

## Chamber of Regions

**27th SESSION**  
**Strasbourg, 14-16 October 2014**

**CPR(27)2FINAL**  
16 October 2014

### **Inter-regional cooperation in Europe** **Trends and prospects**

Governance Committee  
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#### *Summary*

Bilateral and multilateral co-operation initiatives involving Europe's regions have increased enormously over the past twenty years and are transforming the European economic and political landscape. More and more regions are launching initiatives covering an increasingly diverse spectrum of activities. These cooperation projects are increasingly reaping benefits in social, economic and political terms.

Protocol No.3 of the Madrid Convention opens up new opportunities for anchoring such cooperation in a solid legal framework. The Congress Chamber of Regions has a role to play in promoting and evaluating such activities.

In the resolution, the Congress reaffirms its commitment to working with its partners to extend and deepen inter-regional co-operation and proposes a series of initiatives in this respect. The recommendation invites the Committee of Ministers to identify and analyse the obstacles to such cooperation, so that all of Europe's regions may develop and benefit from these initiatives.

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1. L: Chamber of Local Authorities / R: Chamber of Regions  
EPP/CCE: European People's Party Group in the Congress  
SOC: Socialist Group  
ILDG: Independent Liberal and Democratic Group  
ECR: European Conservatives and Reformists Group  
NR: Members not belonging to a political group of the Congress

## Inter-regional cooperation in Europe Trends and prospects

### RESOLUTION 373 (2014)<sup>2</sup>

1. Horizontal cooperation between territorial authorities in different states lies at the heart of the Council of Europe's vision of territorial democracy and for this reason is one of the rights enshrined in the European Charter of Local Self-Government, now in force in all Council of Europe member states, as well as in the Council of Europe's Reference Framework for Regional Democracy.

2. Inter-regional cooperation may be understood as the direct involvement of regional governments and parliaments in bilateral or multilateral cooperation schemes, other than those represented by trans-frontier cooperation, with regional governments in other countries.

3. The last twenty years have witnessed a remarkable surge in such cooperation within and beyond Europe. Regional governments are becoming increasingly active in this field, developing more and more projects with their counterparts in other countries, both inside and outside of Europe. There are many factors behind this boom, which is linked to developments in globalisation, improvements in communications and increased mobility through low-cost travel and easing of visa regimes.

4. Such cooperation, characterised by the adaptability, flexibility and fluidity of its arrangements and the lightness of its structures, is leading regions to discover new, effective and imaginative ways of working together and is becoming an important engine for European integration and creative territorial cohesion. Regions are cooperating in an increasingly diverse range of fields, including infrastructure projects, investment in research and technology, exchanges and training programmes, intercultural dialogue and promotion of shared cultural heritage, serving the interests of citizens, local and regional authorities, NGOs, cultural associations and business enterprises.

5. The Congress, in particular its Chamber of Regions, is well placed to act as a catalyst and facilitator in this field, and has for more than twenty years been taking a pioneering role in promoting such cooperation and campaigning to improve the legal framework, including the Council of Europe's treaty law, within which such cooperation can develop.

6. The rapid evolution of this sphere of activity makes it all the more important for regional authorities to pool their experiences and work together to share experiences, identify good practices and establish indicators for evaluating projects.

7. The Congress therefore, bearing in mind:

a. its Resolution 227 (1991) on the external relations of local and regional authorities;

b. its Resolution 248 (1993) on inter-territorial co-operation;

c. the recent entry into force of Protocol No.3 to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (Madrid Convention) concerning Euroregional Co-operation Groupings (ECGs), CETS No.206;

8. Convinced that it has an important role to act as a catalyst and facilitator of inter-regional cooperation, in addition to transfrontier cooperation;

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2. Debated and approved by the Chamber of Local Authorities on 14 October 2014 and adopted by the Congress on 15 October 2014, 2<sup>nd</sup> sitting (see Document CPR(27)2FINAL, explanatory memorandum), rapporteur: Stewart DICKSON, United Kingdom (R, ILDG).

