Report
drawn up on behalf of the Committee on Regional Policy, Regional Planning and Transport

on the motion for a resolution tabled by Mr GERLACH, Mr MITTERDORFER
and Mr WIELDRAAIJER on the Community’s regional policy as regards the
regions at the Community’s internal frontiers (Doc. 5/74)

Rapporteur: Mr Horst GERLACH
On 13 March 1974 Mr Gerlach, Mr Mitterdorfer and Mr Wieldraaijer tabled a motion for a resolution (Doc. 5/74) on the Community's regional policy at the Community's internal frontiers.

At its sitting of 13 March 1974 the European Parliament referred this motion for a resolution to the Committee on Regional Policy and Transport, as the committee responsible.

On 6 November 1974 the committee appointed Mr Gerlach rapporteur.

At its sitting of 13 March 1975 the European Parliament adopted the motion for a resolution based on the interim report submitted by the rapporteur (Doc. 467/74). On 11 December 1975 the Political Affairs Committee, the Legal Affairs Committee and the Committee on Social Affairs, Employment and Education were asked for their opinions.

The Committee on Regional Policy, Regional Planning and Transport considered the draft report at its meetings of 30 September 1975, 29 October 1975, 9 December 1975 and 30 September 1976, and at two hearings held on 4/5 March 1976 and 22 June 1976 respectively.

At its meeting of 30 September 1976 the committee adopted the motion for a resolution unanimously with one abstention.

Present: Mr Evans, chairman; Mr Nyborg and Mr McDonald, vice-chairmen; Mr Gerlach, rapporteur; Mr Albers, Mr De Clercq, Mr Delmotte, Mr Fletcher, Mr Herbert, Mrs Kellett-Bowman, Mr Mitterdorfer and Mr Mursch.

The opinions of the Political Affairs Committee, the Legal Affairs Committee and the Committee on Social Affairs, Employment and Education are attached.

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1 OJ No. C 76, 7.4.1975, p.25
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The committee on Regional Policy and Transport hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on regional policy as regards the regions at the Community's internal frontiers

The European Parliament,

- having regard to the resolution on regional policy as regards the regions at the Community's internal frontiers adopted on 13 March 1975 on the basis of the interim report drawn up by the rapporteur on behalf of the Committee on Regional Policy and Transport (Doc. 467/74),

- having regard to the report of the Committee on Regional Policy, Regional Planning and Transport and the opinions of the Political Affairs Committee, the Legal Affairs Committee and the Committee on Social Affairs, Employment and Education (Doc. 355/76),

I. Preliminary work

1. Notes

- that the problems of the regions at the Community's internal frontiers have become a matter of increasing concern to the European Parliament;

- that the Commission has not yet been in a position to take appropriate effective measures to counter the increasingly unfavourable economic situation of the border regions;

- that the Council recognized the need for action for the border regions in its third medium-term economic policy programme of 9 February 1971 (OJ No. L 49, 1 March 1971, p. 35), and made provision when creating the European Regional Development Fund for the Fund to be employed for these regions;

2. Recognizes that the Council of Europe and its bodies have attempted to draw the attention of national governments to the border regions and have thereby performed valuable preliminary work for transfrontier cooperation;

3. Welcomes the policies of the Council of Europe and the European Parliament with their identical objectives in this field and hopes for greater cooperation between these two institutions and energetic implementation of their common aims by the Council of Ministers of the European Communities;

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1 OJ No. C 76, 7.4.1975, p.25
II. Problems of the border regions

4. Regrets that the internal border regions are hardly able to fulfil their bridging function between the Member States and that social, cultural and emotional conflicts have not yet been sufficiently dispelled;

5. Is of the opinion that the border regions, like the peripheral regions, have enjoyed less favourable economic development than the central areas. Although most of the border regions are situated in a central position in Europe, they occupy a peripheral position with regard to their own country's economy;

6. Notes that one consequence of this border situation is imbalance between central regions and border regions as manifested in inadequate infrastructures, shortcomings in passenger and freight transport facilities, and, often depopulation, and believes that these observations are admissible without fixing the precise geographic limits of the border regions; such demarcation could lead simply to a shift in the Community's internal frontiers;

7. Points out that this report represents only the first stage in a three-part European Parliament initiative. It is planned to follow it up with a second report on regional policy as regards the Community's external frontiers and a third report on the Community's maritime frontiers.

III. Possible forms of cooperation

8. Considers it absolutely necessary to have proper statistical bases, methodological adjustments, basic economic analyses and efficient implementation instruments to initiate effective transfrontier regional planning for the structural improvement of the border regions;

9. Emphasizes that all possible means of communication should be used for transfrontier coordination in order to replace frequent institutional and executive duplication, competition and confusion with cooperation which will rationalize work, make transfrontier regional policy more transparent, alleviate social tensions and achieve optimal allocation of the economic resources available;

10. Stresses the need to create in the regions aid recipients with a sufficiently substantial legal structure to provide competent contractual partners for the donor institutions (national governments, European Regional Development and Social Funds, EIB);

11. Is not unaware that certain transfrontier activities by private industry could have fatal consequences if there were no transfrontier authority able, for instance, to avert the dangers to industrial policy and protection of the environment of uncontrolled expansion of industrial technology;
12. Hopes that the Community will take up in particular the problems of trans-frontier workers who still have to contend with a number of problems: border controls, the closing of many border posts at night, fluctuations in income as a result of changing exchange rates, less job security and discrepancies in social insurance provisions. The early creation of the Passport Union (Point 10 of the final communiqué of the 1974 summit conference, and the Commission's Communication to the Council of 3 July 1975) should improve freedom of movement for workers;

13. Considers it necessary to have balanced settlement of industry in the border areas, advantages and disadvantages being considered not with reference to national considerations but on the basis of fair distribution within the regions;

14. Is of the opinion that, in congested areas close to national frontiers a transfrontier building and land use plan would displace narrow parochial policies and make possible a careful division of functions and optimal arrangement of settlement areas;

15. Has ascertained that in many cases public utilities in border areas could be financed much more acceptably if a transfrontier joint authority were to be founded which could ensure optimal exploitation of capacities;

16. Affirms that the consolidation of transfrontier transport infrastructures would contribute not only to socio-economic development but also to cooperation in all spheres of daily life;

17. Is of the opinion that the specific objectives of effective environmental protection require that it should not be cut off at national borders. The universally recognized 'polluter pays' principle makes transfrontier measures a necessity;

18. Is aware that transfrontier health services (systems for transporting patients, accident services and specialist clinics) would be welcomed by the inhabitants of border areas;

19. Also affirms that the consolidation of transfrontier cultural cooperation would provide a basis for all the more consequential trust-inspiring activities and should not be underestimated; it could be supported in a unique way by the influential regional mass media;

20. Is of the opinion that the frequently attractive border regions could be exploited by developing transfrontier tourism and short-distance excursion venues, thereby contributing to economic recovery in the border regions concerned;
IV. The Regional Fund as a financial instrument

21. Emphasizes that the Council Regulation of 18 March 1975 establishing a Regional Development Fund (OJ No. L 73, 21 March 1975) expressly refers to the need to support border regions, stating in Article 5 (1)(d) that account will be taken of:

'(d) whether the investment falls within a frontier area, that is to say within adjacent regions of separate Member States';

V. European joint authorities as an organizational instrument

22. Emphasizes that apart from the financial solidarity offered by the European Regional Development Fund, the border regions must be given organizational aid as the present legal situation makes transfrontier cooperation between municipalities and regions uncommonly difficult, since

- the joint authority arrangement under national law makes it necessary for one partner in the transfrontier cooperation to subject himself to the legal system of the neighbouring country;

- international agreements make grass-roots regional policy a matter of 'distant' foreign policy and the preserve of the highest national authorities;

- the present proposals under Community law for forms of transfrontier cooperation (the European Company and the European Cooperation Grouping) are exclusively geared to private business;

23. Therefore desires to submit to those responsible for public welfare an equivalent legal framework for transfrontier cooperation in the form of the European joint authority proposed in this document, to enable the broad range of local authority activities and public utilities (transport undertakings, water, gas and electricity supplies, leisure facilities, medical and social services) and environmental protection, emergency services and promotion of industry to be developed to the benefit of participating local bodies;

24. Considers therefore that it has a special duty to call on the Council to enact a regulation on the creation of transfrontier regional authorities, to contain a model statute for the foundation of such an authority, and consequently includes the draft of such a Council regulation and a draft model statute in the present resolution;

25. Points out that the question of enforcement is today crucial to the various Community policies and non-binding recommendations to the Member States which will not help the border regions should be replaced by other instruments;
26. Therefore urges the Commission to support the formation of European Joint Authorities when the regulation has been adopted by the Council;

27. Therefore believes that the legal system proposed here, i.e. the European Joint Authority, offers the best framework under Community law for voluntary bilateral or trilateral cooperation between the Member States without any appreciable loss of sovereignty by the latter; any loss of the power of decision will be offset by the fact that representatives of the central authority will also be members of the Regional Council of the European Joint Authority and will therefore be able to exercise direct influence over its decisions; moreover, the activities of the future European Joint Authorities will be geographically limited;

28. Considers that the internal organization of the European Joint Authorities should be governed by flexible outline provisions of Community law embodied in the regulation covering the foundation and operation of such Authorities and minimum requirements as regards membership;

29. Believes that the national law of the country in which the authorities have their head office must govern relations with third parties in respect of legal and executive powers and legal recourse;

30. Is of the opinion that the Council regulation should allow the cooperating local and regional authorities as much latitude as possible for independent arrangements depending on regional conditions; planning and coordination duties would be followed at a later stage by independent responsibility for administrative matters and participation in local authority and regional schemes compatible with the aims of public welfare and service;

31. Proposes in the regulation, which is an integral part of this resolution, the following organizational structure for the European Joint Authorities:

- a Regional Council composed of representatives of member authorities, representatives of national supervisory institutions and, if necessary, a representative of the Commission of the European Communities,

- a Regional Committee composed of senior administrative officials of the member authorities or administrative specialists,

32. Instructs its President to forward this resolution and the report of its committee to the Council, the Commission and the European Communities, the parliaments of Member States and the Council of Europe.
Draft proposal for a Council regulation on the creation of transfrontier regional authorities (European Joint Authorities)

The COUNCIL of the European Communities
- having regard to the Treaty establishing the European Economic Community and in particular Art. 235 thereof,
- having regard to the proposal from the Commission,
- having regard to the opinion of the European Parliament,
- having regard to the following reasons:

Whereas in the third programme for medium-term policy the Council of the European Communities and the governments of the Member States reaffirmed the Community's responsibility for a number of regional problems; whereas these included in particular the difficulties arising directly from the integration of the Community and the border areas were explicitly referred to in this connection:

Whereas according to the decision by the Council and the representatives of the governments of Member States of 22 March 1971 on the gradual creation of an economic and monetary union - reaffirmed in the decision of the Council and representatives of the governments of Member States of 21 March 1972 - in order to remove structural and regional differences measures should be taken to contribute to a balanced development of the Community;

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1 OJ No L 49, 1.3.1971, p. 5
2 OJ No C 201, 27.3.1971, p. 1
3 OJ No C 18, 18.4.1972, p. 3
Whereas by adopting regulation (EEC) No 724/75 of 18 March 1975\(^1\) establishing a European Regional Development Fund, the Council honoured this commitment;

Whereas the structural, social and cultural imbalances in the border regions, whereby geopolitically corresponding areas are prevented from harmoniously developing their economic life and raising their standard of living, can be partially corrected in this way;

Whereas the aid measures by the European Regional Development Fund represent only one means of doing this, and in order to solve the problems of border regions it is also necessary to provide for the regions a permanent form of organisation for transfrontier cooperation;

Whereas the Treaty does not provide the necessary powers to realise the objectives incumbent on the Community by virtue of Art. 2 of the EEC Treaty the Community should be equipped with such powers by virtue of Art. 235 of the Treaty;

HAS ADOPTED THIS REGULATION:

**Article 1**

**Foundation and Operation**

1. European regional authorities (called 'European Joint Authorities') may be created by contract for a fixed or indefinite term subject to the terms and conditions and in the manner and with the effects laid down by this regulation.

2. The members of the European Joint Authority shall lay down in the foundation statute their Authority's head office which must be situated within the Community.

**Article 2**

**Membership requirements**

1. The European Joint Authority shall consist of at least two local or regional authorities or legal persons under public law which are entrusted with their own administration and belong to at least two Member States.

2. Participation shall be restricted to authorities with representatives and powers of their own.

\(^1\) OJ No. L 73, 21.3.1975, p.1
Article 3

Legal and Executive Powers

The European Joint Authority shall be a legal person under Community law and shall possess in each Member State the greatest measure of legal and executive authority accorded to legal persons by the statutory provisions of that Member State. In particular it may acquire assets in the form of personal and real estate, found enterprises under national private law or participate in existing enterprises.

Article 4

Applicable Law

In as far as no provision is laid down in this regulation or the statute established by the contracting authorities, the law of the state in which the European Joint Authority has its head office shall be applied.

Article 5

Objectives

The task of the European Joint Authority shall be to create an area with balanced economic, social and cultural structures in the fields for which its member authorities are responsible by

- drawing up its own plans and opinions on national plans,
- coordinating the implementation of national measures,
- assuming independent responsibility for regional administrative matters delegated to it,
- participating in all ways in local or regional projects which are compatible with the aims of public welfare or serve in all areas for which original responsibility has been transferred to the Member Authorities or which have been referred to them for implementation.

Article 6

Rights

(1) The European Joint Authority shall have the same rights as those granted by Member States to national bodies with similar aims (specific-purpose associations, public-law undertakings).

(2) The European Joint Authority may create public welfare undertakings or participate in such undertakings where they already exist.
Article 7

Outline provisions for the Statute of the European Joint Authority

The European Joint Authority shall adopt a Statute containing the following outline provisions:

(1) Organization of the European Joint Authority (Article 8 of the Regulation);
(2) Provisions on the Regional Council and its working methods (Articles 9 and 10 of the Regulation);
(3) Provisions on the Regional Committee and its tasks (Article 11 of the Regulation);
(4) Termination of Membership (Article 13 of the Regulation);
(5) Winding-up of the European Joint Authority (Article 14 of the Regulation).

Article 8

Organization of the European Joint Authority

The European Joint Authority shall consist of:

1. The Regional Council
2. The Regional Committee.

Article 9

Regional Council

(1) The Regional Council is the decision-making and supervisory organ of the European Joint Authority.
(2) It shall be composed of:
    Representatives of member authorities. These shall be appointed for a period not exceeding 4 years. They may be reappointed.
(3) The following shall participate in the Regional Council on an advisory basis:
    (1) Representatives of national supervisory institutions;
    (2) Representatives of the Commission of the European Communities insofar as the Commission deems it necessary to participate.

Article 10

Working methods of the Regional Council

(1) The Regional Council shall take decisions:
    1. As recommendations to the affiliated authorities. Such recommendations shall require a simple majority and their contents shall not be binding;
    2. As directives binding on each member authority in respect of the objective to be attained while leaving the choice of the ways and means of attaining the object to the authority. Such directives shall require a majority of two-thirds of the members of the Regional Council.
(2) The Regional Council shall also be responsible for:
- adopting the statute;
- amending the statute;
- adopting the budget;
- winding-up the European Joint Authority;
- forming committees;
- incorporating new members;

(3) Decisions to amend the statute, to pass the budget, to incorporate new members or to wind up the European Joint Authority shall require a majority of two-thirds of the members of the Regional Council. Decisions falling into the other categories shall be made by simple majority of the members of the Regional Council.

