



Le Ministre aux Relations avec le Parlement

Madame la Présidente
du Conseil d'État
Luxembourg

Luxembourg, le 12 MAI 2020

Personne en charge du dossier:

Jean-Luc Schleich
☎ 247 - 82954

Réf. CE / SCL : 60.209 - 574 / ak

Objet: Projet d'arrêté grand-ducal approuvant la convention modifiée et les statuts modifiés du Groupement européen de coopération territoriale (GECT) « ESPON ».

Madame la Présidente,

À la demande du Ministre de l'Aménagement du territoire, j'ai l'honneur de soumettre à l'avis du Conseil d'État le projet d'arrêté grand-ducal sous rubrique, conformément à l'article 5 de la loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération territoriale (GECT).

Je joins en annexe le texte du projet d'arrêté grand-ducal auquel sont attachées les versions modifiées et consolidées de la convention et des statuts du GECT élargé.

Les modifications apportées aux articles 13.5 alinéa 5, 16.3 alinéa 1^{er} et 16.4 alinéa 1^{er} apparaissent en rouge dans le corps du texte.

Je vous joins également :

1. une note retraçant l'historique et les différentes étapes de la procédure à la base du projet d'arrêté grand-ducal ;
2. les résolutions de l'Assemblée générale du GECT des 28 mars 2018 et 4 octobre 2018 ;
3. la notification par le GECT du projet de modification des statuts (courriers des 26 octobre 2018 et 8 novembre 2018 ;
4. l'approbation du projet de modification des statuts par les autorités régionales et nationales des membres du GECT (courriel du 18 juillet 2018 / courriers des 13 décembre 2018 et 17 octobre 2019).



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère d'État

Le Ministre aux Relations avec le Parlement

Veillez agréer, Madame la Présidente, l'assurance de ma haute considération.

Pour le Premier Ministre
Ministre d'État
Le Ministre aux Relations
avec le Parlement



Marc Hansen



Dossier suivi par : Matteo Lorito et Renée Hostert
Personne de contact : Matteo Lorito (tél :247-86925)

Note au Conseil d'État

Projet d'arrêté grand-ducal approuvant la convention et les statuts modifiés du Groupement européen de coopération territoriale (GECT) « ESPON »

Selon l'article 5 de la loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération territoriale (GECT), les modifications de la convention d'un GECT doivent être approuvées par arrêté grand-ducal (AGD) rendu sur avis du Conseil d'État après que les exigences prévues aux article 4, paragraphe 3 et 13 du règlement (CE) modifié précité aient fait l'objet d'une vérification.

Historique et différentes étapes de la procédure à la base du projet sous rubrique

Le GECT fut initialement constitué par AGD du 9 janvier 2015 pris sur base de la loi précitée du 19 mai 2009.

Lors des séances de l'assemblée générale en date des 28 mars 2018 (7^{ème} séance) et 4 octobre 2018 (8^{ème} séance), les modifications des statuts) du GECT (concernent 3 articles) ont été approuvées à l'unanimité.

Par courriers des 26 octobre 2018 et 8 novembre 2018, le GECT a notifié le projet de modification des statuts au Grand-Duché de Luxembourg et aux trois régions belges (Bruxelles Capitale, Wallonie et Flandres), membres du GECT, pour que ces derniers lancent leur procédure d'approbation interne, le tout conformément aux articles 9 des statuts et 4 du règlement (CE) précité.

Le projet de modification des statuts du GECT a effectivement été approuvé suivant les procédures internes des trois régions belges précitées et l'approbation définitive du Grand-Duché de Luxembourg s'est concrétisée par une délibération du Conseil de Gouvernement en date du 28 février 2020 (selon l'article 4, paragraphe 3, alinéa 3, du règlement (CE) précité, le pays sur le territoire duquel le GECT a son siège, doit formellement approuver la convention et les statuts modifiés).

A noter que les membres du GECT ont formellement décidé de ne modifier que les seuls statuts. Suivant l'article 21 de la convention du GECT toutefois, la convention est modifiée simultanément avec les statuts.

Enfin, conformément à l'article 5 de la loi du 19 mai 2009 précitée, les modifications de la convention d'un GECT sont approuvées par AGD rendu sur avis du Conseil d'Etat après que les exigences des articles 4, paragraphe 3 et 13 du règlement (CE) modifié n°1082/2006 aient fait l'objet d'une vérification.

En l'espèce, les exigences de l'article 4, paragraphe 3 sont remplies, alors que les statuts modifiés ont été notifiés aux autorités régionales et nationale des membres du GECT et approuvés par eux.

De même, les exigences prévues à l'article 13 ayant trait au respect de l'intérêt public, de l'ordre public, de la sécurité publique, de la santé publique et de la moralité publique sont remplies. En effet, les modifications prévues des statuts sur les trois points ne remettent pas en cause ces principes, alors qu'elles concernent :

1° d'une part, les modalités de recrutement des salariés (pas de membre externe nécessaire pour le recrutement en cas d'un CDD et ouverture aux ressortissants de tous les Etats membres de l'UE et des pays tiers participant au programme ESPON) – articles 16.3 et 16.4 de la convention, et ;

2° d'autre part, l'élargissement de la faculté donnée aux membres de l'assemblée de se faire représenter (le mandat peut être donné à tout collaborateur de l'organisme dont le membre de l'assemblée relève qui détiendrait le pouvoir d'engager valablement l'organisme en question) – article 13.5 de la convention.

ESPON EGTC Assembly

7th Meeting

28 March 2018, 11.00 - 16.00 h

Venue: Brussels Perspective

59 Rue de Namur, 1000 Brussels

Minutes

1. Welcome

The Vice-Chair welcomed the members to the Assembly meeting and explained the absence of the Chair of the Assembly and the representative of Belgium Flanders.

The Vice-Chair also thanked the Region of Brussels-Capital for hosting the meeting.

Due to the absence of its appointed representative, Belgium Flanders gave mandate to Wallonia, in accordance with ESPON EGTC Statutes, Article 13.5, §4, and delegated Mrs Griet Verbeke to the meeting, as an observer.

2. Approval of the Revised Final Agenda (decision and confirmation of members)

After consultations, the Vice-Chair confirmed that there were no additional points on the agenda, so the members approved it.

3. Change of article 16 of the Statutes – update on the status of internal procedures – information

The Vice-Chair explained the modifications that should be implemented in the Statutes and explained the procedure for amendment of the Statutes.

Article 16-3 of the Statutes, related to the recruitment of other staff will be modified as follows:

“The Director nominates members of a selection Board including one member external to the EGTC. The external member does not need to be appointed for the recruitment of temporary staff members.”

In order to be in compliance with the Luxembourgish Law, article 16-4 of the Statutes has to be modified.

Article 251-1 (1) of the Labor Code (Code du travail) does not allow for any discrimination on the contracting of staff in Luxembourg. Therefore, the ESPON EGTC will adapt article 16.4. as follows, by taking out the part in italic:

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully

associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source. Seconded experts may be employed by their institution of origin. In order to ensure continuity and benefit from ESPON experience, the first staff employed by the ESPON EGTC shall be the staff members of the former ESPON Coordination Unit.

After additional assessment of the Statutes by the ESPON EGTC, no additional points are proposed for changes.

The Vice-Chair explained to the members of the Assembly that a formal approval of their Administration, in compliance with their internal and national rules for this type of approval. The Vice-Chair also explained that in Luxembourg, the amendment of the statutes must be approved by the Conseil d'Etat after the approvals of all the members of the Assembly.

The representative of Flanders asked if the Government had to approve the modification of the Statutes.

The Vice-Chair explained that it depends for each country because the procedures are different.

The representative of Wallonia explained that the modification of the statutes must be approved by the Walloon Government after the approval of all the members of the Assembly.

At the request of the members of the Assembly, the ESPON EGTC will prepare a letter to present the modifications of the statutes and ask the proper national/regional decision-making authorities to approve them formally.

4. Progress of work – Presentation of the 2018 Single Operation Annual Work Plan and the EGTC Work plan for 2018 – information

The Director presented the progress of work of the EGTC, including:

- the progress of the implementation of the Single Operation,
- the activities programmed for 2018,
- the supporting activities.

The Director briefed the Assembly on the different activities which took place in 2017.

The first final results of the activities were received recently. These results are related to the following applied researches: SMEs in European regions and cities, The geography of new employment dynamics, Territories and low carbon economy approach, Inner peripheries, The World in Europe, Possible European Territorial Futures.

The following targeted analyses have also been finalised: Spatial dynamics and strategic planning in metropolitan areas (SPIMA), Thinking and planning in areas of territorial cooperation (ACTAREA), Regional Strategies for sustainable and inclusive territorial development (ReSSI) – Regional interplay and EU dialogue.

The director explained that research activities are ongoing and that several Territorial Impact Assessment workshops took place in the last months.

The Director briefed the Assembly on the inputs provided to the 7th Cohesion Report and on the results of the European Territorial Review prepared and presented to a wide audience in 2017.

In order to promote the targeted analyses, a “partner café” was organised on 14th November 2017 in Brussels.

A transnational workshop took place in Oslo on 30th November 2017 and a transnational seminar took place in Vilnius on 17th November 2017.

Several policy briefs were published for the Estonian presidency, in relation to shrinking rural regions, digital transition of public services.

The Director also presented the results of the survey related to the use of ESPON products.

The Director presented afterwards the activities for 2018, which will be related to the topics of transition of regional economies, rural development, interregional relations, sustainable land use, impact of natural disasters and quality of life under SO1.

For SO2 activities, the Director explained that 2 cut-off dates were scheduled for 2018 - on 26 January and 22 June. Six stakeholder's proposals have to be selected. Three of them were selected during the first cut-off day.

The Director finally briefed the Assembly about the activities under SO3 and SO4.

The Director also explained the foreseen internal activities of the ESPON EGTC - trainings for the elected staff delegates and the staff member designated for health and safety at work, team building for the ESPON EGTC staff members, update of the internal manual and the staff regulation and also e-procurement.

Finally, the Director briefed the Assembly on the current composition of the ESPON EGTC personnel. Twenty-four staff members are currently working for the ESPON EGTC.

The members thanked the Director for providing a comprehensive overview of the activities of the EGTC. It was agreed that the presentation will be sent together with the minutes to the members of the Assembly.

5. Budget issues – information

The Vice-Chair asked to the Head of Unit for Administration and Management to present the last updates about the budgets issues.

The Head of Unit presented the expenses made in 2017 and accounted in the Convention budget. A total of 164,824.10 euro have been spent in 2017.

The Head of Unit briefed on the budgets issues for 2018, related to the convention budget and the Grant agreement. It was agreed that also the Grant budget will be sent to the members together with the minutes of the meeting.

Following the discussions of the last Assembly meeting the Head of Unit presented the solutions implemented, with the support of the Managing Authority and the Ministry of Development and Infrastructures, to solve the cash flow problems.

Related to the Grant Agreement three solutions have been implemented:

- A new advance has been paid from the Grant budget;
- Upon the submission of a Progress Report, previously approved by the First Level Control, the ESPON EGTC will receive immediately 50% of the total value requested for reimbursement. The rest of 50% will be reimbursed will be received after the finalisation of the checks by the Managing Authority and Certifying Authority.

- The ESPON EGTC will submit Progress Reports every 3 months (and not any more every 6 months).

A new Convention was signed with the Ministry of Sustainable Development and Infrastructures of Luxembourg on the provision of ad hoc financial support to the ESPON EGTC for the implementation of the Single Operation of the ESPON 2020 Cooperation Programme.

Within the Convention it is foreseen that the total cash advance that can be given to ESPON EGTC is 2,5 million of EUR. Furthermore, in order to better monitor the cash flow problem every month, the ESPON EGTC will communicate to the Ministry up-to-date data regarding its bank account balance, the received invoices, as well as the expected invoices and the related expected payment for the coming three months.

6. Next Meeting

The next meeting is proposed to take place in Luxembourg in October 2018.

The next meeting was proposed to take place in Flanders, but the ESPON EGTC checked the turns of the last meetings and it should be the turn of Luxembourg.

7. AOB and Closure

No further points were raised by the Assembly members.

The Chair of the Assembly closed the meeting (12h45).

8. Issue raised during the lunch

During the lunch time, the representative of Brussels Capital proposed another modification of the statutes. This proposal is aimed at simplifying the rules of presence of the members or deputy members of the Assembly. It was proposed to authorize any person, dully mandated to represent the member or the deputy member of the Assembly.

The ESPON EGTC was therefore requested to prepare a legal opinion on this topic, to analyse the consequences of such a modification. When the legal opinion will be prepared, it will be sent to the members of the Assembly.

Depending on this legal opinion, the members of the Assembly will have to take a decision on the final agreed changes to be made to the ESPON EGTC Statutes. Afterwards the ESPON EGTC will prepare the letters requested by the members of the Assembly containing the changes and the procedural information.

Annex: Presence at the ESPON EGTC Assembly meeting on 28th of March 2018

Presence at the ESPON EGTC Assembly meeting

Assembly	Name of delegate	Present
Belgium Flanders	Mandate given to Wallonia	✓
Belgium Wallonia	Olivier Defawe (deputy member)	✓
Luxembourg	Marie-Josée Vidal (deputy member)	✓
Belgium Brussels	Tom Sanders (deputy member)	✓
ESPON EGTC		
Director ESPON EGTC	Ilona Raugze	✓
Lawyer ESPON EGTC	Aurelien Geng	✓
HoU for Administration and Management ESPON EGTC	Teofil Gherca	✓
Belgium Flanders	Griet Verbeke (observer)	✓

Version 18th of October 2018

ESPOON EGTC Assembly

8th Meeting

4/10/2018, 11.00 - 16.00 h

Venue: Ministry for Sustainable Development and Infrastructures,
4, Place d'Europe, L – 1499 Luxembourg
Room 22.01 (22nd floor)

Final minutes

1. Welcome.

The Chair welcomed the members to the Assembly meeting.

2. Approval of the Revised Final Agenda (decision) and confirmation of members (incoming/outgoing).

After consultations, the Chair confirmed that there were no additional points in the agenda, so the members approved it.

The Chair confirmed that the observer of Flanders had brought the mandate from Flanders to Wallonia with her. The Chair passed the original mandate to the Secretary of the Assembly. The deputy member of Wallonia presented the observer, Mr. Guillot-Pingue, and indicated that he might probably be appointed as the next Wallonian member.

It was mentioned that the observer from Brussels capital would participate in the afternoon session.

3. Progress of work –Second level audit, Presentation of the implementation of the 2018 Single Operation Annual Work Plan and the EGTC Work plan for 2018 – information.

The Director presented the progress of work of the EGTC (also distributing a power point), including:

- the progress of the implementation of the Single Operation;
- the implementation of the EGTC work plan;
- the Second level audit;
- the update on staff issues.

On the progress of the implementation of the Single Operation, the Director talked about the following topics:

- 1) Ongoing research activities. The Director indicated that the number of activities had increased, that there were currently 20 applied research projects and that two more would be coming soon as they were almost agreed with the MC, and that there were 17 Targeted analysis activities and other activities related to monitoring and tools. She indicated that 2019 would be the last year to start new activities to reach all output targets and that 2020-2022 would be a period of implementation.

The Director mentioned that among the priorities was the debate about the Cohesion policy post2020 and the support for preparing new programmes.

The Director explained about the 6 applied research projects, 5 having been launched and one of them in the pipeline as a competitive dialogue procedure needed to be launched.

She indicated that there were 5 Targeted analysis activities with results by the end of 2018.

On the TIA, the Director indicated that the final version was received from the service provider and that trainings for public authorities on how to use this tool were taking place. She made a summary of the Big data and the European and macro-regional territorial monitoring tool projects too.

The Chair thanked the Director and asked the Assembly about its view on macro-regional strategies. It was agreed that for their existence and functioning, these needed a common functional issue/ link (the Director mentioned the case of the Baltic sea region and the sea pollution problem, that was in this case the common issue that made the cooperation successful).

- 2) Increased outreach efforts. The Director indicated that the EGTC was increasing its efforts on outreach through:
 - short publications;
 - contributions to the post 2020 debate;
 - peer learning activities for experts to learn from each other (this outreach activity going to be of increasing importance in the next years);
 - conferences, also with decision-makers as it seems the EGTC is still not fully reaching them, she explained;
 - cooperation with organizations such as the OECD (which give ESPON more global visibility);
 - engagement in social media and the possibility for member countries to fill in national web-pages on the ESPON website.
- 3) Forthcoming activities. The Director informed about the forthcoming activities: the MC meeting in Vienna in December 2018, the scientific conference in London in November 2018, the EWRC 2018 in Brussels in October 2018, the next policy briefs and calls for proposals and the activities and calls to be launched in 2019.

On the implementation of the EGTC work plan for 2018, the Director mentioned that there was a teambuilding, that e-procurement would be compulsory from 18th of October 2018 and the EGTC is preparing for it, and that several trainings for staff took place during the year.

On the Second level audit, the Director mentioned that from now on it would take place every year and that the conclusions of this year were very positive. Both the Chair and Wallonia were happy about this and Wallonia asked the Director about her starting date and her experience as Director. The Director mentioned she had been in the ESPON EGTC since 2016 and that the overall experience was positive.

4. Presentation of the change of the Statutes and the Rules of Procedure and its procedure – decision.

The Chair presented point 4 of the agenda on the participation of other representatives in the Assembly. The Director explained that the proposed change, as discussed during the lunch of the 7th Assembly meeting and as indicated in the final minutes of the 7th Assembly meeting, aimed at allowing mandating other independent colleagues from the same administration to participate in case of members/deputy members not being able to take part. The option to mandate other regions/country remained there too. The new proposed sentence should read:

On an ad-hoc basis, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings.

The Chair underlined that the delegates needed to be independent natural persons.

Wallonia raised the debate on the flexibility of the Statutes, which to the Chair's opinion could be adapted if needed as long as the MC did not raise any opposition. For instance, Wallonia suggested that the Head of the institution could give a mandate to a representative to attend the meetings on a case by case basis. The Vice-Chair indicated that in her opinion some flexibility would be positive, but that the idea to appoint permanent members so they would attend the meetings is aimed at ensuring the continuity of the follow-up of Assembly meetings. In her view this should not be changed.

Wallonia agreed with this but proposed that the first part of the new sentence 'On an ad-hoc basis', should be replaced by 'exceptionally'. All members agreed.

At the request of the members of the Assembly after the issue was raised by the Head of Unit for Administration and Management of the EGTC, the ESPON EGTC agreed to prepare a letter to present the modifications of the statutes to speed up the modification procedure in internal administrations.

5. Changes in the ESPON EGTC Staff Regulation – decision.

The Director explained the changes in the SR, most coming from the initiative of the staff delegation (see note sent by the Vice-Chair).

The Chair asked whether there were any questions or comments. Wallonia asked whether the part time and unpaid leaves were a right or a favour and the Director explained that the unpaid leave comprised 3 reasons for which normally a request will be approved (others being at the discretion of the Director). As for the part time the intention is to apply a more flexible approach, but the request will still be approved on a case by case basis. Wallonia also pointed out that the sports activities financed for the staff should be healthy and sustainable.

The Chair proposed to formulate the reimbursement of sports activities as follows: 'healthy and sustainable sports activities'. This formulation was agreed by all members.

Finally, Wallonia also asked whether the 2.000 euro raise for temporary staff was proportionally reduced for part time working staff members and the Director answered positively.

The Chair proposed to make a break for lunch (13:00).

6. Changes in the ESPON EGTC Internal Manual – decision.

After the break, the delegate representative from Brussels capital joined the meeting. The Secretary asked him to give her the original mandate and the original 'arrete ministeriel' from 2017 for the change of member and deputy member. As the delegate representative had not brought the documents with him, he promised he would send them per post as soon as possible.

The Director presented the main proposed changes in the Internal Manual (see list attached in the Vice-Chairs' email). The Chair indicated that he agreed with all points except for the first one proposed: the one concerning the exclusion of the European Commission from the technical evaluation of stakeholder proposals for the targeted analysis. He proposed to raise this issue during the next MC meeting in December 2018 before any change was made in this sense.

The Chair asked whether all members would agree and as no objection was made the changes proposed, with the exception of the one indicated above, were agreed upon. The Director indicated that after the MC meeting a written procedure could be launched for this point if necessary.

7. Budget issues update - information.

The Chair asked to the Head of Unit for Administration and Management to present the last updates on budgets issues.

The Head of Unit presented the expenses made in 2018. On the Convention budget, he concentrated on presentation of the main expenses made (spending in 2018 by 31/08/2018).

On the Grant Agreement budget, he indicated that ineligible costs were minor and that staff costs and administration costs had been overestimated - finally being less (numbers in red in the document). Therefore, a reallocation to external expertise that was approved by the MC meeting in September 2018 would be implemented in order to increase targeted analysis and tools. He concluded that the cash flow problem has been solved due to a new Convention with the Ministry.

Wallonia asked about the liability costs and whether these were included in the budget update. The Head of Unit for Administration and Management explained that there had been two requests: one concerning PR1 and PR2 for 14.000 euro on two mistakes in a public procurement, and another one in 2017 concerning 2.000 euro related to travels. He promised to send the liability mechanism accounts to the Assembly members.

The Director explained that when the MA cut these expenses the member states' liability mechanism was used, but concluded that the overall spending was improved and that the rate of mistakes was very small.

8. Approval of the ESPON EGTC 2017 Annual accounts – decision.

The Head of Unit for Administration and Management presented point 8 of the agenda. The Director pointed out that the Annual accounts had been prepared by a fiduciary and checked internally by the ESPON EGTC.

