data needs and availability assessment;</li> <li>- An assessment of human, financial and material resources needed and available to establish the observatory and ensure its ongoing operation.</li> </ul>	<input type="checkbox"/>	
	<b>Establish the technological and organisational framework needed to collect, analyse and disseminate the data</b> .	<input type="checkbox"/>	
	<b>Develop and implement a robust communication strategy to keep relevant stakeholders informed about the observatory's resources and findings</b> .	<input type="checkbox"/>	
	<b>Design and implement a user-friendly digital platform where data can be easily accessed</b> by a diverse range of users, including policy makers, researchers and the general public.	<input type="checkbox"/>	
	<b>Establish mechanisms to receive feedback from users as a way to identify how to ensure or improve the observatory's continued relevance</b> .	<input type="checkbox"/>	

Source: Author's elaboration.

### Dimension 3: Funding and financing cross-border bodies and actions

This dimension includes two development areas: i) funding for cross-border governance bodies; and ii) funding and financing for cross-border projects.

#### *Development area 8: Funding for cross-border governance bodies*

*Goal: To ensure sustainable and adaptable funding for cross-border governance bodies*

For cross-border governance bodies to be able to carry out their mandate, it is essential that they have sustainable funding to support their day-to-day operations. This includes funding to establish and sustain human (e.g. staff, their skills) and material (e.g. office space) resources and training.

The main source of funding for cross-border governance bodies such as EGTCs tends to be member contributions (OECD, 2023<sup>[1]</sup>). To ensure sufficient and predictable revenues and sustain the capacity of cross-border governance bodies over time, a number of matters need to be considered.

First, cross-border partners should define a clear system for determining membership fees. The statutes of the cross-border governance body can be used to clarify membership fees, for example by establishing the percentages of the total volume of membership fees that each member needs to pay. Second, in order to ensure that the financial capacity of the cross-border governance body can adapt to changing needs, it is important to ensure that membership contributions are periodically revised. Third, cross-border policy makers should also consider mobilising other funding sources to cover staff and operational costs. Examples include operational grants from members and/or external stakeholders (e.g. business associations, national government institutions) and user charges and fees for the delivery of cross-border public services (e.g. transport). Fourth, it is important to develop a multi-year budget to ensure that funding, and member contributions in particular, are sustainable and aligned with projected staffing and operational needs. It can also help to clarify financial expectations for members, for example as regards their financial contributions.

The following actions and considerations (Table A A.8) can be useful for regions interested in establishing new cross-border governance mechanisms. For example, they can provide a structured framework for assessing funding needs and ensuring financial viability, including by ensuring new bodies are well-resourced from the start. The actions can also help existing bodies enhance their financial sustainability, for example by conducting regular reviews of membership contributions and adjusting them to meet changing needs.