Article 11

Regional Committee

(1) The Regional Committee is the permanent administrative organ of the European Joint Authority which implements the decisions of the Regional Council. It shall be composed of senior administrative officials of the member authorities or persons whose chief occupation is that of administrative specialist, appointed by the Regional Council.

(2) The Regional Committee may submit to the Regional Council proposals for the attainment of the objectives of the European Joint Authority.

(3) Through its chairman the Regional Committee shall represent the European Joint Authority in legal and non-legal matters.

Article 12

Legal Recourse

(1) Any dispute as to the powers of the organs of the European Joint Authority between such organs or on the powers of the European Joint Authority vis-à-vis its member authorities shall be referred to the competent court in the country in which the European Joint Authority has its Head Office.

(2) The statute may provide that disputes as to its contents shall be referred to the European Court of Justice pursuant to Article 177(c) EEC Treaty.

(3) Proceedings may be opened by the member authorities, their supervisory authorities, the European Joint Authority and the Commission of the European Communities.

Article 13

Termination of Membership

(1) Membership of the Authority shall be deemed terminated:
1. on withdrawal
2. on the winding-up of a Member authority.
(2) In the event of the winding-up of a member authority its membership shall automatically expire. The legal successor of such authority may exercise its right to join the European Joint Authority within 6 months of such winding-up taking effect.

Article 14

Winding-up of the European Joint Authority

(1) The European Joint Authority may be wound up by decision taken by two-thirds of the votes of the members of the Regional Council.

(2) The European Joint Authority shall be deemed to be wound up when its member authorities belong to only one Member State.

(3) The assets of the European Joint Authority shall be distributed amongst the member authorities. Such distribution shall be undertaken by the Regional Committee subject to the approval of the Regional Council. The organs shall remain in office until all matters relating to assets have been finally settled.

Article 15

Entry into force

This Regulation shall enter into force on ...... (after its publication in the Official Journal of the European Communities).

This Regulation shall be immediately binding in its entirety on all Member States.
I. INTRODUCTION

EXPLANATORY STATEMENT

Scope of the Report

1. The present own-initiative report deals with an important area of European internal policy, namely regional policy as regards the regions at the Community's internal frontiers. For many reasons, economic and social development in these border regions has failed to keep pace with general developments in the European Community. Because of national frontiers, these regions have become peripheral areas even though in most cases their position in the Community can be regarded as unquestionably central. These facts call for action.

2. Moreover, the subject is close to the interests of the people. The problems are recognized and solutions called for at grass-roots level.

Preliminary work by the European Communities

3. In recent years the European Communities, and in particular the European Parliament, have shown increasing interest in border regions. Evidence of this can be seen in:

4. The following activities of the European Parliament:

- the motion for a resolution tabled by Mr GERLACH, Mr MITTERDORFER and Mr WIELDRAIJJER on the Community's regional policy as regards the regions at the Community's internal frontiers (Doc. 5/74 of 13.3.1974);

- the Oral Question by Mr HERBERT (preparation of a report by the Commission on cross-border cooperation)\(^1\);

- the Oral Questions with debate put by Mr JAHN, Mr ARTZINGER, Mr HARZSCHEL, Mr KLEPSCH, Mr MURSCH and Mr SPRINGORUM to the Commission and Council on the development programme for the areas adjoining the border between the United Kingdom and the Republic of Ireland (2 October 1974)\(^2\);

- the Written Question put by Mr GERLACH and Mr SEEFELED to the Commission on regional transfrontier rail traffic (22 April 1975)\(^3\);

- the resolution adopted by the European Parliament on 13 March 1975 on regional policy as regards the regions at the Community's internal frontiers\(^3\), based on the interim report drawn up by Mr GERLACH on behalf of the Committee on Regional Policy and Transport (Doc. 467/74);

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\(^2\) OJ No. C 161, 17.7.1975, p.26

\(^3\) OJ No. C 76, 7.4.1975
- the visits by delegations to the border between Germany and Holland (EUREGIO), the area adjacent to the two sides of the Irish frontier, and the border between Germany and Denmark, and a fact-finding visit to the area at the borders of Germany, France and Luxembourg; a visit to the area at the border between France and Italy is planned.

5. In the middle of 1974 the Commission announced a working paper on the general problem of frontier areas and ways in which the Community could help them. It reiterated this statement in its answer to the above-mentioned written question by Mr GERLACH and Mr SEEFE LD.

6. The Council has also repeatedly demonstrated its interest in border regions at part-sessions of the European Parliament and, in particular, in the context of discussion of the establishment of the European Regional Development Fund.

Preliminary work by the Council of Europe

7. Convinced that, in addition to national measures, transfrontier cooperation between local authorities was necessary and desirable in certain border areas, the Council of Europe took practical steps as early as 1964 and considered the expediency and methods of such cooperation between local authorities in various Member States under public or private law (joint authorities, limited liability companies etc.). In 1966 a report was prepared on European cooperation between local authorities which drew attention to the desirability and necessity of transfrontier cooperation and called on the governments to approve such cooperation between local authorities and, where necessary, to create the appropriate legal machinery.

8. In 1966 the Committee on Regional Planning and Local Authorities submitted to the Consultative Assembly a proposal for a 'Convention on European Cooperation between Local Authorities'. Although this was approved by the Consultative Assembly, the Council of Europe's Committee of Ministers did not include it in 1969 in the 1969/70 International Work Programme.

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1 SIBILLE, G.M., Report on a Draft Convention on European Cooperation between Local Authorities, Council of Europe, Consultative Assembly, Doc. 2109, 26 September 1966

9. However, in 1972 the Council of Europe organized a symposium on border regions at which a pioneering basic report on cooperation between European border areas was presented. This played a crucial part in paving the way for the more practical form of cooperation between European border regions in the context of the European Community put forward in the present document.

10. In this connection the rapporteur welcomes the policies of the European Communities and the Council of Europe with their identical objectives. He would also welcome improved cooperation in this field between these two institutions, and European regional and local authorities in order to prevent overlapping and duplication of work. The executive instruments which the European Community, unlike the Council of Europe, has at its disposal give the former a special role in the context of this urgent need for cooperation.

II. PROBLEMS OF THE BORDER REGIONS

11. No attempt will be made here to define the terms 'region' or 'border region'. This can safely be left to specialist writers since it is of secondary importance to the political discussion of the problems of border regions.

12. Our premise is that a region is a complex influenced by and radiating out from a primary centre. The following may be regarded as the functional factors governing centrality: the availability of work and services and shopping and transport facilities for the people living in the region, and resources, transport and marketing facilities for local industry.

13. 'Border region' is the term applied to an existing or potential complex of this kind crossed by a national boundary.

14. It can immediately be seen from the above that the question of defining the boundaries between border regions and the interior of a country raises no specific problems. Such boundaries, however, will be left relatively 'open' to prevent the formation of new frontiers at regional borders and to avoid the fostering of excessive regional consciousness.

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1 Now published in revised and expanded form as a book: Viktor v. Malchus, Partnerschaft an europäischen Grenzen, Integration durch grenzüberschreitende Zusammenarbeit, Bonn 1975
Problems of cultural origin

15. Legally, a frontier is a line marking the end of the sovereignty of a Member State. However, this trite statement cannot obscure the fact that even today the border regions of the Member States are often marked by a whole series of problems of purely cultural origin which have not yet been dealt with in a sufficiently rational manner. Problems of minorities should be mentioned in this connection.

Wars have divided populations, linguistic or religious conflicts have been perpetuated by official decisions and cultural barriers allowed to persist.

16. Mutual lack of understanding, ultra-nationalism, envy, emotionalism, aggression, and even criminality are possible consequences. The events in Northern Ireland represent a glowing example of how these factors can lead to irrational social behaviour. Europe must try to resolve these conflicts so that border regions can properly fulfil their bridging function.

17. The early identification rational clarification and subsequent solution of accumulated social and emotional conflicts are therefore just as relevant as economic policy to the political objectives of this own-initiative report.

Economic policy

18. As regards economic policy, the problems of the regions at the internal frontiers are unique.

19. In previous years the European Community policy was strongly characterized in the economic sector by different market policies which were supplemented only by specific components of overall control. It was not until the 1972 Paris Summit Conference that the emphasis was cautiously shifted to a supplementary structural policy. Regional policy, as a part of this structural policy, was necessarily brought more into the foreground.

20. The reason for this was that although Community policies in the field of application of Community law had indeed created conditions similar to those of an internal market they had overintensified the accumulation of capital and employment in the centres of the Member States and were thus preventing balanced economic development - the aim of the Community - in border regions.

21. The problems of the border regions have arisen from this:

- As a result of the increase in economic concentrations, which of course have not been prevented by overall control, the border regions in particular are being increasingly deprived of their resources; the economic and social differences between central and peripheral regions are becoming more marked.
Inadequate infrastructures serve to aggravate this process and prevent the establishment of new industries or the necessary reorganization of existing industries so as to remove the economic imbalance. The peripheral situation of the regions at the national borders impedes the economical utilization of existing capacities, particularly in the public utility field.

Shortcomings in goods transport (high costs, delays) and inadequate local public transport services lead to such considerable competitive disadvantages that it becomes increasingly difficult to make optimum use of the capital and labour reserves remaining in border regions.

The peripheral situation of border regions, with its adverse effects on public health, education and cultural facilities, makes these regions unattractive to the population despite their usually high leisure values. This necessarily leads to depopulation.

22. A distinction should of course be made between the different regions and this must take account of the individual and often very specific problems of these regions. Although the present report cannot go into such detail, the description of the regions at the Community's internal frontiers in Annex I may give a first impression of the economic and social situations of the border areas.

III. POSSIBLE FORMS OF COOPERATION

General

23. Transfrontier cooperation in the field of regional policy must be developed in areas where national regional policy is no longer adequate because of the geographical limits on its effectiveness. It will have to deal - in modified forms - with the problems which also typify the regional policies of the Member States.
Planning

24. Regional planning is generally taken to mean the preparation of programmes for future actions which are restricted geographically by the region and materially by a specific desire to exert a structural influence and are subject to a time-limit (usually medium or long-term). The planning process is normally divided into three parts: forecasting, task formulation and determination of measures.

- The statistical data available in most border regions are not adequate since the preparation of statistics from different Member States is beset with administrative and technical difficulties (different methods of collecting and key data). As a result no proper economic analyses are prepared. As has already been pointed out in the interim report, the Statistical Office of the Communities could and should provide valuable support in this field since no financial aid can be given without basic economic analyses.

- Methodological difficulties: the purely economic criteria of general economic planning are aimed mainly at economic growth and the influencing of trade cycles. However, this means that because of the planning methods used the problems of the border regions are left out of account since in terms of magnitude they are necessarily of secondary importance in an overall growth policy. Transfrontier regional planning should therefore make a special effort to include social indicators in its planning system (life expectancy, state of health, educational opportunity, distribution of income and wealth, public services and the use of these services by the population). Only in this way can it methodically come to grips with the problems of the border population.

- Little importance has hitherto been attached to project implementation: in addition to purely governmental action at administrative level regional policy plans are usually implemented by the granting of benefits in various forms which are used to stimulate action in conformity with the plan. The granting of benefits, however, presupposes the existence of established recipient bodies to act as borrowers or project executors.

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25. The above shows how very necessary it is to provide transfrontier cooperation with a clear concept of project implementation in order to ensure that regional policy funds do not bypass border regions as a result of the latter's technical lack of qualifications for receipt (for example, the legal personality required for consideration as a borrower, and agreement between states on the matter of competence) and pass into the hands of better organized regions within the Member States which are not faced with these specific border problems.

Coordination

26. In many cases there is still no coordination between regional plans themselves or between regional plans and overall economic plans. This is particularly true when national frontiers have to be crossed. The source of the difficulties lies in differing political, historical, administrative and economic structures.

27. Regional policy in border areas should be rational. However, rationality calls for uniformity, among other things at internal level. This explains the need for coordination. Group thinking, regionalistic attitudes, unwillingness to make concessions or compromises, the impossibility of some of the demands made and the lack of insight or capacity for insight characterize the difficulties of transfrontier regional policy.

28. Thus, the essence of coordination in a region divided by a national border is to replace institutional and executive duplication, competition and confusion with cooperation. In this way duplication of work can be prevented and wasteful friction avoided, the policy can be made easier to understand and more transparent, social tensions can be alleviated and greater efforts can be made to achieve an optimal allocation of resources.

29. Moreover, it is generally easier and less expensive to achieve a desired goal when regional policies are coordinated than when they are not. However, present regional policies in their frequently uncoordinated form, and particularly with the sporadic intervention policies of the central authorities, often run counter to all economic reason. Coordination, i.e. the material and geographical harmonization and synchronization of decisions, is essential here.

30. For the coordination of adjacent regional policies in border regions the authorities concerned should have a degree of independence or partial autonomy. Coordination is only possible where at least two different plans are put forward. In addition attempts should be made to strike a balance between the principle of subsidiarity and excessive delegation.
of powers on the assumption that the people made responsible will be more closely involved with the problems.

31. The following types of coordination are possible in the field of transfrontier regional policy:

(a) improved vertical coordination in the hierarchical systems of the individual Member States, taking account of the 'counter-current principle';

(b) horizontal coordination between adjoining regions;

(c) external coordination with private bodies such as associations, semi-official institutions societies, etc.;

(d) diagonal coordination between organizations of different levels, (e.g. coordination between the Danish Government and regional authorities in the Federal Republic of Germany).

32. Efforts at coordination are particularly valuable in border regions. Uncoordinated regional and local economic information, regulations, requirements and interdictions often give rise, particularly in border regions, to additional risks and complications for industrial interests and thus reduce the incentives to settle and operate in an area.

33. The causes of unwillingness to cooperate must be eliminated at all levels. Such unwillingness can arise for a variety of reasons, often as a result of disparity in initial situations or future prospects ('We are putting more into the region than the others and are also expected to reduce our own chances'). These differences in objectives together with competition between regions of equal standing on either side of a border, may constitute obstacles to cooperation.

34. However, it cannot be denied that formal or institutional coordination procedures are more likely to succeed than purely informal methods. The institutional coordination procedure preferred in this report can be operated at various levels of intensity. The more rigorous forms of institutional coordination tend to give greater legal security to those involved and thus offer more prospects of success. The 'European Joint Authorities' proposed in this report are intended to provide a more flexible system of institutional cooperation.

