



COMUNE DI GORIZIA



MESTNA OBČINA
NOVA GORICA



OBČINA ŠEMPETER-VRTOJBA

CONVENTION

ON

THE EUROPEAN GROUPING OF TERRITORIAL COOPERATION “CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) and MUNICIPALITY OF ŠEMPETER-VRTOJBA (SLO)”¹

The Signatories

MUNICIPALITY OF GORIZIA

Piazza Municipio 1, Gorizia, Italy, tax No / VAT ID No: 00122500317,
represented by Mayor Ettore Romoli;

MUNICIPALITY OF NOVA GORICA

Trg Edvarda Kardelja 1, Nova Gorica, Slovenia, VAT ID No: SI53055730, reg. No: 5881773,
represented by Mayor Mirko Brulc;

MUNICIPALITY OF ŠEMPETER-VRTOJBA

Trg Ivana Roba 3 a, Šempeter pri Gorici, Slovenia, VAT ID No: SI44857390, reg. No: 1358227,
represented by Mayor Dragan Valenčič;

(hereinafter referred to as “the Signatories”),

hereby unanimously approve and adopt

THE CONVENTION

ON

THE EUROPEAN GROUPING OF TERRITORIAL COOPERATION “CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) and MUNICIPALITY OF ŠEMPETER-VRTOJBA (SLO)”

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Translator’s remark: In Slovenian and Italian the name of the conurbation is the following: “Območje občin: Comune di Gorizia (I), Mestna občina Nova Gorica (SLO) in Občina Šempeter-Vrtojba (SLO)” / “Territorio dei comuni: Comune di Gorizia (I), Mestna občina Nova Gorica (SLO) in Občina Šempeter-Vrtojba (SLO)”.

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PREAMBLE

- Pursuant to the Treaty establishing the European Community, Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC), Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006, Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 and Council Regulation (EC) No 1083/2006 of 11 July 2006;
- In accordance with the Law of the Italian Republic No 88/2009 of 7 July 2009 implementing Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC);
- In accordance with the Regulation of the Republic of Slovenia on a European grouping of territorial cooperation (Official Gazette of the Republic of Slovenia No 31/2008 of 28 March 2008, p. 2920);
- In accordance with the European Outline Convention on Transfrontier Cooperation between Territorial Communities or Authorities of 21 May 1980;
- Having regard to the attribution of areas of competence in accordance with the national law of the Italian Republic and the Republic of Slovenia and to the limitations and obligations provided for by international and European law;
- Having regard to close historical, social, economic and cultural ties between the inhabitants of the three municipalities and to the need to define strategies and initiatives for the joint territorial management in areas of mutual interest;
- Having regard to the interest to carry out joint cross-border initiatives in the framework of European INTERREG programmes;
- Recognising one's own responsibility in the process of European integration within enlarged Europe, especially when bringing nations together;
- Wishing to strengthen exchanges and cooperation in areas of mutual interest, therefore establishing a new framework of cooperation;
- Believing that there is a need to ensure political visibility and create a conurbation consisting of the municipalities of Gorizia, Nova Gorica and Šempeter-Vrtojba, which will be a first step towards establishing a true "European city" in the light of closer territorial cooperation at the crucial moment of carrying out structural funds programmes and particularly European territorial cooperation programmes;
- Hoping that, in this manner, we will acquire greater consistency with regard to achieving common objectives and define joint strategies, which can be carried out through European territorial cooperation programmes as well as structural funds and other initiatives oriented towards consolidating economic and social cohesion in this area;

- Recognising that funds also need to be drawn outside European territorial cooperation programmes, for example from the "Italy-Slovenia" programme, and that samples of multilateral cooperation and common policy have to be formed to reach the pursued objectives.
- Offering the possibility for the neighbouring municipalities having an interest in individual projects to subsequently join the EGTC and be fully included in the established bodies.

Article 1 (Establishment)

Having regard to the Preamble and Article 8 of Regulation (EC) No 1082/2006, the Signatories to this Convention state they wish to establish a European grouping of territorial cooperation named "Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)", which shall represent a legal entity with its own financial operations.

The members of the EGTC "Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)" are:

- Comune di Gorizia (Municipality of Gorizia, Italian Republic);
- Mestna občina Nova Gorica (Municipality of Nova Gorica, Republic of Slovenia);
- Občina Šempeter-Vrtojba (Municipality of Šempeter-Vrtojba, Republic of Slovenia).