Table A A.8. Proposed actions and considerations for development area 8

Actions	Considerations	Checklist	Comments
<b>Assess funding and financing needs of the cross-border governance body</b>	<b>Conduct a needs assessment</b> to identify: <ul style="list-style-type: none"> <li>- Staffing needs: e.g. the number and type of staff needed (e.g. technical, managerial);</li> <li>- Operational needs: i.e. the resources needed to carry out daily operations (e.g. office space, utilities, communication, events, missions) and support services (e.g. legal, financial or IT support).</li> </ul>	<input type="checkbox"/>	
	Based on the above assessment, <b>estimate costs of staff salaries (including other remunerations) and operational spending.</b>	<input type="checkbox"/>	
<b>Identify possible financial and non-financial contributions to meet staffing and operational needs</b>	<b>Map relevant national and international regulations that could affect the funding of cross-border governance bodies.</b> For instance, national regulations on the management of public funding, asset management and taxes may vary.	<input type="checkbox"/>	
	<b>Identify potential sources of funding and financing</b> , including: <ul style="list-style-type: none"> <li>- Operational grants from founding members or external actors;</li> <li>- User charges and fees (e.g. in case cross-border public services are provided);</li> <li>- Asset income (in the event that the cross-border governance body owns physical/financial assets);</li> <li>- National grants for cross-border co-operation;</li> <li>- Bank loans (e.g. EGTCs can obtain commercial loans).</li> </ul>	<input type="checkbox"/>	
	<b>Identify alternative sources to cover staff and operational costs.</b> For example, support staff or experts could be seconded from founding member organisations on a part- or full-time basis.	<input type="checkbox"/>	
<b>Define and periodically review member contributions</b>	Based on estimated needs and costs, <b>propose a fair mechanism or formula for determining membership fees</b> (i.e. shares to be paid by individual members). This can, for instance, be based on: The population of founding members; Members' budget/fiscal capacity.	<input type="checkbox"/>	
	<b>Agree on a mechanism to periodically review and potentially adjust the membership fee structure</b> (i.e. the shares to be paid by different members), for example to account for changes in the fiscal capacity of members, their populations or the composition of the members (e.g. new actors may decide to become a member).	<input type="checkbox"/>	
	<b>Validate the proposed mechanisms for determining, reviewing and adjusting the membership structure.</b>	<input type="checkbox"/>	
	<b>Include the mechanisms for determining and reviewing membership fees in the cross-border governance body's statutes</b> (or a similar document). Including the member contributions as shares rather than absolute numbers facilitates adjustments over time.	<input type="checkbox"/>	
	<b>Periodically review and update member contributions.</b>	<input type="checkbox"/>	
<b>Develop a multi-year financial plan</b>	<b>Develop a draft multi-year financial plan that identifies how staff and operational costs are to be covered</b> , based on medium to long-term objectives and priorities.	<input type="checkbox"/>	

	<b>Consult with EGTC members and other relevant stakeholders to:</b> <ul style="list-style-type: none"><li>- Validate budget assumptions and estimates;</li><li>- Design the plan and ensure that it is in line with their priorities;</li><li>- Receive support and approval on estimated needs for the coming years;</li><li>- Raise awareness about possible increasing (or decreasing) funding needs.</li></ul>	<input type="checkbox"/>	
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Source: Author's elaboration.

### ***Development area 9: Funding and financing for cross-border actions***

*Goal: To ensure sufficient funding and financing to implement cross-border projects that contribute to cross-border needs and priorities*

To implement cross-border development initiatives, governance bodies need to secure sufficient and diversified funding and financing. Cross-border co-operation bodies often turn to the EU Interreg programme to mobilise funding and financing for specific cross-border initiatives (OECD, 2023<sup>[1]</sup>). However, there are many other funding and financing opportunities for cross-border projects at the EU, national and regional levels, as well as from private sector stakeholders.

Efforts to mobilise and diversify funding and financing for cross-border action should be based on a clear assessment of cross-border needs and priorities. This can help limit the practice of ‘chasing’ funding and financing opportunities regardless of whether the funding calls are closely linked to local priorities. The latter can result in using scarce human and financial resources to develop project proposals that, if awarded, may not add significant value to the cross-border region. Based on the specific cross-border needs and priorities, the objectives, goals and scope of possible projects can be identified, as well as appropriate funding and financing opportunities.

Financing mechanisms to consider include EU programmes under shared management (e.g. Cohesion Policy funds), as well as EU programmes under direct and indirect management (e.g. Horizon Europe, LIFE, Europe Creative) that offer project-based funding on specific themes (e.g. research, environment, culture).

Moreover, cross-border regions could also consider mobilising project funding and financing from individual members of a cross-border body or external public actors (e.g. national or regional government institutions) (OECD, 2023<sup>[1]</sup>). Cross-border regions could also explore financing from the private sector, for example to help deliver cross-border public services (e.g. public transport).