35. Finally, a word on the justification of the effort spent on coordination. Coordination requires time, money and staff. Coordinated regional policy is more time-consuming and onerous than unilateral decisions by central authorities. Apart from the democratic challenge inherent in this, it must of course be admitted that coordination can only be considered necessary when its value exceeds the cost involved.
36. As already mentioned, regional plans are often implemented by means of regional aids. The term aids applies here to the whole spectrum of possible financial aids (non-repayable grants, interest concessions, loans, guarantees and relief on taxes and charges). In this connection there are three forms of possible cooperation in trans-frontier regional policy:

- **Arrangements for the receipt of financial aid.** The donor institutions (national governments, European Regional Development Fund, European Social Fund, European Investment Bank) require that aid recipients should be properly organized and give clear proof of the use of the funds. The existing informal bodies for transfrontier cooperation (societies, working parties) do not at present qualify as recipients. Such bodies do not have the legal status, financial backing or organization required to act as project executors, bankers or the like. The credit risk for the donor institutions is too great, and this often results in the refusal of applications for aid which in themselves are materially justified.

- **Transmission of aid in the regions**

Private investments in the regions cannot be boosted by means of financial aid unless there is rigid organization. Border regions must be put in a position where they can act as effectively as the more central regions in the Member States have been doing for many years. This means firstly that private industries willing to settle and invest in the area should be able to deal with one spokesman on behalf of the region. Secondly border regions must be given the opportunity to employ modern industrial development practices (industrial estates, leasing contracts). In addition the regional administration must be in a position to correlate the establishment of new industry with infrastructure expenditure by means of cost-benefit analyses.

- **The approximation of financial aid**

This supraregional activity which is being tackled by the Commission and, it is to be hoped, will be energetically pursued by the Regional Fund's Regional Policy Committee is bound to encounter misgivings in the border regions concerned since they often suffer when national aid measures influence the choice of location of an undertaking. Moreover, such regions, being directly concerned, also have at their disposal the most informative and relevant data

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for the assessment of the needs of their areas. National aids cannot be approximated simply by fixing different maximum levels; such approximation must also take account of the specific characteristics of the regional situation and include an efficient surveillance system. These latter two aspects cannot however be covered without regional assistance.

Transfrontier administrative action

37. Private industry has for a long time been organized on a transfrontier basis. The central authorities even encourage the development of such transfrontier organization. It would be disastrous if no transfrontier authority could be found which would be capable, for example in the matter of the establishment of new industries and environmental protection, of averting the dangers of uncontrolled industrial and technological expansion. Transfrontier administrative action by the intervening authority should therefore not be excluded a priori. Misgivings about any loss of sovereignty that this might entail should not be exaggerated.

38. Moreover, losses of sovereignty can logically occur only in cases where national administrative action would be feasible and effective. In the case of transfrontier problems this is obviously not the case.

Practical

Workers' freedom of movement

39. The number of people living on one side of the border but working on the other is considerable and varies with the changes in the economic conditions in the two parts of the region. Despite the application of Articles 48 and 51 of the Treaty of Rome on the freedom of movement of workers within the Community these people still have to contend with many difficulties, such as loss of time at border posts which have to be crossed twice to four times a day, the inconvenience caused by the fact that many border posts close at night, fluctuations in income as a result of changes in exchange rate, and the lack of job security and discrepancies in social insurance.

40. Many of these problems could be solved by Community action in respect of national customs and police authorities with the cooperation of labour exchanges.

41. It is to be hoped that the attempts to form a passport union will also serve to alleviate problems in the border areas.

1 cf. Commission Communication COM(75) 322 final.
Establishment of new industries

42. For an undertaking choosing a location the problem of where to go might depend on the most favourable terms offered by one of a number of competing local authorities or regions. The regions themselves suffer as a result of competitive outbidding for such undertakings. In every case such overbidding in order to 'catch the big fish' logically also increases the infrastructure expenditure for the establishment of the industry and the resulting costs which, foolishly, are often not quantified. Organized regions, on the other hand, would be in a position to make concerted establishment offers.

43. Transfrontier planning and coordination could prevent such unfortunate procedures and thus reduce public expenditure. Moreover, the advantages (tax revenue) and disadvantages of the establishment of new industries (the need to build houses and schools and provide public utilities and transport services and measures to protect the environment) could be equally distributed throughout the region.

Development and land use planning

44. The coordination or joint drafting of land use and development plans is also essential in many congested areas, although this does not apply to the same extent in the thinly populated border areas.

45. Local authority development plans are generally required to conform with the objectives of town and country planning. Hence, if the planning of smaller areas is to be included in the planning of larger areas, extensive coordination of the plans of local authorities will be necessary in congested areas. The practice of restricting the scope of planning decisions to areas on one side of a border, which is still common among local authorities, is out of keeping with the real repercussions that planning measures taken by one local authority may have on the adjoining area of the neighbouring authority. No 'law on relations between neighbouring regional authorities' has yet been worked out. However, only a careful division of functions will in future permit the optimal arrangement of settlement areas within their supralocal and transfrontier structures.

Public utilities

46. The installation of public utilities (water, gas, electricity, drainage, sewage treatment plants, refuse tips or incineration units) is one of the most costly items of local authority expenditure. However, in the thinly populated border regions the frontier division makes it impossible to use these installations at full capacity. The classic 'joint authority' provides the ideal solution. It should not be dismissed
out of hand for transfrontier regions, especially since under-exploitation of capacities or their non-existence because of lack of profitability would only serve to make the competitive situation of border regions worse.

Transport infrastructure

47. A good transport system forms the basis of the economy of a region. In border regions however, the transport sector usually shows serious shortcomings. The situation is such that there is either no local transport infrastructure, or the local transport only runs parallel to the border. Members of the European Parliament have repeatedly drawn attention to this unsatisfactory state of affairs.

48. It would be desirable for transfrontier local transport facilities conducive to the development of industries near the border, to be extended at least at the same rate as long-distance transfrontier transport. Transfrontier railway connection often quite satisfactory in themselves, would only have to be used more efficiently for regional services. A practical railway utilization plan drawn up in cooperation with regional boards would be a first step in this direction. A second aspect is road construction. The local boards must be given a say in the activities of road-building authorities, in order to ensure cooperation on both sides of the border. A special task for a transfrontier cooperation institute would be to organize an interlinked transfrontier public transport system (road and rail) with integrated fares.

Environmental protection

49. There are many problems in the field of environmental protection which cannot be solved at national or Community level. Such problems are much more closely connected with regional land use, local industry, agricultural structure and geographical and climatic factors. The

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1 cf. latterly Written Question No. 89/75 by Mr Gerlach and Mr Seefeld of 22 April, OJ No. C 161 of 17 July 1975, p.26.

2 See directive of the Council of the European Communities of 7 November 1974 on the pollution of transnational surface water requiring the Member States to take the necessary action to ensure that the purity of transfrontier waterways meets certain fixed standards and that domestic and transnational surface water is treated in the same way, OJ No. L 194 of 25 July 1975.
law on environmental protection, which is still in its infancy, has many shortcomings. In border regions these can only be overcome by a cooperative attitude on the part of the regional officials responsible. It should not be forgotten that the 'polluter pays' principle applies also in the inter-regional field and it is unacceptable for one half of a region to have jobs and tax revenue while the other half has air and water pollution.

50. Many regions are already involved in nature conservation on a trans-frontier basis as a method of preventive environmental protection. In this connection mention should be made of the Ardennes-Eiffel and Maas-Schwalm-Nette natural parks.

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Public health

51. Because of the high costs involved, many regional authorities in border regions find it difficult to set up hospitals, specialist clinics, accident services and systems for transporting patients. At the same time full exploitation of facilities is impossible if they are used only on one side of the border. Inhabitants have for a long time been calling for an unbureaucratic transfrontier medical service.

Education

52. It would be in the interests of the Community to promote efforts to increase the historical understanding of certain psychological difficulties affecting the relations between the inhabitants on either side of internal frontiers. In this connection it would be best to begin with children and school would be the most suitable place. Consideration should therefore be given to the extent to which the establishment of European schools in border regions would further this aim. In this way greater stress could also be laid on the teaching of the languages of the neighbouring countries. It would also be particularly important to attempt to gear school curricula to the specific cultural situation of border regions by establishing the priority of the native language and making language of the neighbouring country the first foreign language even in primary schools. The mutual recognition of diplomas also belongs in this context.

Cultural cooperation

53. In addition to education, cultural exchanges are also a high priority in border regions. Transfrontier contacts between schools and societies, exchange visits by theatre groups, orchestras and dance companies form a basis for all the more consequential trust-inspiring activities and should not be underestimated. Cooperation between regional mass media (press, radio and television), which has begun in various border regions, should be continued and intensified in view of the large audiences reached.

Leisure and tourism

54. The frequently attractive and scenic situation of border regions makes them suitable for the expansion of tourism and of local resorts. Tourism and recreation are typically transfrontier activities. This can clearly

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1 cf. Walkhoff report on the European Schools system, Doc. 113/75.
be seen from user analyses of long-distance transport and leisure facilities: health resorts and venues for vacations and weekend trips have a special attraction when close to or on the other side of a border. The reason is clearly a desire to escape from the routine into an environment different from the interior of the country. The establishment of outdoor recreation facilities close to or across borders (parks, baths, walks, camping sites, water-sport facilities, skiing areas etc.) should take account of these motivations and needs of the population and plan accordingly.

IV. THE REGIONAL FUND AS A FINANCIAL INSTRUMENT FOR THE SOLUTION OF PROBLEMS

55. Since it was founded, the European Investment Bank has been the only financial institution in the Community whose main responsibility is the promotion of regional development. To make the Community solution of regional problems more direct and dynamic the Heads of State or Government at the Paris Summit Conference in October 1972 instructed the institutions of the Community to set up a Regional Development Fund. This undertaking was restated at the Copenhagen Conference in December 1973, and at the Paris Conference in December 1974 it was decided that the European Regional Development Fund should be implemented as from 1 January 1975. As a result the Council adopted on 18 March 1975 the regulation establishing a European Regional Development Fund and the regulation on the transfer to this Fund of 150 million units of account out of the appropriations held in reserve by the Guidance Section of the European Agricultural Guidance and Guarantee Fund.

56. The interventions of this fund, coordinated with the aid measures of the Member States, should make it possible, in the course of the establishment of economic and monetary union, to correct the principal regional imbalances in the Community resulting in particular from agricultural preponderance, industrial change and structural underemployment. These three main criteria for the use of appropriations from the Fund are present in almost all border regions. Moreover, Article 5(1)(d) of the regulation of 18 March 1975 expressly draws attention to the need for improvement in border regions, stating that special

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account will be taken of:

'(d) whether the investment falls within a frontier area, that is to say within adjacent regions of separate Member States'.

Article 6(1) of the regulation states that (after a transitional period) investments may benefit from the Fund's assistance only if they fall within the framework of a regional development programme, the implementation of which is likely to contribute to the correction of the main regional imbalances within the Community which are likely to prejudice the attainment of economic and monetary union.

57. It will be seen from the above that, as already stressed elsewhere in this report, the Fund may only give financial assistance in the context of a transfrontier regional development programme. Hence, if Article 5(1)(d) is not to be completely valueless, institutions must be created to prepare these transfrontier development programmes in cooperation with the Regional Fund's Regional Policy Committee. We cannot lay enough stress on this complementary relationship between the Regional Fund and the instrument of transfrontier cooperation.

58. A further point of considerable importance as regards border regions is the amount of appropriations which must be made available to the European Development Fund. The allocation of 1,300 million units of account for the period from 1975 to 1977 is particularly unsatisfactory considering that these appropriations come in part from structural improvement funds held in reserve by the Guidance Section of the European Agricultural Guidance and Guarantee Fund. Since the border regions at the Community's internal frontiers do not in general belong to the 'poorest of the poor' regions in the Community they rank only second in line for improvement. If they are not to come away entirely empty-handed, they must of necessity show some concern about the amount of financial appropriations allocated to the Regional Fund.

59. Despite these criticisms, however, cautious optimism is in order. The next three years will show whether the Community can use the Fund's appropriations to benefit a Europe in the course of integration or whether the Fund will be reduced to a financial refund system for national regional promotion measures already planned or executed.
V. EUROPEAN JOINT AUTHORITIES AS AN ORGANIZATIONAL INSTRUMENT

Possible forms of cooperation for transfrontier regional policy

60. Consideration has been given first of all to existing or proposed forms of cooperation under national, international and Community law in order to establish the extent to which existing legal systems can be used for the desired transfrontier cooperation. At the same time, this approach, based on legal systems, has been used to work out a new optimal form of cooperation.

Forms of cooperation under national law

61. The first essential in describing the types of legal system used in regional and local cooperation is to distinguish between the scope offered by public law and private law since for a long time public authorities have also been operating under private law.

62. As regards the scope offered by public law, three forms of cooperation can be distinguished in national legal systems:

(a) Joint committees of local or regional authorities. These are amalgamations with no separate legal entity, formed for the purpose of advising their members or coordinating their policies. The responsibilities of the participants as regards the execution of their duties and powers remain unchanged.

(b) The formation of joint authorities with responsibility for the concerted execution of governmental functions or public services which the members are authorized or obliged to perform. The joint execution of duties means that in certain fields the rights and functions of the members are transferred to the authority.

The joint authority is a public-law entity.

A joint authority is formed by the enactment of a bye-law (statute) and the approval of this law (sovereign act based on a public-law contract by the founder members).

(c) The public-law contracts entered into by regions or local authorities generally relate to ad-hoc projects or serve to transfer to one member the responsibility for performing individual duties of the other members (e.g. the joint use of a public institution).
63. - There is an increasing tendency in a number of Member States to authorize the establishment of public undertakings and service institutes under private law (e.g. transport undertakings and business promotion companies). The preferred legal forms are limited liability companies and joint stock companies. Mixed forms are also becoming more common (participation by public-law joint authorities in private-law companies which serve the public good and vice versa).

64. A summary of the types of regional policy cooperation existing within States makes one thing clear: transfrontier cooperation cannot be tackled satisfactorily on the basis of national legal systems since one of the parties involved in the cooperation must necessarily force its own legal systems on the others. It is clear that this cannot form a proper basis for transfrontier cooperation founded on equality and reciprocity.

International agreements (Conventions etc.)

65. Hitherto this conventional form of international arrangement has had to be used whenever local authorities or regions have wanted to adopt regulations affecting both sides of the border (even in their own sphere of competence). International law is at present the only medium available, and grass-roots regional policy to border regions thereby automatically becomes a matter of foreign policy, which is the preserve of the highest national authorities. This explains the relative rareness of such international agreements and the unsuitability of this method as a means of transfrontier cooperation.

Forms of cooperation under Community law

66. No specific proposals have as yet been submitted for systems of transfrontier regional policy under Community law.

However, some thought has been given to whether the European Cooperation Grouping (ECG) or the European Company might not represent suitable legal systems.

67. It is significant that when the Community first proposed a legal instrument for transfrontier cooperation it was for the commercial activities of private industry. This instrument is the European Cooperation Grouping (ECG), which is an association of private-law

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undertakings similar to a partnership whose aim is 'to facilitate or develop the business of its members and to improve or increase the results of such business'. The ECG is subject primarily to Community law (mainly in the organizational field) and secondarily to the national law of the country in which it has its head office.

From the point of view of structure and organization the ECG could very well also serve the needs of transfrontier cooperation in the public field.

However, the purpose of the ECG, which is exclusively geared to private business, and the activities it is permitted to carry out prevent its use in the field of public welfare and the provision of services. By virtue of Article 58 of the EEC Treaty members of the ECG must be natural or legal persons pursuing profit-making activities.