Article 2 (Mission and tasks)

The mission of the EGTC "Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)" is to encourage and support territorial cooperation in all areas relating to regional development and reinforcement of economic and social cohesion. A specific objective of EGTC is to strategically coordinate policies on the territory of the three municipalities, particularly the following:

- management, implementation and modernisation of infrastructure, transport, mobility and logistics;
- coordination of urban transport policy and joint/coordinated management of transport services;
- management of intermodal logistic terminals in the area of the three municipalities;
- use and management of local energy resources;
- preparation of a joint energy plan;
- introduction of joint measures also in other areas oriented towards strengthening economic and social cohesion.

The main task of the EGTC shall be to carry out territorial cooperation programmes or projects co-financed by the European Community and other financial mechanisms. In addition, the EGTC shall perform the following tasks:

- promote prosperity and improve the quality of life in the defined area;
- carry out other specific tasks, programmes and projects in the framework of the pursued objectives with or without the financial support of the European Community;
- raise awareness about the advantage of competitiveness at the local and regional level of territorial cooperation to increase economic and social cohesion in the operating area of EGTC with regard to the strategic role of cross-border/international cooperation and the role of EGTC members in this context;
- ensure the necessary human and financial resources to perform tasks and fulfil the pursued objectives, guarantee an appropriate flow of information and inform the public about the achieved results and activities;
- support and protect the interests and needs of the operating area of EGTC in the decision-making process of the European Community regarding regional and sectoral policies in the framework of EU institutions and its procedures;
- ensure and support coordination, dialogue, political discussions, joint strategies for the management of the cross-border area and their coherence, a simpler implementation of joint projects relating to the mission of the EGTC and better cooperation in all areas relevant for the balanced development of the region.
- ensure dialogue and confrontation with regard to spatial planning and environmental protection on the territory of the EGTC;
- support the development of tourism in the area of operations by jointly promoting the region and its natural and cultural resources;
- support the dissemination of culture in order to get to know and respect each other.

Article 3
(Membership and mode of operation)

To join the EGTC under Article 4 of the Regulation (EC) No 1082/2006, a member must comply with the procedures and conditions set out in the Articles of Association.

The mode of operation of EGTC is laid down by the Articles of Association unanimously adopted by the members and approved by the competent authorities at a national level in accordance with applicable legal provisions.

To introduce an amendment to the Convention, Articles 4 and 5 of the Regulation (EC) No 1082/2006 as well as the Articles of Association shall be complied with.

Article 4
(Geographic scope)

The geographic area of the EGTC is the same as the area within the competence of its members. Other public organisations or bodies governed by public law which join EGTC as “associate members” may also be included in the activities of the EGTC to achieve the objectives from Article 2 of this Convention.

Article 5
(Headquarters)

The grouping is lawfully registered in the EGTC registers at the Office of the President of the Council of Ministers of the Italian government. The temporary headquarters of the EGTC are based on the premises of INFORMEST company at Via Cadorna, 36 in Gorizia until the House of Trade at Corso Giuseppe Verdi, 52 in Gorizia, Italian Republic, becomes available. The change of headquarters under this Article shall not be deemed to be an amendment to the Convention. This change shall be decided by the Assembly.

Article 6
(Applicable law and system of financial control)

This Convention and other related instruments shall be governed by Italian law. Legal provisions of the Italian Republic shall apply to the administrative, financial and budgetary control over the EGTC.

Article 7
(Costs and funding)

The financial operation of the EGTC shall be ensured by its members so that 50% of the funds are covered by the Slovenian municipalities and 50% by the Italian municipality. The Slovenian municipalities shall define the share of the initial capital in proportion to the number of inhabitants.

EGTC members undertake to search for funding opportunities to provide the means for the operation of EGTC in the framework of its activities, provided they do not come from other resources.

Participation in projects financed from structural funds or receiving other funds shall be decided by the Assembly.

EGTC shall draw funds from its own resources, European projects and funds of the founding members.

Article 8
(Duration)

The duration of this Convention shall be unlimited. The Convention shall only expire in the event of dissolution of the EGTC.

The EGTC shall cease operations when the objectives for which it was established are fulfilled or upon request of any of the members using the procedure provided for by this Convention or also for reasons set out in Article 14 of Regulation (EC) No 1082/2006.

Members may submit a request to cease operations at any time as long as they ensure a smooth implementation of on-going projects or programmes so that there is no harm caused to any of the members.

If the EGTC ceases to operate, shares of individual members shall be determined to cover potential debts or to distribute surpluses pursuant to Article 12(2) of the Regulation (EC) No 1082/2006.

Should one of the members want to opt out of the EGTC and the remaining members estimate there is no reason to cease operations, the provisions of the preceding paragraph shall apply mutatis mutandis.