Establishing a cross-border investment fund with the support of national and subnational governments and development banks is another option. Such a fund could provide more reliable financing for projects and reduce the administrative costs associated with seeking project funding.

Efforts to mobilise funding and financing for cross-border action (Table A A.9. ) should be based on a sound assessment of the financial and human resource capacities needed and available to support such efforts. These could include skills for drafting project proposals, project monitoring or establishing public-private partnerships.

Table A A.9. Proposed actions and considerations for development area 9

Actions	Considerations	Checklist	Comments
Assess funding and financing needs for cross-border projects	<b>Identify possible cross-border projects to be undertaken in the medium-term (e.g. 5 years)</b> that meet commonly agreed upon cross-border objectives and priorities. This can be based on a dialogue among relevant public and non-governmental actors at the local, regional and/or national levels.	<input type="checkbox"/>	
	<b>Prepare, discuss (among relevant stakeholders) and agree on a shortlist of cross-border projects to be undertaken in the medium term.</b>	<input type="checkbox"/>	
	<b>Develop a multi-year project plan that:</b> <ul style="list-style-type: none"> <li>- Estimates investment and operating costs related to the shortlisted cross-border projects;</li> <li>- Identifies potential funding and financing sources for each project; specifying the projects/project components for which funding and financing has already been secured, and/or where additional funds are needed</li> <li>- Prioritises investment projects based on urgency and potential impact.</li> </ul> The multi-year project plans should be reviewed periodically to assess progress against milestones, track funding mobilisation efforts, and adjust priorities and costs as necessary.	<input type="checkbox"/>	
Assess relevant funding and financing regulations	<b>Map relevant national and international regulations that could affect the funding and financing of cross-border governance actions.</b> For instance, national regulations on the management of public funding (e.g. from grants) or the extent to which public bodies can borrow on credit markets to finance cross-border action may vary. This is particularly relevant for cross-border co-operation initiatives that involve partners from non-EU Member States, which could affect their eligibility for EU project funding, for instance.	<input type="checkbox"/>	
Identify and mobilise project financing from EU programmes under shared management	<b>Periodically review opportunities provided by EU programmes under shared management</b> against the investment needs identified in the multi-year project plan. Examples of specific programmes include: European Territorial Co-operation programmes (e.g. Interreg); the European Social Fund+; the LEADER programme for the development of rural areas; and the Small Project Fund.	<input type="checkbox"/>	
	<b>Identify specific financing opportunities that can help cover (part of) the estimated project costs</b> and analyse eligibility criteria (e.g. co-funding requirements).	<input type="checkbox"/>	
	<b>Prepare a project proposal</b> and apply for complementary funding or financing (e.g. from other EU, national or subnational programmes), if needed in order to cover the full project cost.	<input type="checkbox"/>	
Identify and mobilise project funding and financing from EU programmes under direct and indirect management	<b>Periodically review opportunities provided by EU programmes under direct and indirect management</b> against the funding and financing needs (e.g. operational) identified in the multi-year project plan, and in particular against the thematic focus of the shortlisted projects. Examples of such EU programmes include: <ul style="list-style-type: none"> <li>- <b>Horizon Europe</b>, for research-related projects;</li> <li>- <b>LIFE</b>, for environment-related projects;</li> <li>- <b>Europe Creative</b>, for culture-related projects;</li> <li>- <b>Erasmus+</b>, for education-related projects;</li> <li>- <b>Single Market</b>, for projects related to the competitiveness of SMEs;</li> <li>- <b>Digital Europe</b>, for digitalisation-related projects.</li> </ul>	<input type="checkbox"/>	
	<b>Identify relevant calls</b> that are launched by (i) the European Commission and/or executive agencies for EU programmes under direct management and/or (ii) national agencies for EU programmes under indirect management and analyse eligibility criteria (e.g. co-funding requirements).	<input type="checkbox"/>	