Under these conditions the rapporteur believes that the European Parliament is under a special obligation to offer those responsible for public welfare an equivalent form of transfrontier cooperation.

68. The above applies in modified form to the European Company. The fact that this is geared to the economic aim of profit-making prevents it being taken over for transfrontier regional policy.

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1 Without prejudice to any opinion which the European Parliament might adopt on the value of the application of the ECG under private law.
2 cf. Amended proposal from the Commission to the Council (COM(75) 150 fin.)
The main proposal of this report: The European Joint Authority

69. As ascertained above, the instruments which so far exist do not provide a satisfactory framework for transfrontier operation between public authorities. The Community therefore has to take suitable action.

The aim of the European Joint Authority

70. The aim stated in the EEC Treaty of creating regions with balanced economic, social and cultural structures at the borders of the Member States of the Community seems to be unattainable without a new kind of instrument. Such an instrument is proposed in Annex II which contains a proposal for a Council regulation and a framework statute. We call this new instrument, which is modelled on the private-law European Cooperation Grouping, the European Joint Authority.

71. The task of such European Joint Authorities, based on voluntary alliance, is to provide a decision-making board for self-administrating bodies in the border regions of the Member States of the European Community interested in intensive cooperation, able to develop the broad range of local authority activities, such as public utilities (transport services, water, gas, electricity, leisure, medical and social services) and environmental protection, emergency services, promotion of industry, etc., to the benefit of participating local bodies.

The contents of the proposed provisions

72. Our proposal contains a draft Council regulation on the creation of transfrontier regional authorities (European Joint Authorities) and outline provisions for the statutes of such authorities.

73. In greater detail the text contains:

- in respect of the internal structure of the authorities:
  Flexible general principles under Community law in respect of the foundation and operation (Art. 1), minimum requirements as to membership (Art. 2) and a reference to the subsidiary application of national law (Art. 4)

- in respect of legal relations with third parties:
  Regulations on the legal and executive competence corresponding to that of a legal personality (Art. 3) and the provision of legal recourse by maintaining national law in external relations (Art. 4)

- in respect of the tasks assigned to the authorities:
  The guarantee of maximum latitude for public authorities wishing to cooperate to create an independent body according to regional circumstances (Art. 5)
- The regulation contains outline provisions on the organization of the European Joint Authority and the working methods of its bodies. These bodies are:

- the Regional Council, made up of elected representatives from the affiliated public authorities, representatives of national supervisory authorities and, where necessary, a representative of the Commission of the European Communities;

- the Regional Committee, composed of senior administrative officials of the member authorities or administrative specialists;

- the Secretariat, appointed by the Regional Committee.

- in respect of legal recourse:

  Clear references to Community and national law and jurisdiction.

  Internal legal provisions

74. The organisational provisions, i.e. the founding and operational regulations governing this instrument, are subject to Community law. This automatically follows from the fact that the legal basis, namely the regulation, is of European origin. This is in no way prejudiced by the fact that Art. 1 refers to the actual formation agreement which also represents a legal basis (being an agreement in public law) but is not subject to primary Community law.

75. Art. 4 reaffirms this distinction between internal provisions (Community law) and external provisions (national law of the head-office country) by referring to the application of national law exclusively for legal relations with third parties (the conclusion of agreements, etc.). The structure of the joint authority is however governed by Community law, namely the outline provisions in the regulation.

76. Art. 1 contains the usual provisions on the duration of the agreement and the head office.

77. Art. 2 contains the minimum requirements for membership of a European Joint Authority. It must be made up of at least two regional public bodies from different Member States. Participation will be restricted to bodies with representatives and powers of their own.

  External relations

78. The European Joint Authority must find a place as an effective operational instrument in the machinery of national regional policy. It is therefore necessary to make its legal status that of a juridical person, as formulated in Art. 3. The European Joint Authority has legal and executive powers and may initiate legal proceedings or be proceeded against.
The European Joint Authority is a juridical person under public law, namely Community law, but is able to act not only within the forms of public law (sovereign acts) but also using private law devices (purchase agreements, leases, etc.). This appears to be necessary since the distinction between public law and private law is ill-defined in some member countries and also because public institutions in several Member States employ private law either directly or indirectly for their operations.

Objectives

The objectives of the European Joint authorities are left fully and entirely to the individual initiative of the voluntary affiliations of local authorities. Neither the regulation nor the statute contains a specific list of tasks. The objective is simply enunciated in Art. 5 that a region should be created with a balanced economic, social and cultural structure. Ways of attaining this objective are indicated. These are the classical fields affected by regional policy hitherto in the Member States.

The first moderate step is to formulate non-binding plans and opinions, possibly to influence already existing central plans.

A more definite level of action is to be found in the coordination of implementation of national measures. Here, too, efforts to reach agreement and concertation will not be legally binding on national decision-making authorities.

The instrumental advance will doubtless come from the next level, at which the European Joint Authority is given full responsibility for regional administrative matters delegated to it. It is to be stressed that this transfer of sovereign tasks to the European Joint Authority is optional. The responsibilities delegated may relate to the most varied fields and may cover original responsibilities of participating member authorities or those delegated to them or referred to them for implementation. Any transfer of responsibilities to the European Joint Authority remains subject to approval by the corresponding national supervisory authority.

The fourth level of action is characterized, like the third, by a qualitative change in cooperation. It enables the European Joint Authority to participate in any way in local authority or regional plans compatible with the aims of public welfare and service. Organized action employing private law machinery takes the place of mere coordination efforts to approximate different views or methods. Participation also means financial participation or participation under private company law as these mixed forms of public and private law
operation are extremely flexible and have become a permanent component of national regional policies. At the same time the aims are explicitly limited (public welfare or service) in order to prevent backsliding into commercial activities.

The outline provisions

85. Article 7 of the Regulation sets out the organization of the European Joint Authority, which is composed of a Regional Council and a Regional Committee.

86. The Regional Council exercises political supervision. The activity of this body - apart from covering general political supervision of the Regional Committee (approval of statute changes, legal acts, etc.) will also extend to the provision of Community infrastructure resources from the Regional Development Fund, the Social Fund, the EAGGF and the EIB for the European Joint Authority as the authority responsible for a certain project. The Regional Council - and in that council the Commission representative - will also be responsible for supervising the correct use of these financial resources and preventing illegitimate national support measures (e.g. on the basis of Art. 92 and 93, EEC Treaty).

87. The Regional Committee is the permanent administrative organ of the European Joint Authority. It may submit to the Regional Council proposals for decisions. It is also responsible for issuing acts passed by the Regional Council and for supervising their implementation.

88. The outline provisions also contains a realistic proposal concerning the possible decision-making process to be employed by the regional council. While Art. 5 of the regulation contained an indication of future terms of reference for the delegation of public tasks (to be implemented under public or private law) to the European Joint Authority, Art.10(1) of the Regulation is limited to a more realistic possibility, that of issuing regional directives binding on each participating local authority in respect of the objective to be attained but leaving them the responsibility for choosing ways and means.

Legal recourse

89. With regard to legal recourse, Art. 12 of the statute reiterates the clear legal situation provided for by Art. 4 of the regulation.
90. Internal disputes may be referred to the national court at the seat of the European Joint Authority. Under Article 177 of the EEC Treaty, national courts are required to refer to the European Court of Justice any dispute as to the interpretation of the Regulation.

In the individual statutes of European Joint Authorities, provision may be made for the European Court of Justice to be called upon to interpret those statutes.

91. Disputes arising from external relations of the authority shall be referred to national jurisdiction.

National recognition of legal action taken by the European Joint Authority

92. Neither efforts to develop coordination nor the drafting of non-binding plans by the Authority give rise to difficulties in respect of recognition at national level.

93. Legal acts undertaken by the Authority as part of the administrative duties delegated to it are a different matter. Here it does not matter whether local or regional plans are implemented by sovereign act (administrative act) or by private law media through a private law company. In both cases the decision is no longer made at state level since it is made by the European Joint Authority.

94. It should be pointed out that this recognition of the legitimacy of legal actions by the European Joint Authority will not in practice lead to any significant loss of authority by national bodies. This is mainly due to the fact that the European Joint Authority will be taking upon itself not specific national tasks but new particular commitments arising in the border regions of a Europe in the progress of consolidation, which individual states cannot fulfil satisfactorily. But any grounds for apprehension on the part of national governments must also be removed not only by the specific nature of the tasks assigned to the European Joint Authority but also by the limitation of its geographical competence to the border regions. In each case the geographical demarcation must be precisely fixed.

The European Joint Authority as a step towards more intensive forms of cooperation

95. The step from a mere coordinating and advisory function to decision-making functions is difficult. The institutions created so far both within and outside the Community have got no further than non-binding action. This is the case with the 'Regio Basiliensis' working party which is an association under Swiss law with the aim of planning and
encouraging economic, political and cultural development in the border region; and the Franco-Swiss-German Conférence tripartite, the 'Communautés d'Intérêts Moyenne Alsace-Breisgau', and the Danish-Swedish Øresund Council. Nor do such rare cases as the police powers delegated to a joint body for the Mont Blanc Tunnel, or the like, prove the contrary.  

96. There are, however, two noteworthy cases of serious efforts to intensify cooperation in the way described here.

97. One of these is the EUREGIO (Dutch-German border region between the Rhine, Ems and Yssel) which is tending towards a more rigid structure for its cooperation. The general 1975 report on EUREGIO states that the region must ultimately have either direct or indirect power to enforce these decisions as it would otherwise only be tackling problems which it could not solve.  

The draft of a new statute gives an indication of the present concerns.

98. The second case is provided by the unequivocal statements of the local government committee of the Nordic Council. It calls for a constitutional national clarification of the principle of trans-frontier cooperation and the submission of a legal polity for possible regional or central supervision of local government cooperation agreements.

99. At all events, there should be definition of the possible ways of changing the law in order to create permanent legal forms for cooperation between local authorities over national frontiers.

100. It is such a permanent legal form which the proposed regulation for the creation of European Joint Authorities offers in order to make possible voluntary alliances with the greatest possible latitude in the choice of organisational forms and actions.

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1 Cf. Paris Convention of 14 March 1953 between Italy and France on the construction of the Mont Blanc Tunnel. This international legal act restricted the territorial authority of national police bodies in respect of the road through the tunnel.

2 EUREGIO, general report 1975, drawn up on the occasion of an enquiry on European border regions by the Committee on Regional Planning and Local Authorities, Council of Europe, Consultative Assembly, 1975, p.45


4 Ibidem, p.7
VI. The responsibility of the European Communities towards the border regions

101. The question of enforcement is at present crucial to the various Community policies. This was recognised by the Community when it marked the beginning of European regional policy by setting up the European Regional Development Fund. However, the Regional Development Fund, as the financial instrument for genuine European regional policy, is insufficient since it has been proved that a distributive policy alone cannot prevent regional imbalances arising. No kind of aid can overcome the obstacles to people and economies in the border regions. Apart from the offer of financial solidarity there must also be a step towards genuine transfrontier cooperation. It is for this reason that this report deliberately proposes the European Joint Authority as a complementary transfrontier cooperation instrument.

102. It would not be a bad thing if the European Joint Authority were to be applied initially as a model to the border region which has made the most advances in cooperation. The EUREGIO region would seem an appropriate starting place for this.

103. The European Community clearly has the responsibility to create proper conditions for clearly structured transfrontier cooperation. Other international organisations have been able to provide valuable preliminary work but at the same time they have only been in a position to address non-binding recommendations to Member States. The powers given to the Community also imply responsibility. The Community should face up to this responsibility. There is clearly a need to propose the European Joint Authority as an instrument of cooperation in the form of a Council regulation since such a regulation could achieve the desired objective where a directive would not be so successful.
DESCRIPTION OF THE REGIONS AT THE
COMMUNITY'S INTERNAL FRONTIERS

Survey of the regions
at the Community's internal frontiers

(The breakdown into the various frontier sections has been effected, where not already dictated by existing forms of cooperation, on the basis of economic and geographical considerations. Lines have not been drawn on the maps between border areas and the interior of the countries concerned, the boxes merely serving as a rough indication of the areas involved. As regards the titles given to the regions, it has been found necessary to take existing administrative districts and local or regional authorities as a basis. However, it must of course be left to those concerned to decide which parts of a given area participate in trans-frontier cooperation and which do not. As far as can be ascertained at present, the following border areas are possible candidates for such cooperation:)

1. Northern Ireland/Republic of Ireland
2. South Jutland/Schleswig-Holstein
3. Ems-Dollart Region: Groningen-Drenthe/Aurich-Osnabrück
4. Euregio: Twente-Overijssel/Rhine-Emms
5. Regio Rhein-Waal: Gelderland-Lower Rhine
6. Zeeland-North Brabant/Flanders-Antwerp
7. Dutch Limburg/Belgian Limburg-Liège/Aachen
8. West Flanders-Hennegau/Région Nord
9. Namur/Departement of Ardennes
10. Belgian Luxembourg-Liège/Luxembourg/Palatinate
11. Luxembourg/Lorraine/Saarland
12. Belgian Luxembourg/Luxembourg/Lorraine
13. Bas-Rhin/Palatinate
14. Bas-Rhin/North Baden
15. Regio Basiliensis: Haut-Rhin/Basel/South Baden
16. Savoie/Piedmont-Aosta
17. Alpes-Maritimes/Liguria
The above figures correspond to the numbering used in the following text to indicate the various border areas.

Source: Directorate-General for Research and Documentation of the European Parliament
No. I: Northern Ireland/Republic of Ireland

1. Geographical position:

The north-western part of the Irish island occupies a peripheral position as regards both the European Community and national economic centres. The following countries form part of the border area: Londonderry, Tyrone, Fermanagh, Donegal, Sligo, Leitrim, Armagh, Cavan, Monaghan and Louth.

2. Population:

The border area is inhabited by about 861,000 people (1971). At 42 inhabitants per square kilometre the density of population is one of the lowest in border areas in the Community. As a result of migration from both parts of the border area the situation is steadily worsening.

3. Employment:

Considerable dependence on agriculture. In the western part of the border area about 40% of the working population are employed in agriculture (in contrast, the average for Ireland is 27%, for Northern Ireland 10%). Unemployment in the border area is well above the national average on both sides.

4. Trans-frontier commuters:

In spite of a considerable difference in incomes (the per capita income in Northern Ireland in 1970 was almost three times as high as in the border areas of the Republic of Ireland) the number of trans-frontier commuters is relatively low because there are few employment opportunities on the other side of the border.

5. Industry:

The degree of industrialization in Northern Ireland is higher than that of the border areas of the Republic; however, the industrial structure is similar, with the textile industry dominating (structural crisis). Required: diversification and creation of new jobs.

6. Infrastructure:

The social infrastructure on both sides of the border is inadequate. The lack of training possibilities is particularly evident in the Republic (Donegal). However, the low population density makes it difficult to provide sufficient infrastructural facilities; this applies above all to the social infrastructure.
7. **Transport:**

Along the 380 kilometre border there are six road and one railway crossing points. In the western part of the border area there are only two crossing points over a distance of 190 km. Transport links between the county of Donegal to the Republic is inadequate. The north-western part of the border area is not connected to either the railway or the airline network of the two countries.