A member loses its member status: (a) when submitting a written declaration to the president; (b) if the EGTC ceases to operate; (c) in the event of actions which could damage the reputation and the activities of the EGTC.

All provisions regarding the cessation of operations or the withdrawal of a member are adopted unanimously by the members on a proposal from the Assembly.

Article 9
(Dispute settlement)

The laws of the Italian Republic shall apply to the settlement of legal disputes that may arise from this Convention.

Article 10
(Working languages)

The working languages of the EGTC shall be Italian and Slovenian. All documents produced in the framework of the EGTC shall be written in both languages.

Article 11
(Adoption of the Convention)

The members unanimously adopt and publish this Convention in accordance with Regulation (EC) No 1082/2006, the Law of the Italian Republic No 88/2009 of 7 July 2009, Articles 2699 et seq. of the Italian Civil Code and Slovenian national legislation. Failing this, the Articles of Association are to be considered null and void.

This Convention is signed in six identical copies in Italian and Slovenian, of which each signatory receives two.

Read, adopted and signed in Gorizia, on 19 February 2010.

MUNICIPALITY OF GORIZIA
Mayor
Ettore Romoli

MUNICIPALITY OF NOVA GORICA
Mayor
Mirko Brulc

MUNICIPALITY OF ŠEMPETER-VRTOJBA
Mayor
Dragan Valenčič

The EGTC was entered in the official EGTC register at the Office of the President of the Council of Ministers of the Italian government. - Department for Regional Affairs, under the number 3 on 15 September 2011.

ANNEX TO THE EGTC CONVENTION

EUROPEAN GROUPING OF TERRITORIAL COOPERATION

“CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) and MUNICIPALITY OF ŠEMPETER - VRTOJBA (SLO)”

ARTICLES OF ASSOCIATION

The Signatories, hereby, pursuant to:

- Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on the establishment of a European grouping of territorial cooperation (EGTC) (hereinafter referred to as the Regulation (EC));
- provisions for the fulfilment of obligations deriving from the membership of the Italian Republic in the European Communities – Community Act 2008 of the Italian Republic (Law No 88/2009 of 7 July 2009);
- Articles 14 to 42 of the Civil Code of the Italian Republic;
- Regulation of the Republic of Slovenia on the establishment of a European Grouping of Territorial Cooperation (Official Gazette of RS, No 31/2008 of 28 March 2008, p. 2920);
- the Convention, which is an integral part of these Articles of Association on the basis of Article 9(2) of the Regulation (EC) No 1082/2006 and was signed by the Members on 19 February 2010

agree on the establishment of a European grouping of territorial cooperation in the form of a not-for-profit organisation as a legal entity of public law with the name “Conurbation: Municipality of Gorizia (IT), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)”

**Article 1
(Establishment)**

The founders of the EGTC are:

- Comune di Gorizia (Municipality of Gorizia, Italian Republic)
- Mestna občina Nova Gorica (Municipality of Nova Gorica, Republic of Slovenia)
- Občina Šempeter-Vrtojba (Municipality of Šempeter-Vrtojba, Republic of Slovenia)

hereinafter referred to as: “the Members”.

**Article 2
(Mission and objectives)**

Members shall support the overall strategy aimed at promoting economic and social development, and the common activities within the European institutions to strengthen political, economic, social and cultural ties between the inhabitants of the three municipalities.

In order to remove any obstacles stemming from different national regulations and procedures that may stand in the way of the implementation and the management of cooperation projects, the Members, in line with the Regulation (EC) intend to establish a European grouping of territorial cooperation (EGTC), which will enable them to participate at a European level.

The overall objective of the EGTC shall be to promote and support territorial cooperation in all areas of regional development of the area in order to strengthen the economic and social cohesion among the Members from the three municipalities. Other institutions, which may represent future associate members of the EGTC, must also be taken into consideration.

The specific objective of the EGTC is the strategic coordination of policies in the area of the three municipalities, and in particular:

- management, implementation and modernisation of infrastructure, transport, mobility and logistics;

- coordination of public transport policy and joint/coordinated management of transport services;
- management of intermodal logistic terminals in the area of the three municipalities;
- use and management of local energy resources;
- preparation of a joint energy plan;
- introduction of joint measures in other areas aimed at strengthening economic and social cohesion.

The EGTC shall carry out the following tasks:

- promoting, developing and implementing projects of territorial cooperation;
- representing the interests of the three municipalities in the Member States and the European institutions;
- seeking and managing available financial resources;
- approaching the authorities, associations and networks in accordance with the objectives of the EGTC;
- managing operational programmes of European territorial cooperation;
- carrying out other tasks that contribute to the achievement of the objectives set in accordance with the European law, the national law governing the EGTC, and the state legislation of the Members.