9. Resolves to:

- a.* encourage its members in the states parties to Protocol No.3 to make use of this new international treaty to further develop cooperation between regions in their respective states and regions in other states parties, whether these are adjacent or not;
- b.* set up a database and register of inter-regional cooperation initiatives involving European regions, to be available to the general public through the Congress website;
- c.* continue to promote and facilitate inter-regional cooperation initiatives (and share good practice);
- d.* organise a conference on inter-regional cooperation in 2015, to discuss the political, legal and technical aspects of such cooperation, promote good practice and encourage greater networking and coordination of approaches;

10. Reaffirms its commitment to:

- a.* overcoming obstacles to inter-regional cooperation;
- b.* working closely with its main partners, the Association of European Border Regions (AEBR), the Council of European Municipalities and Regions (CEMR) and the Assembly of European Regions (AER), to extend and deepen such cooperation;
- c.* supporting European networks of regional authorities as a way to address common interests and challenges;

11. Calls upon its national delegations and associations of territorial authorities to:

- a.* support its work of promoting Protocol No.3 and to lobby their national authorities to ratify this treaty if they have not already done so;
- b.* promote inter-regional cooperation projects in the interests of increasing European territorial cohesion and meeting the challenges of the economic downturn;
- c.* regularly provide the Congress with information on such initiatives;
- d.* support the Congress 2015 conference on this theme.

## Inter-regional cooperation in Europe Trends and prospects

### RECOMMENDATION 363 (2014)<sup>3</sup>

1. Recent years have seen a surge in bilateral and multilateral cooperation initiatives involving Europe's regions. These have evolved from being a special interest of federated states to becoming a general trend throughout Europe and beyond.
2. Inter-regional cooperation may be understood as the direct involvement of regional governments and parliaments in bilateral or multilateral cooperation schemes, other than those represented by trans-frontier cooperation, with regional governments in other countries.
3. This form of cooperation has begun to demonstrate its potential with respect to territorial development and cohesion, furthering the Council of Europe's aim to achieve greater unity among its members. Economic benefits are being realised by increased trade, economies of scale, better use of resources and the forging of strategic economic alliances to better compete with large economies on the global stage. Political benefits include the erosion of barriers resulting from historical, political or cultural differences and more effective representation of common interests in international fora.
4. The Congress notes that the intergovernmental sector of the Council of Europe has already done much with regard to identifying and addressing obstacles to transfrontier cooperation and believes that it would be appropriate to carry out similar work with regard to facilitating inter-regional cooperation.
5. Inter-regional cooperation remains for the most part little known and poorly understood. There is a clear need for greater visibility and sharing of experience in this field, to make national and regional governments more aware of what is possible and how best to proceed.
6. A key feature of the success of such initiatives lies in good consultation and coordination between national and regional governments, to ensure maximum coherence in policies and strategies.
7. Protocol No.3 to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (Madrid Convention) concerning Euroregional Co-operation Groupings (ECGs), CETS No.206, has created new possibilities for inter-regional cooperation, paving the way for the development of a new generation of cooperation initiatives and projects which will better meet the needs and expectations of the parties concerned.
8. Convinced of the value of further developing such cooperation, the Congress therefore asks the Committee of Ministers to invite national governments to:
  - a. encourage their regional governments to develop their cooperation with counterparts in other states;
  - b. facilitate such inter-regional cooperation initiatives;
  - c. encourage the representation of regions in international bodies;
  - d. facilitate the opening of representation offices in other countries by those regions which seek to do so.

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<sup>3</sup> See footnote 2.

9. The Congress invites the Committee of Ministers to:

- a.* consider undertaking a stock-taking of the obstacles to inter-regional cooperation in Europe, to complement the work that it has already undertaken with regard to obstacles to transfrontier cooperation;
- b.* encourage the representation of regional governments in its intergovernmental committees;
- c.* encourage member States to sign and ratify Protocol No.3 to the Madrid Convention.

# Inter-regional cooperation in Europe

## Trends and prospects

### EXPLANATORY MEMORANDUM

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#### 1. Introduction<sup>4</sup>

1. The growing involvement of subnational governments in international relations has been a striking feature of the European political landscape in recent decades. The participation of regional governments in various cooperative schemes, with their corresponding administrative provisions and policies, in fields as diverse as the promotion of foreign trade and investment, the creation of infrastructures, the management of environmental issues and educational and cultural exchanges, has forged a dense and innovative transnational network of subnational policy development across Europe and beyond.

2. Although this new international activity has adopted diverse forms, inter-regional cooperation has been perhaps the most consistent and relevant expression of the internationalisation of regional governments. In the European context the initial impulse of the Council of Europe and the sustained provision of incentives by the European Union have greatly facilitated the extension of this phenomenon. But what impact do such initiatives have? Do they contribute to social welfare, political stability and sustainable growth? What added value do they bring? Why should regional authorities of Council of Europe member states be interested in them?

#### *Definitions and scope of the report*

3. What is inter-regional cooperation? This report uses the definition of regions given by the Assembly of European Regions in its 1996 Declaration on Regionalism in Europe: "The region is the territorial body of public law established at the level immediately below that of the state and endowed with political self-government"<sup>5</sup>. Therefore territorial authorities at lower levels, such as Italian provinces or German Landkreise, are not included here. The Council of Europe's Reference Framework for Regional Democracy defines regional authorities as "territorial authorities between the central government and local authorities", which does not necessarily imply a hierarchical relationship between regional and local authorities" and also establishes that: "where regional authorities exist, the principle of regional self-

<sup>4</sup> This report was prepared with the help of Noé CORNAGO, Associate Professor of international relations at the University of the Basque country.