8. **Cooperation:**

The political situation in Northern Ireland has made trans-frontier cooperation difficult. In the north-western part of the area there is a joint working party on border problems, which met twice in 1972. Cooperation at local level, with a number of exceptions, is in great need of improvement. A financial grant by the Commission for a joint study on the problems of this border area was not used by the governments.
1. Northern Ireland/Republic of Ireland
No. 2: Schleswig-Holstein/South Jutland

1. Geographical position:

Border area on the Jutland peninsula between the Baltic Sea and North Sea. Important towns: Flensburg, Husum, Westerland, Tønder, Åbenrå, Haderslev and Sønderborg.

2. Population: total: about 576,000, thereof:
on the German side: about 340,000 (1973); tendency falling
on the Danish side: about 236,000 (1970)

Linguistic minorities on both sides of the border (statute on minorities); low population density in the border area.

3. Employment:

<table>
<thead>
<tr>
<th></th>
<th>North Schleswig</th>
<th>Dk (1970)</th>
<th>Border districts</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>19%</td>
<td>11%</td>
<td>17%</td>
<td>8%</td>
</tr>
<tr>
<td>Industry</td>
<td>38%</td>
<td>39%</td>
<td>31%</td>
<td>50%</td>
</tr>
<tr>
<td>Services</td>
<td>43%</td>
<td>50%</td>
<td>52%</td>
<td>42%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

4. Trans-frontier commuters:

As there is no difference in incomes on the two sides of the border, there are few trans-frontier commuters; average incomes in the border area are, however, lower than in the interior.

D ——— DK about 25 trans-frontier commuters
DK ——— D about 100 trans-frontier commuters

5. Industry:

Shipbuilding, metalworking (Danfoss), manufacture of semi-luxuries (rum), increasing tourism.

6. Infrastructure:

Owing to its historical development (the border has existed here since 1920) both the cultural and the educational sectors are fairly strong in the area near the border. Above-average number of educational facilities.

7. Transport:

Transit area between Scandinavia and Central Europe; well connected to the national road network; inadequate coordination of regional air transport.
8. Cooperation:

Trans-frontier cooperation at pragmatic level: institutionalization of contacts is not considered essential; exchanges of information on regional planning; in 1972 establishment of the Flensburg Fiord Joint Committee, which examines ways of improving the quality of the water in the fiord.
2. South Jutland/Schleswig-Holstein
No. 3: Ems-Dollart Region

1. Geographical position:

Dutch-German border area between the North Sea and Euregio; comprises on the German side: Aurich Government District and the Northern part of the Osnabrück Government District, and on the Dutch side the Provinces of Groningen and Drenthe. Major towns: Groningen, Emmen, Aurich, Emden and Leer.

<table>
<thead>
<tr>
<th>Province of Groningen (NL)</th>
<th>1.4m inhabitants, thereof: 522,000</th>
<th>Population density 214 per sq. km.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Province of Drenthe (NL)</td>
<td>370,000</td>
<td>127 per sq. km.</td>
</tr>
<tr>
<td>Aurich Govt. Dist. + Rural Dist. (D)</td>
<td>550,000</td>
<td>129 per sq. km.</td>
</tr>
</tbody>
</table>

For comparison: D: 244 inhabitants per sq. km., NL: 389 inhabitants per sq. km.

2. Population:

No details available.

3. Employment:

No details available.

4. Trans-frontier commuters:

In the whole of the Dutch-German border area:

D → NL  750 (1973)
NL → D  30,950 (1973)

5. Industry:

Marked agricultural activity; inadequate industrial development in the German part of the border area; production of natural gas and petroleum in Groningen and Drenthe forms the basis of a fast growing chemical industry; foodstuffs and semi-luxuries industries.

6. Infrastructure:

Inadequate as a result of low population density and unfavourable natural conditions.

7. Transport:

Isolated geographical position; unfavourable soil (fens) and the tendency for the Rivers Ems and Dollart to divide up the area; inadequate road network in the border area. Waterway network, in contrast, favourable: ports: Delfzijl (extension of Groningen port), Emden; canals: Ems-Jade Canal, Oranje Canal, Stads Canal.
8. **Cooperation**

(a) Since 1967 a Dutch-German regional planning commission with two sub-commissions, North and South, which carry out infrastructural analyses of the border areas, coordinate regional plans and look into industrial settlement, pipeline routes, etc.

(b) Dutch-German cultural commission.

(c) Since 1971 Euregio-North Regional Cooperation Working Party at local authority level (structural analyses, public relations).
3. Ems-Dollart Region: Groningen-Drenthe/Aurich-Osnabrück
No. 4: Euregio

1. Geographical position:
   Area between the Rhine, Ems and Yssel; administratively it is divided up among the Dutch Provinces of Overijssel (administrative centre: Zwolle) and Gelderland (administrative centre: Arnhem) and the German Government District of Münster (administrative centre: Münster), major towns: Enschede, Hengelo, Nordhorn, Rhine and Borken.

2. Population: total: 1.6m, thereof:
   - on the Dutch side: 870,000 (281 per sq. km)
   - on the German side: 740,000 (166 per sq. km.)
   Tendency: increasing on both sides of the border.


<table>
<thead>
<tr>
<th>Twente-Oostgelderland</th>
<th>NL</th>
<th>Westmünsterland Grafschaft Bentheim</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>13.5</td>
<td>7</td>
<td>12.5</td>
</tr>
<tr>
<td>Industry</td>
<td>52.5</td>
<td>38</td>
<td>50.9</td>
</tr>
<tr>
<td>Services</td>
<td>34</td>
<td>54</td>
<td>36.6</td>
</tr>
</tbody>
</table>

   Unemployment above national average on both sides of the border (1974/75)

4. Trans-frontier commuters: in Euregio:
   NL → D 4,100 (1970)
   D → NL 776 (1970)

   In both the German and Dutch parts of Euregio, incomes are noticeably below the national level.

5. Industry:
   Industrial monostructure due to the dominance of the textile and clothing industries on both sides of the border. Employment openings (as in agriculture) are on the decrease.

6. Infrastructure:
   Educational and health amenities are noticeably deficient; inadequate infrastructure proves to be an obstacle to development for West Münsterland. Twente's better amenities are due to its more urban character.
7. **Transport:**

Motorways only pass through the periphery of Euregio; most of the road network runs parallel to the border (180 km in length, with 27 road crossing points, of which 21 are closed at night); the railway on the German side is threatened by closures of some sections.

8. **Cooperation:**

Cooperation in the form of a local working group (EUREGIO) consisting of three local groups (TOG, SSOG, KG Rhein-Ems); objective: 'promotion of trans-frontier development in the spheres of infrastructure, economy, culture, leisure'; own statute, council, working party and secretariat; exemplary joint information policy, structural analyses, influence on the regional planning of both countries in the border area. Financing by Dutch and German government agencies and the European Community.
4. Euregio: Twente-Overijssel/Rhine-Emms
No. 5: Gelderland/Lower Rhine

1. Geographical position:

Border area between the Netherlands and Germany crossed by the Lower Rhine (Lower Rhenish lowlands). Major towns: Nijmegen, Arnheim, Apeldoorn, Wesel, Duisburg and Krefeld.

2. Population:

About 3m, thereof 1.5m in the Dutch part (Province of Gelderland); high population density despite the dominance of agriculture.

3. Employment:

In spite of the importance of agriculture, more people are employed in industry.

4. Trans-frontier commuters: in the whole Dutch-German border area:

\[
\begin{array}{c|c|c}
D & \rightarrow & NL \\
750 & (1973) \\
NL & \rightarrow & D \\
30,950 & (1973)
\end{array}
\]

5. Industry:

The textile and clothing industries dominate (structural crisis); in addition, heavy industry around Duisburg and in the western peripheries of the Ruhr area, food and semi-luxuries industries, tin smelting plants, chemical fibre production, leather industry in the Dutch part of the area.

6. Infrastructure:

The area is practically divided into four by the border and the Rhine; educational, health, training and leisure facilities are less satisfactory than in the interior of the two countries concerned. Attraction of Düsseldorf as supra-regional centre.

7. Transport:

The most important transport route is the Rhine, which links the border area with the hinterland, the industrial centres and the North Sea ports. Motor way on the right bank of the Rhine connects the Netherlands and the Ruhr area.

8. Cooperation:

(a) 1971 establishment of the Regio Rhein-Waal with a fixed organizational concept. Objective: planning and coordination of economic and social development. Members: local authorities, associations, chambers of commerce and industry.
(b) Since 1967 a Dutch-German regional planning commission (with two subcommissions, North and South), which carries out infrastructural analysis of the border areas, coordinates regional plans and is responsible for industrial settlement and the routing of pipelines, etc.

(c) Dutch-German cultural commission.
5. Regio Rhein-Waal: Gelderland-Lower Rhine
No. 6: Zeeland-North Brabant/Flanders-Antwerp

1. **Geographical position:**

2. **Population:**
   Except for the Province of Zeeland a high population density in the border area.
   - Province of Zeeland/North Brabant: 1.9m inhabitants
   - Province of East Flanders/Antwerp: 1.7m inhabitants
   (National frontiers and language frontiers are not identical.)

3. **Employment:**
   In the Province of Zeeland agriculture dominates. Only 2% of the working population is engaged in industry (labour surplus). No information available on employment in the other parts of the area.

4. **Trans-frontier commuters:** in the whole of the Dutch-Belgian border area:
   - NL → B 2,800 stagnating tendency
   - B → NL 27,000 stagnating tendency

5. **Industry:**
   Coastal and sea fishing. In NL concentration of industry along the Ghent-Terneuzen Canal (textile industry - predominantly Belgian firms), chemical and petrochemical and metalworking industries and in the Antwerp area (ship-building, machine-building). Growing electrical engineering industry in Eindhoven.

6. **Infrastructure:**
   Inadequate infrastructure particularly in the Province of Zeeland, but improvements made as a result of the Delta Plan begun in 1957; in the other parts of the border area infrastructural facilities almost up to the national average in each case.
7. **Transport:**

With the exception of Seeland a well-developed transport infrastructure: waterways (Schelde, Meuse); canals (Campine Canal, Wilhelmina Canal, Albert Canal, Ghent-Terneuzen Canal); ports: (Antwerp, Middelburg, Flushing, Zeebrugge, Ostend) make for the cheap transport of goods. Antwerp is the largest container port in Western Europe. However, insufficient number of border crossing points.

8. **Cooperation**

Since 1969 a coordinating body in which the local authorities along the border are also represented (no information on activities available).
6. Zeeland-North Brabant/Flanders-Antwerp
No. 7: Dutch-Limburg/Belgian-Limburg-Liège/Aachen

1. Geographical position:

Area taking in parts of the Netherlands, Belgium and Germany. Comprises the Belgian and Dutch Provinces of Limburg, the Province of Liège, the western part of North Rhine-Westphalia. Major towns: Aachen, Mönchen-Gladbach, Maastricht, Venlo, Hasselt, Liège and Eupen.

2. Population: The area has about 2.6m inhabitants, thereof:

- in the Belgian part (Limburg/Liège): 0.6m
- in the Dutch part (Limburg): 1.0m
- in the German part (Aachen Government District): 1.0m

In this case the political borders are also language borders.

3. Employment:

Dominance of the industrial sector despite a high proportion of employees in agriculture. Belgian and Dutch Limburg have the beginnings of industrial concentrations. The same applies to the Aachen and Mönchen-Gladbach areas.

4. Trans-frontier commuters:

Predominance of trans-frontier commuters from Belgium and Dutch Limburg to Germany.

5. Industry:

The belt of coalfields from Charleroi to Liège has attracted ancillary industries (iron, steel) since the turn of the century. However, decreasing importance of coal mining; the industrial centre of Liège has machine-building, arms production; in Hasselt, Maastricht, Kerkrade, metalworking (car production), textile, chemical, paper and ceramics industries; the textile centre of Mönchen-Gladbach is highly industrialized.

6. Infrastructure:

The Meuse, which forms the border between Belgium and the Netherlands and flows very near the Dutch-German border, tends to divide up the area: inadequate infrastructure in the whole border area compared with the hinterland in each case. Exception: education sector (universities in Aachen, Maastricht and Liège).
7. **Transport:**

The road and canal networks run parallel to the border in many cases; Venlo, Liège and Aachen are major junctions. Sufficient number of border crossing points, a large number of which are, however, closed at night. The Dutch-German border runs through the middle of an area of industrial concentration.

8. **Cooperation:**

(a) On 3 February 1971, Belgian-German State Treaty on cooperation in regional planning signed. The treaty also covers the setting up of the Nordeifel/Schneifel/Hautes Fagnes nature reserve, the second largest trans-frontier nature reserve in Europe after the German-Luxembourg reserve.

(b) Within the framework of the Dutch-German border commission, a Meuse-Schwalm-Nette plan.

(c) Hasselt Study Group encourages trans-frontier national planning by the Netherlands and Belgium within the framework of the Committee for Regional Planning of the Benelux countries.

(d) Since 1976 regular meetings between presidents of administrative districts and province governors.
7. Dutch Limburg/Belgian Limburg–Liège/Aachen
No. 8: West Flanders-Hainaut/Région Nord

1. Geographical position:

French-Belgian border area between Charleroi and the North Sea. Comprises the Belgian provinces of Hainaut and West Flanders and the French département of Nord. Major towns: Charleroi, Mons, Kortrijk, Tournai, Ostend, Dunkirk, Lille and Valenciennes.

2. Population:

Hainaut (B) : 1.3m inhabitants high population density
West Flanders (B) : 1.0m inhabitants high growth rate
Région Nord (F) : 3.8m inhabitants

3. Employment:

<table>
<thead>
<tr>
<th></th>
<th>Région Nord</th>
<th>F</th>
<th>West Flanders/Hainaut</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>3%</td>
<td>14%</td>
<td>No information available</td>
<td>5%</td>
</tr>
<tr>
<td>Industry</td>
<td>53%</td>
<td>40%</td>
<td></td>
<td>44%</td>
</tr>
<tr>
<td>Services</td>
<td>45%</td>
<td>46%</td>
<td></td>
<td>51%</td>
</tr>
</tbody>
</table>

4. Trans-frontier commuters:

In the whole of the French-Belgian border area:

<table>
<thead>
<tr>
<th></th>
<th>B ———&gt; F</th>
<th>F ———&gt; B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18,600 (1972), falling tendency</td>
<td>2,200 (1972), falling tendency</td>
</tr>
</tbody>
</table>

5. Industry:

Coal mining on both sides of the border (50% of France's coal is mined in this area), iron, steel and textile industries (structural crisis). Considerable industrial settlement around Dunkirk (steel works). The Mons/Charleroi/Louvière area is a Belgian industrial centre which includes foundries, steel mills, machine-building, electrical and glass industries. At Feluy (on the Charleroi-Brussels Canal) a new petrochemical industrial centre is being established (oil pipeline from Antwerp).
6. **Infrastructure:**

Due to the high population the infrastructural facilities on both sides of the border can be regarded as adequate. Considerable inter-regional links between educational facilities.

7. **Transport:**

Extensive canal network provides connections between the coalfields and the coast and the Paris basin. Motorways link the border area with the hinterland.