Article 3 (EGTC's tasks)

The main task of the EGTC shall be to carry out territorial cooperation programmes or projects co-financed by the European Union and other financial mechanisms. In addition, EGTC shall perform the following tasks:

- to promote prosperity and to improve the quality of life in the operating area;
- to carry out other specific tasks, programmes and projects in the framework of the pursued objectives with or without the financial support of the European Union;
- to raise the awareness about the advantages of competitiveness at the local and regional level of territorial cooperation in order to increase economic and social cohesion in the operating area of the EGTC with regard to the strategic role of cross-border/international cooperation and the role of EGTC members in this context;
- to ensure the human and financial resources needed to perform its tasks and fulfil the pursued objectives, to guarantee an adequate flow of information and inform the public about the results achieved and the activities completed;
- to support and protect the interests and needs of the operating area of the EGTC in the decision-making processes of the European Union that apply to regional and sectoral policies in the framework of EU institutions and its procedures;
- to ensure and promote coordination, dialogue, political discussions and joint strategies for the management of the cross-border area, as well as to ensure the coherence thereof, a simpler implementation of joint projects relating to the mission of the EGTC and better cooperation in all areas relevant to the balanced development of the region;
- to promote dialogue in spatial planning and environment protection on the territory of the EGTC;
- to support the development of tourism in the area through a joint promotion of the region and its natural and cultural resources;
- to support the sharing of culture as a tool of reciprocal knowledge and respect.

Article 4 (Legal form and applicable legislation)

The EGTC shall acquire the status of a not-for-profit association governed by public law and legal personality as of the date of its registration. The EGTC shall be a legal entity and shall therefore be able to enter commitments, exercise the rights acquired, sell or dispose of movable and immovable property and to have legitimacy in court proceedings. The EGTC shall be autonomously managed by its Members. The disposal of real estate shall be decided by the Assembly.

The EGTC shall be governed by the Italian law applicable to organisations under public law in accordance with Article 2 of Regulation (EC) and Article 4 of these Articles of Association.

Article 5 (Members, duration and headquarters)

The EGTC shall be established by the Municipality of Gorizia in the Italian Republic and by the Municipality of Nova Gorica and the Municipality of Šempeter-Vrtojba in the Republic of Slovenia. The aforementioned municipalities shall be full members of the EGTC.

The EGTC shall have an unlimited duration and shall carry out its tasks in the area of competence of the municipalities above.

The grouping shall be lawfully registered in the EGTC registry of the Office of the President of the Council of Ministers of the Italian government. The temporary headquarters of the EGTC shall be on the premises of INFORMEST at Via Cadorna 36 in Gorizia, until the House of Trade at Corso Giuseppe Verdi 52 in Gorizia, Italian Republic, becomes available.

Other public bodies or bodies governed by public law may also participate in the activities of the EGTC, provided they join the EGTC as 'associate members' in line with Article 2 of these Articles of Association and under the conditions laid down by the Assembly.

Article 6 (EGTC's bodies)

The governing bodies of the grouping are:

- the Assembly;
- the President;
- the Director.

In accordance with these Articles of Association, the Assembly shall form a Supervisory Board and appoint the members of Permanent Committees on a proposal from the Director.

Article 7 (Assembly's composition, procedures and tasks)

The Assembly, as the supreme body of the EGTC, controls, approves and makes decisions.

One half of the Assembly shall be composed of Italian representatives and the other of Slovenian ones; five of which shall represent the Municipality of Nova Gorica, two the Municipality of Šempeter-Vrtojba and seven the Municipality of Gorizia.

Assembly members shall be appointed by the Municipal Councils on proposals from the mayors.

The term office of the Assembly members shall last four years.

The Assembly shall be chaired by the President or the Vice-President, shall the former be unable to perform his/her duties.

The Assembly shall meet at least twice a year. The sessions of the Assembly shall be convened by the Chair. The Assembly may be convened by any member with the support of at least a third of its members. The Assembly shall approve decisions by a majority vote. In the case of tie votes, the President's vote shall count as two votes. The members of the Assembly shall adopt the amendments to the Articles of Association by unanimous consent.

The Assembly shall be in charge of the following tasks:

- electing the President and the Vice-President;
- discussing joint development strategies and deciding on the strategic orientations of the Grouping;
- reviewing and approving budgets, annual and multi-annual financial plans, balance sheets, income statements, cash-flow statements, the notes thereto and other documents in accordance with the relevant financial regulations;
- deciding on amendments to the Articles of Association;
- appointing the Director;
- approving and amending the Rules of Procedure of the Assembly;
- deciding on the appointment of an independent external auditor, to be selected in a public-procurement procedure;
- deciding on the dissolution of the EGTC.