	<b>Prepare project proposals</b> and apply for complementary funding or financing (e.g. from other EU, national or subnational programmes), if needed, in order to cover the full project costs.	<input type="checkbox"/>	
<b>Identify and mobilise project funding from national and subnational governments</b>	<b>Periodically review funding and financing mechanisms provided by national and subnational governments (e.g. calls for proposals)</b> against the funding and financing needs identified in the multi-year project plan.	<input type="checkbox"/>	
	Where specific funding and financing mechanisms are non-existent, <b>present (elements) from the multi-year project plan to relevant national and subnational government institutions to gauge their interest in providing funding and financing for specific initiatives.</b>	<input type="checkbox"/>	
<b>Identify and mobilise financing from the private sector</b>	Based on the multi-year project plan, <b>identify and engage with private sector actors that could be interested in financing (part) of a cross-border project.</b> For example, cross-border regions across Europe have engaged with private sector representatives to: <ul style="list-style-type: none"> <li>- Deliver a cross-border public service (e.g. public transportation);</li> <li>- Establish and operate cross-border business, research and innovation parks.</li> </ul>	<input type="checkbox"/>	
<b>Identify and mobilise financing through crowdfunding schemes</b>	<b>Assess whether EU or national-level legislation and regulations permit or facilitate crowdsourcing</b> for cross-border projects.	<input type="checkbox"/>	
	<b>Lobby national and regional governments to adjust existing or adopt new regulatory frameworks</b> to enable crowdfunding for cross-border projects, if needed.	<input type="checkbox"/>	
	Based on the multi-year project plan, <b>identify projects or parts of projects that could be funded or financed through crowdfunding schemes.</b>	<input type="checkbox"/>	
	<b>Choose an appropriate crowdfunding platform</b> (e.g. a rewards-, or donation-based platform)	<input type="checkbox"/>	
	<b>Implement a campaign to raise awareness of crowdfunding initiatives.</b>	<input type="checkbox"/>	
<b>Establish a cross-border investment fund</b>	<b>Assess the value-added of creating a cross-border investment fund versus relying strictly on existing funding and financing mechanisms.</b>	<input type="checkbox"/>	
	<b>Lobby relevant national, regional and local governments and possibly (development) banks to help establish a cross-border development fund.</b>	<input type="checkbox"/>	
	<b>Define the specific goals of the fund and investment strategy</b> (e.g. criteria for project selection).	<input type="checkbox"/>	
	<b>Determine the legal structure of the fund</b> and ensure compliance with relevant regulations.	<input type="checkbox"/>	
	<b>Define the governance structure and responsibilities of involved actors to manage the investment fund</b> (e.g. fund management).	<input type="checkbox"/>	
	<b>Ensure transparency and accountability</b> by conducting, on a regular basis, audits or evaluations of the fund and its projects.	<input type="checkbox"/>	
<b>Strengthen staff capacity to mobilise and manage funding and financing from diverse resources</b>	<b>Assess the available and necessary capacities (e.g. number of staff and their expertise) to support the mobilisation and management of financial resources.</b> This can include skills and expertise related to project design and application procedures, procurement, and project monitoring and evaluation.	<input type="checkbox"/>	
	<b>Develop and implement a capacity building plan to ensure sufficient capacities to mobilise and manage cross-border project funding and financing from diverse resources.</b>	<input type="checkbox"/>	

Source: Author's elaboration.



## Dimension 4: Promoting and advocating for cross-border development

This dimension includes two development areas: i) political support for cross-border co-operation; and ii) cross-border promotion.