<sup>5</sup> <http://www.aer.eu/en/publications/declaration-on-regionalism.html>

government shall be recognised in domestic legislation and/or by the constitution, as appropriate", defining regional self-government as "the legal competence and the ability of regional authorities, within the limits of the constitution and the law, to regulate and manage a share of public affairs under their own responsibility, in the interests of the regional population and in accordance with the principle of subsidiarity".

4. The Reference Framework also holds that: "The right of regional self-government shall be exercised by assemblies elected through direct, free and secret suffrage. This provision shall in no way affect recourse to citizens' assemblies, referendums or any other form of direct citizen participation, where it is permitted by law".

5. Bearing in mind these precedents, and for the purposes of introducing the issue, inter-regional cooperation may be understood as the direct involvement of regional governments and parliaments in bilateral or multilateral cooperation schemes, other than those represented by trans-frontier cooperation, with foreign regional governments, with the aim to promote socioeconomic, cultural, environmental, technical or political issues, within the scope of their own constitutional competences and in accordance with the principle of subsidiarity.

6. This report will look at the bilateral and multilateral cooperation that European regions undertake with regions in other countries, whether in Europe or elsewhere. It will not cover Macro-regions or trans-frontier cooperation, since these have both been covered in recent reports. However, since much of the external cooperation of regions naturally takes the form of cross-border cooperation, many of the issues covered in this report will also apply to trans-frontier inter-regional initiatives. This report will not cover the European Union's Interreg programme, since that is treated extensively elsewhere and the Council of Europe has 19 member states which are not in the EU.

7. Most of the cases mentioned in this report are in countries with strong regional governments, and often, but not exclusively, regions with legislative powers. Such regions also have regional parliaments that additionally carry out their own inter-regional cooperation initiatives. In practice, however, most forms of inter-regional cooperation are initiatives of the executive branch of government. Inter-regional cooperation should not be viewed solely through the lenses of the most powerful regions. Subnational governments all over Europe, irrespective of their size or legal powers, have found it beneficial to cooperate with other regions.

## 2. Reasons to cooperate

8. In the face of present global conditions, regional governments have to respond to different economic, environmental, technological, cultural, and social problems which defy traditional differentiation between domestic and foreign domains. This structural change imposes the need to create new institutions, policy designs, modes of attribution of responsibility and legitimacy, and ultimately, new international norms. Probably the most important cause of the new international dynamism of regional governments is the territorial and institutional impact of the restructuring of the global economy.

9. The expansion of commerce, the removal of barriers to trade and foreign investments through different liberalisation schemes and the new regulatory framework for global competition have greatly impacted regional economies, affecting, and sometimes even eroding, regional self-government where this is formally recognised. In addition to this, new global regulatory powers, technological facilities, cross-national migration, and environmental concerns have propelled regional governments across the world towards a new era of global activity.

10. But do such trends justify greater inter-regional cooperation? The international activities of European regions are coming under increased scrutiny in this time of financial austerity, with some political parties arguing that such cooperation is irresponsible and a waste of tax-payers' money. Although it is clear that this phenomenon requires a case-by-case examination of its potential and pitfalls, a careful assessment of the available experiences reveals that despite their diversity, these initiatives present generally a double rationale, namely, *functional and normative*:

11. *Functional* because, through diverse forms of inter-regional cooperation, regional governments aim to tackle a variety of systemic challenges affecting sub-national governance (e.g. trade, production, investment, unemployment, transportation, migration, climate change and other environmental risks) that are crucial for the optimal performance of those regions in terms of sustainable growth and competitiveness in the new global political economy.

12. *Normative* because some forms of inter-regional cooperation may also serve to better respond to social and political expectations and specific demands of special importance to the populations concerned (e.g. culture, education, language, identity, solidarity, health and human security). These aspects are crucial for the social legitimacy required for securing political stability at the local, national and international level.

13. The way in which this double rationale operates is aptly encapsulated in the concept of “territorial cohesion”. This is an EU concept, which grew out of spatial development concepts, to express the objective of developing territories across the Europe space, fostering links between them, improving territorial development and providing special assistance to poorer regions with the purpose of improving social equality and welfare.