Lille and Valenciennes and also Charleroi are centres.

8. **Cooperation:**

There are 5 regional interest groupings, some of which are no longer active. Trans-frontier cooperation has hitherto been limited to the issue of declarations of intent:

(a) Regional Economic Liaison Committee (CLER)
(b) Periodic meetings of the Governors of the Provinces of West Flanders and Hainaut and the Prefects of the départements of Nord and Pas-de-Calais.
(c) French-Belgian Committee on Border Problems.
(d) Standing Conference of the French and Belgian Chambers of Commerce and Industry of Escaut and Lys.
(e) Standing Conference of the French and Belgian Chambers of Commerce and Industry in Border Areas.
8. West Flanders-Hennegau/Region Nord
1. **Geographical position:**

French-Belgian border area comprising the southern part of the Belgian Province of Luxembourg, the Province of Namur (B) and the département of Ardennes (F). Towns: Bouillon, Philippeville, Namur, Dinant, Sedan and Charleville.

2. **Population:**

About 250,000; low population density (less than 50 inhabitants per sq. km.) in the border area.

3. **Employment:**

Highest proportion of employees in agriculture and forestry. Average incomes in the border area are considerably below the national average in each case.

4. **Trans-frontier commuters:**

In the whole of the French-Belgian border area:

- B → F: 18,600 (1972), falling tendency
- F → B: 2,200 (1972), falling tendency

5. **Industry:**

Low level of development; shale, lime and sandstone mining, cement industry, textile industry, chemical and metalworking industries, glass industry in the Sambre/Meuse area, growing tourism.

6. **Infrastructure:**

Inadequate public facilities (schools, hospitals, doctors, sports and leisure amenities) due to the low population density. A great deal needs to be done in the whole of the border area.

7. **Transport:**

Inadequate transport links with the hinterland in each case due to the peripheral situation. Exception: the Meuse connects the area with the industrial centres of Belgium and the Netherlands; most roads run parallel to the border.

8. **Cooperation:**


(b) Chooz nuclear power station, a French-Belgian joint venture (EURATOM, EDF).
9. Namur/Departement of Ardennes
No. 10: Belgian-Luxembourg/Liège/Luxembourg/Rhineland-Palatinate

1. Geographical position

Area comprises parts of Belgium, the north of Luxembourg and the northwest of the Land of Rhineland-Palatinate and is characterized by the Ardennes and the Eifel, about 50% of the area being covered by forests.

Towns: Arlon, Bastogne, Clerf, Diekirch, Echternach, Trier and Bitburg.

2. Population:

About 250,000 to 300,000 people live in this thinly populated area.

The German part (Eifel) is among the most sparsely populated areas in the Federal Republic of Germany; the number of inhabitants is stagnating or falling (flight from the land).

The political frontiers are not in this case the same as language frontiers.

3. Employment:

Most of the working population is engaged in agriculture and forestry.

Commuting from the border area to the Eifel plain and Luxembourg (town) and to Liège and Aachen. Considerable difference in incomes between the border areas and the hinterland in each case.

4. Trans-frontier commuters:

No information available.

5. Industry:

No industrialization as yet in this border area (exception): Moselle Valley, Trier); growing tourist trade.

6. Infrastructure:

As a result of the low population of the area infrastructural amenities are extremely deficient; a great deal therefore remains to be done in the whole border area.

7. Transport:

Inadequate development of transport facilities in the whole of the Ardennes-Eifel area and a low number of border crossing points prove to be obstacles to the development of tourism and the settlement of industries, although the area is in a central position in Europe.
8. **Cooperation:**

(a) German-Luxembourg nature reserve set up (1964) by a State Treaty between the Land of Rhineland-Palatinate and the State of Luxembourg. Objective: uniform care and arrangement of an inter-European nature part.

(b) Treaty on water protection between Rhineland-Palatinate and Luxembourg (1975) forms the basis for cooperation at local authority level by permitting and suggesting the establishment of trans-frontier syndicates, public law agreements and local working parties.
Belgian Luxembourg-Liège/Luxembourg/Palatinate
No. 11: Luxembourg/Lorraine/Saarland

1. Geographical position:

The German side comprises the southern and western peripheral areas of the Saarland, the French side the northern parts of the département of Moselle, the Luxembourg side the south-eastern part of the country. Major towns: Saarbrücken, Saarlouis, Dillingen, Völklingen, Sarreguemines, Forbach, Thionville and Remich.

2. Population:

About 3 million people live in the area.

3. Employment:

No information available.

It is estimated that over 50% of the working population is employed in industry.

4. Trans-frontier commuters:

From Lorraine to Saarland about 12,000 employees; rising tendency.
From Saarland to Lorraine about 2,000 employees; falling tendency.
In the whole border area:

<table>
<thead>
<tr>
<th>From/L to Saarland</th>
<th>12,000 employees; rising tendency</th>
</tr>
</thead>
<tbody>
<tr>
<td>From Saarland/L</td>
<td>2,000 employees; falling tendency</td>
</tr>
</tbody>
</table>

5. Industry:

Iron and steel industry in Saarbrücken, Neunkirchen, Thionville; ceramics industry in Sarreguemines and Mettlach; hard coal production.

6. Infrastructure:

With the exception of the Luxembourg-Saarland border area education and health facilities can be described as adequate.

7. Transport:

Relatively good transport facilities on both sides of the border between Saarland and the département of Moselle; the Saarland-Luxembourg part of the border area is, however, inadequately provided with transport amenities. In addition, there is too little coordination of trans-frontier railway traffic throughout the border area. August 1975: work begins on the construction of the Moselle-Saar Canal.
8. **Cooperation:**

(a) 1971 establishment of the 'Institut pour la coopération régionale dans les régions frontalières intercommunautaires' (IRI) for the promotion of the Saar-Lorraine-Luxembourg-Western Palatinate region.

(b) Since 1970 at private level (structural analyses, information policy) German-French-Luxembourg government commission (Seat: Luxembourg). Activities: improvement of railway connections, joint water utilization programme, Moselle shipping, planning of a French-German nature reserve near Bisten/Merten, trans-frontier commuter problems.

(c) Cooperation between the Saar Waste Water Authority and the town of Sarreguemines, joint financing and construction of a sewage treatment plant.
11. Luxembourg/Lorraine/Saarland
1. Geographical position:

Area covers parts of France, Luxembourg and Belgium; major towns: Esch, Longwy, Luxembourg, Musson and Halanzy; administratively the following form part of the area: parts of the Meurthe-et-Moselle and Meuse départements (Lorraine), the south-eastern part of the Belgian Province of Luxembourg, the south of the State of Luxembourg.

2. Population:

About 0.5m inhabitants, dense population in the Bassin Minière (between France and Luxembourg); considerable migration to Lorraine, where about 90% of the population live in areas of urban, industrial concentration.

3. Employment:

<table>
<thead>
<tr>
<th></th>
<th>Prov. of Luxembourg (Belgium)</th>
<th>Luxembourg</th>
<th>Lorraine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>30%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Industry</td>
<td>35%</td>
<td>52%</td>
<td>50%</td>
</tr>
<tr>
<td>Services</td>
<td>35%</td>
<td>43%</td>
<td>44%</td>
</tr>
</tbody>
</table>

4. Trans-frontier commuters:

In the whole border area:

B ——— L 3,900 employees; falling tendency
F ——— L 2,500 employees; rising tendency

5. Industry:

Ore extraction, steel production and processing (ARBED) are the most important sources of income in the area (monostructure). About 75% of the iron ore and 66% of the steel produced in France originate from the French part of this area.

6. Infrastructure:

In the French and Luxembourg parts of the area public amenities can be regarded as adequate; this is true of the Belgian part only to a limited extent.

7. Transport:

Extensive railway and road network, linking the area with the industrial centres of the Saar and Ruhr (Moselle Canal).
8. Cooperation:

(a) An association called La Fondation des Trois Frontières was set up in 1975. Its objectives are the dissemination of information, documentation and the promotion of ideas and cooperation projects. Seat: Messancy.

(b) French-Belgian trans-frontier cooperation since 1963 within the framework of the Chiers-Semois working party; limited influence.
12. Belgian Luxembourg/Luxembourg/Lorraine
1. **Geographical position:**

Border area covering part of France and Germany and including the Rastatt, Karlsruhe, Pirmasens, Zweibrücken, Wissembourg, Lauterbourg, Seltz area. In political terms the area includes the northern part of the Bas-Rhin département, parts of Baden-Württemberg and parts of the Land of Rhineland-Palatinate in the north.

2. **Population:**

About 1.3m people live in the area, the population density in the French part (about 600,000 inhabitants) being lower than in the German part; migration from the Wissembourg area.

3. **Employment:**

<table>
<thead>
<tr>
<th></th>
<th>Canton of Wissembourg</th>
<th>F</th>
<th>Southern Palatinate</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>24.9</td>
<td>14</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Industry</td>
<td>45.6</td>
<td>40</td>
<td>46</td>
<td>50</td>
</tr>
<tr>
<td>Services</td>
<td>29.5</td>
<td>46</td>
<td>54</td>
<td>42</td>
</tr>
</tbody>
</table>

4. **Trans-frontier commuters:**

About 1,300 people commute daily from France to the southern Palatinate and about 5,000 to the Karlsruhe, Rastatt area.

5. **Industry:**

Small and very small undertakings dominate; the level of industrialization in both parts of the region is low, with the exception of the Karlsruhe-Rastatt area: electrical engineering, light engineering, optics and machine building.

6. **Infrastructure:**

Inadequate utilities and educational facilities in the southern Palatinate and northern Alsace areas. Good infrastructure in the area on the right bank of the Rhine.

7. **Transport:**

Transport from the Niederbronn, Wissembourg and Lauterbourg area to the French hinterland is inadequate; the same is true of the German part of the area; the development of transport facilities to the Palatinate Forest, a recreational area (nature reserve), is limited. A motorway (E4) passes through only the eastern part of the border area.
8. **Cooperation:**

(a) Cooperation within the French-German-Swiss Commission on regional problems (Conférence Tripartite, see Region No. 15).

(b) Cooperation at government level on Rhine shipping problems.

(c) Regular meetings of the chambers of industry and commerce of Strasbourg, Stuttgart and Karlsruhe.

(d) Cooperation between all areas on regional planning.
13. Bas-Rhin/Palatinate
No. 14: Bas-Rhin/North Baden

1. Geographical position:
   Middle Upper Rhine Valley, area between Schleitheim, Strasbourg, Hagenau, Baden-Baden, Kehl, Offenburg and Lahr.

   Administrative boundaries: Bas-Rhin département and the rural district of Rastatt, and the district of Ortenau.

2. Population:
   Almost 1.5m people live in the area. More people migrate to both parts of the area than leave them.

3. Employment:

<table>
<thead>
<tr>
<th></th>
<th>Bas-Rhin</th>
<th>F</th>
<th>North Baden</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>11%</td>
<td>14%</td>
<td>5%</td>
<td>8%</td>
</tr>
<tr>
<td>Industry</td>
<td>45%</td>
<td>40%</td>
<td>53%</td>
<td>50%</td>
</tr>
<tr>
<td>Services</td>
<td>44%</td>
<td>46%</td>
<td>42%</td>
<td>42%</td>
</tr>
</tbody>
</table>

4. Trans-frontier commuters:
   Difference in incomes between France and Germany.
   In 1972 about 9,500 Alsatians crossed the border daily in this area to work in Baden.

5. Industry:
   Comparatively high level of industrialization (iron working, precision engineering, printing).

6. Infrastructure:
   With the exception of the Strasbourg-Kehl part of the area the infrastructure is underdeveloped.

7. Transport:
   The main transport routes run parallel to the border; east-west links are underdeveloped; three border crossing points over a distance of 40 km, only the Europa Bridge in Strasbourg being really adequate. Insufficient and badly coordinated railway connections; positive: Rhine port link with the industrial centres in the north.
8. Cooperation:

(a) Cooperation within the framework of the 'Conférence Tripartite' (see area No. 15).

(b) Also cooperation at government level on Rhine shipping problems.

(c) Regular meetings between the chambers of industry and commerce of Strasbourg, Stuttgart and Karlsruhe.

(d) Exchanges of information between 'Planungsgemeinschaft Mittelbaden' and 'Agence d'Urbanisme de l'Agglomération Strasbourgeoise'.
14. Bas-Rhin/North Baden
No. 15 : Regio Basiliensis

1. Geographical position:

Southern Upper Rhine Valley, area between Swiss Jura, southern Vosges and southern Black Forest. Important towns: Basle, Lörrach, Freiburg, Colmar and Mulhouse.

2. Population:

A total of almost 2m inhabitants, thereof:
- in the French part 703,000
- in the Swiss part 579,000
- in the German part 693,000

Demographic zone of transition between densely populated Germany and less densely populated France. National and language frontiers are not identical.

3. Employment:

Almost 95% of the working population in France, Switzerland and Germany are engaged in the industrial and services sectors.

4. Trans-frontier commuters:

Considerable differences in wage levels: ratio of north Switzerland to south Baden to Haut-Rhin département is 100:80:68 (estimate). This ratio roughly corresponds to the difference in net incomes between the three parts of Regio Basiliensis. High level of trans-frontier commuting:

- F → CH 15,300
- F → D 2,000
- D → CH 10,300

5. Industry:

High level of industrialization in Switzerland: chemical and pharmaceutical industries. In Alsace and South Baden, however, branches of industry (textiles) less likely to grow.

6. Infrastructure:

Trans-frontier utilization of medical facilities, adequate cultural and educational amenities, marked attraction and dominating position of the city of Basle.
7. **Transport:**

Main transport routes (road, rail) run parallel to the Rhine and thus the border; in contrast, trans-frontier links from east to west underdeveloped; the Rhine, with the terminal port of Basle, has a dividing effect; small number of border crossing points between France and Germany.

8. **Cooperation:**

Voluntary cooperation at three levels:

1. Regio Basiliensis Working Party, an association under Swiss law with its seat in Basle, pursues in particular an information policy on border problems in the area and carries out structural analyses.

2. Conférence Tripartite, a body composed of Heads of Government Districts in the three countries, having as its object the coordination of trans-frontier planning.

3. CIMAB (a registered association under the Civil Code) with its seat in Colmar, for the promotion of cooperation in cultural, social, economic and tourist matters in the area around Colmar and Freiburg im Breisgau.
15. Regio Basiliensis: Haut-Rhin/Basel/South Baden
1. Geographical position:

French-Italian border area between the Alpes-Maritimes and Mont Blanc. Comprises the French départements of Basses-Alpes, Hautes-Alpes, Savoie, Haute-Savoie (Rhône-Alpes region) and the Italian Provinces of Valle d'Aosta and Turin (Piedmont region).

Major towns: Albertville, Chamonix, Argentière and Turin.

2. Population:

In this area, which is dominated by high mountain ranges, live almost 2m people, thereof 1.1m in Turin alone.

3. Employment:

<table>
<thead>
<tr>
<th></th>
<th>Savoie</th>
<th>F</th>
<th>Western Piedmont, Aosta</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>19%</td>
<td>14%</td>
<td>No information available</td>
<td>19%</td>
</tr>
<tr>
<td>Industry</td>
<td>46%</td>
<td>40%</td>
<td></td>
<td>44%</td>
</tr>
<tr>
<td>Services</td>
<td>35%</td>
<td>46%</td>
<td></td>
<td>37%</td>
</tr>
</tbody>
</table>

4. Trans-frontier commuters:

No information available.