### ***Development area 10: Political support for cross-border co-operation***

*Goal: To generate durable political commitment to and support for cross-border co-operation initiatives*

Ensuring commitment and support for cross-border co-operation over time is essential for resolving challenges within a transboundary area. Initial political commitments on cross-border co-operation can only be translated into concrete action and results through long-term political interest and support. Common political obstacles to cross-border co-operation can include initial enthusiasm among politicians followed by a gradual loss of interest; a lack of awareness among national governments of cross-border needs or limited awareness about the potential benefits of enhanced cross-border co-operation (e.g. increased competitiveness) (OECD, 2023<sup>[1]</sup>). Another challenge is that regular national and subnational electoral cycles can lead to a loss of institutional knowledge of cross-border issues and priorities among politicians. Finally, there is a risk that an increase in political partisanship may undermine relationships within the transboundary area and lead to a more limited interest in cross-border co-operation.

In order to address these issues, cross-border co-operation bodies need to galvanise lasting political support for transboundary initiatives. This may include, for example, working with newly elected officials in order to build their awareness of and commitment to cross-border co-operation. It may also include working with more long-standing political representatives, in order to redirect their attention towards local challenges and the ability of cross-border actions to address them. Finally, political support for cross-border co-operation can be bolstered in an indirect manner by increasing citizen engagement. This can spur politicians to reach and implement cross-border agreements in areas that address these local priorities.

The following actions (Table A A.10.) can be useful for regions that are interested in building durable political coalitions for cross-border action. In particular, they explore critical factors that policy makers need to consider when promoting and advocating for cross-border development, including priority-setting, messaging approaches, tools and platforms, use of data, human and financial resource capacity. They also include some indicative examples of actions that may help to generate and sustain political commitment and support for cross-border co-operation.

Table A A.10. Proposed actions and considerations for development area 10

Actions	Considerations	Checklist	Comments
Build political awareness and support for cross-border co-operation among newly-elected politicians	<b>Develop an informational briefing package for newly elected politicians in the cross-border region.</b> This could include key information on cross-border challenges, priorities, initiatives and tangible achievements, as well as an overview of how the cross-border entity functions in practice.	<input type="checkbox"/>	
	<b>Hold question and answer sessions for newly elected politicians in the cross-border region.</b> This could provide an opportunity for newly elected politicians to deepen their understanding of topics that are covered in briefing packages, and identify where they can find additional information.	<input type="checkbox"/>	
	<b>Consider follow-up activities that can further deepen an understanding of cross-border issues</b> (e.g. field visits to project sites or partner municipalities), presentations in municipal council meetings) among politicians entering office.	<input type="checkbox"/>	
Build political awareness and support for cross-border co-operation among incumbent politicians	<b>Identify development challenges for which political support is lacking or wavering at the national, regional and/or local levels.</b> Examples of challenges include insufficient funding for a cross-border governance body to carry out its mandate or limited political support to address specific cross-border challenges (e.g. limited access to certain public services).	<input type="checkbox"/>	
	<b>Map the political actors (e.g. national, regional and or local elected representatives) that could help address the identified cross-border challenges,</b> e.g. founders of the cross-border governance body, national- or regional-level political representatives.	<input type="checkbox"/>	
	<b>Develop and implement an advocacy strategy</b> targeting the actors whose support is needed to overcome specific cross-border challenges. The advocacy strategy may require decisions on: <ul style="list-style-type: none"> <li>- Messaging style (e.g. whether positive or negative advocacy is more likely to be effective);</li> <li>- Tools and platforms that are needed and available to support advocacy (e.g. information campaigns, petitions, council meetings, networking events, peer-to-peer exchanges);</li> <li>- Data (e.g. economic data, surveys) that are needed to bolster the advocacy campaign;</li> <li>- Human and financial resources that are needed and available to support the design and implementation of the advocacy campaign;</li> <li>- Champions of the cause (e.g. other politicians, public figures) that can use their profile to support the advocacy campaign.</li> </ul> When implementing an advocacy strategy, it is particularly important to ensure that any communication around cross-border concepts or initiatives (e.g. Interreg) is conducted in a simple manner, with a clear focus on the tangible benefits they can provide.	<input type="checkbox"/>	
Use citizen engagement to generate political support for cross-border co-operation	<b>Prepare a short online survey</b> aimed at citizens within the cross-border region that seeks to ascertain: <ul style="list-style-type: none"> <li>- Their current knowledge and awareness of the cross-border region;</li> <li>- Their views on the challenges of living in a cross-border region and the aspects they would address as priorities.</li> </ul>	<input type="checkbox"/>	
	<b>Present the survey findings to political representatives</b> at the local, regional or national levels to build their awareness about the cross-border co-operation needs identified by citizens.	<input type="checkbox"/>	
	Based on the results of the survey, <b>consider different activities to raise the profile of the cross-border region.</b> Examples include disseminating clear and concise informational leaflets or organising events (cultural, sport, networking) that could bring citizens and politicians together.	<input type="checkbox"/>	