The Chair requested a decision on the Annual accounts and no objection having been made, these were approved.

9. ESPON EGTC Work Plan for 2019 – decision.

The Director explained the salary system and indicated that a public procurement would take place in the future programme to assess whether it needed to be updated/corrected to be more objective/fair. She also mentioned that an assessment of the noise in the EGTC premises (open space) would be made by an external company in order to consider improvement measures. Finally, she mentioned the teambuilding foreseen for 2019 and the future staff trainings.

The Chair asked for an approval and no objection being made, this point was approved.

10. Convention budget for 2019 – decision.

The Head of Unit for Administration and Management presented point 10 of the agenda.

Wallonia made several remarks on the table presented: in the travel budget line, the amount was not 618 euro but 1.100 euro corresponding to 2019, and in the premises line the amount was not 96.000 euro but 89.000 euro also corresponding to 2019.

The Chair asked whether there were any other comments and as there were none the budget was formally approved.

11. Update on staff issues – information.

The Director referred to the last page of the power point presentation on the progress of work (already presented partly in point 3 of the agenda). No comments were raised by the members.

12. Next Meeting

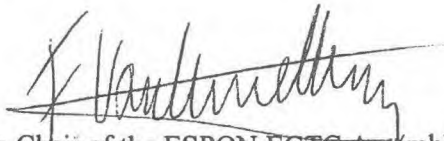
The next meeting was proposed to be organised by Flanders on the 14th of March 2019. The next meeting was agreed.

13. AOB and Closure

No other further points were raised by the Assembly members.

The Chair of the Assembly closed the meeting (16:15).

(The Secretary reminded informally the Brussels capital member to send the original mandate by post, and if possible the original 2017 'arrete ministeriel' on the change of member and deputy member).



The Chair of the ESPON EGTC Assembly

Frank Vansteenkiste

The ESPON EGTC Director

Ilona Raugze

by delegation
Teofil Gherca
Head of Unit Administration
and Management



Annex: Presence at the ESPON EGTC Assembly meeting on 4th of October 2018

Assembly	Name of delegate	Present
Belgium Wallonia	Olivier Defawe (deputy member)	YES
Luxembourg	Frank Vansteenkiste (Chair of the Assembly)	YES
	Marie-Josée Vidal (Vice-chair of the Assembly)	YES
ESPON EGTC		
	Ilona Raugze	YES
	Katarina Ojeda	YES
	Teofil Gherca	YES
Guest	Name of guest	
	Alain GUILLOT-PINGUE (as requested by Wallonia in accordance with Article 13.1 of the Statutes) – observer Wallonia	YES
	Griet Verbeke (as requested by Flanders in accordance with Article 13.1 of the Statutes) – observer Flanders	YES
	Cedric Verschooten (as requested by Brussels in accordance with Article 13.1 of the Statutes) – observer Brussels	YES (for the lunch and the afternoon session)

ESPON EGTC - 4, rue Erasme LU-1468 Luxembourg

Ministry of Sustainable Development and Infrastructure
Attn: Mr Claude TURMES
Head of the Managing Authority of the ESPON 2020 Cooperation Programme
L-2946 Luxembourg
Luxembourg

Luxembourg, 8 November 2018

Subject : Information regarding the change of the ESPON EGTC Statutes

Dear Mr Turmes,

We would like to inform you that the ESPON EGTC Assembly has decided to change the ESPON EGTC Statutes as follows:

1) Article 16.3 (Recruitment of other staff)

The recruitment procedure of temporary staff will be eased by re-formulating the article as follows, by adding the sentence highlighted in bold:

*The Director nominates members of a selection Board including one member external to the EGTC. **The external member does not need to be appointed for the recruitment of temporary staff members.***

2) Article 16.4 (Contracting of all staff)

Article 251-1 (1) of the Labour law Code (Code du travail) does not allow for any discrimination on the contracting of staff in Luxembourg. Therefore, the ESPON EGTC will adapt article 16.4. of the Statutes as follows, by taking out the sentence highlighted in bold:

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC *and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.*

3) Article 13.5 (Meetings, written procedures and mandating):

In order to ease the procedure for participating in the ESPON EGTC Assemblies, not only representatives of the Assembly will be able to mandate other representatives (regions/country -

another region/country) to take part, but the following option will also be added: ***'Exceptionally, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings'***.

The formal procedure for the change is established in article 9 of the Statutes (PROCEDURES FOR AMENDING THE STATUTES): (...) *Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed. Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.*

The members have been asked through formal signed letters (by the Chair of the Assembly) dated 7th of November 2018 to formally start the procedure for the change of the ESPON EGTC Statutes and to inform the Chair and the ESPON EGTC once this procedure has been finalized according to their national rules. Once the ESPON EGTC will be informed that the procedures have been finalized by all three Belgian regions, the Ministry of Development and Infrastructures of Luxembourg will finalize the procedure according to its national rules and to the EU rules.

We kindly ask you to let us know if the ESPON 2020 Cooperation Programme bodies need any additional information on this subject or have an opinion on the proposed changes.

Yours sincerely,



Ilona RAUGZE
Director

ESPON EGTC - 4, rue Erasme LU-1468 Luxembourg

Perspective Bruxelles
Attn: Mr. Christophe Soil
Director General
Rue de Namur 59
1000 Bruxelles
Belgium

csoil@perspective.brussels ; tsanders@perspective.brussels

Luxembourg, 26 October 2018

Subject : Change of the the ESPON EGTC Statutes

Dear Mr. Soil,

As agreed during several ESPON EGTC Assembly meetings and written communication between the members and/or deputy members of the ESPON EGTC, the ESPON EGTC Statutes will be changed as follows:

1) Article 16.3 (Recruitment of other staff)

The recruitment procedure of temporary staff will be eased by re-formulating the article as follows, by adding the sentence in red:

The Director nominates members of a selection Board including one member external to the EGTC. The external member does not need to be appointed for the recruitment of temporary staff members.

2) Article 16.4 (Contracting of all staff)

Article 251-1 (1) of the Labour law Code (Code du travail) does not allow for any discrimination on the contracting of staff in Luxembourg. Therefore, the ESPON EGTC will adapt article 16.4. of the Statutes as follows, by taking out the part in red:

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.

3) Article 13.5 (Meetings, written procedures and mandating):

In order to ease the procedure for participating in the ESPON EGTC Assemblies, not only representatives of the Assembly will be able to mandate other representatives (regions/country - another region/country) to take part, but the following option will also be added: *'Exceptionally, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings'*.

The final formulation of the articles mentioned above is described in the note attached.

The formal procedure for the change is established in article 9 of the Statutes (PROCEDURES FOR AMENDING THE STATUTES): (...) *Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed. Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.*

In this respect we kindly ask you to formally start the procedure for the change of the ESPON EGTC Statutes and to inform us once this procedure has been finalized according to your national rules. Once the ESPON EGTC is informed that the procedures have been finalized by all the three Belgium regions, the Ministry of Development and Infrastructures of Luxembourg will finalize the procedure according to its national rules and to the EU rules.

Best regards,



Frank Vansteenkiste

Chair of the ESPON EGTC Assembly

ESPON EGTC - 4, rue Erasme LU-1468 Luxembourg

Vlaamse Overheid - Departement Omgeving
Attn: Mr. Peter Cabus
Secretary General
Koning Albert II-laan 20
1000- Bruxelles
Belgium

Peter.cabus@vlaanderen.be; jeroen.vanlooy@vlaanderen.be

Luxembourg, 26 October 2018

Subject : Change of the the ESPON EGTC Statutes

Dear Mr. Cabus,

As agreed during several ESPON EGTC Assembly meetings and written communication between the members and/or deputy members of the ESPON EGTC, the ESPON EGTC Statutes will be changed as follows:

1) Article 16.3 (Recruitment of other staff)

The recruitment procedure of temporary staff will be eased by re-formulating the article as follows, by adding the sentence in red:

The Director nominates members of a selection Board including one member external to the EGTC. The external member does not need to be appointed for the recruitment of temporary staff members.

2) Article 16.4 (Contracting of all staff)

Article 251-1 (1) of the Labour law Code (Code du travail) does not allow for any discrimination on the contracting of staff in Luxembourg. Therefore, the ESPON EGTC will adapt article 16.4. of the Statutes as follows, by taking out the part in red:

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC *and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.*

3) Article 13.5 (Meetings, written procedures and mandating):

In order to ease the procedure for participating in the ESPON EGTC Assemblies, not only representatives of the Assembly will be able to mandate other representatives (regions/country - another region/country) to take part, but the following option will also be added: *'Exceptionally, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings'*.

The final formulation of the articles mentioned above is described in the note attached.

The formal procedure for the change is established in article 9 of the Statutes (PROCEDURES FOR AMENDING THE STATUTES): *(...) Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed. Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.*

In this respect we kindly ask you to formally start the procedure for the change of the ESPON EGTC Statutes and to inform us once this procedure has been finalized according to your national rules. Once the ESPON EGTC is informed that the procedures have been finalized by all the three Belgium regions, the Ministry of Development and Infrastructures of Luxembourg will finalize the procedure according to its national rules and to the EU rules.

Best regards,



Frank Vansteenkiste

Chair of the ESPON EGTC Assembly

ESPON EGTC - 4, rue Erasme LU-1468 Luxembourg
Direction générale opérationnelle de l'Aménagement du territoire,
du Logement, du Patrimoine et de l'Énergie
Attn: Ms. Annick Fourmeaux
Director General
Rue des Brigades d'Irlande 1
5100 Namur
Belgium

annick.fourmeaux@spw.wallonie.be; olivier.defawe@spw.wallonie.be

Luxembourg, 26 October 2018

Subject : Change of the the ESPON EGTC Statutes

Dear Ms Fourmeaux,

As agreed during several ESPON EGTC Assembly meetings and written communication between the members and/or deputy members of the ESPON EGTC, the ESPON EGTC Statutes will be changed as follows:

1) Article 16.3 (Recruitment of other staff)

The recruitment procedure of temporary staff will be eased by re-formulating the article as follows, by adding the sentence in red:

The Director nominates members of a selection Board including one member external to the EGTC. The external member does not need to be appointed for the recruitment of temporary staff members.

2) Article 16.4 (Contracting of all staff)

Article 251-1 (1) of the Labour law Code (Code du travail) does not allow for any discrimination on the contracting of staff in Luxembourg. Therefore, the ESPON EGTC will adapt article 16.4. of the Statutes as follows, by taking out the part in red:

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.

3) Article 13.5 (Meetings, written procedures and mandating):

In order to ease the procedure for participating in the ESPON EGTC Assemblies, not only representatives of the Assembly will be able to mandate other representatives (regions/country - another region/country) to take part, but the following option will also be added: *'Exceptionally, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings'*.

The final formulation of the articles mentioned above is described in the note attached.

The formal procedure for the change is established in article 9 of the Statutes (PROCEDURES FOR AMENDING THE STATUTES): *(...) Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed. Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.*

In this respect we kindly ask you to formally start the procedure for the change of the ESPON EGTC Statutes and to inform us once this procedure has been finalized according to your national rules. Once the ESPON EGTC is informed that the procedures have been finalized by all the three Belgium regions, the Ministry of Development and Infrastructures of Luxembourg will finalize the procedure according to its national rules and to the EU rules.

Best regards,



Frank Vansteenkiste

Chair of the ESPON EGTC Assembly

ESPON EGTC STATUTES

Note for information

Following up on:

- 1) The 7th Assembly meeting on the 28th of March 2018 concerning the change of article 16 of the Statutes.
- 2) The Vice-chairs' email dated 17th of May 2018 containing the final minutes of the 7th Assembly meeting concerning article 13.5 of the Statutes and Rule of Procedure 5(5). As a reminder, no comments were made either by Brussels nor by Flanders by the 1st of June 2018, and one observation was made by Wallonia before that date (which is taken into account in the proposal below).
- 3) The 8th Assembly meeting on 4th of October 2018, where it was agreed that the wording 'On an ad hoc basis' on article 13.5 of the Statutes and Rule 5(5) of the RoP should be replaced by 'exceptionally'.

The following revised versions are proposed for your approval:

Article 16.3 of the Statutes (Recruitment of other staff) shall read:

The Director nominates members of a Selection Board including one member external to the EGTC. The external member does not need to be appointed for the recruitment of temporary staff members.

The Director chairs the Selection Board.

The Selection Board establishes a ranking of candidates in consensus with the Director.

The Director takes the final decision on the selection of the new staff of ESPON EGTC on the basis of the highest ranked candidate and informs the Chair of the Assembly in advance of the appointment of the candidate.

The Assembly has the right to veto a candidate by decision of the Assembly in written form within 5 working days after receiving information about the ranking of the Selection Board and the choice of the Director, in exceptional cases based on serious doubts. This procedure represents an exception to the standard decision procedure of the assembly in accordance with 13.5. and follows the procedure of silent consent.

Article 16.4 of the Statutes (Contracting of all staff) shall read:

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC. Seconded experts may be employed by their institution of origin.

In order to ensure continuity and benefit from ESPON experience, the first staff employed by the ESPON EGTC shall be the staff members of the former ESPON Coordination Unit.

Article 13.5 of the Statutes (Meetings, written procedures and mandating) shall read:

Meeting in addition to the two statutory meetings per year may be organised. Written invitations to Assembly meetings, including the agenda, are sent ten working days in advance by the Chair. Working documents on which a decision is required are normally sent ten working days and at least five working days before the Assembly meeting.

Internal rules for written procedures shall be established by the Assembly. Written procedures require a response within ten working days. In case of expressed urgency a minimum of five working days should be respected. Urgency is said to exist in the case of recruitment issues according Art. 16.3. The

rule of silent consent shall be applied in all cases where this is explicitly announced in the written procedure.

The Director is responsible for conveying the minutes of meetings to all Assembly members for validation and approval. The Director must do so no later than two weeks after the Assembly meeting. The meeting minutes as well as the results of the written procedures are made available to the Consultative Committee.

Exceptionally, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings.

Representatives of the Assembly can mandate other representatives to vote on their behalf.

A mandate requires written consent. The Chair has to receive a copy of the mandate before the concerned Assembly meeting. The mandated representative shall bring a copy of the mandate to the concerned Assembly meeting. A limitation of the accumulation of mandates does not exist.

Accordingly, **Rule of Procedure 5(5)** shall read:

Exceptionally, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings.

Representatives of the Assembly can mandate other representatives to vote on their behalf.

A mandate requires written consent. The Chair has to receive a copy of the mandate before the concerned Assembly meeting. The mandated representative shall bring a copy of the mandate to the concerned Assembly meeting. A limitation of the accumulation of mandates does not exist.

The members of the ESPON EGTC Assembly will express their opinion on the above changes and depending on the outcome of the discussion an official procedure will be started to revise the ESPON EGTC Statutes according to the article 9 of the Statutes.

(...) Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed. Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.



Bruxelles, jeudi 17 octobre 2019

**GOUVERNEMENT DE LA RÉGION DE BRUXELLES CAPITALE
NOTIFICATION DE LA RÉUNION DU CONSEIL DES MINISTRES
DU JEUDI 17 OCTOBRE 2019**

POINT 6

Modification des statuts du GECT (Groupement Européen de Coopération Territoriale) du programme européen ESPON (European Spatial Planning Observation Network) (GRBC-RV-63.65293)

Décision:

Accord.

Le Gouvernement de la Région de Bruxelles-Capitale :

- Approuve les modifications des statuts du Groupement Européen de Coopération Territoriale (GECT) du programme européen ESPON telles qu'acceptées par les 7^{ème} et 8^{ème} Assemblées Générales du GECT;
- Charge le Ministre-Président chargé du développement territorial d'exécuter et d'assurer le suivi de la présente décision.

Le Secrétaire,

Eric MERCENIER





Brussel, donderdag 17 oktober 2019

**BRUSSELSE HOOFDSTEDELIJK REGERING
BETEKENING VAN DE VERGADERING VAN DE MINISTERRAAD
VAN DONDERDAG 17 OKTOBER 2019**

PUNT 6

Wijziging van de statuten van de EGTS (Europese groepering voor territoriale samenwerking) van het Europese ESPON-programma (European Spatial Planning Observation Network) (BHR-RV-63.65293)

Beslissing:
Akkoord.

De Brusselse Hoofdstedelijke Regering:

- hecht haar goedkeuring aan de wijzigingen van de statuten van de Europese groepering voor territoriale samenwerking (EGTS) van het Europese ESPON-programma, zoals die aanvaard zijn op de 7^{de} en 8^{ste} algemene vergadering van de EGTS;
- belast de Minister-President, die bevoegd is voor territoriale ontwikkeling, met de uitvoering en de opvolging van deze beslissing.

De Secretaris,

Eric MERCENIER





Wallonie
Le Conseil des Ministres

Séance du 13 décembre 2018

NOTIFICATION

Point A27: Programme européen de coopération ESPON 2020. GECT ESPON. Modification des statuts.
(GW X/2018/13.12/Doc. 9160/W.B.-C.D-A.)

DECISION :

1. Le Gouvernement approuve la modification des statuts du Groupement européen de coopération territoriale (GECT) « ESPON » proposée par les membres de l'assemblée et détaillée dans la lettre du 26 octobre 2018 adressée à la Wallonie par son Président.
2. Il charge le Ministre de l'Aménagement du Territoire de l'exécution de la présente décision.

Laurence Glautier
Secrétaire du Gouvernement

Ms. Marie-Josée VIDAL,
Chair of the ESPON EGTC Assembly
ESPON EGTC
Rue Erasme, 4
L-1468 Luxembourg
GRAND-DUCHÉ DE LUXEMBOURG

Objet : Change of ESPON EGTC Statutes
Approval by Wallonia

Dear Ms. Vidal,

It is my privilege to inform you that the approval by Wallonia has been finalized according to its « national » (regional) rule.

As requested in the letter dated October 26th, 2018, sent by Mr. Vansteenkiste, please find enclosed the notification of the decision taken by the Walloon Government on December 13th, 2018.

With kind regards,


Ir. Annick FOURMEAUX,
Director general

www.wallonie.be
N° vert : 1718 (Informations générales)



CONTACT

Management and Support
Coordination of European
Cooperation Projects
Rue des Brigades d'Irlande, 1
B-5100 Jambes (NAMUR)
BELGIUM

HANDLER

Olivier DEFAWE, Attaché
Tel. : +32 (0)81 33 22 89
olivier.defawe@spw.wallonie.be

REFERENCE

DGO4/DFA/e20_egtc-assembly_
190306_lettre-dgo4@egtc
cw 2019 - 4517

ANNEXES

Annex 1: Notification of the decision taken by the Walloon Government on December 13th, 2018

Initial
S. FONTAINE, Acting Director

Renée Hostert

Vu(n): Marie-Josée Vidal
Geschéckt: 21. Juli 2019 23:29
Un: 'ilona.raugze@espon.eu'; Teofil Gherca
CC: Carlos Guedes; Matteo Lorito
Betreff: FW: Amendments to the ESPON EGTC Statutes

FYI

From: Chanet Leen <leen.chanet@vlaanderen.be>
Sent: 18 July 2019 12:23
To: Marie-Josée Vidal <marie-josee.vidal@mat.etat.lu>
Cc: Verbeke Griet <griet.verbeke@vlaanderen.be>; Cabus Peter <peter.cabus@vlaanderen.be>
Subject: Amendments to the ESPON EGTC Statutes

Dear Marie-Josée,

I am pleased to inform you that the Flemish Region has completed the amendment procedure with regards to the changes to Article 16.3, Article 16.4 and Article 13.5 of the ESPON EGTC Statutes, which had been notified by Frank Vansteenkiste to Peter Cabus in his letter from 26 October 2018.

We have formally notified the changes to our notification authority, who has informed us that no formal approval for changes to the Statutes is required by the EGTC Regulation or Flemish law. Hence, the Flemish Region has completed the amendment procedure.

Kind regards,
Leen

Leen Chanet
Juridisch beleidsmedewerker internationaal

DEPARTEMENT OMGEVING
Afdeling Strategie, internationaal beleid en dierenwelzijn
M 0499 54 63 72
Koning Albert II laan 20 bus 8, 1000 Brussel
www.omgevingvlaanderen.be



Projet d'arrêté grand-ducal du [•] approuvant la convention modifiée et les statuts modifiés du Groupement européen de coopération territoriale (GECT) « ESPON »

Nous Henri, Grand-Duc de Luxembourg, Duc de Nassau,

Vu le règlement (CE) n°1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération (GECT) tel qu'il a été modifié ;

Vu la loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération (GECT) ;

Vu l'arrêté grand-ducal du 9 janvier 2015 autorisant la création du Groupement européen de coopération territoriale (GECT) « ESPON » ;

Vu la convention modifiée et les statuts modifiés approuvés par les membres du GECT « ESPON » lors des délibérations de l'assemblée générale des 28 mars 2018 et 4 octobre 2018 ;

Vu la notification de la convention et des statuts modifiés du GECT « ESPON » au ministre ayant l'aménagement du territoire dans ses attributions en date du 8 novembre 2018 ainsi qu'aux autres membres du GECT en date du 26 octobre 2018 ;

Vu les vérifications des exigences prévues aux articles 4, paragraphe 3, et 13 du règlement (CE) n° 1082/2006 précité conformément à l'article 5 de la loi précitée du 19 mai 2009

Notre Conseil d'Etat entendu ;

Sur le rapport de Notre Ministre de l'Aménagement du territoire et après délibération du Gouvernement en conseil ;

Arrêtons :

Art.1^{er} Sont approuvés la convention modifiée et les statuts modifiés du groupement européen de coopération territoriale (GECT) « ESPON » annexés au présent arrêté.