5. Industry:

In both parts of the area electrochemical and metallurgical industries as well as the automobile industry (Turin) have developed on the basis of hydroelectricity. Tourism becoming increasingly important, creation of new tourist centres.

6. Infrastructure:

As a result of unfavourable natural conditions (isolation of mountain villages) inadequate infrastructural facilities in both parts of this border area. Exception: Turin (urban centre). Lack of urban centres in the French part of the area.

7. Transport:

Four border crossing points (passes) and one tunnel (Mont Blanc Tunnel) join the two parts of the area over a distance of about 200 km; the Alps nevertheless divide up the area considerably (natural frontier) since the passes are closed in winter.
8. **Cooperation:**

(a) French-Italian commission which carries out short, medium and longterm planning for the area (road and tunnel construction).

(b) Standing conference of the French-Italian Chambers of Commerce in the border area.

(c) The area is one of the less-favoured areas within the meaning of Council Directive 75/268/EEC of 28 April 1975 (mountain areas within the meaning of Article 3 (3)).
16. Savoie/Piedmont-Aosta
1. Geographical position

French-Italian border area between the Mediterranean coast and Savoie/Piedmont; comprises the French département of Alpes-Maritimes (Provence-Côte d'Azur region), the western part of the Italian Province of Imperia and the south-western part of Piedmont (Province of Cuneo; Piedmont region). Major towns: Nice, Monaco, Ventimiglia and San Remo.

2. Population:

Département of Alpes-Maritimes 730,000 - tendency falling steeply
Province of Liguria 1,900,000 - tendency rising

About 2m people live in the border area; concentration of population in a narrow strip along the Ligurian coast (Riviera); however, in the central and upper mountain regions the number of inhabitants is falling.

3. Employment:

No information available.
The tertiary sector (tourism) presumably dominates.

4. Trans-frontier commuters:

No information available.

5. Industry:

Economic life dominated by tourism; also floriculture; in the Italian part industrialization has reached a higher level.

6. Infrastructure:

Educational, health and leisure amenities can be described as adequate only in the coastal area. Satisfactory solutions have not, however been found to the waste water problems.

7. Transport:

Important passes link the border area with the valley of the Po (Turin), Nice, San Remo, etc.; important passenger ports; the Alpes-Maritimes (up to 3,300 metres) split the area in the North.
8. **Cooperation:**

(a) French-Italian commission which carries out short, medium and longterm planning for the area.

(b) Standing Conference of French and Italian chambers of commerce in the border area.

(c) The area counts as a less-favoured area within the meaning of Council Directive 75/268/EEC of 28 April 1975 (mountain areas within the meaning of Article 3 (3)).
Nr. 17: Seealpen / Ligurien

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PE 41 387 /Ann./fin
OPINION OF THE POLITICAL AFFAIRS COMMITTEE

Draftsman: Mr H.E. JAHN

On 20 January 1976 the Political Affairs Committee appointed Mr JAHN draftsman.

It considered the draft opinion at its meetings of 2 March, 18/19 March and 29/30 April 1976 and adopted it unanimously at the last of these meetings.

Present: Mr Boano, chairman; Lord Gladwyn, vice-chairman; Mr Jahn, draftsman; Mr Ariosto, Mr Behrendt, Mr Blumenfeld, Lord Castle, Mr Creed (deputizing for Mr Andreotti), Mr De Keersmaeker (deputizing for Mr Scelba), Mr Durieux, Mr Patijn, Lord Reay, Mr Stewart and Mr Schuijt.
1. The need for Community action at the European Community's internal frontiers

1. As the citizens of Western Europe are well aware, development of Member States' border regions has often been much less favourable than that of the central regions.

One of the reasons why these border areas have been so unfavourably treated is the fact that from the point of view of the economic and administrative systems of the Member States they have always been regarded as peripheral areas and consequently neglected.

Looked at from the European viewpoint, however, these intra-Community border regions are in the majority of cases quite central and would therefore offer the most favourable conditions for a more harmonious and balanced development, if only the inhibiting, indeed even to some extent disruptive, effects of the borders in question could be done away with.

2. There is a variety of symptoms to indicate when intra-Community border regions are placed at a disadvantage or developed at a slower rate than more central regions:

- Insufficient opportunities to earn a decent livelihood and lopsided industrial structure in the border regions lead younger workers in particular to leave for the larger centres of population in the central regions. This flight from the border areas only serves to accentuate the regional imbalances.

- At times of economic recession, such as we are experiencing at present, unemployment is always higher in the Community's border regions than it is in the economically developed central regions.

- Infrastructures are generally underdeveloped in the border regions by comparison with the central regions. This is true of cultural infrastructure (lack of schools, institutes of higher education, theatres), social infrastructure (inadequate medical services, sporting and leisure facilities) and also water and drainage systems. The transport infrastructure is also generally inadequate - transport links with the central regions of the same country and with the border regions of neighbouring states generally leave much to be desired.
- The disadvantages of a border become particularly evident for those citizens who work on the other side of a border from the place where they reside. Their incomes rise or fall with every fluctuation in exchange rates. In addition, there will be different social welfare legislation on either side of the border and different fiscal systems will mean that their incomes will be treated differently for tax purposes. Daily border checks will also be found to be an irritant.

II. Forms of cooperation practised up to now

3. Forms of transfrontier cooperation hitherto practised range from a total absence of any contacts at municipal and regional level to regular and close cooperation within a loose organizational framework. Examples of the latter are the Euregio in the German-Dutch border area and the Regio Basiliensis in the area where the frontiers of France, Germany and Switzerland meet. The Political Affairs Committee welcomes these forms of transfrontier cooperation, but at the same time points out their inherent weaknesses.

4. Transfrontier cooperation between municipal and regional institutions on opposite sides of a border is non-binding on both sides and often therefore unsatisfactory. Institutes governed by national law often fail to meet the needs of the situation, since inevitably one partner in such cooperation will have to be subject to the legal institutions of the neighbouring country. Such a state of affairs makes it difficult to have an equal partnership between two border regions.

5. Apart from this loose and non-binding form of transfrontier cooperation, there has been so far only the classical form of agreements or conventions between states on the basis of international law. This means, however, that grass-roots regional policy in the border regions becomes a matter of foreign policy, which is the preserve of the respective Foreign Ministries. The Foreign Ministries of the two Member States are solely responsible even for agreements on practical matters falling within the competence of municipalities on both sides of the border, e.g. drainage systems. Such international agreements, being both tedious and time-consuming, are seldom concluded.
6. In the light of the foregoing it may be asserted that there can be no doubt as to the need for more intensive cooperation between border regions, and on this point the draftsman of this opinion is in agreement with the draft report drawn up by the Committee on Regional Policy, Regional Planning and Transport. The instruments so far available for such transfrontier cooperation are frequently inadequate, unwieldy and unsatisfactory, and need to be improved.

III. Forms of cooperation under Community law

7. The draft report of the Committee on Regional Policy, Regional Planning and Transport proposes that a new European legal instrument along the lines of the European Cooperation Grouping (ECG) be set up, to be called the European Joint Authority.

The European Joint Authority is intended to make it possible for interested municipalities and regional authorities to carry out their own transfrontier cooperation in a legally binding form and more effectively than heretofore.

The possible tasks to be carried out by such a European Joint Authority, i.e. a regional authority under Community law, could include the following:

- creating the proper conditions for transfrontier regional planning on the basis of comparable data and structural analyses. Only in this way will it be possible to bring about the necessary coordination between national planning programmes in the border regions.

- planning and provision of transfrontier gas, water and electricity supplies. The setting up of a joint supply authority, for example, might be envisaged as a final phase of such a development.

- cooperation in the transfrontier public transport sector, which could, if desired, lead to the setting up of a joint transport authority.

- joint utilization and maintenance of hospitals, specialist clinics, etc.

- coordination and joint organization of protection against natural disasters, protection of the environment, etc.

- joint adult education centres.
8. It should be stressed that municipalities and regional institutions are completely free to choose whether or not they wish to avail themselves of the new legal instrument provided by the European Joint Authority if they wish to cooperate with municipalities and bodies on the other side of the border. As has always been the case up to now, it is for the municipalities and bodies concerned, and for them alone, to decide for themselves whether they wish to have any transfrontier cooperation at all and, if so, in what sector and under what form they wish to cooperate.

9. In the European Joint Authority, therefore, we have a new additional instrument of cooperation, which can help those border regions that so desire to achieve cooperation of a higher quality than before. Legally binding agreements between municipalities on opposite sides of a border, for example on the construction and operation of a joint sewage treatment plant, have not been possible up to now, or at any rate only by going through the usual tedious channels between the respective Foreign Ministries.

The European Joint Authority enables interested municipalities on both sides of the border to tackle their problems themselves and work together to solve them.

10. Membership of the proposed European Joint Authorities is restricted to public authorities with an elected decision-making board, primarily therefore to municipalities and regional institutions.

From the point of view of its legal organization the European Joint Authority consists of:

- a Regional Council made up of elected representatives from the affiliated public authorities and representatives of national supervisory authorities,

- a Regional Committee composed of senior administrative officials of the member authorities or administrative specialists,

- a secretariat whose members are appointed by the Regional Committee.

IV. Political implications

11. It may be assumed that the proposals under consideration will be welcomed unanimously by those who live in the border regions of the Community. The arguments and suggestions contained in the draft report of the Committee on Regional Policy, Regional Planning and Transport should therefore also be supported by the Political Affairs Committee.
12. The legal implications of the proposed European Joint Authority still need to be studied, especially with regard to:
(a) the sovereignty of the Member States involved,
(b) its legal compatibility with existing national legislation,
(c) its incorporation into existing Community legislation.

13. The draft motion for a resolution accompanying the draft report of the Committee on Regional Policy, Regional Planning and Transport assumes in particular (para. 25) that, because the European Joint Authority will not take over any specific national task, the Member States will not incur any loss of sovereignty.

This argument is only partially valid. Although the local authorities will receive no new material powers as a result of the new European Joint Authority, their contractual powers will be extended since they will henceforward have the right to enter into agreements with neighbouring municipalities on the other side of the border.

14. This extension of the contractual powers of local authorities resulting from the European Joint Authority will involve a corresponding loss of sovereignty to the central authority of the Member States.

However, this loss of power to the central authority will be offset by the fact that members of the central authority will sit on the Regional Council of the proposed Joint European Authority and will therefore be able to participate directly in its decisions.

The Political Affairs Committee believes that the Committee on Regional Policy, Regional Planning and Transport should also deal with this aspect of the matter in its motion for a resolution.

15. Little can be said in this context about the juridical nature of the European Joint Authority. The Legal Affairs Committee will submit its own opinion on the matter.

At the request of the Legal Affairs Committee, the Commission's legal service has drawn up a legal opinion on the constitutional situation of frontier communities in the Member States. It is stated in the 'Conclusions' (page 12) that there is no evidence that the legal systems (of individual Member States) contain provisions under public law enabling local authorities to enter into relations with their counterparts in other states. Informal contacts or legal relations falling under private law are however regarded as permissible.
It is precisely these circumstances which prevent local authorities in border regions from entering into relationships governed by public law with local authorities in neighbouring countries in order to tackle problems of common interest - that provide the reason and motive for the draft report of the Committee on Regional Policy, Regional Planning and Transport, and the reason for setting up the proposed new legal institution, namely the European Joint Authority. In the majority of cases informal contacts and legal relationships in the area of private law with municipalities in neighbouring countries which are, as a rule, legally permissible, are inadequate today to solve the problems affecting the welfare of citizens living in frontier areas. Whether it intends to or not, the Commission's legal opinion supports the objectives of the draft report of the Committee for Regional Policy, Regional Planning and Transport.

16. In short, the Political Affairs Committee should support the recommendations of the Committee on Regional Policy, Regional Planning and Transport. Leaving aside the legal implications on which the Legal Affairs Committee has still to deliver an opinion, the Political Affairs Committee should approve the report.
At its sitting of 13 March 1975, the European Parliament adopted the motion for a resolution contained in the interim report drawn up by Mr Gerlach on behalf of the Committee on Regional Policy and Transport on regional policy as regards the regions at the Community's internal frontiers (Doc. 467/74).

In point 10 of the resolution, the European Parliament 'instructed its Committee on Regional Policy and Transport to continue its consideration of this matter and to submit shortly a comprehensive report on regional policy as regards the regions at the Community's internal frontiers, for the preparation of which the Political Affairs Committee, the Committee on Social Affairs and Employment and the Legal Affairs Committee should deliver opinions'.

By letter to the chairman of the Legal Affairs Committee dated 11 December 1975, Mr McDonald, chairman of the Committee on Regional Policy and Transport, referring to the above-mentioned decision of Parliament, forwarded the draft report drawn up by Mr Gerlach (PE 41.387 and PE 41.387/rev.) on which the Legal Affairs Committee had been asked for its opinion.

At its meeting of 19 and 20 January 1976, the Legal Affairs Committee appointed Mr Concas draftsman of an opinion: at the same meeting, it held an initial exchange of views. It gave the subject further consideration at its meetings of 25 and 26 March and 29 and 30 April 1976.

At its meeting of 31 May and 1 June 1976 the committee considered the draft opinion. On 23 June 1976 the Legal Affairs Committee concluded its examination and adopted the draft opinion by 11 votes to 2 with 3 abstentions.

Present: Sir Derek Walker-Smith, chairman; Mr Jozeau-Marigné, vice-chairman; Mr Brugger, vice-chairman; Mr Concas, draftsman; Mr Albers (deputizing for Mr Lautenschlager), Mr Ariosto (deputizing for Mr Rizzi), Mr Broeksz, Lord Bruce of Donington (deputising for Lord Gordon-Walker), Mr Calewaert, Mr Gerlach (deputizing for Mr Bayerl), Mr Geurtsen, Mr Molloy (deputizing for Sir Geoffrey de Freitas), Mr K. Nielsen (deputizing for Mr Espersen), Mr Scelba, Mr Shaw and Mr Vernaschi.

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1 OJ No. C 76, 7.4.1975, p.25
I - Introduction

1. The subject on which our committee has been asked to give its opinion has already been dealt with in an interim report drawn up by Mr GERLACH on behalf of the Committee on Regional Policy and Transport (Doc. 467/74); the resolution contained in that report was adopted by the European Parliament on 15 March 1975.

Other initiatives at Community level are listed in the introduction to the draft report.

2. The subject of the draft report is regional policy as regards the regions at the Community's internal frontiers: i.e. regions which straddle the frontier between two Member States.

The rapporteur explains that the special problems of these regions, imputable to their situation on the periphery of the state concerned, or to historical reasons, lead in practice to difficulties in the economy in general, in transport, in the protection of the environment, in education, and the cultural development of the population. He goes on to state the view that all these problems could be solved satisfactorily through cooperation between the political and administrative authorities of either side of the frontier.