Source: Author's elaboration

### ***Development area 11: Cross-border promotion***

*Goal: To enhance the visibility and appeal of the cross-border region for residents, visitors and investors through targeted and consistent promotion efforts*

A factor that can support the long-term success of a cross-border region is ensuring that it is being promoted effectively among external stakeholders and the wider public. Promotional activities can support the development of a cross-border region in different ways. For instance, by drawing attention to the economic assets of the region as a whole, cross-border promotion can help attract external investment for both sides of the border. Moreover, by raising the visibility of the region's shared or diverse culture, history and geographical features, promotional efforts can also raise the profile of the cross-border region as a tourist destination (EUR-Lex, 2017<sup>[9]</sup>). Furthermore, promoting the cross-border goods and services (e.g. universities, swimming pools, green and blue spaces, concerts, etc.) offered or available in the cross-border region can foster a sense of shared cross-border identity and increase support for cross-border co-operation.

Different options are open to policy makers to support cross-border promotion within their region. These can include the dissemination of promotional messages through both traditional and digital media platforms, the creation of a shared tourism brand, as well as tailored events or promotional offerings. While activities will vary widely depending on each cross-border region's goals, previous examples by EGTCs include organising cultural events (e.g. cross-border walks or festivals), as well as providing subsidised cross-border public services to local residents (OECD, 2023<sup>[11]</sup>).

The following proposed actions (Table A A.11. ) provide a sequential list of elements to consider for cross-border actors seeking to identify their promotional needs and goals, as well as develop an implementation plan.

Table A A.11. Proposed actions and considerations for development area 11

Actions	Considerations	Checklist	Comments
<b>Identify cross-border promotion needs and goals</b>	<b>Conduct a brief assessment of cross-border promotion needs.</b> This could involve reviewing the strategic objectives and activities of the cross-border co-operation body, and identifying areas where promotion could better support the development of the cross-border region (e.g. by helping attract investment, boosting tourism, improving local awareness of the goods and services offered).	<input type="checkbox"/>	
<b>Promote the cross-border region to external investors</b>	<b>Map and gather relevant stakeholders within the cross-border region</b> (e.g. local business associations, private companies, regional or local development agencies) to jointly: <ul style="list-style-type: none"> <li>- Identify investment needs and opportunities, as well as comparative strengths and challenges, and leverage insights from diverse perspectives;</li> <li>- Decide on the value-added of establishing a joint cross-border investment working group (e.g. as part of a cross-border governance body, if present) that could support co-ordination and collaboration among stakeholders, pool expertise and resources to identify and promote investment opportunities;</li> <li>- Define promotional objectives, such as increasing the volume of public and private investment in general or specific investments allocated to different sectors from outside the cross-border region;</li> <li>- Establish a communication strategy, utilising traditional and social media platforms to amplify visibility and engagement with target investor audiences. This can include preparing key messages and promotional materials.</li> </ul>	<input type="checkbox"/>	
	Together with key stakeholders, <b>design and implement promotional activities</b> , for example: <ul style="list-style-type: none"> <li>- Gathering and publishing comprehensive data on investment opportunities within the cross-border region to inform and attract external investors;</li> <li>- Identifying, organising, and participating in relevant events such as investment fairs and other networking opportunities to showcase the cross-border region's potential and opportunities to investors;</li> <li>- Implementing a marketing campaign that highlights unique selling points and success stories of cross-border investments.</li> </ul>	<input type="checkbox"/>	
	<b>Monitor and evaluate the success of the investment promotion activities</b> , including through data analysis and interviews with key stakeholders, to identify areas for improvement and make the necessary adjustments.	<input type="checkbox"/>	
<b>Promote the cross-border region as a tourist destination</b>	<b>Map and gather relevant stakeholders within the cross-border region</b> (e.g. regional tourism agencies, local tourism operators, relevant regional and local public bodies) to: <ul style="list-style-type: none"> <li>- Assess the current tourism offerings, tourism infrastructure, visitor profiles and numbers, visitor experiences in the cross-border region, etc. This can include identifying comparative strengths (including complementarities) and weaknesses.</li> <li>- Assess the value-added of developing and implementing a joint cross-border tourism strategy.</li> <li>- Decide on the value-added of creating a tourism promotion working group (e.g. as part of a cross-border governance body, if present) that could foster co-ordination and collaboration among stakeholders, and leverage combined resources to enhance the region's visibility as a unified destination.</li> </ul>	<input type="checkbox"/>	
	<b>Develop and implement a cross-border tourism strategy that aligns the tourism goals of the different</b>	<input type="checkbox"/>	