Art.2.- Notre Ministre ayant l'aménagement du territoire dans ses attributions est chargé de l'exécution du présent arrêté qui sera publié au Journal officiel du Grand-Duché de Luxembourg.

Le Ministre de l'Aménagement du territoire,

Claude Turmes

**Convention of the European Grouping of Territorial Cooperation
- ESPON EGTC -**

Based on Article 9 of Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended,

Preamble

Considering

1. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL No 1082/2006 on the European Grouping for Territorial Cooperation as amended by Regulation (EU) No 1302/2013 (hereinafter referred as Regulation (EU) – EGTC),

2. The legal base for the EGTC in Luxembourg, the Loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération territoriale (GECT),
3. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1301/2013 of 17 December 2013 on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal on the European Regional Development Fund and repealing Regulation (EC) No 1080/2006 (hereinafter referred as Regulation (EU) – ERDF),
4. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1303/2013 of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006 (hereinafter referred as Regulation (EU) – General),
5. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1299/2013 of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal (hereinafter referred as Regulation (EU) – ETC),

Considering further that

- The ESPON 2020 Cooperation Programme is financed under the European Structural and Investment Funds according to Regulation EU – General, Regulation (EU) – ERDF and Regulation (EU) – ETC;
- The ESPON EGTC is established as the legal body to support the territorial observation for evidence based and informed policy making by undertaking the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC that is receiving a grant agreement by the Managing Authority;
- The ESPON EGTC is set up to submit a proposal to carry through the activities financed under the aforementioned grant agreement in the framework of the ESPON 2020 Cooperation Programme and related activities, and that after the formal closure of the ESPON 2020 Cooperation Programme the EGTC will be closed unless the countries participating in the ESPON 2020 Cooperation Programme together with the countries represented in the assembly decide differently and indicate other programmes or sources for financing the ESPON EGTC. Any closure of the EGTC before the ending of the activities regarding the ESPON 2020 shall be consulted with the countries represented in the ESPON 2020 Programme;
- The ESPON EGTC is established in the view that the States being members and partners of the ESPON 2020 Cooperation Programme will offer the opportunity of attributing one or more successive grant agreements to the ESPON EGTC undertaking the role of the beneficiary in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC of ESPON 2020 Cooperation Programme according to the granting procedures indicated in the Cooperation Programme;
- The ESPON EGTC is established on the assumption that the authorities making the financial means available to carry out the ESPON EGTC activities are disposing of the appropriate rights for monitoring these activities in full transparency and in line with the relevant EU and national regulations. The Grant Agreement, which shall be offered by the ESPON 2020 Cooperation Programme, will provide the rules ensuring the appropriate monitoring of the activities of the ESPON EGTC by the Monitoring Committee of the ESPON Cooperation Programme;
- The activities of ESPON EGTC require the acquisition of external finance support. Receiving a grant agreement by the Managing Authority of the ESPON 2020 Cooperation Programme will be the main source for financing the activities of the ESPON EGTC in the set up; if the necessity or opportunity may arise to conclude any other contract or grant agreement outside the framework of the ESPON 2020 Cooperation Programme the countries participating in the ESPON Monitoring Committee should be addressed for consultation and agreement prior to the conclusion of such a contract;

- The EGTC is established in order to undertake the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme. Two representatives of the countries financing the ESPON 2020 Cooperation Programme shall be present in the selection board of the director as external member;
- A first opening for changing the membership will be after three years. An increased membership in the Assembly will be considered only if crucial deficiencies arise in the existing set-up for the functioning of the EGTC with regard to the implementation of the Grant Agreement identified in the course of an evaluation.
- The Agreement between the Managing Authority and the participating Member States and Partner States on the ESPON 2020 Cooperation Programme shall include a shared liability with regards to those activities carried out by the ESPON EGTC, which shall be offered by the grant agreement(s) between the Managing Authority and the EGTC as beneficiary. The ESPON EGTC should be set up in a way ensuring comprehensive transparency regarding the activities financed under the ESPON 2020 Cooperation Programme and allow appropriate monitoring by the countries represented in the ESPON 2020 Cooperation Programme. The set-up shall not infringe upon the separation of functions as defined by the Structural Funds regulation;

the Statutes of the ESPON EGTC – European Node for Territorial Evidence shall be defined as follows.

Table of content

I..... GENERAL PROVISION	4
ARTICLE 1 – NAME	4
ARTICLE 2 – MEMBERS	4
ARTICLE 3 – REGISTERED OFFICE	4
ARTICLE 4 – AREA OF INTERVENTION	4
ARTICLE 5 – OBJECTIVES AND TASKS	5
II..... MEMBERSHIP, DURATION AND LAW	5
ARTICLE 6 – MEMBERSHIP PROCEDURES	5
ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION	6
ARTICLE 8 – APPLICABLE LAW	7
ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES	7
ARTICLE 10 – WORKING LANGUAGE	7
III. ORGANS	8
ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES	8
ARTICLE 12 – THE ORGANISATION OF THE EGTC	8

ARTICLE 13 – THE ASSEMBLY	8
ARTICLE 14 – THE DIRECTOR	10
ARTICLE 15 – THE CONSULTATIVE COMMITTEE	11
ARTICLE 16 – STAFF AND CONTRACTING	11
IV. FINANCIAL PROVISIONS AND LIABILITIES	12
ARTICLE 17 – FINANCES	12
ARTICLE 18 – BUDGETARY RULES AND AUDITING	13
ARTICLE 19 – LIABILITY OF EGTC MEMBERS	13
ARTICLE 20 – FINAL PROVISIONS	14
ARTICLE 21 – AMENDMENT OF THE CONVENTION	14

I. GENERAL PROVISION

ARTICLE 1 – NAME

The name of the EGTC is '**ESPON EGTC - European Node for Territorial Evidence**' (hereafter referred to as the 'ESPON EGTC').

The ESPON EGTC is ruled by (a) the Convention and Statutes of the ESPON EGTC, (b) the applicable European regulations and (c) the applicable national legislation of the seat of the EGTC.

ARTICLE 2 – MEMBERS

The ESPON EGTC's members are the relevant public authorities in the following countries/regions: The Region of Brussels Capital,

The Region of Flanders,

The Region of Wallonia and

The Grand Duchy of Luxembourg.

The address details of the relevant authorities are listed in the annex.

ARTICLE 3 – REGISTERED OFFICE

The registered office of the ESPON EGTC is:

4, rue Erasme

L-1468 Luxembourg - Kirchberg

Luxembourg

Any changes of address within Luxembourg will be published in the Official Journal and will be notified to all authorities involved in the registration of the EGTC. Such a change of address is not considered as necessary amendments to these statutes.

ARTICLE 4 – AREA OF INTERVENTION

The territory, in which the ESPON EGTC will carry out the activities such as mentioned in the ESPON 2020 Cooperation Programme, covers all European Union Member States, Partner States that are members of or are formally associated by agreement with the Managing Authority to the ESPON 2020 Cooperation Programme and European Structural and Investment Funds Programme financed under the objective of European Territorial Cooperation.

Observatory activities may cover EU candidate countries, may go beyond Europe such as to neighbouring countries or may address the perspective of Europe in the world.

ARTICLE 5 – OBJECTIVES AND TASKS

5.1 Main objective

The main objective of the ESPON EGTC is the implementation of one or several operations in the framework of ESPON 2020 Cooperation Programme. The activities of ESPON EGTC shall continue the consolidation of a European Territorial Observatory Network and grow the provision and policy use of pan-European, comparable, systematic and reliable territorial evidence.

5.2 Operational objectives

The operational objective is to ensure optimal conditions for undertaking the implementation and execution of activities related to the ESPON 2020 Cooperation Programme.

In the meaning of the ESI Funds, the ESPON EGTC will act as beneficiary for the implementation period of the ESPON 2020 Cooperation Programme.

Other activities thematically related to the ESPON 2020 Cooperation Programme may only be covered without jeopardising the activities regarding the ESPON 2020 Cooperation Programme.

5.3 Tasks

The tasks of the ESPON EGTC include:

- Tendering, contracting, financing and guiding applied research projects;
- Tendering, contracting, financing and guiding targeted analyses in cooperation with stakeholders;
- Developing tools and indicators in support of territorial analyses;
- Collecting, building and providing territorial indicators and comparable, pan-European data in the ESPON Data base;
- Promoting the use of ESPON results by policy makers from European to local level, making them easily available and accessible;
- Conducting territorial analyses on themes of urgent policy demand;
- Capitalising on ESPON by linking-up ESPON results in the context of political demands using all kind of media;
- Conducting and carrying out the oral, printed-based and online communication of ESPON results;
- Cooperating with relevant scientific organisations in stimulating a European research community in European territorial science;
- Acting as cooperation and coordination node of ESPON Contact Points.

The list of tasks is not conclusive and may be complemented by any tasks relevant for achieving the objectives set out under the first two sections of this Article.

II. MEMBERSHIP, DURATION AND LAW

ARTICLE 6 – MEMBERSHIP PROCEDURES

6.1 Integration of new members

Only European countries or Regions directly participating in the ESPON 2020 Cooperation Programme may become members of the ESPON EGTC.

An opportunity for the integration of new members going beyond the members mentioned in Art.2 will arise after the first three years of the ESPON EGTC at the earliest, if decided by the Assembly.

The Assembly may decide to integrate new members at the latest by 30th June of every year with membership beginning in the following financial year.

6.2 Resignation of a member

A resignation is only admitted at the end of the ESI Fund programming period after the closure of the ESPON

Programme by the Commission or the period of the funding by other sources. Members wishing to resign from the ESPON EGTC must notify the Assembly by means of an official letter with acknowledgement of receipt at least one year in advance before the last financial year of the membership will end.

A member that has resigned remains liable to the ESPON EGTC and third parties in the limits defined for the ESPON EGTC in Art. 19 and until the final closure of the contracts concluded during the time of the membership and pending the closure of any related legal proceedings related to these contracts.

6.3 Exclusion of members

If a member no longer fulfils its obligations with regards to the Statutes, although the member was requested twice in formal terms by the Assembly, the Assembly can decide, upon the proposal of one member to exclude that specific member from the ESPON EGTC. During the exclusion process, the member to be excluded does not have the right to vote any longer. The excluded member remains liable to third parties for the ESPON EGTC's activities until the final closure of the contracts concluded during the time of the membership.

6.4 Change of Membership and notification

The change of the membership within the Group defined in Art. 2 requires the revision of the statutes. The procedures defined in Art. 9 shall be applied.

ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION

7.1 Establishment and duration of the ESPON EGTC

The ESPON EGTC acquires its legal personality on the day of the publication of the establishment decree which in Luxembourg is the Arrêté Grand-Ducal au dépôt de publication. The decree may specify the date when the ESPON EGTC will become operational in legal terms. In accordance with Art. 4 and 5 of the amended Regulation the Member States and the Committee of the Regions will be notified by the Members of the EGTC and the procedure of publication of the establishment of the ESPON EGTC in the Official Journal will be initiated.

The ESPON EGTC will exist for the duration of one or several grant agreements received in the framework of the ESPON 2020 Cooperation Programme. It ends without formal decision on the day that the European Commission declares the official closure of the ESPON 2020 Cooperation Programme with the disbursement of the remaining part of the subsidy of the ERDF, as well as by the end of any potential legal proceedings.

In case the countries and the European Commission having participated in the ESPON 2020 Monitoring Committee wish to allocate other tasks and financial sources to the ESPON EGTC after the closure of the ESPON 2020 Cooperation Programme the ESPON EGTC by its statutory organs may decide to prolong the existence of the ESPON EGTC accordingly until the termination of any subsequent European or national financial source defined by its official closure date, by the disbursement of the remaining part of the subsidy or payment and by the end of any potential legal proceedings.

7.2 Conditions for dissolving the ESPON EGTC

The ESPON EGTC will be dissolved if it is made up of members from only one Member State, in accordance with Article 3 of Regulation (EC) No 1082/2006 as amended.

The ESPON EGTC shall be dissolved by the Assembly if a unanimous decision to this effect is made by all its members. The dissolution of the ESPON EGTC will take effect three months after the decision has been taken by the Assembly to dissolve the ESPON EGTC. Before the ESPON EGTC can be dissolved, all outstanding contributions and financial commitments to external parties need to be fulfilled. Luxembourg as seat of the ESPON EGTC is responsible for coordinating the

dissolution process, and will notify the competent authorities according to Article 4 and 5 of Regulation (EC) No 1082/2006 as amended.

The remaining budgets will be redistributed according to the sources of finance indicated in Art. 17. Unused budgetary resources provided for specific purposes according to Art. 17.3. will be transferred back to the source of finance. Budgetary resources remaining with regards to the internal functioning according to Art. 17.2. will be transferred back to the members of the ESPON EGTC based on the key related to the factual share of their contributions.

All back transfers are executed on condition that all external debtors have been paid. Luxembourg as seat of the EGTC will appoint a liquidator, subject to conditions agreed upon in the Assembly.

All assets such as the website and databases or property rights deriving from the financing by the European Structural and Investment Funds under the ESPON 2020 Cooperation Programme will be transferred to the Managing Authority of the ESPON 2020 Cooperation Programme unless any other solution is agreed upon by the bearers of the financial source assets.

Assets deriving from other financial sources will be transferred to Luxembourg as the seat of the EGTC until another solution is found with the bearers of the financial source. Assets subject to shared ownership, such as the database, are kept available (not functional) on demand of the Member and Partner states of the ESPON 2020 Operation Programme or their institutions, which are partners of the shared ownership. In case of such a demand the demanding State or institutions has to cover the costs for keeping the service regarding those assets available.

All assets on which no agreement is found for the further use will be stored at the seat of the ESPON 2020 Cooperation Programme Managing Authority, respectively the country of the seat of the EGTC for a maximum duration of 5 years. 5 years after the closure of the EGTC claims on assets by the financing source will not be possible anymore and the assets will become part of the property of the country of the seat of the ESPON EGTC.

ARTICLE 8 – APPLICABLE LAW

Members will comply with the Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended, the convention and statutes governing the ESPON EGTC, and the national legal provisions of Luxembourg. The interpretation and enforcement of the statutes is subject to Luxembourgish law. The ESPON EGTC operates under public law, as a not-for-profit legal entity.

Furthermore, Luxembourgish law is applicable to all administrative procedures, accounting and budgetary rules, and staff contracts.

Luxembourgish law does not apply to internal arrangements of the members constituting the ESPON EGTC.

ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES

A proposal for amendment should be submitted by a member to the Assembly for decision via the Chair of the Assembly according to the standard procedure. Amendments to the statutes require the approval of all members of the EGTC.

Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed.

Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.

ARTICLE 10 – WORKING LANGUAGE

The official language of the EGTC ESPON is English; all official documents and events are in English language.

III. ORGANS

ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES

The Grand Duchy of Luxembourg as official seat of the EGTC is not a designated organ, but has the following specific responsibilities:

- Managing the acquisition of legal personality and publication in the Official Journal as set out in Article 5 of the Regulation;
- Following the notification process in the event of the amendment of the ESPON EGTC convention and/or statutes or its dissolution.

ARTICLE 12 – THE ORGANISATION OF THE EGTC

The organs of the EGTC are:

- The Assembly;
- The Director;
- The Consultative Committee.

ARTICLE 13 – THE ASSEMBLY

13.1 Composition

The members of the Assembly are the representatives of the members of the ESPON EGTC. According to Art. 2 of Regulation (EC) No 1082/2006 as amended, members are represented in the Assembly by one delegate and one deputy-delegate.

The principle for the allocation of votes is to allocate the same number of votes on both sides, Luxembourg and the Belgian regions. The representatives of Belgium shall dispose of three votes in total, one vote per Belgian region and the representative of Luxembourg shall dispose of three votes in total.

In case the number of votes would be reduced at the side of the Belgian Regions due to an exclusion procedure or the exit of one member, the number of votes at the side of Luxembourg would be adapted accordingly: In case two Belgian regions can vote Luxembourg would obtain two votes. In case one Belgian region can vote Luxembourg would obtain one vote. With reference to Art. 7.2 an exit of either the last Belgian Region or Luxembourg would lead to the dissolving of the EGTC.

Members may invite experts or legal representatives as observers who do not have the right to vote.

The Assembly meets at least twice a year. Meetings of the Assembly are taking place in the countries represented in the Assembly.

13.2 Chair and Vice chair

Luxembourg will act as Chair of the Assembly. The Vice-Chair is annually alternating between the Members of the EGTC except Luxembourg in English alphabetical order.

The Chair is responsible for:

- Preparing the agenda of Assembly meetings on the base of a proposal of the Director;
- Liaising with ESPON EGTC members and the Director on issues in preparation for the Assembly meeting;
- Proposing to the Assembly the internal annual work plan of the ESPON EGTC for an efficient and effective management of the work contracted on the base of the proposal of the director.

The Chair represents the ESPON EGTC as legal representative.

13.3 Main responsibilities

The Assembly is the decision-making body of the ESPON EGTC. The main responsibilities of the Assembly are: – Amending the convention and statutes;

- Dissolving the ESPON EGTC;

- Approving the integration of new ESPON EGTC members;
- Approving the exclusion of a ESPON EGTC member state if obligations are no longer fulfilled;
- Confirming the Assembly Chair and Vice Chair on an annual basis;
- Adopting and monitoring the annual budget in accordance with Article 11 of the Regulation;
- Approving the internal annual work plan prepared by the director;
- Approving a financial control system regarding liabilities taken by the EGTC;
- Approving annual reports on the activities;
- Approval of all contracts where the EGTC acts as contractor offering services;
- Approval of all contracts where the EGTC is receiving a grant;
- Approving major amendments of the general organisation, financial control system, and staff matters of the ESPON EGTC proposed by the Director;
- Appointing a Consultative Committee if considered necessary;
- Appointing an external auditor, with due regard to Luxembourgish auditing and budgetary rules;
- Appointing and dismissal of the Director;
- Co-deciding on the selection and appointment of the staff with management responsibilities according to Art. 16.2.
- If necessary vetoing on the appointment of the other level staff according to Art. 16.3.
- Establishment of internal rules of procedures.

13.4 Decision-making procedures

Decision-making procedures are aimed at reaching consensus by unanimity, but do not rule out voting on the basis of a simple majority if a consensus could not be reached after two rounds of voting, either in presence or in written procedure according to the definition of votes according to Art. 13.1.

If the presence does not reach two-thirds of the Assembly (representatives holding four out of six votes, or three out of four votes, or two out of the two votes mentioned in article 13.1) , the Assembly meeting will be postponed. The next Assembly meeting will decide on the matter by simple majority of the votes, whoever is present. Alternatively, a written procedure can be carried out deciding by a simple majority.

In the event of an irreconcilable difference of opinion, the Chair of the Assembly may request the Director to prepare an alternative proposal, to be submitted to the Assembly for further decision-making. The Director will prepare this proposal within one month. An additional Assembly meeting will be convened or a written procedure will be carried out at least 10 working days but no later than one month after the alternative proposal has been circulated by the Director.

For any kind of decision necessary in-between the two meetings per year, the general Assembly decision-making processes may include a procedure whereby all members officially state in writing whether they agree to a proposal (written procedure). This procedure, which is prepared by the Director, is carried out as follows:

- A proposal consisting out of an explanatory memo and a clearly formulated decision is sent to all Assembly members by email;
- Assembly members inform the Director within 10 working days of their position;
- The Director gathers all responses and informs the Chair of the outcome of the procedure; –
The same majority rules apply as for the Assembly meetings.

The Chair will decide in consultation with the Director, whether it is necessary to convene an additional Assembly meeting. If so, it will be held within 20 working days. Members should be informed of the result of the consultation.

The presence or mandating of all members of the Assembly at an Assembly meeting is required in order to make the following strategic decisions:

- Decisions regarding the amendment of the convention and statutes;
- Decisions regarding the dissolution of the ESPON EGTC;

- Decisions on the integration or exclusion of an ESPON EGTC member; – Decisions on members' contributions.

13.5 Meetings, written procedures and mandating

Meeting in addition to the two statutory meetings per year may be organised. Written invitations to Assembly meetings, including the agenda, are sent ten working days in advance by the Chair. Working documents on which a decision is required are normally sent ten working days and at least five working days before the Assembly meeting.

Internal rules for written procedures shall be established by the Assembly. Written procedures require a response within ten working days. In case of expressed urgency a minimum of five working days should be respected. Urgency is said to exist in the case of recruitment issues according Art. 16.3. The rule of silent consent shall be applied in all cases where this is explicitly announced in the written procedure.

The Director is responsible for conveying the minutes of meetings to all Assembly members for validation and approval. The Director must do so no later than two weeks after the Assembly meeting.

The meeting minutes as well as the results of the written procedures are made available to the Consultative Committee.

On an ad-hoc basis, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings.

Representatives of the Assembly can mandate other representatives to vote on their behalf. A mandate requires written consent. The Chair has to receive a copy of the mandate before the concerned Assembly meeting. The mandated representative shall bring a copy of the mandate to the concerned Assembly meeting. A limitation of the accumulation of mandates does not exist.

ARTICLE 14 – THE DIRECTOR

14.1 Definition

According to Article 10 of the Regulation as amended, the EGTC has a Director. The Director represents the ESPON EGTC within his responsibilities. The Director is appointed for a period of five years which shall be renewable if the Assembly so decides. The Director is the head of the ESPON EGTC staff and is responsible for the day-to-day management of the EGTC.