14. In addition to the reasons indicated above, regions cooperate because they have common interests and see mutual benefit in pursuing them together. Mutual expectations of reciprocity, the possibility to achieve economies of scale and the prevention of negative externalities in some critical policy areas (e.g. natural resources management, planning of critical infrastructures, promotion of sustainable tourism, cultural and scientific cooperation) are crucial for the rational design of efficient and sustainable inter-regional cooperating schemes.

### **3. Legal and political framework for cooperation**

#### **3.1 Legal / constitutional issues**

15. In order to undertake inter-regional cooperation, regions need to operate within a legal framework that permits them to do so. The competence to develop and maintain external relations is usually made explicit in constitutional law and it is preferable that this should be so. But an accurate examination of this aspect requires nonetheless a more nuanced approach.

##### *National law*

16. By its very nature, inter-regional cooperation can hardly be practiced against the constitutional provisions of the states concerned. However, despite the wide variety of political systems across the world, ranging from robust federalism to more or less centralised unitary states, controversies about inter-regional cooperation are increasingly rare, and when they do occasionally surface, they tend to be concentrated on those cases affecting transitional states, or in those other, even less frequent cases, which reveal a political ambition which extends beyond the notion of inter-regional cooperation as defined in this document. More frequently, inter-regional cooperation initiatives are developing without causing significant legal conflicts.

17. In countries with regional governments there are a variety of situations, according to the specific institutional architecture of the states concerned. In some cases, such as Austria, Belgium, Germany or Switzerland, constitutions assign an international role to their constituent units, recognising a certain international dimension to their exclusive or shared competences. When the political climate is sufficiently cooperative, this may be later enhanced by means of various constitutional amendments and negotiated political initiatives to facilitate a climate of intergovernmental cooperation and respect with regard to the internationalisation of regional governments.

18. More frequently, however, constitutions reserve exclusive powers in the international sphere for central or federal governments, ignoring any possible international dimension for the exercise by regional governments of their own powers. Examples of this include Australia, Canada, the United States and Spain. In these cases, the constitutional framework initially led to legal controversies which were subsequently resolved, either by the ruling decisions of supreme courts or through the adoption of a variety of legal or administrative reforms.

19. In other cases, some federal states, such as Argentina, Brazil, India, Mexico, the Russian Federation and South Africa, as well as some unitary states, such as, France, Italy, the UK, China and Japan and more recently Poland, Sweden and Chile, have adopted, despite an initial reluctance, diverse legal and administrative reforms in order to facilitate a greater, albeit limited and carefully monitored, role for their regions in the international realm. Although not without occasional setbacks, usually related to the changing political climate in specific legislatures, rather than the evolving constitutional nature of the

states concerned, international experiences in this field reveal a clear trend towards a growing recognition of a new international role for regional governments in Europe and beyond. There is a growing body of soft law in this sphere, in the form of bilateral agreements and memoranda of understanding.

*The role of international legal instruments*

20. In addition to evolving constitutional provisions, some international legal instruments allow an inclusive understanding of the legal basis of inter-regional cooperation. Both the Council of Europe and the European Union have been instrumental in shaping a legal and institutional context favourable to the development of innovative forms of cross-border and inter-regional cooperation. With regard to the Council of Europe, the European Charter of Self-Government, Article 10.3 on the freedom of assembly, established that:

“Local authorities shall be entitled, under such conditions as may be provided for by the law, to co-operate with their counterparts in other States”.

21. And the equivalent in the Helsinki Principles (quoted in the Reference Framework):

a. *Helsinki principles B6, B7.1 and B7.2*

b. “Regional authorities shall be entitled to form associations and to undertake activities of inter-regional co-operation in matters within their competences and within the framework of the law. Regional authorities may also be members of international organisations of regional authorities.

c. In so far as national and/or European law allows, regional authorities shall have the right to be involved in or to be represented through bodies established for this purpose in the activities of the European institutions.

d. Regional authorities may co-operate with territorial authorities of other countries within the framework of their competences and in accordance with the law, the international obligations and the foreign policy of the state.”

22. More recently, two important developments in the European Union and the Council of Europe have created new and promising international legal instruments which should facilitate the institutionalisation of inter-regional cooperation in the wider European context in the coming years. In 2006, the European Union adopted Regulation 1082/2006, the so-called “European Grouping of Territorial Cooperation” (EGTC), enabling local and regional governments belonging to member states, in areas of their own constitutional competence, to directly formalise cooperation schemes, with legal personality and institutional capacity, as far as they respect the corresponding procedure and indicated guidelines.

23. In the context of the Council of Europe, the most important innovation in this field of action has been the adoption in 2009 of Protocol No. 3 to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (Madrid Convention) concerning Euroregional Co-operation Groupings (ECGs), CETS No.206.