	<p><b>partners in the cross-border region.</b> This could include defining objectives, target markets, tourism promotion activities, and key performance indicators to measure success. Key activities could include:</p> <ul style="list-style-type: none"> <li>- Developing and disseminating a unified brand identity and marketing;</li> <li>- Organising joint cultural or sporting events;</li> <li>- Establishing a joint tourism promotion agenda across the region, ensuring activities complement each other to enhance visitor experiences, and managing tourism absorption capacity;</li> <li>- Investing in and/or lobbying for investment to improve tourism infrastructure (e.g. improving transportation links that facilitate travel across the border).</li> </ul>		
	<p><b>Monitor and evaluate the success of the tourism promotion strategy</b>, including through data analysis and interviews with key stakeholders, to identify areas for improvement and make the necessary adjustments.</p>	<input type="checkbox"/>	
<b>Promote the goods and services available in the cross-border region</b>	<p>Gather relevant stakeholders (e.g. regional and local government departments, service providers) to <b>map goods and services available in the cross-border region</b> (e.g. schools, universities, swimming pools, parks, sporting clubs, cultural events) in order to enhance residents' sense of belonging to a cohesive cross-border region that offers diverse amenities and services.</p>	<input type="checkbox"/>	
	<p>Based on the mapping, <b>develop and implement activities to raise awareness about goods and services available in the cross-border region</b> (e.g. through social media campaigns, newsletters, press releases and traditional media outreach, developing an interactive map, and cultural events).</p>	<input type="checkbox"/>	

Source: Author's elaboration.

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# **Building More Resilient Cross-border Regions**

## **CONSIDERATIONS IN GOVERNANCE AND PARTNERSHIPS**

Supporting the development of cross-border regions is a growing priority for many governments across the OECD. This reflects the fact that these regions often face significant development challenges related to their proximity to national borders, which can constrain regional economic development, impede the delivery of cross-border services and hamper the co-ordination of cross-border disaster management. This report assesses how multi-level governance arrangements can support resilient cross-border development. It starts by examining why the development of cross-border regions in the EU often lags behind non-border regions, and the multi-level governance mechanisms in place to bolster their performance. Using the five pilot regions as a basis, it then examines cross-border governance arrangements through the lens of the OECD Cross-border Governance Framework. Finally, this report includes considerations for subnational, national and international policy makers in the OECD and beyond on how they can strengthen cross-border governance frameworks, and enhance the resilience and socio-economic development of cross-border areas.



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