Every two years the management of the ESPON EGTC will be evaluated. If the majority of the Assembly is of the opinion that the Director is mismanaging the affairs of the EGTC, the Assembly will request to the Chair to present a proposal to the Assembly to improve the management of the EGTC.

14.2 Main responsibilities

The main responsibilities of the Director include:

- Proper preparation and execution of the decisions and programmes adopted by the Assembly;
- Proper day-to-day administration of the ESPON EGTC;
- Representing the ESPON EGTC at operational level in Europe and acting on its behalf;
- Engaging actively with other European programmes, territorial and urban networks and the European Commission, the European Parliament, the Committee of Regions and the European Economic and Social Committee with a view to intensified collaboration;
- Presenting the internal annual work plan and budget report to the Assembly for approval;
- Informing the Consultative Committee mentioned in Art.15 (if established);
- Carrying out the activities according to the provisions made in the EGTC internal annual work plan and the contracts concluded such as the provisions made in the grant agreement with the ESPON Managing Authority financed under the ESPON 2020 Cooperation Programme;
- Leading, engaging and managing the EGTC with direct responsibility for the staff and with a view to ensuring its optimal functioning and delivery on the contract(s);

- Taking responsibility and ensuring sound financial management and internal financial control of the contract(s) and the budgets entrusted;
- Appointing the external independent auditor in line with the decision taken by the Assembly;
- Presenting the audit report to the Consultative Committee, to the Assembly and to Luxembourg as official seat of the ESPON EGTC.

14.3 Recruitment and appointment procedure

The Assembly appoints a Selection Board with a consultative role, for the recruitment of the Director with the participation of the Chair and Vice Chair of the Assembly. The Selection Board is chaired by the Chair of the Assembly. If the Consultative Committee is established, the Chair of the Consultative Committee is also participating in the Selection Board. The Assembly can decide to involve further external experts in the Selection Board.

The Selection Board presents a ranking of the candidates to the Assembly for decision.

In order to ensure continuity and benefit from ESPON experience, the first Director of the ESPON EGTC is the Director of the (former) ESPON Coordination Unit.

ARTICLE 15 - THE CONSULTATIVE COMMITTEE

15.1. Mission and Composition

The mission of the Consultative Committee is to support the reduction of the liability cases below the pre-set targets defined in the liability arrangements referred to in Art. 19.2. Setting-up of the Consultative Committee is optional for a limited time and mission following a decision of the Assembly.

In case these pre-set targets are missed, the representatives of countries bearing the financial liability may decide to indicate in writing their representatives for the membership in the Consultative Committee to the Assembly. The Assembly will nominate the indicated representatives as members of the Consultative Committee.

The mission of the Consultative Committee will end by the time when the pre-set targets are reached again and the mission of the Consultative Committee is accomplished.

15.2 Chair and Vice-chair

The Chair and Vice-Chair shall be appointed by the Consultative Committee out of the nominated member.

15.3 Main responsibilities

The main focus of the Consultative Committee shall be on creating transparency and providing advice on the administrative and financial soundness of the EGTC with regards to the execution of contracts, grant agreements and related liabilities.

Once established, the Consultative Committee based on an assessment of the situation shall detail a strategy and a timetable for its mission.

The Consultative Committee shall be informed by the Director and the Chair of the Assembly about all relevant activities of the ESPON EGTC.

The Consultative Committee provides recommendations to the Assembly on all matters related to the ESPON EGTC where it sees the necessity and usefulness with regards to the administrative and financial soundness of the EGTC.

The Consultative Committee has access to all relevant documents except those, which are confidential for reasons of personal data protection.

ARTICLE 16 – STAFF AND CONTRACTING

16.1 Management of the staff

The ESPON EGTC is headed by the Director of the ESPON EGTC. The staff supports the Director in carrying through the tasks defined and allocated by the Assembly.

The ESPON EGTC employs personnel directly and can make use of seconded and temporary personnel. Recruiting is done by a Selection Board.

16.2. Recruitment of staff with management responsibilities

The recruitment of staff with management responsibilities shall be carried out by a Selection Board involving the Director of the ESPON EGTC, the Chair of the Assembly, and it is headed by the Chair of the Assembly. One member of the Selection Board should be external to the EGTC.

The Selection Board establishes a ranking of candidates which is presented to the Assembly for the appointment.

16.3. Recruitment of other staff

The Director nominates members of a Selection Board including one member external to the EGTC. *The external member does not need to be appointed for the recruitment of temporary staff members.*

The Director chairs the Selection Board.

The Selection Board establishes a ranking of candidates in consensus with the Director.

The Director takes the final decision on the selection of the new staff of ESPON EGTC on the basis of the highest ranked candidate and informs the Chair of the Assembly in advance of the appointment of the candidate.

The Assembly has the right to veto a candidate by decision of the Assembly in written form within 5 working days after receiving information about the ranking of the Selection Board and the choice of the Director, in exceptional cases based on serious doubts. This procedure represents an exception to the standard decision procedure of the assembly in accordance with 13.5. and follows the procedure of silent consent.

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC. *and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.*

Seconded experts may be employed by their institution of origin.

In order to ensure continuity and benefit from ESPON experience, the first staff employed by the ESPON EGTC shall be the staff members of the former ESPON Coordination Unit.

IV. FINANCIAL PROVISIONS AND LIABILITIES

ARTICLE 17 – FINANCES

17.1. Sources of finance of the ESPON EGTC

Two kinds of sources of finance are considered for financing the ESPON EGTC.

1. The direct contributions of the members of the Assembly are made available to ensure the existence and basic set up of the ESPON EGTC. The budget related to these tasks is called *EGTC Structure Budget*.
2. Contracted external sources of financial such as the ESPON 2020 Cooperation Programme are used to finance the realisation of the objectives of the EGTC and related staffing, activities and tasks. The budget related to each of these contracted sources is called *EGTC Activity Budget*.

17.2. Annual direct contributions from the ESPON EGTC's members: the EGTC Structure budget

The contribution financing the EGTC structure budget for setting up the EGTC as a legal body occurring at the seat of the EGTC is financed by the member of EGTC Luxembourg. The ESPON EGTC establishment budget is managed directly by the Director on behalf of the Assembly via a specific accounting system.

The contributions by the members other than Luxembourg to the functioning of the EGTC are limited to the human resource of the delegates for their time needed to prepare the meetings, to participate to and to follow-up the meetings of the Assembly. Luxembourg as seat of the EGTC will cover the travel costs for Assembly meetings of the delegate representing each Belgian Region.

17.3. Contracted financial contributions of the ESPON EGTC: the EGTC activity budget

The activities carried out by the ESPON EGTC are financed by external sources that are not directly brought in by the members of the Assembly. These contracted contributions are kept in a separate activity budget and accounting system on a contract by contract basis.

The grant agreement related to ESPON 2020 Cooperation Programme, financed under the Structural Funds, will be administered under the name *EGTC Activity Budget: ESPON 2020 Cooperation Programme*.

The Assembly has the competence to define *further EGTC activity budgets*, which are sourced by any other contractual relations. The tasks related to contractual relations have to be linked to or support activities financed under the ESPON 2020 Cooperation Programme operation budget.

Subsequent contracts might be made available by the countries and the European Commission to finance the ESPON 2020 Programme after its closure.

ARTICLE 18 – BUDGETARY RULES AND AUDITING

18.1. Budgetary rules

Budgetary rules of the EGTC have to comply with sound financial management. The law of Luxembourg as the seat of the EGTC is applicable with respect to the budgetary rules and auditing provisions regarding the structure budget and the activity budget.

The contract source might require additional rules and regulation. Each contract financing the activities of the ESPON EGTC shall indicate the applicable budgetary rules.

18.2. Approval of the annual budget

The Assembly approves the annual budget of the ESPON EGTC consisting of the separate budget lines set up in relation to the contracts.

18.3. Designation of an external auditor and audit procedures

Regarding the expenses related to the structure budget and, if applicable, those which do not belong to the contracted activity budget and are, therefore, not subject to external audit requirements such as from the ESI Funds regulation regarding an ESPON grant agreement, the Chair of the Assembly is responsible for designating the independent external auditor on the proposition of the Assembly.

The auditor shall have knowledge of auditing and budgetary rules of the country of the seat of the EGTC and shall be listed in the country's Auditor Register. The appointed independent external auditor will carry out audits to verify the correct spending of the EGTC Structure budget and whether the auditing arrangements of the ESPON EGTC are in agreement with official budgetary standards.

Regarding the other contracted activity budgets, the appointment of auditors will follow the rules set out in respective contracts. For example ESI Funds are required to follow a wider regulatory framework. The Chair of the Assembly has the responsibility to ensure that the auditor is appointed and contracted according to the provisions made in the respective contract.

Luxembourg is responsible for approving the audit report of the EGTC Structure budget. The audit reports related to the activity budgets will be approved by authorities defined in the contracts and sent to the Assembly for notification.

ARTICLE 19 – LIABILITY OF EGTC MEMBERS

19.1. Definition of the Liability

The EGTC is responsible for all liabilities resulting from its activities. If the assets of an EGTC are not sufficient to meet its liabilities, its members shall be liable under the provisions of Article 12, (2) of Regulation (EC) No 1082/2006 as amended no matter what kind they are. This includes the coverage of any additional financial obligations arising from the activities of the EGTC (such as accidents, legal action against the EGTC).

19.2. Liability arrangements related to contracts

The ESPON EGTC may only accept contracts which are covered by additional liability arrangements in favour of the members of the EGTC in those cases where the benefit of the execution of such a contract is lying clearly with the contracting party. If such an additional liability arrangement is granted to the EGTC, the bearers of the liability arrangement shall be offered appropriate transparency and monitoring by the Assembly and via a participation in the Consultative Committee (if established), which allows them to understand the soundness of financial management.

19.3. Liability of members in case of resignation from the EGTC

If a member of the Assembly resigns from the ESPON EGTC without fulfilling its obligations, the Assembly acknowledges its shared responsibility to find a solution that guarantees the basic functioning of the ESPON EGTC, respecting existing service and staff contracts.

Leaving the ESPON EGTC will not relinquish the member from any direct liability for the time of its membership. The Director will present a revised budgetary proposal to the Assembly, which outlines measures to be taken.

ARTICLE 20 – FINAL PROVISIONS

The place of jurisdiction is Luxembourg.

ARTICLE 21 – AMENDMENT OF THE CONVENTION

In case of amendments of the statutes the convention will be simultaneously amended.

Statutes of the European Grouping of Territorial Cooperation

- ESPON EGTC -

Based on Article 9 of Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended,

Preamble

Considering

1. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL No 1082/2006 on the European Grouping for Territorial Cooperation as amended by Regulation (EU) No 1302/2013 (hereinafter referred as Regulation (EU) – EGTC),
2. The legal base for the EGTC in Luxembourg, the Loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération territoriale (GECT),
3. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1301/2013 of 17 December 2013 on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal on the European Regional Development Fund and repealing Regulation (EC) No 1080/2006 (hereinafter referred as Regulation (EU) – ERDF),
4. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1303/2013 of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006 (hereinafter referred as Regulation (EU) – General),
5. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1299/2013 of 17 December 2013 on specific provisions for the support from the European Regional

Development Fund to the European territorial cooperation goal (hereinafter referred as Regulation (EU) – ETC),

Considering further that

- The ESPON 2020 Cooperation Programme is financed under the European Structural and Investment Funds according to Regulation EU – General, Regulation (EU) – ERDF and Regulation (EU) – ETC;
- The ESPON EGTC is established as the legal body to support the territorial observation for evidence based and informed policy making by undertaking the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC that is receiving a grant agreement by the Managing Authority;
- The ESPON EGTC is set up to submit a proposal to carry through the activities financed under the aforementioned grant agreement in the framework of the ESPON 2020 Cooperation Programme and related activities, and that after the formal closure of the ESPON 2020 Cooperation Programme the EGTC will be closed unless the countries participating in the ESPON 2020 Cooperation Programme together with the countries represented in the assembly decide differently and indicate other programmes or sources for financing the ESPON EGTC. Any closure of the EGTC before the ending of the activities regarding the ESPON 2020 shall be consulted with the countries represented in the ESPON 2020 Programme;
- The ESPON EGTC is established in the view that the States being members and partners of the ESPON 2020 Cooperation Programme will offer the opportunity of attributing one or more successive grant agreements to the ESPON EGTC undertaking the role of the beneficiary in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC of ESPON 2020 Cooperation Programme according to the granting procedures indicated in the Cooperation Programme;
- The ESPON EGTC is established on the assumption that the authorities making the financial means available to carry out the ESPON EGTC activities are disposing of the appropriate rights for monitoring these activities in full transparency and in line with the relevant EU and national regulations. The Grant Agreement, which shall be offered by the ESPON 2020 Cooperation Programme, will provide the rules ensuring the appropriate monitoring of the activities of the ESPON EGTC by the Monitoring Committee of the ESPON Cooperation Programme;
- The activities of ESPON EGTC require the acquisition of external finance support. Receiving a grant agreement by the Managing Authority of the ESPON 2020 Cooperation Programme will be the main source for financing the activities of the ESPON EGTC in the set up; if the necessity or opportunity may arise to conclude any other contract or grant agreement outside the framework of the ESPON 2020 Cooperation Programme the countries participating in the ESPON Monitoring Committee should be addressed for consultation and agreement prior to the conclusion of such a contract;
- The EGTC is established in order to undertake the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme. Two representatives of the countries financing the ESPON 2020 Cooperation Programme shall be present in the selection board of the director as external member;
- A first opening for changing the membership will be after three years. An increased membership in the Assembly will be considered only if crucial deficiencies arise in the existing set-up for the functioning of the EGTC with regard to the implementation of the Grant Agreement identified in the course of an evaluation.
- The Agreement between the Managing Authority and the participating Member States and Partner States on the ESPON 2020 Cooperation Programme shall include a shared liability with regards to those activities carried out by the ESPON EGTC, which shall be offered by the grant agreement(s) between the Managing Authority and the EGTC as beneficiary. The ESPON EGTC should be set up in a way ensuring comprehensive transparency regarding the activities financed under the ESPON 2020 Cooperation Programme and allow appropriate monitoring by the countries represented in the ESPON 2020 Cooperation Programme. The set-up shall

not infringe upon the separation of functions as defined by the Structural Funds regulation; the Statutes of the ESPON EGTC – European Node for Territorial Evidence shall be defined as follows.

Table of content

I. GENERAL PROVISION	77
ARTICLE 1 – NAME	77
ARTICLE 2 – MEMBERS	77
ARTICLE 3 – REGISTERED OFFICE	77
ARTICLE 4 – AREA OF INTERVENTION	77
ARTICLE 5 – OBJECTIVES AND TASKS	77
II. MEMBERSHIP, DURATION AND LAW	78
ARTICLE 6 – MEMBERSHIP PROCEDURES	78
ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION	78
ARTICLE 8 – APPLICABLE LAW	79
ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES	79
ARTICLE 10 – WORKING LANGUAGE	79
III. ORGANS	80
ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES	80
ARTICLE 12 – THE ORGANISATION OF THE EGTC	80
ARTICLE 13 – THE ASSEMBLY	80
ARTICLE 14 – THE DIRECTOR	82
ARTICLE 15 - THE CONSULTATIVE COMMITTEE	82
ARTICLE 16 –STAFF AND CONTRACTING	83
IV. FINANCIAL PROVISIONS AND LIABILITIES	83
ARTICLE 17 – FINANCES	83
ARTICLE 18 – BUDGETARY RULES AND AUDITING	84

ARTICLE 19 – LIABILITY OF EGTC MEMBERS.	84
ARTICLE 20 – FINAL PROVISIONS	85

I. GENERAL PROVISION

ARTICLE 1 – NAME

The name of the EGTC is ‘ESPON EGTC - European Node for Territorial Evidence’ (hereafter referred to as the ‘ESPON EGTC’).

The ESPON EGTC is ruled by (a) the Convention and Statutes of the ESPON EGTC, (b) the applicable European regulations and (c) the applicable national legislation of the seat of the EGTC.

ARTICLE 2 – MEMBERS

The ESPON EGTC’s members are the relevant public authorities in the following countries/regions: The Region of Brussels Capital,
The Region of Flanders,
The Region of Wallonia and
The Grand Duchy of Luxembourg.

The address details of the relevant authorities are listed in the annex.

ARTICLE 3 – REGISTERED OFFICE

The registered office of the ESPON EGTC is:

4, rue Erasme

L-1468 Luxembourg - Kirchberg

Luxembourg

Any changes of address within Luxembourg will be published in the Official Journal and will be notified to all authorities involved in the registration of the EGTC. Such a change of address is not considered as necessary amendments to these statutes.

ARTICLE 4 – AREA OF INTERVENTION

The territory, in which the ESPON EGTC will carry out the activities such as mentioned in the ESPON 2020 Cooperation Programme, covers all European Union Member States, Partner States that are members of or are formally associated by agreement with the Managing Authority to the ESPON 2020 Cooperation Programme and European Structural and Investment Funds Programme financed under the objective of European Territorial Cooperation.

Observatory activities may cover EU candidate countries, may go beyond Europe such as to neighbouring countries or may address the perspective of Europe in the world.

ARTICLE 5 – OBJECTIVES AND TASKS

5.1 Main objective

The main objective of the ESPON EGTC is the implementation of one or several operations in the framework of ESPON 2020 Cooperation Programme. The activities of ESPON EGTC shall continue the consolidation of a European Territorial Observatory Network and grow the provision and policy use of pan-European, comparable, systematic and reliable territorial evidence.

5.2 Operational objectives

The operational objective is to ensure optimal conditions for undertaking the implementation and execution of activities related to the ESPON 2020 Cooperation Programme.

In the meaning of the ESI Funds, the ESPON EGTC will act as beneficiary for the implementation period of the ESPON 2020 Cooperation Programme.

Other activities thematically related to the ESPON 2020 Cooperation Programme may only be covered without jeopardising the activities regarding the ESPON 2020 Cooperation Programme.

5.3 Tasks

The tasks of the ESPON EGTC include:

- Tendering, contracting, financing and guiding applied research projects;
- Tendering, contracting, financing and guiding targeted analyses in cooperation with stakeholders;
- Developing tools and indicators in support of territorial analyses;
- Collecting, building and providing territorial indicators and comparable, pan-European data in the ESPON Data base;
- Promoting the use of ESPON results by policy makers from European to local level, making them easily available and accessible;
- Conducting territorial analyses on themes of urgent policy demand;
- Capitalising on ESPON by linking-up ESPON results in the context of political demands using all kind of media;
- Conducting and carrying out the oral, printed-based and online communication of ESPON results;
- Cooperating with relevant scientific organisations in stimulating a European research community in European territorial science;
- Acting as cooperation and coordination node of ESPON Contact Points.

The list of tasks is not conclusive and may be complemented by any tasks relevant for achieving the objectives set out under the first two sections of this Article.

II. MEMBERSHIP, DURATION AND LAW

ARTICLE 6 – MEMBERSHIP PROCEDURES

6.1 Integration of new members

Only European countries or Regions directly participating in the ESPON 2020 Cooperation Programme may become members of the ESPON EGTC.

An opportunity for the integration of new members going beyond the members mentioned in Art. 2 will arise after the first three years of the ESPON EGTC at the earliest, if decided by the Assembly.

The Assembly may decide to integrate new members at the latest by 30th June of every year with membership beginning in the following financial year.

6.2 Resignation of a member

A resignation is only admitted at the end of the ESI Fund programming period after the closure of the ESPON

Programme by the Commission or the period of the funding by other sources. Members wishing to resign from the ESPON EGTC must notify the Assembly by means of an official letter with acknowledgement of receipt at least one year in advance before the last financial year of the membership will end.

A member that has resigned remains liable to the ESPON EGTC and third parties in the limits defined for the ESPON EGTC in Art. 19 and until the final closure of the contracts concluded during the time of the membership and pending the closure of any related legal proceedings related to these contracts.

6.3 Exclusion of members

If a member no longer fulfils its obligations with regards to the Statutes, although the member was requested twice in formal terms by the Assembly, the Assembly can decide, upon the proposal of one member to exclude that specific member from the ESPON EGTC. During the exclusion process, the member to be excluded does not have the right to vote any longer. The excluded member remains liable to third parties for the ESPON EGTC's activities until the final closure of the contracts concluded during the time of the membership.

6.4 Change of Membership and notification

The change of the membership within the Group defined in Art. 2 requires the revision of the statutes. The procedures defined in Art. 9 shall be applied.

ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION

7.1 Establishment and duration of the ESPON EGTC

The ESPON EGTC acquires its legal personality on the day of the publication of the establishment decree which in Luxembourg is the Arrêté Grand-Ducal au dépôt de publication. The decree may specify the date when the ESPON EGTC will become operational in legal terms. In accordance with Art. 4 and 5 of the amended Regulation the Member States and the Committee of the Regions will be notified by the Members of the EGTC and the procedure of publication of the establishment of the ESPON EGTC in the Official Journal will be initiated.

The ESPON EGTC will exist for the duration of one or several grant agreements received in the framework of the ESPON 2020 Cooperation Programme. It ends without formal decision on the day that the European Commission declares the official closure of the ESPON 2020 Cooperation Programme with the disbursement of the remaining part of the subsidy of the ERDF, as well as by the end of any potential legal proceedings.

In case the countries and the European Commission having participated in the ESPON 2020 Monitoring Committee wish to allocate other tasks and financial sources to the ESPON EGTC after the closure of the ESPON 2020 Cooperation Programme the ESPON EGTC by its statutory organs may decide to prolong the existence of the ESPON EGTC accordingly until the termination of any subsequent European or national financial source defined by its official closure date, by the disbursement of the remaining part of the subsidy or payment and by the end of any potential legal proceedings.