24. This protocol, which entered into force on 1 March 2013, establishes a new legal framework that recognises both the differences between states in terms of political and administrative organisation of territorial communities and authorities and the need to provide some framework legislation able to ‘promote, support and develop, for the benefit of the populations, trans-frontier and inter-territorial cooperation between its members in their common areas of competence and in keeping with the competences established under the national law of states concerned’ (Article 3.2).

25. Although the first ECG has yet to appear, this new legal framework clarifies important aspects such as the procedure of establishment, legal personality, legal capacity and applicable law, possible membership, budget, contracting powers, staff hiring and appointment, movable and immovable property and legal proceedings. France, Germany, Slovenia, Switzerland and Ukraine have already ratified this new protocol, and it could be considered that this list of parties is in itself a promising indicator of its flexibility and adaptive potential.

### **3.2 Relations with national governments**

26. A key question for any regional government that practises its own external diplomacy will be how these activities relate and interact with the national foreign policy. Some degree of coordination is essential. National governments, particularly those with enduring ethno-political conflicts, may perceive the international activities of their regions as a threat to their own sovereignty and will at the very least have an interest in ensuring that such activities do not run counter to their own foreign policies or national security concerns.

27. To this end, in recent decades, states have deployed a variety of legal and institutional mechanisms, in order to acknowledge the new role of regional governments in the international realm. As with the heterogeneous practice that they seek to regulate, these mechanisms are diverse in nature. But they are widely extended and have important implications not only for each state directly concerned, but also for the whole community of states. Sooner or later, national governments need to consider not only the standard they are willing to accept with regard to their own regions, but also the treatment that they are expected to offer to foreign regions, as well as the treatment that their own regions should receive when acting abroad. The realisation of this is contributing to a new and widely shared understanding of the need to find adequate formulas, such as the above discussed Protocol No.3 to the Madrid Convention, to conciliate the legitimate concerns of states with the functional and normative imperatives which demand the growing internationalisation of regional governments, a trend which is also leading many national governments to participate with regional governments of other states in a variety of cooperation schemes.

### **3.3 Relations with international institutions**

28. In addition to bilateral and multilateral inter-regional cooperation, regional governments across the world are making increasing use of opportunities recently provided by multilateral institutions to pursue their policy objectives. In this field, the progress achieved in less than two decades is impressive. Although formal individual membership of regional governments in many international governmental organisations is not possible, a wide variety of new possibilities, ranging from formal participation in institutional venues, consultative processes, multi-stakeholders partnerships, and even access to financial incentives is now available.

29. The Council of Europe has been a pioneer institution in this field through both the Congress of Local and Regional Authorities and its predecessors and the conclusion of several outstanding legal instruments, such as the European Charter of Local Self-Government and the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (Madrid Convention) and its three additional Protocols.

30. The participation of regional governments in specific bodies, such as the Council of Europe's Parliamentary Assembly, is another important venue for direct engagement. All these instruments have been crucial in shaping a new political space for international cooperation and policy-making for European local and regional governments, which, with the entering into force of Protocol No.3 on Euro-regional Co-operation Groupings (ECGs), is about to enter a new and promising stage.

31. With regard to the European Union, there are several milestones in its institutional recognition of regional governments as actors of political relevance: firstly, the creation in 1994 of the Committee of the Regions, with its consultative role on issues such as territorial and social cohesion, education and culture, public health, transport and infrastructure; secondly, the involvement of regional authorities as partners in implementing European structural policies including those channelled through the allocation of funds for cross-border and inter-regional cooperation; thirdly, the provision that EU member states can be represented in the Council of Ministers by representatives of their respective constituent units, a provision which has been effectively implemented by Austria, Belgium, Germany and Spain; and fourthly, the adoption of the so-called European Grouping of Territorial Co-operation (EGTC) mentioned above. All of these aspects have made a significant contribution to the growing acceptance of multi-level governance as one of the driving forces behind the European integration process.

32. The formalisation of EGTCs and ECGs opens a new era of possibilities for the revitalisation of inter-regional cooperation in Europe and beyond, particularly the extent in which they can serve as channels for the harmonisation of diverse legal systems, allowing a closer and more effective cooperation between regions which have common competences while functioning in diverse national legal systems. However, it should be also emphasised that inter-regional cooperation through informal schemes has also proven to be highly efficient when carefully designed and implemented, as will be seen below.

33. Although very different in nature and scope, significant advances in the recognition of inter-regional cooperation as a valid instrument have been also registered within the UN system. Regional governments only rarely aspire to full membership of intergovernmental organisations. Furthermore, even in those exceptional cases, such as those related to Quebec's efforts with regard to UNESCO, the final status has not been true membership but formal recognition of the special role of a constituent unit as an official part of the affected state delegation, namely Canada. More frequently, regions have simply committed themselves to the declared goals of a particular institution.