3. The rapporteur distinguishes between forms of cooperation under national law (Joint Committees of Local or Regional Authorities, private law contracts), intergovernmental agreements and forms of cooperation under Community law: in this connection the report mentions the European Cooperation Grouping and the European company as examples of instruments under Community law that enable private individuals to organize trans-frontier cooperation for profit-making purposes.

4. Noting that it is impossible to organize effective cooperation with existing instruments, the report goes on to its main proposal, the creation of a European Joint Authority. In the system outlined by the rapporteur, the European Joint Authority would be an instrument set up by an act of Community law, modelled on the European Cooperation Grouping; it is designed to fulfill the need of the local authorities in the border regions for an efficient means of organizing cooperation in the international border regions. Arguing that the European Community has special responsibilities for border regions, the rapporteur states the view that the European Joint Authority should be established by a regulation of the Council providing for a model statute.
5. A draft proposal for a regulation and a draft model statute are annexed to the draft report.

II - Legal aspects

6. The Legal Affairs Committee can - as the Political Affairs Committee has already done - express its agreement with the principle underlying Mr Gerlach's draft report: a satisfactory solution to the problems of border regions can be reached only as part of a system of transfrontier cooperation within an appropriate legal framework.

7. In this connection, the choice of Article 235 of the Treaty establishing the European Economic Community as the legal basis for the proposed instrument can be approved.

This article can only be applied when:

- There is a need for Community action;

- It is necessary to attain one of the objectives of the Community;

- The Treaty has not provided the necessary powers.

These requirements are met in this case.

It should also be noted that the procedure under Article 235 offers full guarantees, in that it provides for both unanimity in the Council and consultation of the European Parliament.

8. As regards the most suitable type of legal instrument for setting up the European Joint Authority, there may be some hesitation between the use of a directive or a regulation.

The directive, which leaves Member States free to choose the form and method of application, might at first sight appear the most appropriate method.

However, the regulation has two important advantages: firstly, it is directly applicable; secondly, and most importantly, the regulation is more likely to ensure uniform application in all Member States, whereas substantial differences might arise if the rules contained in the Community's directive were written into national law.

For these reasons, the Legal Affairs Committee is in favour of the choice of a Community regulation as the appropriate legal instrument.
9. The system drawn up by Mr GERLACH, providing for a regulation and a model statute, could cause practical difficulties in coordinating, interpreting and applying the two texts.

The Legal Affairs Committee believes that it would be simpler to provide for a regulation containing outline rules to be taken as a basis for any European Joint Authority.

10. For reasons of form, the proposal for a regulation should be annexed to the motion for a resolution.

11. From an institutional point of view, it should be pointed out that the European Parliament has no power to make proposals: what it can do is to submit own-initiative reports to the Commission so that, using its political power to make proposals, the Commission can submit proposals to the Council.

The Legal Affairs Committee therefore feels it should suggest that paragraph 23 of the draft motion for a resolution should be amended accordingly.

III - Conclusions

12. In the light of the above, the Legal Affairs Committee recommends¹ that Mr GERLACH's proposal be approved subject to the proposed regulations and the draft model statute being combined in a new draft proposal for a regulation.

¹ By 11 votes to 2 with 3 abstentions: the minority opinion is shown in annex.
Minority opinion

Some members were opposed to Mr Gerlach’s proposals, considering that their implementation might lead to a diminution of national sovereignty in the frontier regions, and that Article 235 of the EEC Treaty did not afford the Community authorities a sufficient legal basis for the adoption of such measures.
OPINION OF THE COMMITTEE ON SOCIAL AFFAIRS, EMPLOYMENT
AND EDUCATION

Draftsman: Mr A. PREMOLI

On 24 February 1976, the Committee on Social Affairs, Employment and
Education appointed Mr A. Premoli draftsman. It considered the draft
opinion at its meetings of 27 April, 28 May and 23-24 September 1976 and
adopted it unanimously on 24 September 1976.

Present: Mr Bouquerel, acting chairman; Mr Premoli, draftsman;
Mr Bermani, Mr A. Bertrand (deputizing for Mr Girardin), Mrs Dunwoody,
Mr Geurtsen, Mr Herbert (deputizing for Mr Nolan), Mr Kavanagh, Mr Martens
(deputizing for Mr Pêtre); Mr Prescott, Mr Santer and Mr Vandewiele (deputizing
for Mr Rosati).
I. INTRODUCTORY OBSERVATIONS

1. The draft report by Mr GERLACH for the Committee on Regional Policy, Regional Planning and Transport deals with the various problems that exist in regions lying across the Community's internal frontiers, and proposes various forms of cooperation to overcome the difficulties.

2. Interest in these regions is not new. Thus, in 1966, the Council of Europe drew up a report on European cooperation between local authorities\(^1\), drawing attention to the desirability and necessity of transfrontier cooperation. The report formed the basis for a Draft Convention on European Cooperation between Local Authorities\(^2\), which was however, not accepted by the Council of Europe's Committee of Ministers.

3. The European Parliament itself has also turned its attention to the border regions on several occasions.

   There was for instance a debate in the European Parliament\(^3\) following an oral question by Mr HERBERT on regional policy and cross-border cooperation (Doc. 272/74). In it the idea of extending cooperation between the regions on either side of the Community's internal frontiers was welcomed, and Commissioner Thomson stated that the Commission was engaged on a general study of the problems in these areas and that he had asked the competent section of the Commission 'to prepare as a matter of urgency a comprehensive study on the Community's frontier regions and the measures being taken by Member States' Governments to ease the problems for those who live there which result from the Community's borders'. The Commissioner went on to express the hope that this study would be finished by the end of 1974 and promised that it would be made available to Parliament.

4. This has still not been done - a fact which the Committee on Social Affairs, Employment and Education finds regrettable, since the result of such a study would have provided a better basis for assessing the problems of border regions and determining the measures which could be taken to alleviate them.

5. Meanwhile, the European Parliament has not neglected to remind the Commission of its interest in a thorough investigation of the problems of border regions, witness, for example, two written questions by Mr Bordu on the financing of projects in favour of frontier areas\(^4\).

\(^1\) Council of Europe, Consultative Assembly, Doc. 2109, 26 September 1966  
\(^2\) Council of Europe, Consultative Assembly, Recommendation 470 (1966), Doc. 2109, 29 September 1966  
\(^3\) OJ Debates No. 183, November 1974, p.111  
The Commission's answers are, however, incomplete since they merely contain figures on aid which has been granted to border regions through the Regional Development Fund, the EAGGF (Guidance Section), Article 54 and 55 of the ECSC Treaty and the European Investment Bank. They do not contain figures for regional assistance from the Social Fund and there is no mention whatsoever of future projects planned for the frontier areas.

6. This being so, the Committee on Social Affairs, Employment and Education is able to consider only the purely theoretical ideas on promoting cooperation in border regions contained in the Gerlach own-initiative report and must urge the committee responsible to review the whole question more thoroughly when precise information, particularly statistical data, is available from the Commission.

7. This does not mean that our committee takes a negative attitude towards the considerable work performed by the Committee on Regional Policy, Regional Planning and Transport and its rapporteur. On the contrary, it would like to express its appreciation of the efforts they have made to bring to light the various difficulties with which people living in border areas have to contend.

8. This work is now also being carried out at other levels in Europe, which fact testifies to the increasing interest being shown for the problems of border areas.

For example, a special institute for border region research is now being established with headquarters at Abenra in Denmark. The institute will deal with down-to-earth practical problems in the Danish-German border areas and other border regions in the European Community. One of the aims is to examine the modes of cooperation used in other border regions.
II. THE MOTION FOR A RESOLUTION

9. When considering social problems in border regions, the Committee on Social Affairs, Employment and Education has centred its attention on 'frontier workers', i.e. those workers who live on one side of a border but have their place of work on the other.

The Gerlach report states that there is a considerable number of such workers, although this fluctuates according to changes in the economic conditions on either side of the border dividing the region. However, a comparison between the information contained in an article by G. van der Anwera and in the Annex to the own-initiative report seems to show that there must be something like 100,000 workers crossing the Community's internal frontiers daily, since the German-Dutch, Belgian-Dutch and French-Belgian frontiers alone account for a good 90% of that number with approximately 30,000 frontier workers each.

10. So a considerable number of people are affected by the great differences in health insurance, unemployment insurance and collective agreements existing between the regions on either side of the internal frontiers. Then there are additional difficulties in the form of border controls, the closing of many border posts at night, and fluctuations in income as a result of changing exchange rates. Lastly, they have less job security, they enjoy only minimal protection and they are the first to be declared redundant in times of crisis.

What protection in law does the frontier worker have, what trade union defends his interests, how does he cope with the harsh economic consequences when the country where he works devalues the currency he is paid in?

11. These serious questions and the as yet uncertain answers to them have convinced our committee of the necessity of creating an employment system able to remedy the social problems which exist in border areas.

12. However, needs vary from one border region to another and so trans-frontier cooperation must be conducted voluntarily, at regional level.

There are no provisions for this in either national or international law, and the right to decide what form of cooperation may be engaged in rests with the central government.

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1 Revue du Marché Commun, February 1975, p.70
Cooperation has also been achieved to a certain extent in the form of various commissions such as those for the German-Dutch and the German-Belgian borders. In other cases, ad hoc solutions have been found by the governments concerned for individual practical problems, as for example the Convention between France and Italy on water supplies for the town of Menton. Finally, transfrontier cooperation has been achieved by setting up special bodies having a private law or other juridical form, witness the EUREGIO comprising the German-Dutch border area.

13. Our committee feels that the soundest course is to await the results of the study being prepared on the Community's border regions before adopting a final position on the proposals contained in the Gerlach report and hence we recommend that the Committee on Regional Policy, Regional Planning and Transport should postpone further discussions until the European Parliament is in possession of the necessary information.
III. ADDITIONAL COMMENTS

There was a body of opinion within the committee which felt that, despite the honourable intentions which prompted the own-initiative report drawn up by Mr Gerlach, they could not identify themselves with the proposals contained in it, because these ran counter to the whole European idea of breaking down the existing frontiers.

One could not of course assert that the border regions are free of problems. There certainly are border regions with poor road and rail connections, where rivers bring down pollution from neighbouring regions in the adjoining Member State, where workers residing in one state and working in another feel the effects of devaluation and revaluation of the two countries' currencies and where customs formalities take time.

But do these difficulties not exist in other regions in the Community too? Are there no regions in the Community apart from the border regions where traffic experiences difficulties because of inadequate infrastructures and where pollution flows in from other regions? And fluctuating exchange rates and customs formalities also affect the rest of the population of the Community.

The own-initiative report, while wishing to abolish frontiers, in fact creates new ones. We would be creating small enclaves along the Community's internal frontiers and favouring them with better infrastructures, dealing with their pollution problems, abolishing customs and passport formalities for their inhabitants, and setting up forms of cooperation to expedite the establishment of joint hospitals, industries etc.

In other words, we have forgotten that the people living on the other side of these new frontiers will not share in this cooperation, and will continue to have inadequate roads and suffer from pollution, and have to go through customs and passport controls. The result is discrimination between Community regions, whereas the original aim was to iron out regional imbalances.

The motion for a resolution says that 'the border regions, like the peripheral regions, have enjoyed less favourable economic development than the central areas' (point 5) and that there are 'inadequate infrastructures, shortcomings in passenger and freight transport facilities, and, often depopulation' (point 6).
The committee cannot immediately accept the accuracy of this and deplores the complete lack in the own-initiative report of statistics of any kind to support its various assertions.

Looking at the regions in the individual Member States more closely, the border regions do not in fact seem to qualify for special advantages. In Italy, for example, there are far greater problems in regions like Basilicata and the Abruzzi than in a border region like Piedmont with its flourishing industry. The French border regions of Lorraine and Alsace, with thriving cities such as Strasbourg, Colmar and Mulhouse, scarcely face greater problems than the Massif Central or Brittany. The same observations apply to the border regions of the other Member States; in some cases development lags behind the national average, but it is seldom so bad as to warrant giving them top priority in efforts to efface regional imbalances.

In this connection it is interesting to take a look at the map of regions for the European Regional Development Fund as drawn up by the Commission. Here the poorest regions, i.e. those that are most deserving of priority for regional aid, are shaded in while the more highly-developed regions are shown in white. Practically all the border regions the Gerlach report wants to aid are white.

The committee must therefore fundamentally reject the idea of according a special position and special treatment to border regions by comparison with the other regions of the Community. This does not mean, however, that it would totally reject any constructive proposal to cope with existing problems in border areas and elsewhere.

Point 8 of the Motion for a Resolution in the Gerlach report stresses how absurd it is that border regions frequently duplicate work or work at cross-purposes because of an absence of coordination and our committee supports the idea of encouraging cooperation across frontiers in the areas where it is needed to avoid duplication of work.

But such forms of cooperation already exist, for example across the Danish-German border, where there is ad hoc pragmatic cooperation and a note by the Danish Consul-General in Flensburg, Mr Troels Fink (PE 40.385) shows that this form of cooperation is working excellently.

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1 COM(73) 1751, 10.10.1973
This is also the case in other border regions in the Community, and further development of such cooperation to cover pollution, road construction across borders, joint hospitals, etc. should be welcomed; but the idea expressed in point 10 of the Gerlach report of setting up a 'transfrontier authority' is doomed to failure, since the Member States will continue to have the same constitutional reservations as in the case of the Council of Europe's draft convention.

On the subject of frontier workers (workers living in one Member State and employed in another), some members of the committee felt that the own-initiative report exaggerates their problems. This does not imply rejection of proposals that contribute to improving the position of workers, but the very reason why workers cross a border every day is surely that they find more advantageous conditions on the other side. Income fluctuations as a result of changing exchange rates, described along with other disadvantages in point 11 of the motion for a resolution, are not in fact always a disadvantage. After all, frontier workers benefit when the currency they are paid in is revalued or that of their country of residence devalued.

On the other hand, there is obviously less job security for this group of workers. In times of crisis they are the first to be dismissed, and by comparison with their work-mates who are citizens and residents of the country of employment, they have very little protection. But frontier workers are not alone in this. The Community has millions of migrant workers whose position becomes precarious when industry falters. But in our committee's opinion, the proper solution is not to put frontier workers in a special position, but rather to implement Article 48(2) of the EEC Treaty which calls explicitly for 'the abolition of any discrimination based on nationality'.

Finally, with reference to 'the Regional Fund as a financial instrument', it is of course not the committee's intention to deprive the border regions of their chance to secure aid from the Fund, but it is their firm conviction that the decisive qualification for regional aid cannot be an area's geographical location per se, but that 'the Fund's assistance should be allocated according to the relative severity of regional imbalances'.

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1 Preamble to the Council Regulation establishing a European Regional Development Fund, OJ No. L 73, 21.3.1975
IV. CONCLUSION

The Committee on Social Affairs, Employment and Education:

1. Appreciates the considerable work the rapporteur and the Committee on Regional Policy, Regional Planning and Transport have performed in their efforts to ascertain the various difficulties with which people living in border areas have to contend;

2. Regrets, however, the fact that the comprehensive study of the Community's frontier areas announced by the Commission has not yet been completed, since this would have afforded a better basis for assessing the proposals of the present own-initiative report;

3. Urges the Committee on Regional Policy, Regional Planning and Transport therefore to postpone further discussion of this question until the study promised by the Commission becomes available.