7.2 Conditions for dissolving the ESPON EGTC

The ESPON EGTC will be dissolved if it is made up of members from only one Member State, in accordance with Article 3 of Regulation (EC) No 1082/2006 as amended.

The ESPON EGTC shall be dissolved by the Assembly if a unanimous decision to this effect is made by all its members. The dissolution of the ESPON EGTC will take effect three months after the decision has been taken by the Assembly to dissolve the ESPON EGTC. Before the ESPON EGTC can be dissolved, all outstanding contributions and financial commitments to external parties need to be fulfilled. Luxembourg as seat of the ESPON EGTC is responsible for coordinating the dissolution process, and will notify the competent authorities according to Article 4 and 5 of Regulation (EC) No 1082/2006 as amended.

The remaining budgets will be redistributed according to the sources of finance indicated in Art. 17. Unused budgetary resources provided for specific purposes according to Art. 17.3. will be transferred back to the source of finance. Budgetary resources remaining with regards to the internal functioning according to Art. 17.2. will be transferred back to the members of the ESPON EGTC based on the key related to the factual share of their contributions.

All back transfers are executed on condition that all external debtors have been paid. Luxembourg as seat of the EGTC will appoint a liquidator, subject to conditions agreed upon in the Assembly.

All assets such as the website and databases or property rights deriving from the financing by the European Structural and Investment Funds under the ESPON 2020 Cooperation Programme will

be transferred to the Managing Authority of the ESPON 2020 Cooperation Programme unless any other solution is agreed upon by the bearers of the financial source assets.

Assets deriving from other financial sources will be transferred to Luxembourg as the seat of the EGTC until another solution is found with the bearers of the financial source. Assets subject to shared ownership, such as the database, are kept available (not functional) on demand of the Member and Partner states of the ESPON 2020 Operation Programme or their institutions, which are partners of the shared ownership. In case of such a demand the demanding State or institutions has to cover the costs for keeping the service regarding those assets available.

All assets on which no agreement is found for the further use will be stored at the seat of the ESPON 2020 Cooperation Programme Managing Authority, respectively the country of the seat of the EGTC for a maximum duration of 5 years. 5 years after the closure of the EGTC claims on assets by the financing source will not be possible anymore and the assets will become part of the property of the country of the seat of the ESPON EGTC.

ARTICLE 8 – APPLICABLE LAW

Members will comply with the Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended, the convention and statutes governing the ESPON EGTC, and the national legal provisions of Luxembourg. The interpretation and enforcement of the statutes is subject to Luxembourgish law. The ESPON EGTC operates under public law, as a not-for-profit legal entity.

Furthermore, Luxembourgish law is applicable to all administrative procedures, accounting and budgetary rules, and staff contracts.

Luxembourgish law does not apply to internal arrangements of the members constituting the ESPON EGTC.

ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES

A proposal for amendment should be submitted by a member to the Assembly for decision via the Chair of the Assembly according to the standard procedure. Amendments to the statutes require the approval of all members of the EGTC.

Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed.

Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.

ARTICLE 10 – WORKING LANGUAGE

The official language of the EGTC ESPON is English; all official documents and events are in English language.

III. ORGANS

ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES

The Grand Duchy of Luxembourg as official seat of the EGTC is not a designated organ, but has the following specific responsibilities:

- Managing the acquisition of legal personality and publication in the Official Journal as set out in Article 5 of the Regulation;
- Following the notification process in the event of the amendment of the ESPON EGTC convention and/or statutes or its dissolution.

ARTICLE 12 – THE ORGANISATION OF THE EGTC

The organs of the EGTC are:

- The Assembly;
- The Director;
- The Consultative Committee.

ARTICLE 13 – THE ASSEMBLY

13.1 Composition

The members of the Assembly are the representatives of the members of the ESPON EGTC. According to Art. 2 of Regulation (EC) No 1082/2006 as amended, members are represented in the Assembly by one delegate and one deputy-delegate.

The principle for the allocation of votes is to allocate the same number of votes on both sides, Luxembourg and the Belgian regions. The representatives of Belgium shall dispose of three votes in total, one vote per Belgian region and the representative of Luxembourg shall dispose of three votes in total.

In case the number of votes would be reduced at the side of the Belgian Regions due to an exclusion procedure or the exit of one member, the number of votes at the side of Luxembourg would be adapted accordingly: In case two Belgian regions can vote Luxembourg would obtain two votes. In case one Belgian region can vote Luxembourg would obtain one vote. With reference to Art. 7.2 an exit of either the last Belgian Region or Luxembourg would lead to the dissolving of the EGTC.

Members may invite experts or legal representatives as observers who do not have the right to vote.

The Assembly meets at least twice a year. Meetings of the Assembly are taking place in the countries represented in the Assembly.

13.2 Chair and Vice-chair

Luxembourg will act as Chair of the Assembly. The Vice-Chair is annually alternating between the Members of the EGTC except Luxembourg in English alphabetical order.

The Chair is responsible for:

- Preparing the agenda of Assembly meetings on the base of a proposal of the Director;
- Liaising with ESPON EGTC members and the Director on issues in preparation for the Assembly meeting;
- Proposing to the Assembly the internal annual work plan of the ESPON EGTC for an efficient and effective management of the work contracted on the base of the proposal of the director.

The Chair represents the ESPON EGTC as legal representative.

13.3 Main responsibilities

The Assembly is the decision-making body of the ESPON EGTC. The main responsibilities of the Assembly are: – Amending the convention and statutes;

- Dissolving the ESPON EGTC;
- Approving the integration of new ESPON EGTC members;
- Approving the exclusion of a ESPON EGTC member state if obligations are no longer fulfilled;
- Confirming the Assembly Chair and Vice Chair on an annual basis;
- Adopting and monitoring the annual budget in accordance with Article 11 of the Regulation;
- Approving the internal annual work plan prepared by the director;
- Approving a financial control system regarding liabilities taken by the EGTC;
- Approving annual reports on the activities;
- Approval of all contracts where the EGTC acts as contractor offering services;
- Approval of all contracts where the EGTC is receiving a grant;

- Approving major amendments of the general organisation, financial control system, and staff matters of the ESPON EGTC proposed by the Director;
- Appointing a Consultative Committee if considered necessary;
- Appointing an external auditor, with due regard to Luxembourgish auditing and budgetary rules;
- Appointing and dismissal of the Director;
- Co-deciding on the selection and appointment of the staff with management responsibilities according to Art. 16.2.
- If necessary vetoing on the appointment of the other level staff according to Art. 16.3.
- Establishment of internal rules of procedures.

13.4 Decision-making procedures

Decision-making procedures are aimed at reaching consensus by unanimity, but do not rule out voting on the basis of a simple majority if a consensus could not be reached after two rounds of voting, either in presence or in written procedure according to the definition of votes according to Art. 13.1.

If the presence does not reach two-thirds of the Assembly (representatives holding four out of six votes, or three out of four votes, or two out of the two votes mentioned in article 13.1), the Assembly meeting will be postponed. The next Assembly meeting will decide on the matter by simple majority of the votes, whoever is present. Alternatively, a written procedure can be carried out deciding by a simple majority.

In the event of an irreconcilable difference of opinion, the Chair of the Assembly may request the Director to prepare an alternative proposal, to be submitted to the Assembly for further decision-making. The Director will prepare this proposal within one month. An additional Assembly meeting will be convened or a written procedure will be carried out at least 10 working days but no later than one month after the alternative proposal has been circulated by the Director.

For any kind of decision necessary in-between the two meetings per year, the general Assembly decision-making processes may include a procedure whereby all members officially state in writing whether they agree to a proposal (written procedure). This procedure, which is prepared by the Director, is carried out as follows:

- A proposal consisting out of an explanatory memo and a clearly formulated decision is sent to all Assembly members by email;
- Assembly members inform the Director within 10 working days of their position;
- The Director gathers all responses and informs the Chair of the outcome of the procedure; – The same majority rules apply as for the Assembly meetings.

The Chair will decide in consultation with the Director, whether it is necessary to convene an additional Assembly meeting. If so, it will be held within 20 working days. Members should be informed of the result of the consultation.

The presence or mandating of all members of the Assembly at an Assembly meeting is required in order to make the following strategic decisions:

- Decisions regarding the amendment of the convention and statutes;
- Decisions regarding the dissolution of the ESPON EGTC;
- Decisions on the integration or exclusion of an ESPON EGTC member; – Decisions on members' contributions.

13.5 Meetings, written procedures and mandating

Meeting in addition to the two statutory meetings per year may be organised. Written invitations to Assembly meetings, including the agenda, are sent ten working days in advance by the Chair. Working documents on which a decision is required are normally sent ten working days and at least five working days before the Assembly meeting.

Internal rules for written procedures shall be established by the Assembly. Written procedures require a response within ten working days. In case of expressed urgency a minimum of five

working days should be respected. Urgency is said to exist in the case of recruitment issues according Art. 16.3. The rule of silent consent shall be applied in all cases where this is explicitly announced in the written procedure.

The Director is responsible for conveying the minutes of meetings to all Assembly members for validation and approval. The Director must do so no later than two weeks after the Assembly meeting.

The meeting minutes as well as the results of the written procedures are made available to the Consultative Committee.

On an ad-hoc basis, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings.

Representatives of the Assembly can mandate other representatives to vote on their behalf. A mandate requires written consent. The Chair has to receive a copy of the mandate before the concerned Assembly meeting. The mandated representative shall bring a copy of the mandate to the concerned Assembly meeting. A limitation of the accumulation of mandates does not exist.

ARTICLE 14 – THE DIRECTOR

14.1 Definition

According to Article 10 of the Regulation as amended, the EGTC has a Director. The Director represents the ESPON EGTC within his responsibilities. The Director is appointed for a period of five years which shall be renewable if the Assembly so decides. The Director is the head of the ESPON EGTC staff and is responsible for the day-to-day management of the EGTC.

Every two years the management of the ESPON EGTC will be evaluated. If the majority of the Assembly is of the opinion that the Director is mismanaging the affairs of the EGTC, the Assembly will request to the Chair to present a proposal to the Assembly to improve the management of the EGTC.

14.2 Main responsibilities

The main responsibilities of the Director include:

- Proper preparation and execution of the decisions and programmes adopted by the Assembly;
- Proper day-to-day administration of the ESPON EGTC;
- Representing the ESPON EGTC at operational level in Europe and acting on its behalf;
- Engaging actively with other European programmes, territorial and urban networks and the European Commission, the European Parliament, the Committee of Regions and the European Economic and Social Committee with a view to intensified collaboration;
- Presenting the internal annual work plan and budget report to the Assembly for approval;
- Informing the Consultative Committee mentioned in Art. 15 (if established);
- Carrying out the activities according to the provisions made in the EGTC internal annual work plan and the contracts concluded such as the provisions made in the grant agreement with the ESPON Managing Authority financed under the ESPON 2020 Cooperation Programme;
- Leading, engaging and managing the EGTC with direct responsibility for the staff and with a view to ensuring its optimal functioning and delivery on the contract(s);
- Taking responsibility and ensuring sound financial management and internal financial control of the contract(s) and the budgets entrusted;
- Appointing the external independent auditor in line with the decision taken by the Assembly;
- Presenting the audit report to the Consultative Committee, to the Assembly and to Luxembourg as official seat of the ESPON EGTC.

14.3 Recruitment and appointment procedure

The Assembly appoints a Selection Board with a consultative role, for the recruitment of the Director with the participation of the Chair and Vice Chair of the Assembly. The Selection Board is chaired by the Chair of the Assembly. If the Consultative Committee is established, the Chair of

the Consultative Committee is also participating in the Selection Board. The Assembly can decide to involve further external experts in the Selection Board.

The Selection Board presents a ranking of the candidates to the Assembly for decision.

In order to ensure continuity and benefit from ESPON experience, the first Director of the ESPON EGTC is the Director of the (former) ESPON Coordination Unit.

ARTICLE 15 – THE CONSULTATIVE COMMITTEE

15.1. Mission and Composition

The mission of the Consultative Committee is to support the reduction of the liability cases below the pre-set targets defined in the liability arrangements referred to in Art. 19.2. Setting-up of the Consultative Committee is optional for a limited time and mission following a decision of the Assembly.

In case these pre-set targets are missed, the representatives of countries bearing the financial liability may decide to indicate in writing their representatives for the membership in the Consultative Committee to the Assembly. The Assembly will nominate the indicated representatives as members of the Consultative Committee.

The mission of the Consultative Committee will end by the time when the pre-set targets are reached again and the mission of the Consultative Committee is accomplished.

15.2 Chair and Vice-Chair

The Chair and Vice-Chair shall be appointed by the Consultative Committee out of the nominated member.

15.3 Main responsibilities

The main focus of the Consultative Committee shall be on creating transparency and providing advice on the administrative and financial soundness of the EGTC with regards to the execution of contracts, grant agreements and related liabilities.

Once established, the Consultative Committee based on an assessment of the situation shall detail a strategy and a timetable for its mission.

The Consultative Committee shall be informed by the Director and the Chair of the Assembly about all relevant activities of the ESPON EGTC.

The Consultative Committee provides recommendations to the Assembly on all matters related to the ESPON EGTC where it sees the necessity and usefulness with regards to the administrative and financial soundness of the EGTC.

The Consultative Committee has access to all relevant documents except those, which are confidential for reasons of personal data protection.

ARTICLE 16 – STAFF AND CONTRACTING

16.1 Management of the staff

The ESPON EGTC is headed by the Director of the ESPON EGTC. The staff supports the Director in carrying through the tasks defined and allocated by the Assembly.

The ESPON EGTC employs personnel directly and can make use of seconded and temporary personnel. Recruiting is done by a Selection Board.

16.2. Recruitment of staff with management responsibilities

The recruitment of staff with management responsibilities shall be carried out by a Selection Board involving the Director of the ESPON EGTC, the Chair of the Assembly, and it is headed by the Chair of the Assembly. One member of the Selection Board should be external to the EGTC.

The Selection Board establishes a ranking of candidates which is presented to the Assembly for the appointment.

16.3. Recruitment of other staff

The Director nominates members of a Selection Board including one member external to the EGTC. ~~The external member does not need to be appointed for the recruitment of temporary staff members.~~

The Director chairs the Selection Board.

The Selection Board establishes a ranking of candidates in consensus with the Director.

The Director takes the final decision on the selection of the new staff of ESPON EGTC on the basis of the highest ranked candidate and informs the Chair of the Assembly in advance of the appointment of the candidate.

The Assembly has the right to veto a candidate by decision of the Assembly in written form within 5 working days after receiving information about the ranking of the Selection Board and the choice of the Director, in exceptional cases based on serious doubts. This procedure represents an exception to the standard decision procedure of the assembly in accordance with 13.5. and follows the procedure of silent consent.

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC. ~~and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.~~

Seconded experts may be employed by their institution of origin.

In order to ensure continuity and benefit from ESPON experience, the first staff employed by the ESPON EGTC shall be the staff members of the former ESPON Coordination Unit.

IV. FINANCIAL PROVISIONS AND LIABILITIES

ARTICLE 17 – FINANCES

17.1. Sources of finance of the ESPON EGTC

Two kinds of sources of finance are considered for financing the ESPON EGTC.

1. The direct contributions of the members of the Assembly are made available to ensure the existence and basic set up of the ESPON EGTC. The budget related to these tasks is called *EGTC Structure Budget*.
2. Contracted external sources of financial such as the ESPON 2020 Cooperation Programme are used to finance the realisation of the objectives of the EGTC and related staffing, activities and tasks. The budget related to each of these contracted sources is called *EGTC Activity Budget*.

17.2. Annual direct contributions from the ESPON EGTC's members: the EGTC Structure budget

The contribution financing the EGTC structure budget for setting up the EGTC as a legal body occurring at the seat of the EGTC is financed by the member of EGTC Luxembourg. The ESPON EGTC establishment budget is managed directly by the Director on behalf of the Assembly via a specific accounting system.

The contributions by the members other than Luxembourg to the functioning of the EGTC are limited to the human resource of the delegates for their time needed to prepare the meetings, to participate to and to follow-up the meetings of the Assembly. Luxembourg as seat of the EGTC will cover the travel costs for Assembly meetings of the delegate representing each Belgian Region.

17.3. Contracted financial contributions of the ESPON EGTC: the EGTC activity budget

The activities carried out by the ESPON EGTC are financed by external sources that are not directly brought in by the members of the Assembly. These contracted contributions are kept in a separate activity budget and accounting system on a contract by contract basis.

The grant agreement related to ESPON 2020 Cooperation Programme, financed under the Structural Funds, will be administered under the name *EGTC Activity Budget: ESPON 2020 Cooperation Programme*.

The Assembly has the competence to define *further EGTC activity budgets*, which are sourced by any other contractual relations. The tasks related to contractual relations have to be linked to or support activities financed under the ESPON 2020 Cooperation Programme operation budget. Subsequent contracts might be made available by the countries and the European Commission to finance the ESPON 2020 Programme after its closure.

ARTICLE 18 – BUDGETARY RULES AND AUDITING

18.1. Budgetary rules

Budgetary rules of the EGTC have to comply with sound financial management. The law of Luxembourg as the seat of the EGTC is applicable with respect to the budgetary rules and auditing provisions regarding the structure budget and the activity budget.

The contract source might require additional rules and regulation. Each contract financing the activities of the ESPON EGTC shall indicate the applicable budgetary rules.

18.2. Approval of the annual budget

The Assembly approves the annual budget of the ESPON EGTC consisting of the separate budget lines set up in relation to the contracts.

18.3. Designation of an external auditor and audit procedures

Regarding the expenses related to the structure budget and, if applicable, those which do not belong to the contracted activity budget and are, therefore, not subject to external audit requirements such as from the ESI Funds regulation regarding an ESPON grant agreement, the Chair of the Assembly is responsible for designating the independent external auditor on the proposition of the Assembly.

The auditor shall have knowledge of auditing and budgetary rules of the country of the seat of the EGTC and shall be listed in the country's Auditor Register. The appointed independent external auditor will carry out audits to verify the correct spending of the EGTC Structure budget and whether the auditing arrangements of the ESPON EGTC are in agreement with official budgetary standards.

Regarding the other contracted activity budgets, the appointment of auditors will follow the rules set out in respective contracts. For example ESI Funds are required to follow a wider regulatory framework. The Chair of the Assembly has the responsibility to ensure that the auditor is appointed and contracted according to the provisions made in the respective contract.

Luxembourg is responsible for approving the audit report of the EGTC Structure budget. The audit reports related to the activity budgets will be approved by authorities defined in the contracts and sent to the Assembly for notification.

ARTICLE 19 – LIABILITY OF EGTC MEMBERS

19.1. Definition of the Liability

The EGTC is responsible for all liabilities resulting from its activities. If the assets of an EGTC are not sufficient to meet its liabilities, its members shall be liable under the provisions of Article 12, (2) of Regulation (EC) No 1082/2006 as amended no matter what kind they are. This includes the coverage of any additional financial obligations arising from the activities of the EGTC (such as accidents, legal action against the EGTC).

19.2. Liability arrangements related to contracts

The ESPON EGTC may only accept contracts which are covered by additional liability arrangements in favour of the members of the EGTC in those cases where the benefit of the execution of such a contract is lying clearly with the contracting party. If such an additional liability arrangement is granted to the EGTC, the bearers of the liability arrangement shall be offered appropriate transparency and monitoring by the Assembly and via a participation in the Consultative Committee (if established), which allows them to understand the soundness of financial management.

19.3. Liability of members in case of resignation from the EGTC

If a member of the Assembly resigns from the ESPON EGTC without fulfilling its obligations, the Assembly acknowledges its shared responsibility to find a solution that guarantees the basic functioning of the ESPON EGTC, respecting existing service and staff contracts.

Leaving the ESPON EGTC will not relinquish the member from any direct liability for the time of its membership. The Director will present a revised budgetary proposal to the Assembly, which outlines measures to be taken.

ARTICLE 20 – FINAL PROVISIONS

The place of jurisdiction is Luxembourg.

Projet d'arrêté grand-ducal du [•] approuvant la convention modifiée et les statuts modifiés du Groupement européen de coopération territoriale (GECT) « ESPON »

Nous Henri, Grand-Duc de Luxembourg, Duc de Nassau,

Vu le règlement (CE) n°1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération (GECT) tel qu'il a été modifié ;

Vu la loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération (GECT) ;

Vu l'arrêté grand-ducal du 9 janvier 2015 autorisant la création du Groupement européen de coopération territoriale (GECT) « ESPON » ;

Vu la convention modifiée et les statuts modifiés approuvés par les membres du GECT « ESPON » lors des délibérations de l'assemblée générale des 28 mars 2018 et 4 octobre 2018 ;

Vu la notification de la convention et des statuts modifiés du GECT « ESPON » au ministre ayant l'aménagement du territoire dans ses attributions en date du 8 novembre 2018 ainsi qu'aux autres membres du GECT en date du 26 octobre 2018 ;

Vu les vérifications des exigences prévues aux articles 4, paragraphe 3, et 13 du règlement (CE) n° 1082/2006 précité conformément à l'article 5 de la loi précitée du 19 mai 2009

Notre Conseil d'Etat entendu ;

Sur le rapport de Notre Ministre de l'Aménagement du territoire et après délibération du Gouvernement en conseil ;

Arrêtons :

Art.1^{er} Sont approuvés la convention modifiée et les statuts modifiés du groupement européen de coopération territoriale (GECT) « ESPON » annexés au présent arrêté.