34. By offering complementary resources, regions have often effectively contributed to the success and effectiveness of an initiative. In such cases, regions do not aspire to hold any type of formal membership, but do expect to be recognised as relevant partners in global governance efforts. There are some compelling illustrations of this type of activity. The so-called Agenda 21, adopted at the United Nations Conference on the Environment and Development in Rio de Janeiro in 1992, has been signed by many local and regional governments, as was the case more recently with the United Nations' Millennium Development Goals campaign, which also attracted considerable support from local and regional governments all over the world.

35. In addition, and particularly when they are acting as donors, regional governments have been able to sign memoranda of agreement (MOAs) with various UN institutions, such as the UNDP, UNICEF, FAO, UNESCO, UN-WOMEN and UNEP. This tendency has facilitated innovative cooperation schemes, such as the ART-UNDP Initiative, which, through the promotion of a new partnership with local and regional governments, is helping to transform traditional forms of multilateral cooperation, creating new opportunities that extend the field of activity of inter-regional cooperation to a new generation of partnerships with some multilateral institutions. These experiences are paving the way for new and more ambitious models of cooperation that may well be labelled as the decentralisation of multilateralism.

## 4. Forms of cooperation

### 4.1 Networks

36. There are a wide variety of forms that inter-regional cooperation may adopt. Whereas early initiatives tended to focus on cross-border cooperation, regions all over the world are increasingly involved in other forms of both bilateral and multilateral groupings that do not necessarily entail territorial contiguity. The rationale for these groupings is diverse. Sometimes regions have an incentive to cooperate to the extent in which they share some structural features such as a particular geographical condition or location, such as being ultra-peripheral, or environmental condition, such as mountainous or maritime regions, or an economic specialisation, such as forestry, fisheries or high-technology. In other cases, reasons for cooperation can be found in cultural proximity or shared historical trajectories, such as the International Association of French-Speaking Regions (AIRF)<sup>6</sup>.

37. The greater their political ambitions, the greater institutionalisation these initiatives tend to require, not only in legal and administrative terms, but also in terms of expertise mobilised, and the complexity of their policy process. As this wide variety of experiences is difficult to summarise, this report will focus on those particularly consolidated, influential, or innovative examples.

38. Several networks have achieved a significant political outreach and recognition, and are active participants in policy-making processes within organisations such as the Council of Europe and the European Union:

39. **AER**, the Assembly of European Regions, established in 1985, is presently the largest European network of regional authorities, bringing together 230 regions from 35 countries. It played a role in paving

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<sup>6</sup> See : <http://www.regions-francophones.com/>

the way for the creation of the Congress of the Council of Europe and the Committee of Regions of the European Union. It has a complex institutional profile and seeks to design and implement efficiently an increasingly ambitious political outreach: <http://www.aer.eu/en/home.html>;

40. **CALRE**, the Conference of European Regional Legislative Assemblies, comprises seventy-four presidents of European regional legislative assemblies from Austria, Belgium, Germany, Italy, Spain, the Portuguese regions of the Azores and Madeira, Wales, Scotland and Northern Ireland in the United Kingdom and the Åland Islands in Finland: <http://www.calre.net/irisnet.be/>

41. **REGLEG**, the Conference of European Regions with Legislative Power, is a network for EU regions with legislative power, comprising representatives of regional governments who work together on issues of common concern. Its membership, in terms of regions, is almost identical with that of CALRE: <http://www.regleg.net/>.

42. **AEBR**, the Association of European Border Regions, founded in 1971, is the oldest independent association of regions in Europe. Specialising in cross-border cooperation, it is also active in inter-regional cooperation. It currently has over a hundred members, including both border and cross-border European regions: <http://www.aebr.eu/en/index.php>

43. **CPMR**, the Conference of Peripheral Maritime Regions, gathers 160 regions, belonging to 28 different states, aiming to exchange expertise, cooperate on practical projects, and influence policy processes at both national and international levels: <http://www.crpm.org/index.php>.

44. There is a growing number of other networks, of which a few examples are given below, which are more modest in ambition, but revealing nevertheless of how creative inter-regional cooperation is becoming as a venue for policy learning, diffusion and innovation, in the middle ground between subnational political and global governance.

45. **nrg4SD**, the Network of Regional Governments for Sustainable Development, is a non-profit international organisation representing subnational governments and associations of subnational governments at global level. Set up in 2002 at the World Summit of Johannesburg, today nrg4SD includes some 50 subnational governments from 30 countries and 7 associations of subnational governments, including CPMR. Members include 14 European regions from Belgium, France, Romania, Spain and the UK: <http://www.nrg4sd.net/>.

46. **ARC**, the Airport Regions Conference, set up in 1994 as a non-profit association to promote cooperation among airport regions in Europe. The 33 member cities and regions, which include the major European airport hubs such as London, Frankfurt, Amsterdam, Zurich and Paris, work together to develop joint solutions on issues such as transport connections, noise and air pollution and economic impact: <http://www.airportregions.org/>.

47. **GMO-free regions**, the Network of European GMO-free Regions and Local Authorities, established in Brussels in November 2003. On 5 February 2005, the Network's targets and field of action were defined in Florence, with the signing of the "Charter of the Regions and Local Authorities of Europe on the subject of coexistence of genetically modified crops with traditional and organic farming": <http://gmo-free-regions.org/>.

48. In the case of the EU, the potential of these forms of inter-regional cooperation is also reinforced by the existence of the Committee of Regions, and, furthermore, by the action of the more than 150 regional delegations in Brussels. Many of these regions and networks participate actively in different consultative processes, such as those related to fisheries governance within each of the seven geographically specific Consultative Regional Councils.<sup>7</sup>

49. In the case of the Council of Europe, the main actor for institutional contact with such networks is the Congress of Local and Regional Authorities, in its role of institutional guarantor of democracy and subnational self-government in Europe. The intergovernmental sector of the Council of Europe has also been instrumental in developing relations with such networks, notably through the European Committee

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<sup>7</sup> See, for example: <http://www.ccr-s.eu/EN/index.asp>

on Local and Regional Democracy (CDLR)<sup>8</sup> and the Council of Europe Conference of Ministers responsible for Local and Regional Government.

## 4.2 Bilateral cooperation and small groups

50. Inter-regional cooperation frequently involves a simple bilateral partnership, or brings together only a small number of participants. They tend to focus on the promotion of some mid-term general goals, such as environmental management, trade and investment, scientific research, and cultural cooperation. Although many of these partnerships limit themselves to declarations of friendship and goodwill, a growing number of them are becoming more substantial and relevant, demonstrating a progressive learning curve and constituting in itself a new field for policy innovation. Good examples of such cooperation agreements are those between Quebec and Catalonia for cultural exchanges, Basel and Massachusetts for science and technology, Queensland and Java on disaster relief, Victoria and Jiangsu on sustainable tourism and Upper Austria with the Russian Sverdlovsk region on cooperation in the fields of energy, ecology and environmental protection.

51. Development cooperation between European regions and their counterparts in other continents has continued to increase since the first programmes were introduced in the 1980s. Much of this cooperation is carried out in the context of a pluralist national aid system, where the regional authorities will coordinate with national authorities. In France, for example, a country with a strong tradition of “coopération décentralisée”, regional development aid is coordinated with national development policies. In other countries, such as Belgium and Germany, regional actors formulate their own development policies. Part of the justification for such development cooperation is that regional authorities in donor states often have specific expertise to share with their counterparts in recipient countries. A significant element of such cooperation in many European states consists of education programmes to assist students from recipient countries in undertaking higher education studies in donor countries.

52. Although yet to appear in the European context, another form of inter-regional cooperation that is growing in importance on other continents are the so-called ‘Triangles of Growth’. Although not all experiences of this type have been equally successful, its pioneer expression in Singapore, Malaysia’s Johor province and Indonesia’s Riau Island, in view of its outstanding economic performance, has inspired regional economic planners across the world.

53. Amongst the most prominent mini-groups particularly salient is the so-called ‘Four Motors’ grouping Catalonia, Lombardy, Rhone-Alps and Baden-Württemberg, and to which more recently Flanders and Wales have been also associated. The Four Motors, known for its rotating presidency, has been particularly successful in concentrating on a consecutive series of short-term projects. In other cases, some of these groups may evolve across time, developing consequently their programming and goals, such as the Memorandum of Understanding between Nord-Rhein, Westphalia and Mpumalanga signed in 1995, the renewal of which in 2008 included support for hosting the 2010 FIFA World Cup in South Africa.

## 4.3 Evaluating inter-regional cooperation

54. What are the benefits of inter-regional cooperation? How are they measured and evaluated? There are no accepted benchmarks for evaluating and measuring the results of different forms of inter-regional cooperation. Although some assessment tools are being developed, the diversity of policy areas involved makes this a difficult task. The identification of a simple set of variables and indicators valid for a sound and meaningful evaluation is in itself a complex issue. For example, many cooperation agreements include an element of trade. The volume of trade can be measured, but who ultimately benefits from this trade? Are the companies involved all based in the regions concerned? Does increased trade have a positive impact on employment? Does it result in increased tax revenue for the regional governments involved?