Art.2.- Notre Ministre ayant l'aménagement du territoire dans ses attributions est chargé de l'exécution du présent arrêté qui sera publié au Journal officiel du Grand-Duché de Luxembourg.

Le Ministre de l'Aménagement du territoire,

Claude Turmes

**Convention of the European Grouping of Territorial Cooperation
- ESPON EGTC -**

Based on Article 9 of Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended,

Preamble

Considering

1. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL No 1082/2006 on the European Grouping for Territorial Cooperation as amended by Regulation (EU) No 1302/2013 (hereinafter referred as Regulation (EU) – EGTC),

2. The legal base for the EGTC in Luxembourg, the Loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération territoriale (GECT),
3. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1301/2013 of 17 December 2013 on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal on the European Regional Development Fund and repealing Regulation (EC) No 1080/2006 (hereinafter referred as Regulation (EU) – ERDF),
4. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1303/2013 of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006 (hereinafter referred as Regulation (EU) – General),
5. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1299/2013 of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal (hereinafter referred as Regulation (EU) – ETC),

Considering further that

- The ESPON 2020 Cooperation Programme is financed under the European Structural and Investment Funds according to Regulation EU – General, Regulation (EU) – ERDF and Regulation (EU) – ETC;
- The ESPON EGTC is established as the legal body to support the territorial observation for evidence based and informed policy making by undertaking the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC that is receiving a grant agreement by the Managing Authority;
- The ESPON EGTC is set up to submit a proposal to carry through the activities financed under the aforementioned grant agreement in the framework of the ESPON 2020 Cooperation Programme and related activities, and that after the formal closure of the ESPON 2020 Cooperation Programme the EGTC will be closed unless the countries participating in the ESPON 2020 Cooperation Programme together with the countries represented in the assembly decide differently and indicate other programmes or sources for financing the ESPON EGTC. Any closure of the EGTC before the ending of the activities regarding the ESPON 2020 shall be consulted with the countries represented in the ESPON 2020 Programme;
- The ESPON EGTC is established in the view that the States being members and partners of the ESPON 2020 Cooperation Programme will offer the opportunity of attributing one or more successive grant agreements to the ESPON EGTC undertaking the role of the beneficiary in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC of ESPON 2020 Cooperation Programme according to the granting procedures indicated in the Cooperation Programme;
- The ESPON EGTC is established on the assumption that the authorities making the financial means available to carry out the ESPON EGTC activities are disposing of the appropriate rights for monitoring these activities in full transparency and in line with the relevant EU and national regulations. The Grant Agreement, which shall be offered by the ESPON 2020 Cooperation Programme, will provide the rules ensuring the appropriate monitoring of the activities of the ESPON EGTC by the Monitoring Committee of the ESPON Cooperation Programme;
- The activities of ESPON EGTC require the acquisition of external finance support. Receiving a grant agreement by the Managing Authority of the ESPON 2020 Cooperation Programme will be the main source for financing the activities of the ESPON EGTC in the set up; if the necessity or opportunity may arise to conclude any other contract or grant agreement outside the framework of the ESPON 2020 Cooperation Programme the countries participating in the ESPON Monitoring Committee should be addressed for consultation and agreement prior to the conclusion of such a contract;

- The EGTC is established in order to undertake the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme. Two representatives of the countries financing the ESPON 2020 Cooperation Programme shall be present in the selection board of the director as external member;
 - A first opening for changing the membership will be after three years. An increased membership in the Assembly will be considered only if crucial deficiencies arise in the existing set-up for the functioning of the EGTC with regard to the implementation of the Grant Agreement identified in the course of an evaluation.
 - The Agreement between the Managing Authority and the participating Member States and Partner States on the ESPON 2020 Cooperation Programme shall include a shared liability with regards to those activities carried out by the ESPON EGTC, which shall be offered by the grant agreement(s) between the Managing Authority and the EGTC as beneficiary. The ESPON EGTC should be set up in a way ensuring comprehensive transparency regarding the activities financed under the ESPON 2020 Cooperation Programme and allow appropriate monitoring by the countries represented in the ESPON 2020 Cooperation Programme. The set-up shall not infringe upon the separation of functions as defined by the Structural Funds regulation;
- the Statutes of the ESPON EGTC – European Node for Territorial Evidence shall be defined as follows.

Table of content

I..... GENERAL PROVISION	4
ARTICLE 1 – NAME	4
ARTICLE 2 – MEMBERS	4
ARTICLE 3 – REGISTERED OFFICE	4
ARTICLE 4 – AREA OF INTERVENTION	4
ARTICLE 5 – OBJECTIVES AND TASKS	5
II..... MEMBERSHIP, DURATION AND LAW	5
ARTICLE 6 – MEMBERSHIP PROCEDURES	5
ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION	6
ARTICLE 8 – APPLICABLE LAW	7
ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES	7
ARTICLE 10 – WORKING LANGUAGE	7
III. ORGANS	8
ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES	8
ARTICLE 12 – THE ORGANISATION OF THE EGTC	8

ARTICLE 13 – THE ASSEMBLY	8
ARTICLE 14 – THE DIRECTOR	10
ARTICLE 15 – THE CONSULTATIVE COMMITTEE	11
ARTICLE 16 – STAFF AND CONTRACTING	11
IV. FINANCIAL PROVISIONS AND LIABILITIES	12
ARTICLE 17 – FINANCES	12
ARTICLE 18 – BUDGETARY RULES AND AUDITING	13
ARTICLE 19 – LIABILITY OF EGTC MEMBERS	13
ARTICLE 20 – FINAL PROVISIONS	14
ARTICLE 21 – AMENDMENT OF THE CONVENTION	14

I. GENERAL PROVISION

ARTICLE 1 – NAME

The name of the EGTC is ‘**ESPON EGTC - European Node for Territorial Evidence**’ (hereafter referred to as the ‘ESPON EGTC’).

The ESPON EGTC is ruled by (a) the Convention and Statutes of the ESPON EGTC, (b) the applicable European regulations and (c) the applicable national legislation of the seat of the EGTC.

ARTICLE 2 – MEMBERS

The ESPON EGTC’s members are the relevant public authorities in the following countries/regions: The Region of Brussels Capital,

The Region of Flanders,

The Region of Wallonia and

The Grand Duchy of Luxembourg.

The address details of the relevant authorities are listed in the annex.

ARTICLE 3 – REGISTERED OFFICE

The registered office of the ESPON EGTC is:

4, rue Erasme

L-1468 Luxembourg - Kirchberg

Luxembourg

Any changes of address within Luxembourg will be published in the Official Journal and will be notified to all authorities involved in the registration of the EGTC. Such a change of address is not considered as necessary amendments to these statutes.

ARTICLE 4 – AREA OF INTERVENTION

The territory, in which the ESPON EGTC will carry out the activities such as mentioned in the ESPON 2020 Cooperation Programme, covers all European Union Member States, Partner States that are members of or are formally associated by agreement with the Managing Authority to the ESPON 2020 Cooperation Programme and European Structural and Investment Funds Programme financed under the objective of European Territorial Cooperation.

Observatory activities may cover EU candidate countries, may go beyond Europe such as to neighbouring countries or may address the perspective of Europe in the world.

ARTICLE 5 – OBJECTIVES AND TASKS

5.1 Main objective

The main objective of the ESPON EGTC is the implementation of one or several operations in the framework of ESPON 2020 Cooperation Programme. The activities of ESPON EGTC shall continue the consolidation of a European Territorial Observatory Network and grow the provision and policy use of pan-European, comparable, systematic and reliable territorial evidence.

5.2 Operational objectives

The operational objective is to ensure optimal conditions for undertaking the implementation and execution of activities related to the ESPON 2020 Cooperation Programme.

In the meaning of the ESI Funds, the ESPON EGTC will act as beneficiary for the implementation period of the ESPON 2020 Cooperation Programme.

Other activities thematically related to the ESPON 2020 Cooperation Programme may only be covered without jeopardising the activities regarding the ESPON 2020 Cooperation Programme.

5.3 Tasks

The tasks of the ESPON EGTC include:

- Tendering, contracting, financing and guiding applied research projects;
- Tendering, contracting, financing and guiding targeted analyses in cooperation with stakeholders;
- Developing tools and indicators in support of territorial analyses;
- Collecting, building and providing territorial indicators and comparable, pan-European data in the ESPON Data base;
- Promoting the use of ESPON results by policy makers from European to local level, making them easily available and accessible;
- Conducting territorial analyses on themes of urgent policy demand;
- Capitalising on ESPON by linking-up ESPON results in the context of political demands using all kind of media;
- Conducting and carrying out the oral, printed-based and online communication of ESPON results;
- Cooperating with relevant scientific organisations in stimulating a European research community in European territorial science;
- Acting as cooperation and coordination node of ESPON Contact Points.

The list of tasks is not conclusive and may be complemented by any tasks relevant for achieving the objectives set out under the first two sections of this Article.

II. MEMBERSHIP, DURATION AND LAW

ARTICLE 6 – MEMBERSHIP PROCEDURES

6.1 Integration of new members

Only European countries or Regions directly participating in the ESPON 2020 Cooperation Programme may become members of the ESPON EGTC.

An opportunity for the integration of new members going beyond the members mentioned in Art.2 will arise after the first three years of the ESPON EGTC at the earliest, if decided by the Assembly.

The Assembly may decide to integrate new members at the latest by 30th June of every year with membership beginning in the following financial year.

6.2 Resignation of a member

A resignation is only admitted at the end of the ESI Fund programming period after the closure of the ESPON

Programme by the Commission or the period of the funding by other sources. Members wishing to resign from the ESPON EGTC must notify the Assembly by means of an official letter with acknowledgement of receipt at least one year in advance before the last financial year of the membership will end.

A member that has resigned remains liable to the ESPON EGTC and third parties in the limits defined for the ESPON EGTC in Art. 19 and until the final closure of the contracts concluded during the time of the membership and pending the closure of any related legal proceedings related to these contracts.

6.3 Exclusion of members

If a member no longer fulfils its obligations with regards to the Statutes, although the member was requested twice in formal terms by the Assembly, the Assembly can decide, upon the proposal of one member to exclude that specific member from the ESPON EGTC. During the exclusion process, the member to be excluded does not have the right to vote any longer. The excluded member remains liable to third parties for the ESPON EGTC's activities until the final closure of the contracts concluded during the time of the membership.

6.4 Change of Membership and notification

The change of the membership within the Group defined in Art. 2 requires the revision of the statutes. The procedures defined in Art. 9 shall be applied.

ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION

7.1 Establishment and duration of the ESPON EGTC

The ESPON EGTC acquires its legal personality on the day of the publication of the establishment decree which in Luxembourg is the Arrêté Grand-Ducal au dépôt de publication. The decree may specify the date when the ESPON EGTC will become operational in legal terms. In accordance with Art. 4 and 5 of the amended Regulation the Member States and the Committee of the Regions will be notified by the Members of the EGTC and the procedure of publication of the establishment of the ESPON EGTC in the Official Journal will be initiated.

The ESPON EGTC will exist for the duration of one or several grant agreements received in the framework of the ESPON 2020 Cooperation Programme. It ends without formal decision on the day that the European Commission declares the official closure of the ESPON 2020 Cooperation Programme with the disbursement of the remaining part of the subsidy of the ERDF, as well as by the end of any potential legal proceedings.

In case the countries and the European Commission having participated in the ESPON 2020 Monitoring Committee wish to allocate other tasks and financial sources to the ESPON EGTC after the closure of the ESPON 2020 Cooperation Programme the ESPON EGTC by its statutory organs may decide to prolong the existence of the ESPON EGTC accordingly until the termination of any subsequent European or national financial source defined by its official closure date, by the disbursement of the remaining part of the subsidy or payment and by the end of any potential legal proceedings.

7.2 Conditions for dissolving the ESPON EGTC

The ESPON EGTC will be dissolved if it is made up of members from only one Member State, in accordance with Article 3 of Regulation (EC) No 1082/2006 as amended.

The ESPON EGTC shall be dissolved by the Assembly if a unanimous decision to this effect is made by all its members. The dissolution of the ESPON EGTC will take effect three months after the decision has been taken by the Assembly to dissolve the ESPON EGTC. Before the ESPON EGTC can be dissolved, all outstanding contributions and financial commitments to external parties need to be fulfilled. Luxembourg as seat of the ESPON EGTC is responsible for coordinating the

dissolution process, and will notify the competent authorities according to Article 4 and 5 of Regulation (EC) No 1082/2006 as amended.

The remaining budgets will be redistributed according to the sources of finance indicated in Art. 17. Unused budgetary resources provided for specific purposes according to Art. 17.3. will be transferred back to the source of finance. Budgetary resources remaining with regards to the internal functioning according to Art. 17.2. will be transferred back to the members of the ESPON EGTC based on the key related to the factual share of their contributions.

All back transfers are executed on condition that all external debtors have been paid. Luxembourg as seat of the EGTC will appoint a liquidator, subject to conditions agreed upon in the Assembly.

All assets such as the website and databases or property rights deriving from the financing by the European Structural and Investment Funds under the ESPON 2020 Cooperation Programme will be transferred to the Managing Authority of the ESPON 2020 Cooperation Programme unless any other solution is agreed upon by the bearers of the financial source assets.

Assets deriving from other financial sources will be transferred to Luxembourg as the seat of the EGTC until another solution is found with the bearers of the financial source. Assets subject to shared ownership, such as the database, are kept available (not functional) on demand of the Member and Partner states of the ESPON 2020 Operation Programme or their institutions, which are partners of the shared ownership. In case of such a demand the demanding State or institutions has to cover the costs for keeping the service regarding those assets available.

All assets on which no agreement is found for the further use will be stored at the seat of the ESPON 2020 Cooperation Programme Managing Authority, respectively the country of the seat of the EGTC for a maximum duration of 5 years. 5 years after the closure of the EGTC claims on assets by the financing source will not be possible anymore and the assets will become part of the property of the country of the seat of the ESPON EGTC.

ARTICLE 8 – APPLICABLE LAW

Members will comply with the Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended, the convention and statutes governing the ESPON EGTC, and the national legal provisions of Luxembourg. The interpretation and enforcement of the statutes is subject to Luxembourgish law. The ESPON EGTC operates under public law, as a not-for-profit legal entity.

Furthermore, Luxembourgish law is applicable to all administrative procedures, accounting and budgetary rules, and staff contracts.

Luxembourgish law does not apply to internal arrangements of the members constituting the ESPON EGTC.

ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES

A proposal for amendment should be submitted by a member to the Assembly for decision via the Chair of the Assembly according to the standard procedure. Amendments to the statutes require the approval of all members of the EGTC.

Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed.

Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.

ARTICLE 10 – WORKING LANGUAGE

The official language of the EGTC ESPON is English; all official documents and events are in English language.

III. ORGANS

ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES

The Grand Duchy of Luxembourg as official seat of the EGTC is not a designated organ, but has the following specific responsibilities:

- Managing the acquisition of legal personality and publication in the Official Journal as set out in Article 5 of the Regulation;
- Following the notification process in the event of the amendment of the ESPON EGTC convention and/or statutes or its dissolution.

ARTICLE 12 – THE ORGANISATION OF THE EGTC

The organs of the EGTC are:

- The Assembly;
- The Director;
- The Consultative Committee.

ARTICLE 13 – THE ASSEMBLY

13.1 Composition

The members of the Assembly are the representatives of the members of the ESPON EGTC. According to Art. 2 of Regulation (EC) No 1082/2006 as amended, members are represented in the Assembly by one delegate and one deputy-delegate.

The principle for the allocation of votes is to allocate the same number of votes on both sides, Luxembourg and the Belgian regions. The representatives of Belgium shall dispose of three votes in total, one vote per Belgian region and the representative of Luxembourg shall dispose of three votes in total.

In case the number of votes would be reduced at the side of the Belgian Regions due to an exclusion procedure or the exit of one member, the number of votes at the side of Luxembourg would be adapted accordingly: In case two Belgian regions can vote Luxembourg would obtain two votes. In case one Belgian region can vote Luxembourg would obtain one vote. With reference to Art. 7.2 an exit of either the last Belgian Region or Luxembourg would lead to the dissolving of the EGTC.

Members may invite experts or legal representatives as observers who do not have the right to vote.

The Assembly meets at least twice a year. Meetings of the Assembly are taking place in the countries represented in the Assembly.

13.2 Chair and Vice chair

Luxembourg will act as Chair of the Assembly. The Vice-Chair is annually alternating between the Members of the EGTC except Luxembourg in English alphabetical order.

The Chair is responsible for:

- Preparing the agenda of Assembly meetings on the base of a proposal of the Director;
- Liaising with ESPON EGTC members and the Director on issues in preparation for the Assembly meeting;
- Proposing to the Assembly the internal annual work plan of the ESPON EGTC for an efficient and effective management of the work contracted on the base of the proposal of the director.

The Chair represents the ESPON EGTC as legal representative.

13.3 Main responsibilities

The Assembly is the decision-making body of the ESPON EGTC. The main responsibilities of the Assembly are: – Amending the convention and statutes;

- Dissolving the ESPON EGTC;

- Approving the integration of new ESPON EGTC members;
- Approving the exclusion of a ESPON EGTC member state if obligations are no longer fulfilled;
- Confirming the Assembly Chair and Vice Chair on an annual basis;
- Adopting and monitoring the annual budget in accordance with Article 11 of the Regulation;
- Approving the internal annual work plan prepared by the director;
- Approving a financial control system regarding liabilities taken by the EGTC;
- Approving annual reports on the activities;
- Approval of all contracts where the EGTC acts as contractor offering services;
- Approval of all contracts where the EGTC is receiving a grant;
- Approving major amendments of the general organisation, financial control system, and staff matters of the ESPON EGTC proposed by the Director;
- Appointing a Consultative Committee if considered necessary;
- Appointing an external auditor, with due regard to Luxembourgish auditing and budgetary rules;
- Appointing and dismissal of the Director;
- Co-deciding on the selection and appointment of the staff with management responsibilities according to Art. 16.2.
- If necessary vetoing on the appointment of the other level staff according to Art. 16.3.
- Establishment of internal rules of procedures.

13.4 Decision-making procedures

Decision-making procedures are aimed at reaching consensus by unanimity, but do not rule out voting on the basis of a simple majority if a consensus could not be reached after two rounds of voting, either in presence or in written procedure according to the definition of votes according to Art. 13.1.

If the presence does not reach two-thirds of the Assembly (representatives holding four out of six votes, or three out of four votes, or two out of the two votes mentioned in article 13.1) , the Assembly meeting will be postponed. The next Assembly meeting will decide on the matter by simple majority of the votes, whoever is present. Alternatively, a written procedure can be carried out deciding by a simple majority.

In the event of an irreconcilable difference of opinion, the Chair of the Assembly may request the Director to prepare an alternative proposal, to be submitted to the Assembly for further decision-making. The Director will prepare this proposal within one month. An additional Assembly meeting will be convened or a written procedure will be carried out at least 10 working days but no later than one month after the alternative proposal has been circulated by the Director.

For any kind of decision necessary in-between the two meetings per year, the general Assembly decision-making processes may include a procedure whereby all members officially state in writing whether they agree to a proposal (written procedure). This procedure, which is prepared by the Director, is carried out as follows:

- A proposal consisting out of an explanatory memo and a clearly formulated decision is sent to all Assembly members by email;
- Assembly members inform the Director within 10 working days of their position;
- The Director gathers all responses and informs the Chair of the outcome of the procedure; – The same majority rules apply as for the Assembly meetings.

The Chair will decide in consultation with the Director, whether it is necessary to convene an additional Assembly meeting. If so, it will be held within 20 working days. Members should be informed of the result of the consultation.

The presence or mandating of all members of the Assembly at an Assembly meeting is required in order to make the following strategic decisions:

- Decisions regarding the amendment of the convention and statutes;
- Decisions regarding the dissolution of the ESPON EGTC;

- Decisions on the integration or exclusion of an ESPON EGTC member; – Decisions on members' contributions.

13.5 Meetings, written procedures and mandating

Meeting in addition to the two statutory meetings per year may be organised. Written invitations to Assembly meetings, including the agenda, are sent ten working days in advance by the Chair. Working documents on which a decision is required are normally sent ten working days and at least five working days before the Assembly meeting.

Internal rules for written procedures shall be established by the Assembly. Written procedures require a response within ten working days. In case of expressed urgency a minimum of five working days should be respected. Urgency is said to exist in the case of recruitment issues according Art. 16.3. The rule of silent consent shall be applied in all cases where this is explicitly announced in the written procedure.

The Director is responsible for conveying the minutes of meetings to all Assembly members for validation and approval. The Director must do so no later than two weeks after the Assembly meeting.

The meeting minutes as well as the results of the written procedures are made available to the Consultative Committee.

On an ad-hoc basis, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings.

Representatives of the Assembly can mandate other representatives to vote on their behalf. A mandate requires written consent. The Chair has to receive a copy of the mandate before the concerned Assembly meeting. The mandated representative shall bring a copy of the mandate to the concerned Assembly meeting. A limitation of the accumulation of mandates does not exist.

ARTICLE 14 – THE DIRECTOR

14.1 Definition

According to Article 10 of the Regulation as amended, the EGTC has a Director. The Director represents the ESPON EGTC within his responsibilities. The Director is appointed for a period of five years which shall be renewable if the Assembly so decides. The Director is the head of the ESPON EGTC staff and is responsible for the day-to-day management of the EGTC.

Every two years the management of the ESPON EGTC will be evaluated. If the majority of the Assembly is of the opinion that the Director is mismanaging the affairs of the EGTC, the Assembly will request to the Chair to present a proposal to the Assembly to improve the management of the EGTC.