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<sup>8</sup> The CDLR held its final meeting in 2013. From 2014, institutional and local and regional democracy issues are covered by a new steering committee, the European Committee on Democracy and Multilevel Governance (CDDG).

55. It can be said that any possible assessment needs to consider the fact that inter-regional cooperation, as previously said, entails basically two simultaneous logics. Firstly, one that is instrumental in nature, aiming to respond to functional challenges through the promotion of trade and investment, the mobilisation of resources or fundraising, critical infrastructure building, or scientific cooperation. Secondly, one which is basically communicative and symbolical, operating through the promotion of cultural cooperation and educational exchanges, facilitating intercultural exchanges, mutual confidence building and even reconciliation in some critical cases.

56. The criteria for evaluating these two dimensions of inter-regional cooperation is necessarily different. While instrumental action is relatively easily to evaluate in terms of cost-benefit analysis and efficiency, communicative action is subject to diverse and even contending interpretations, and is much more elusive to strict empirical evaluation. As is the case with state diplomacy, the validity of inter-regional cooperation can be neither reduced to the logic of rational policy design nor completely ignored.

57. Arguably, however, the identification of relevant contacts in the respective governments, the availability of adequate expertise, the careful and responsible management of funds, and of course the accumulation of experience with the consequent policy learning, are crucial for the design and implementation of successful initiatives. Inter-regional cooperation is in many ways a form of 'soft power', where personal networks, smart allocation of resources, and capacity to persuade a variety of interlocutors play a major role. Against conventional expectations, obstacles to inter-regional cooperation are more frequently due to linguistic barriers and cultural differences, or lack of administrative capabilities on the side of the participant regions, than to the possible opposition of involved states.

58. In addition, in an era of multi-stakeholderism, inter-regional cooperation initiatives are increasingly involving NGOs, foundations, corporate bodies, chambers of commerce, trade unions, scientific and educational associations and so on. A new era of partnerships is taking form which leaves behind the institutional formalism of some of the experiences of the past.

59. These processes of policy learning and diffusion are increasingly relevant in the most diverse domains. They are particularly prominent in functional fields, such as trade, investment and production, natural resources and environmental issues, science and technology, transportation and critical infrastructure, but they are also becoming more and more relevant in areas such as ethnic conflict management, public health and education, cultural diversity, human security, humanitarian relief or development aid.

60. Furthermore, it can be argued that it is precisely the relevance acquired by many of these initiatives that makes it possible for states themselves to realise sooner or later that the international activity of their regional government is worthy of interest and cultivation. But it remains true that most examples of inter-regional cooperation receive little publicity beyond the regions concerned and are correspondingly difficult to identify and evaluate, even though such activity is becoming increasingly common. Against this trend, it is interesting to note that the website of the Austrian Embassy in Moscow gives examples of inter-regional cooperation projects, notably several Austro-Russian projects. Although this is not a widespread practice, it demonstrates a simple way both to promote and to normalise such activities.

## **5. Conclusions**

61. Inter-regional cooperation in Europe is continuing to develop and demonstrate that it has much potential and that there are very good reasons to cooperate, common interests that are best pursued together, economies of scale that can be realised. Initially, the most active players were those regions that enjoy a large degree of autonomy and are relatively strong in economic terms, and have a marked sense of differentiated identity such as Quebec, Flanders, Catalonia or the Basque Country. But two decades later this has developed into a general trend all over Europe, in which both big and small regions belonging to both unitary and federal countries actively participate. This requires a considerable effort of harmonisation and coordination on the part of European states, to conciliate the legitimate interests of their regional governments with those related with competition law, fiscal policy and national security of the management of natural resources.

62. Some initiatives are clearly more successful than others. Whereas some inter-regional cooperation initiatives suffer from poor forethought, lack of focus, planning, and substantial objectives,

many others have proven to be a vibrant laboratory for mutual policy learning and innovation, facilitating the cross-national extension of mutual confidence and respect. National governments should see such cooperation as an opportunity rather than a threat. Certainly, in the present context these initiatives would require a careful examination of both their potential and risks. That critical assessment may facilitate its organisational rationalisation in terms of both its ultimate political strategy and administrative dimensions or allocation of resources.

63. In the space of just two decades, inter-regional cooperation has evolved from improvised incrementalism and mutual emulation towards careful institutional planning, policy rationalisation, and more responsible allocation and management of resources. Despite occasional conflicts, legal disputes on matters of competence have given way to a new era of constitutional accommodation and political reforms, through a combination of formal and informal mechanisms, in which the crucial importance of horizontal and vertical coordination and mutual institutional loyalty is widely recognised.