14.2 Main responsibilities

The main responsibilities of the Director include:

- Proper preparation and execution of the decisions and programmes adopted by the Assembly;
- Proper day-to-day administration of the ESPON EGTC;
- Representing the ESPON EGTC at operational level in Europe and acting on its behalf;
- Engaging actively with other European programmes, territorial and urban networks and the European Commission, the European Parliament, the Committee of Regions and the European Economic and Social Committee with a view to intensified collaboration;
- Presenting the internal annual work plan and budget report to the Assembly for approval;
- Informing the Consultative Committee mentioned in Art.15 (if established);
- Carrying out the activities according to the provisions made in the EGTC internal annual work plan and the contracts concluded such as the provisions made in the grant agreement with the ESPON Managing Authority financed under the ESPON 2020 Cooperation Programme;
- Leading, engaging and managing the EGTC with direct responsibility for the staff and with a view to ensuring its optimal functioning and delivery on the contract(s);

- Taking responsibility and ensuring sound financial management and internal financial control of the contract(s) and the budgets entrusted;
- Appointing the external independent auditor in line with the decision taken by the Assembly;
- Presenting the audit report to the Consultative Committee, to the Assembly and to Luxembourg as official seat of the ESPON EGTC.

14.3 Recruitment and appointment procedure

The Assembly appoints a Selection Board with a consultative role, for the recruitment of the Director with the participation of the Chair and Vice Chair of the Assembly. The Selection Board is chaired by the Chair of the Assembly. If the Consultative Committee is established, the Chair of the Consultative Committee is also participating in the Selection Board. The Assembly can decide to involve further external experts in the Selection Board.

The Selection Board presents a ranking of the candidates to the Assembly for decision.

In order to ensure continuity and benefit from ESPON experience, the first Director of the ESPON EGTC is the Director of the (former) ESPON Coordination Unit.

ARTICLE 15 - THE CONSULTATIVE COMMITTEE

15.1. Mission and Composition

The mission of the Consultative Committee is to support the reduction of the liability cases below the pre-set targets defined in the liability arrangements referred to in Art. 19.2. Setting-up of the Consultative Committee is optional for a limited time and mission following a decision of the Assembly.

In case these pre-set targets are missed, the representatives of countries bearing the financial liability may decide to indicate in writing their representatives for the membership in the Consultative Committee to the Assembly. The Assembly will nominate the indicated representatives as members of the Consultative Committee.

The mission of the Consultative Committee will end by the time when the pre-set targets are reached again and the mission of the Consultative Committee is accomplished.

15.2 Chair and Vice-chair

The Chair and Vice-Chair shall be appointed by the Consultative Committee out of the nominated member.

15.3 Main responsibilities

The main focus of the Consultative Committee shall be on creating transparency and providing advice on the administrative and financial soundness of the EGTC with regards to the execution of contracts, grant agreements and related liabilities.

Once established, the Consultative Committee based on an assessment of the situation shall detail a strategy and a timetable for its mission.

The Consultative Committee shall be informed by the Director and the Chair of the Assembly about all relevant activities of the ESPON EGTC.

The Consultative Committee provides recommendations to the Assembly on all matters related to the ESPON EGTC where it sees the necessity and usefulness with regards to the administrative and financial soundness of the EGTC.

The Consultative Committee has access to all relevant documents except those, which are confidential for reasons of personal data protection.

ARTICLE 16 – STAFF AND CONTRACTING

16.1 Management of the staff

The ESPON EGTC is headed by the Director of the ESPON EGTC. The staff supports the Director in carrying through the tasks defined and allocated by the Assembly.

The ESPON EGTC employs personnel directly and can make use of seconded and temporary personnel. Recruiting is done by a Selection Board.

16.2. Recruitment of staff with management responsibilities

The recruitment of staff with management responsibilities shall be carried out by a Selection Board involving the Director of the ESPON EGTC, the Chair of the Assembly, and it is headed by the Chair of the Assembly. One member of the Selection Board should be external to the EGTC.

The Selection Board establishes a ranking of candidates which is presented to the Assembly for the appointment.

16.3. Recruitment of other staff

The Director nominates members of a Selection Board including one member external to the EGTC. *The external member does not need to be appointed for the recruitment of temporary staff members.*

The Director chairs the Selection Board.

The Selection Board establishes a ranking of candidates in consensus with the Director.

The Director takes the final decision on the selection of the new staff of ESPON EGTC on the basis of the highest ranked candidate and informs the Chair of the Assembly in advance of the appointment of the candidate.

The Assembly has the right to veto a candidate by decision of the Assembly in written form within 5 working days after receiving information about the ranking of the Selection Board and the choice of the Director, in exceptional cases based on serious doubts. This procedure represents an exception to the standard decision procedure of the assembly in accordance with 13.5. and follows the procedure of silent consent.

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC. *and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.*

Seconded experts may be employed by their institution of origin.

In order to ensure continuity and benefit from ESPON experience, the first staff employed by the ESPON EGTC shall be the staff members of the former ESPON Coordination Unit.

IV. FINANCIAL PROVISIONS AND LIABILITIES

ARTICLE 17 – FINANCES

17.1. Sources of finance of the ESPON EGTC

Two kinds of sources of finance are considered for financing the ESPON EGTC.

1. The direct contributions of the members of the Assembly are made available to ensure the existence and basic set up of the ESPON EGTC. The budget related to these tasks is called *EGTC Structure Budget*.
2. Contracted external sources of financial such as the ESPON 2020 Cooperation Programme are used to finance the realisation of the objectives of the EGTC and related staffing, activities and tasks. The budget related to each of these contracted sources is called *EGTC Activity Budget*.

17.2. Annual direct contributions from the ESPON EGTC's members: the EGTC Structure budget

The contribution financing the EGTC structure budget for setting up the EGTC as a legal body occurring at the seat of the EGTC is financed by the member of EGTC Luxembourg. The ESPON EGTC establishment budget is managed directly by the Director on behalf of the Assembly via a specific accounting system.

The contributions by the members other than Luxembourg to the functioning of the EGTC are limited to the human resource of the delegates for their time needed to prepare the meetings, to participate to and to follow-up the meetings of the Assembly. Luxembourg as seat of the EGTC will cover the travel costs for Assembly meetings of the delegate representing each Belgian Region.

17.3. Contracted financial contributions of the ESPON EGTC: the EGTC activity budget

The activities carried out by the ESPON EGTC are financed by external sources that are not directly brought in by the members of the Assembly. These contracted contributions are kept in a separate activity budget and accounting system on a contract by contract basis.

The grant agreement related to ESPON 2020 Cooperation Programme, financed under the Structural Funds, will be administered under the name *EGTC Activity Budget: ESPON 2020 Cooperation Programme*.

The Assembly has the competence to define *further EGTC activity budgets*, which are sourced by any other contractual relations. The tasks related to contractual relations have to be linked to or support activities financed under the ESPON 2020 Cooperation Programme operation budget.

Subsequent contracts might be made available by the countries and the European Commission to finance the ESPON 2020 Programme after its closure.

ARTICLE 18 – BUDGETARY RULES AND AUDITING

18.1. Budgetary rules

Budgetary rules of the EGTC have to comply with sound financial management. The law of Luxembourg as the seat of the EGTC is applicable with respect to the budgetary rules and auditing provisions regarding the structure budget and the activity budget.

The contract source might require additional rules and regulation. Each contract financing the activities of the ESPON EGTC shall indicate the applicable budgetary rules.

18.2. Approval of the annual budget

The Assembly approves the annual budget of the ESPON EGTC consisting of the separate budget lines set up in relation to the contracts.

18.3. Designation of an external auditor and audit procedures

Regarding the expenses related to the structure budget and, if applicable, those which do not belong to the contracted activity budget and are, therefore, not subject to external audit requirements such as from the ESI Funds regulation regarding an ESPON grant agreement, the Chair of the Assembly is responsible for designating the independent external auditor on the proposition of the Assembly.

The auditor shall have knowledge of auditing and budgetary rules of the country of the seat of the EGTC and shall be listed in the country's Auditor Register. The appointed independent external auditor will carry out audits to verify the correct spending of the EGTC Structure budget and whether the auditing arrangements of the ESPON EGTC are in agreement with official budgetary standards.

Regarding the other contracted activity budgets, the appointment of auditors will follow the rules set out in respective contracts. For example ESI Funds are required to follow a wider regulatory framework. The Chair of the Assembly has the responsibility to ensure that the auditor is appointed and contracted according to the provisions made in the respective contract.

Luxembourg is responsible for approving the audit report of the EGTC Structure budget. The audit reports related to the activity budgets will be approved by authorities defined in the contracts and sent to the Assembly for notification.

ARTICLE 19 – LIABILITY OF EGTC MEMBERS

19.1. Definition of the Liability

The EGTC is responsible for all liabilities resulting from its activities. If the assets of an EGTC are not sufficient to meet its liabilities, its members shall be liable under the provisions of Article 12, (2) of Regulation (EC) No 1082/2006 as amended no matter what kind they are. This includes the coverage of any additional financial obligations arising from the activities of the EGTC (such as accidents, legal action against the EGTC).

19.2. Liability arrangements related to contracts

The ESPON EGTC may only accept contracts which are covered by additional liability arrangements in favour of the members of the EGTC in those cases where the benefit of the execution of such a contract is lying clearly with the contracting party. If such an additional liability arrangement is granted to the EGTC, the bearers of the liability arrangement shall be offered appropriate transparency and monitoring by the Assembly and via a participation in the Consultative Committee (if established), which allows them to understand the soundness of financial management.

19.3. Liability of members in case of resignation from the EGTC

If a member of the Assembly resigns from the ESPON EGTC without fulfilling its obligations, the Assembly acknowledges its shared responsibility to find a solution that guarantees the basic functioning of the ESPON EGTC, respecting existing service and staff contracts.

Leaving the ESPON EGTC will not relinquish the member from any direct liability for the time of its membership. The Director will present a revised budgetary proposal to the Assembly, which outlines measures to be taken.

ARTICLE 20 – FINAL PROVISIONS

The place of jurisdiction is Luxembourg.

ARTICLE 21 – AMENDMENT OF THE CONVENTION

In case of amendments of the statutes the convention will be simultaneously amended.

Statutes of the European Grouping of Territorial Cooperation

- ESPON EGTC -

Based on Article 9 of Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended,

Preamble

Considering

1. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL No 1082/2006 on the European Grouping for Territorial Cooperation as amended by Regulation (EU) No 1302/2013 (hereinafter referred as Regulation (EU) – EGTC),
2. The legal base for the EGTC in Luxembourg, the Loi du 19 mai 2009 portant diverses mesures d'application du règlement (CE) n° 1082/2006 du Parlement européen et du Conseil du 5 juillet 2006 relatif à un groupement européen de coopération territoriale (GECT),
3. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1301/2013 of 17 December 2013 on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal on the European Regional Development Fund and repealing Regulation (EC) No 1080/2006 (hereinafter referred as Regulation (EU) – ERDF),
4. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1303/2013 of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006 (hereinafter referred as Regulation (EU) – General),
5. REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL (EU) No 1299/2013 of 17 December 2013 on specific provisions for the support from the European Regional

Development Fund to the European territorial cooperation goal (hereinafter referred as Regulation (EU) – ETC),

Considering further that

- The ESPON 2020 Cooperation Programme is financed under the European Structural and Investment Funds according to Regulation EU – General, Regulation (EU) – ERDF and Regulation (EU) – ETC;
- The ESPON EGTC is established as the legal body to support the territorial observation for evidence based and informed policy making by undertaking the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC that is receiving a grant agreement by the Managing Authority;
- The ESPON EGTC is set up to submit a proposal to carry through the activities financed under the aforementioned grant agreement in the framework of the ESPON 2020 Cooperation Programme and related activities, and that after the formal closure of the ESPON 2020 Cooperation Programme the EGTC will be closed unless the countries participating in the ESPON 2020 Cooperation Programme together with the countries represented in the assembly decide differently and indicate other programmes or sources for financing the ESPON EGTC. Any closure of the EGTC before the ending of the activities regarding the ESPON 2020 shall be consulted with the countries represented in the ESPON 2020 Programme;
- The ESPON EGTC is established in the view that the States being members and partners of the ESPON 2020 Cooperation Programme will offer the opportunity of attributing one or more successive grant agreements to the ESPON EGTC undertaking the role of the beneficiary in the sense of Art. 12.2 and 3 of Regulation (EU) – ETC of ESPON 2020 Cooperation Programme according to the granting procedures indicated in the Cooperation Programme;
- The ESPON EGTC is established on the assumption that the authorities making the financial means available to carry out the ESPON EGTC activities are disposing of the appropriate rights for monitoring these activities in full transparency and in line with the relevant EU and national regulations. The Grant Agreement, which shall be offered by the ESPON 2020 Cooperation Programme, will provide the rules ensuring the appropriate monitoring of the activities of the ESPON EGTC by the Monitoring Committee of the ESPON Cooperation Programme;
- The activities of ESPON EGTC require the acquisition of external finance support. Receiving a grant agreement by the Managing Authority of the ESPON 2020 Cooperation Programme will be the main source for financing the activities of the ESPON EGTC in the set up; if the necessity or opportunity may arise to conclude any other contract or grant agreement outside the framework of the ESPON 2020 Cooperation Programme the countries participating in the ESPON Monitoring Committee should be addressed for consultation and agreement prior to the conclusion of such a contract;
- The EGTC is established in order to undertake the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme. Two representatives of the countries financing the ESPON 2020 Cooperation Programme shall be present in the selection board of the director as external member;
- A first opening for changing the membership will be after three years. An increased membership in the Assembly will be considered only if crucial deficiencies arise in the existing set-up for the functioning of the EGTC with regard to the implementation of the Grant Agreement identified in the course of an evaluation.
- The Agreement between the Managing Authority and the participating Member States and Partner States on the ESPON 2020 Cooperation Programme shall include a shared liability with regards to those activities carried out by the ESPON EGTC, which shall be offered by the grant agreement(s) between the Managing Authority and the EGTC as beneficiary. The ESPON EGTC should be set up in a way ensuring comprehensive transparency regarding the activities financed under the ESPON 2020 Cooperation Programme and allow appropriate monitoring by the countries represented in the ESPON 2020 Cooperation Programme. The set-up shall

not infringe upon the separation of functions as defined by the Structural Funds regulation; the Statutes of the ESPON EGTC – European Node for Territorial Evidence shall be defined as follows.

Table of content

I.	GENERAL PROVISION	77
	ARTICLE 1 – NAME	77
	ARTICLE 2 – MEMBERS	77
	ARTICLE 3 – REGISTERED OFFICE	77
	ARTICLE 4 – AREA OF INTERVENTION	77
	ARTICLE 5 – OBJECTIVES AND TASKS	77
II.	MEMBERSHIP, DURATION AND LAW	78
	ARTICLE 6 – MEMBERSHIP PROCEDURES	78
	ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION	78
	ARTICLE 8 – APPLICABLE LAW	79
	ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES	79
	ARTICLE 10 – WORKING LANGUAGE	79
III.	ORGANS	80
	ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES	80
	ARTICLE 12 – THE ORGANISATION OF THE EGTC	80
	ARTICLE 13 – THE ASSEMBLY	80
	ARTICLE 14 – THE DIRECTOR	82
	ARTICLE 15 - THE CONSULTATIVE COMMITTEE	82
	ARTICLE 16 –STAFF AND CONTRACTING	83
IV.	FI NANCIAL PROVISIONS AND LIABILITIES	83
	ARTICLE 17 – FINANCES	83
	ARTICLE 18 – BUDGETARY RULES AND AUDITING	84

ARTICLE 19 – LIABILITY OF EGTC MEMBERS.	84
ARTICLE 20 – FINAL PROVISIONS	85

I. GENERAL PROVISION

ARTICLE 1 – NAME

The name of the EGTC is ‘**ESPON EGTC - European Node for Territorial Evidence**’ (hereafter referred to as the ‘ESPON EGTC’).

The ESPON EGTC is ruled by (a) the Convention and Statutes of the ESPON EGTC, (b) the applicable European regulations and (c) the applicable national legislation of the seat of the EGTC.

ARTICLE 2 – MEMBERS

The ESPON EGTC’s members are the relevant public authorities in the following countries/regions: The Region of Brussels Capital,
The Region of Flanders,
The Region of Wallonia and
The Grand Duchy of Luxembourg.
The address details of the relevant authorities are listed in the annex.

ARTICLE 3 – REGISTERED OFFICE

The registered office of the ESPON EGTC is:

4, rue Erasme
L-1468 Luxembourg - Kirchberg
Luxembourg

Any changes of address within Luxembourg will be published in the Official Journal and will be notified to all authorities involved in the registration of the EGTC. Such a change of address is not considered as necessary amendments to these statutes.

ARTICLE 4 – AREA OF INTERVENTION

The territory, in which the ESPON EGTC will carry out the activities such as mentioned in the ESPON 2020 Cooperation Programme, covers all European Union Member States, Partner States that are members of or are formally associated by agreement with the Managing Authority to the ESPON 2020 Cooperation Programme and European Structural and Investment Funds Programme financed under the objective of European Territorial Cooperation.

Observatory activities may cover EU candidate countries, may go beyond Europe such as to neighbouring countries or may address the perspective of Europe in the world.

ARTICLE 5 – OBJECTIVES AND TASKS

5.1 Main objective

The main objective of the ESPON EGTC is the implementation of one or several operations in the framework of ESPON 2020 Cooperation Programme. The activities of ESPON EGTC shall continue the consolidation of a European Territorial Observatory Network and grow the provision and policy use of pan-European, comparable, systematic and reliable territorial evidence.

5.2 Operational objectives

The operational objective is to ensure optimal conditions for undertaking the implementation and execution of activities related to the ESPON 2020 Cooperation Programme.

In the meaning of the ESI Funds, the ESPON EGTC will act as beneficiary for the implementation period of the ESPON 2020 Cooperation Programme.

Other activities thematically related to the ESPON 2020 Cooperation Programme may only be covered without jeopardising the activities regarding the ESPON 2020 Cooperation Programme.

5.3 Tasks

The tasks of the ESPON EGTC include:

- Tendering, contracting, financing and guiding applied research projects;
- Tendering, contracting, financing and guiding targeted analyses in cooperation with stakeholders;
- Developing tools and indicators in support of territorial analyses;
- Collecting, building and providing territorial indicators and comparable, pan-European data in the ESPON Data base;
- Promoting the use of ESPON results by policy makers from European to local level, making them easily available and accessible;
- Conducting territorial analyses on themes of urgent policy demand;
- Capitalising on ESPON by linking-up ESPON results in the context of political demands using all kind of media;
- Conducting and carrying out the oral, printed-based and online communication of ESPON results;
- Cooperating with relevant scientific organisations in stimulating a European research community in European territorial science;
- Acting as cooperation and coordination node of ESPON Contact Points.

The list of tasks is not conclusive and may be complemented by any tasks relevant for achieving the objectives set out under the first two sections of this Article.

II. MEMBERSHIP, DURATION AND LAW

ARTICLE 6 – MEMBERSHIP PROCEDURES

6.1 Integration of new members

Only European countries or Regions directly participating in the ESPON 2020 Cooperation Programme may become members of the ESPON EGTC.

An opportunity for the integration of new members going beyond the members mentioned in Art. 2 will arise after the first three years of the ESPON EGTC at the earliest, if decided by the Assembly.

The Assembly may decide to integrate new members at the latest by 30th June of every year with membership beginning in the following financial year.

6.2 Resignation of a member

A resignation is only admitted at the end of the ESI Fund programming period after the closure of the ESPON

Programme by the Commission or the period of the funding by other sources. Members wishing to resign from the ESPON EGTC must notify the Assembly by means of an official letter with acknowledgement of receipt at least one year in advance before the last financial year of the membership will end.

A member that has resigned remains liable to the ESPON EGTC and third parties in the limits defined for the ESPON EGTC in Art. 19 and until the final closure of the contracts concluded during the time of the membership and pending the closure of any related legal proceedings related to these contracts.

6.3 Exclusion of members

If a member no longer fulfils its obligations with regards to the Statutes, although the member was requested twice in formal terms by the Assembly, the Assembly can decide, upon the proposal of one member to exclude that specific member from the ESPON EGTC. During the exclusion process, the member to be excluded does not have the right to vote any longer. The excluded member remains liable to third parties for the ESPON EGTC's activities until the final closure of the contracts concluded during the time of the membership.

6.4 Change of Membership and notification

The change of the membership within the Group defined in Art. 2 requires the revision of the statutes. The procedures defined in Art. 9 shall be applied.

ARTICLE 7 – ESTABLISHMENT, DURATION OF THE ESPON EGTC AND CONDITIONS FOR DISSOLUTION

7.1 Establishment and duration of the ESPON EGTC

The ESPON EGTC acquires its legal personality on the day of the publication of the establishment decree which in Luxembourg is the Arrêté Grand-Ducal au dépôt de publication. The decree may specify the date when the ESPON EGTC will become operational in legal terms. In accordance with Art. 4 and 5 of the amended Regulation the Member States and the Committee of the Regions will be notified by the Members of the EGTC and the procedure of publication of the establishment of the ESPON EGTC in the Official Journal will be initiated.

The ESPON EGTC will exist for the duration of one or several grant agreements received in the framework of the ESPON 2020 Cooperation Programme. It ends without formal decision on the day that the European Commission declares the official closure of the ESPON 2020 Cooperation Programme with the disbursement of the remaining part of the subsidy of the ERDF, as well as by the end of any potential legal proceedings.

In case the countries and the European Commission having participated in the ESPON 2020 Monitoring Committee wish to allocate other tasks and financial sources to the ESPON EGTC after the closure of the ESPON 2020 Cooperation Programme the ESPON EGTC by its statutory organs may decide to prolong the existence of the ESPON EGTC accordingly until the termination of any subsequent European or national financial source defined by its official closure date, by the disbursement of the remaining part of the subsidy or payment and by the end of any potential legal proceedings.

7.2 Conditions for dissolving the ESPON EGTC

The ESPON EGTC will be dissolved if it is made up of members from only one Member State, in accordance with Article 3 of Regulation (EC) No 1082/2006 as amended.

The ESPON EGTC shall be dissolved by the Assembly if a unanimous decision to this effect is made by all its members. The dissolution of the ESPON EGTC will take effect three months after the decision has been taken by the Assembly to dissolve the ESPON EGTC. Before the ESPON EGTC can be dissolved, all outstanding contributions and financial commitments to external parties need to be fulfilled. Luxembourg as seat of the ESPON EGTC is responsible for coordinating the dissolution process, and will notify the competent authorities according to Article 4 and 5 of Regulation (EC) No 1082/2006 as amended.

The remaining budgets will be redistributed according to the sources of finance indicated in Art. 17. Unused budgetary resources provided for specific purposes according to Art. 17.3. will be transferred back to the source of finance. Budgetary resources remaining with regards to the internal functioning according to Art. 17.2. will be transferred back to the members of the ESPON EGTC based on the key related to the factual share of their contributions.

All back transfers are executed on condition that all external debtors have been paid. Luxembourg as seat of the EGTC will appoint a liquidator, subject to conditions agreed upon in the Assembly.

All assets such as the website and databases or property rights deriving from the financing by the European Structural and Investment Funds under the ESPON 2020 Cooperation Programme will

be transferred to the Managing Authority of the ESPON 2020 Cooperation Programme unless any other solution is agreed upon by the bearers of the financial source assets.

Assets deriving from other financial sources will be transferred to Luxembourg as the seat of the EGTC until another solution is found with the bearers of the financial source. Assets subject to shared ownership, such as the database, are kept available (not functional) on demand of the Member and Partner states of the ESPON 2020 Operation Programme or their institutions, which are partners of the shared ownership. In case of such a demand the demanding State or institutions has to cover the costs for keeping the service regarding those assets available.

All assets on which no agreement is found for the further use will be stored at the seat of the ESPON 2020 Cooperation Programme Managing Authority, respectively the country of the seat of the EGTC for a maximum duration of 5 years. 5 years after the closure of the EGTC claims on assets by the financing source will not be possible anymore and the assets will become part of the property of the country of the seat of the ESPON EGTC.

ARTICLE 8 – APPLICABLE LAW

Members will comply with the Regulation (EC) No 1082/2006 of the European Parliament and the Council of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC) as amended, the convention and statutes governing the ESPON EGTC, and the national legal provisions of Luxembourg. The interpretation and enforcement of the statutes is subject to Luxembourgish law. The ESPON EGTC operates under public law, as a not-for-profit legal entity.

Furthermore, Luxembourgish law is applicable to all administrative procedures, accounting and budgetary rules, and staff contracts.

Luxembourgish law does not apply to internal arrangements of the members constituting the ESPON EGTC.

ARTICLE 9 – PROCEDURES FOR AMENDING THE STATUTES

A proposal for amendment should be submitted by a member to the Assembly for decision via the Chair of the Assembly according to the standard procedure. Amendments to the statutes require the approval of all members of the EGTC.

Each member informs its national notification authority of the purpose of the amendment and provides it with a copy of the proposed amendment. The member informs Luxembourg as seat of the EGTC when the amendment procedure according to national law has been completed.

Each amendment must be published in accordance with Articles 4 and 5 of the amended Regulation. Luxembourg will notify the Committee of the Regions and send a request to the Office for Official Publications of the European Communities for publication of a notice in the Official Journal of the European Union announcing details of the amendment of the ESPON EGTC, with details of its name, objectives, members and registered office.

ARTICLE 10 – WORKING LANGUAGE

The official language of the EGTC ESPON is English; all official documents and events are in English language.

III. ORGANS

ARTICLE 11 – THE OFFICIAL SEAT AND ITS RESPONSIBILITIES

The Grand Duchy of Luxembourg as official seat of the EGTC is not a designated organ, but has the following specific responsibilities:

- Managing the acquisition of legal personality and publication in the Official Journal as set out in Article 5 of the Regulation;
- Following the notification process in the event of the amendment of the ESPON EGTC convention and/or statutes or its dissolution.

ARTICLE 12 – THE ORGANISATION OF THE EGTC

The organs of the EGTC are:

- The Assembly;
- The Director;
- The Consultative Committee.

ARTICLE 13 – THE ASSEMBLY

13.1 Composition

The members of the Assembly are the representatives of the members of the ESPON EGTC. According to Art. 2 of Regulation (EC) No 1082/2006 as amended, members are represented in the Assembly by one delegate and one deputy-delegate.

The principle for the allocation of votes is to allocate the same number of votes on both sides, Luxembourg and the Belgian regions. The representatives of Belgium shall dispose of three votes in total, one vote per Belgian region and the representative of Luxembourg shall dispose of three votes in total.

In case the number of votes would be reduced at the side of the Belgian Regions due to an exclusion procedure or the exit of one member, the number of votes at the side of Luxembourg would be adapted accordingly: In case two Belgian regions can vote Luxembourg would obtain two votes. In case one Belgian region can vote Luxembourg would obtain one vote. With reference to Art. 7.2 an exit of either the last Belgian Region or Luxembourg would lead to the dissolving of the EGTC.

Members may invite experts or legal representatives as observers who do not have the right to vote.

The Assembly meets at least twice a year. Meetings of the Assembly are taking place in the countries represented in the Assembly.

13.2 Chair and Vice-chair

Luxembourg will act as Chair of the Assembly. The Vice-Chair is annually alternating between the Members of the EGTC except Luxembourg in English alphabetical order.

The Chair is responsible for:

- Preparing the agenda of Assembly meetings on the base of a proposal of the Director;
- Liaising with ESPON EGTC members and the Director on issues in preparation for the Assembly meeting;
- Proposing to the Assembly the internal annual work plan of the ESPON EGTC for an efficient and effective management of the work contracted on the base of the proposal of the director.

The Chair represents the ESPON EGTC as legal representative.

13.3 Main responsibilities

The Assembly is the decision-making body of the ESPON EGTC. The main responsibilities of the Assembly are: – Amending the convention and statutes;

- Dissolving the ESPON EGTC;
- Approving the integration of new ESPON EGTC members;
- Approving the exclusion of a ESPON EGTC member state if obligations are no longer fulfilled;
- Confirming the Assembly Chair and Vice Chair on an annual basis;
- Adopting and monitoring the annual budget in accordance with Article 11 of the Regulation;
- Approving the internal annual work plan prepared by the director;
- Approving a financial control system regarding liabilities taken by the EGTC;
- Approving annual reports on the activities;
- Approval of all contracts where the EGTC acts as contractor offering services;
- Approval of all contracts where the EGTC is receiving a grant;

- Approving major amendments of the general organisation, financial control system, and staff matters of the ESPON EGTC proposed by the Director;
- Appointing a Consultative Committee if considered necessary;
- Appointing an external auditor, with due regard to Luxembourgish auditing and budgetary rules;
- Appointing and dismissal of the Director;
- Co-deciding on the selection and appointment of the staff with management responsibilities according to Art. 16.2.
- If necessary vetoing on the appointment of the other level staff according to Art. 16.3.
- Establishment of internal rules of procedures.

13.4 Decision-making procedures

Decision-making procedures are aimed at reaching consensus by unanimity, but do not rule out voting on the basis of a simple majority if a consensus could not be reached after two rounds of voting, either in presence or in written procedure according to the definition of votes according to Art. 13.1.

If the presence does not reach two-thirds of the Assembly (representatives holding four out of six votes, or three out of four votes, or two out of the two votes mentioned in article 13.1), the Assembly meeting will be postponed. The next Assembly meeting will decide on the matter by simple majority of the votes, whoever is present. Alternatively, a written procedure can be carried out deciding by a simple majority.

In the event of an irreconcilable difference of opinion, the Chair of the Assembly may request the Director to prepare an alternative proposal, to be submitted to the Assembly for further decision-making. The Director will prepare this proposal within one month. An additional Assembly meeting will be convened or a written procedure will be carried out at least 10 working days but no later than one month after the alternative proposal has been circulated by the Director.

For any kind of decision necessary in-between the two meetings per year, the general Assembly decision-making processes may include a procedure whereby all members officially state in writing whether they agree to a proposal (written procedure). This procedure, which is prepared by the Director, is carried out as follows:

- A proposal consisting out of an explanatory memo and a clearly formulated decision is sent to all Assembly members by email;
- Assembly members inform the Director within 10 working days of their position;
- The Director gathers all responses and informs the Chair of the outcome of the procedure; – The same majority rules apply as for the Assembly meetings.

The Chair will decide in consultation with the Director, whether it is necessary to convene an additional Assembly meeting. If so, it will be held within 20 working days. Members should be informed of the result of the consultation.

The presence or mandating of all members of the Assembly at an Assembly meeting is required in order to make the following strategic decisions:

- Decisions regarding the amendment of the convention and statutes;
- Decisions regarding the dissolution of the ESPON EGTC;
- Decisions on the integration or exclusion of an ESPON EGTC member; – Decisions on members' contributions.

13.5 Meetings, written procedures and mandating

Meeting in addition to the two statutory meetings per year may be organised. Written invitations to Assembly meetings, including the agenda, are sent ten working days in advance by the Chair. Working documents on which a decision is required are normally sent ten working days and at least five working days before the Assembly meeting.

Internal rules for written procedures shall be established by the Assembly. Written procedures require a response within ten working days. In case of expressed urgency a minimum of five

working days should be respected. Urgency is said to exist in the case of recruitment issues according Art. 16.3. The rule of silent consent shall be applied in all cases where this is explicitly announced in the written procedure.

The Director is responsible for conveying the minutes of meetings to all Assembly members for validation and approval. The Director must do so no later than two weeks after the Assembly meeting.

The meeting minutes as well as the results of the written procedures are made available to the Consultative Committee.

On an ad-hoc basis, representatives of the Assembly can mandate other independent natural persons working in the same institution and with the legal capacity to act on behalf of the administration to participate and to vote on their behalf during the ESPON EGTC Assembly meetings.

Representatives of the Assembly can mandate other representatives to vote on their behalf. A mandate requires written consent. The Chair has to receive a copy of the mandate before the concerned Assembly meeting. The mandated representative shall bring a copy of the mandate to the concerned Assembly meeting. A limitation of the accumulation of mandates does not exist.

ARTICLE 14 – THE DIRECTOR

14.1 Definition

According to Article 10 of the Regulation as amended, the EGTC has a Director. The Director represents the ESPON EGTC within his responsibilities. The Director is appointed for a period of five years which shall be renewable if the Assembly so decides. The Director is the head of the ESPON EGTC staff and is responsible for the day-to-day management of the EGTC.

Every two years the management of the ESPON EGTC will be evaluated. If the majority of the Assembly is of the opinion that the Director is mismanaging the affairs of the EGTC, the Assembly will request to the Chair to present a proposal to the Assembly to improve the management of the EGTC.

14.2 Main responsibilities

The main responsibilities of the Director include:

- Proper preparation and execution of the decisions and programmes adopted by the Assembly;
- Proper day-to-day administration of the ESPON EGTC;
- Representing the ESPON EGTC at operational level in Europe and acting on its behalf;
- Engaging actively with other European programmes, territorial and urban networks and the European Commission, the European Parliament, the Committee of Regions and the European Economic and Social Committee with a view to intensified collaboration;
- Presenting the internal annual work plan and budget report to the Assembly for approval;
- Informing the Consultative Committee mentioned in Art. 15 (if established);
- Carrying out the activities according to the provisions made in the EGTC internal annual work plan and the contracts concluded such as the provisions made in the grant agreement with the ESPON Managing Authority financed under the ESPON 2020 Cooperation Programme;
- Leading, engaging and managing the EGTC with direct responsibility for the staff and with a view to ensuring its optimal functioning and delivery on the contract(s);
- Taking responsibility and ensuring sound financial management and internal financial control of the contract(s) and the budgets entrusted;
- Appointing the external independent auditor in line with the decision taken by the Assembly;
- Presenting the audit report to the Consultative Committee, to the Assembly and to Luxembourg as official seat of the ESPON EGTC.

14.3 Recruitment and appointment procedure

The Assembly appoints a Selection Board with a consultative role, for the recruitment of the Director with the participation of the Chair and Vice Chair of the Assembly. The Selection Board is chaired by the Chair of the Assembly. If the Consultative Committee is established, the Chair of

the Consultative Committee is also participating in the Selection Board. The Assembly can decide to involve further external experts in the Selection Board.

The Selection Board presents a ranking of the candidates to the Assembly for decision.

In order to ensure continuity and benefit from ESPON experience, the first Director of the ESPON EGTC is the Director of the (former) ESPON Coordination Unit.

ARTICLE 15 – THE CONSULTATIVE COMMITTEE

15.1. Mission and Composition

The mission of the Consultative Committee is to support the reduction of the liability cases below the pre-set targets defined in the liability arrangements referred to in Art. 19.2. Setting-up of the Consultative Committee is optional for a limited time and mission following a decision of the Assembly.

In case these pre-set targets are missed, the representatives of countries bearing the financial liability may decide to indicate in writing their representatives for the membership in the Consultative Committee to the Assembly. The Assembly will nominate the indicated representatives as members of the Consultative Committee.

The mission of the Consultative Committee will end by the time when the pre-set targets are reached again and the mission of the Consultative Committee is accomplished.

15.2 Chair and Vice-Chair

The Chair and Vice-Chair shall be appointed by the Consultative Committee out of the nominated member.

15.3 Main responsibilities

The main focus of the Consultative Committee shall be on creating transparency and providing advice on the administrative and financial soundness of the EGTC with regards to the execution of contracts, grant agreements and related liabilities.

Once established, the Consultative Committee based on an assessment of the situation shall detail a strategy and a timetable for its mission.

The Consultative Committee shall be informed by the Director and the Chair of the Assembly about all relevant activities of the ESPON EGTC.

The Consultative Committee provides recommendations to the Assembly on all matters related to the ESPON EGTC where it sees the necessity and usefulness with regards to the administrative and financial soundness of the EGTC.

The Consultative Committee has access to all relevant documents except those, which are confidential for reasons of personal data protection.

ARTICLE 16 – STAFF AND CONTRACTING

16.1 Management of the staff

The ESPON EGTC is headed by the Director of the ESPON EGTC. The staff supports the Director in carrying through the tasks defined and allocated by the Assembly.

The ESPON EGTC employs personnel directly and can make use of seconded and temporary personnel. Recruiting is done by a Selection Board.

16.2. Recruitment of staff with management responsibilities

The recruitment of staff with management responsibilities shall be carried out by a Selection Board involving the Director of the ESPON EGTC, the Chair of the Assembly, and it is headed by the Chair of the Assembly. One member of the Selection Board should be external to the EGTC.

The Selection Board establishes a ranking of candidates which is presented to the Assembly for the appointment.

16.3. Recruitment of other staff

The Director nominates members of a Selection Board including one member external to the EGTC. ~~The external member does not need to be appointed for the recruitment of temporary staff members.~~

The Director chairs the Selection Board.

The Selection Board establishes a ranking of candidates in consensus with the Director.

The Director takes the final decision on the selection of the new staff of ESPON EGTC on the basis of the highest ranked candidate and informs the Chair of the Assembly in advance of the appointment of the candidate.

The Assembly has the right to veto a candidate by decision of the Assembly in written form within 5 working days after receiving information about the ranking of the Selection Board and the choice of the Director, in exceptional cases based on serious doubts. This procedure represents an exception to the standard decision procedure of the assembly in accordance with 13.5. and follows the procedure of silent consent.

16.4. Contracting of all staff

The contracting of the Director and the staff is under the law of the seat of the ESPON EGTC. ~~and is open to citizens of the EU and, taking into consideration the legislation regarding the rights of residents of the country of the seat of the EGTC, to citizens of all countries being fully associated by an agreement with the ESPON 2020 Cooperation Programme or subsequent financing source.~~

Seconded experts may be employed by their institution of origin.

In order to ensure continuity and benefit from ESPON experience, the first staff employed by the ESPON EGTC shall be the staff members of the former ESPON Coordination Unit.

IV. FINANCIAL PROVISIONS AND LIABILITIES

ARTICLE 17 – FINANCES

17.1. Sources of finance of the ESPON EGTC

Two kinds of sources of finance are considered for financing the ESPON EGTC.

1. The direct contributions of the members of the Assembly are made available to ensure the existence and basic set up of the ESPON EGTC. The budget related to these tasks is called *EGTC Structure Budget*.
2. Contracted external sources of financial such as the ESPON 2020 Cooperation Programme are used to finance the realisation of the objectives of the EGTC and related staffing, activities and tasks. The budget related to each of these contracted sources is called *EGTC Activity Budget*.

17.2. Annual direct contributions from the ESPON EGTC's members: the EGTC Structure budget

The contribution financing the EGTC structure budget for setting up the EGTC as a legal body occurring at the seat of the EGTC is financed by the member of EGTC Luxembourg. The ESPON EGTC establishment budget is managed directly by the Director on behalf of the Assembly via a specific accounting system.

The contributions by the members other than Luxembourg to the functioning of the EGTC are limited to the human resource of the delegates for their time needed to prepare the meetings, to participate to and to follow-up the meetings of the Assembly. Luxembourg as seat of the EGTC will cover the travel costs for Assembly meetings of the delegate representing each Belgian Region.

17.3. Contracted financial contributions of the ESPON EGTC: the EGTC activity budget

The activities carried out by the ESPON EGTC are financed by external sources that are not directly brought in by the members of the Assembly. These contracted contributions are kept in a separate activity budget and accounting system on a contract by contract basis.

The grant agreement related to ESPON 2020 Cooperation Programme, financed under the Structural Funds, will be administered under the name *EGTC Activity Budget: ESPON 2020 Cooperation Programme*.

The Assembly has the competence to define *further EGTC activity budgets*, which are sourced by any other contractual relations. The tasks related to contractual relations have to be linked to or support activities financed under the ESPON 2020 Cooperation Programme operation budget.

Subsequent contracts might be made available by the countries and the European Commission to finance the ESPON 2020 Programme after its closure.

ARTICLE 18 – BUDGETARY RULES AND AUDITING

18.1. Budgetary rules

Budgetary rules of the EGTC have to comply with sound financial management. The law of Luxembourg as the seat of the EGTC is applicable with respect to the budgetary rules and auditing provisions regarding the structure budget and the activity budget.

The contract source might require additional rules and regulation. Each contract financing the activities of the ESPON EGTC shall indicate the applicable budgetary rules.

18.2. Approval of the annual budget

The Assembly approves the annual budget of the ESPON EGTC consisting of the separate budget lines set up in relation to the contracts.

18.3. Designation of an external auditor and audit procedures

Regarding the expenses related to the structure budget and, if applicable, those which do not belong to the contracted activity budget and are, therefore, not subject to external audit requirements such as from the ESI Funds regulation regarding an ESPON grant agreement, the Chair of the Assembly is responsible for designating the independent external auditor on the proposition of the Assembly.

The auditor shall have knowledge of auditing and budgetary rules of the country of the seat of the EGTC and shall be listed in the country's Auditor Register. The appointed independent external auditor will carry out audits to verify the correct spending of the EGTC Structure budget and whether the auditing arrangements of the ESPON EGTC are in agreement with official budgetary standards.

Regarding the other contracted activity budgets, the appointment of auditors will follow the rules set out in respective contracts. For example ESI Funds are required to follow a wider regulatory framework. The Chair of the Assembly has the responsibility to ensure that the auditor is appointed and contracted according to the provisions made in the respective contract.

Luxembourg is responsible for approving the audit report of the EGTC Structure budget. The audit reports related to the activity budgets will be approved by authorities defined in the contracts and sent to the Assembly for notification.

ARTICLE 19 – LIABILITY OF EGTC MEMBERS

19.1. Definition of the Liability

The EGTC is responsible for all liabilities resulting from its activities. If the assets of an EGTC are not sufficient to meet its liabilities, its members shall be liable under the provisions of Article 12, (2) of Regulation (EC) No 1082/2006 as amended no matter what kind they are. This includes the coverage of any additional financial obligations arising from the activities of the EGTC (such as accidents, legal action against the EGTC).

19.2. Liability arrangements related to contracts

The ESPON EGTC may only accept contracts which are covered by additional liability arrangements in favour of the members of the EGTC in those cases where the benefit of the execution of such a contract is lying clearly with the contracting party. If such an additional liability arrangement is granted to the EGTC, the bearers of the liability arrangement shall be offered appropriate transparency and monitoring by the Assembly and via a participation in the Consultative Committee (if established), which allows them to understand the soundness of financial management.

19.3. Liability of members in case of resignation from the EGTC

If a member of the Assembly resigns from the ESPON EGTC without fulfilling its obligations, the Assembly acknowledges its shared responsibility to find a solution that guarantees the basic functioning of the ESPON EGTC, respecting existing service and staff contracts.

Leaving the ESPON EGTC will not relinquish the member from any direct liability for the time of its membership. The Director will present a revised budgetary proposal to the Assembly, which outlines measures to be taken.

ARTICLE 20 – FINAL PROVISIONS

The place of jurisdiction is Luxembourg.