Article 8 (Duties of the Director and management of the staff)

The Director shall be an expert responsible for carrying out the activities of the EGTC. The Director's duties shall be consistent with the areas of activities of the EGTS, and in particular:

- definition of strategic orientations of the EGTC;
- implementation of the activities of the EGTC;
- planning and developing projects;

- monitoring and acquiring European and other funds.

The Director shall make decisions in all areas that are not within the competence of the Assembly pursuant to Article 9 of the Regulation (EC), namely:

- preparation of work plans;
- management of human resources needed for the functioning of the EGTS;
- preparing proposals for the Assembly on Permanent Committees.

The Director shall be appointed by the Assembly. His term of office shall last four years. In agreement with the Assembly, the Director shall be granted a mixed Slovenian-Italian expert staff. The Members of the EGTC shall decide—in a separate agreement—about the number of employees, the management of the expert staff, the recruitment procedures and the selection of appropriate personnel that may either be temporarily seconded from the administrations of the Members or outsourced by public tender. The Director's employment contract shall be linked to his/her term of office, whereas other contracts shall be linked to projects.

The Municipality of Gorizia, owner of a share in INFORMEST, shall use the agency's expert personnel to implement the planned activities.

The President may authorise the Director to sign official documents.

Article 9 (The President of the Assembly)

The President of the Assembly shall be the legal representative of the EGTC. He/She shall coordinate the work of the Assembly and ensure its functioning. The President shall be in charge of signing decisions. The term of office of the President and the Vice-President shall last two years and he/she shall be appointed according to the rotation system among the Italian and Slovenian representatives.

The term of office of the President and Vice-President shall automatically expire concurrently with the expiry of the term of office of the Assembly members. The President shall be elected by a majority of votes of the Assembly members.

Shall the President be unable to perform his/her duties due to hindrances or force majeure, the Vice-President shall perform his/her duties.

The President may authorize the Director to sign official documents.

Article 10 (Permanent committees)

Permanent committees are expert working bodies that shall be appointed by the Assembly on a proposal from the Director. They shall be composed of experts in the particular fields of the committee they are appointed to.

The two permanent committees shall be:

- the Transport Committee; and
- the Energy Committee.

In order to achieve the objectives set out in Article 2, the Assembly may establish other committees, in line with Article 8 of these Articles of Association.

Article 11 (Supervisory Board)

The Supervisory Board shall be appointed by the Assembly. It shall consist of three permanent members; one of the members shall represent the Italian Republic, one the Republic of Slovenia, and one shall be appointed in accordance with the mutual agreement and shall act as Chair. The Chair has to be a member of a charter of auditors or meet the national requirements for chartered auditors. Shall a supervisor become permanently unable to perform his/her functions, a new one shall be appointed.

The term of office of the members of the Supervisory Board shall last four years and may be renewed.

The Supervisory Board shall verify the financial operations of the EGTC and approve the closing financial statements prepared by the Director and approved by the Assembly. The Supervisory Board shall decide by majority of the votes cast by members present. In case of a tied vote, the Chair's vote shall count as two votes.

Article 12 (Assets and financial arrangements)

For the operational functioning of the EGTC, the Members shall set up a fund of EUR 40,000.00 (forty thousand euros). 50% of the funds shall be contributed by the two Slovenian municipalities and 50% by the Italian municipality. The contribution by the two Slovenian municipalities shall be determined in proportion to the number of inhabitants of each municipality.

Article 13

(Working Languages of the EGTC and liabilities)

All EGTC bodies shall operate bilingually, i.e. in Slovenian and Italian.

The EGTC shall be liable for any of its debts. Should the EGTC be unable to meet its liabilities from its own assets, the Members shall be liable for any of its debts, each Member's share being fixed in proportion to its contribution in accordance with Article 12 of these Articles of Association.

Article 14

(Adopting and amending the Articles of Association)

The Members shall unanimously adopt and publish the Articles of Association and in accordance with Regulation (EC) No 1082/2006, the Law of the Italian Republic No 88/2009 of 7 July 2009, Articles 2699 et seq. of the Italian Civil Code and relevant Slovenian national laws. Failing this, the Articles of Association shall be considered null and void.

Amendments to the Articles of Association shall be made pursuant to Articles 4 and 5 of Regulation (EC) No 1082/2006.

The amendments to the Articles of Association were approved by the Assembly on 15 July 2013.
The change was entered in the official EGTC register on 17 February 2014.



CONSOLIDATED EXPLANATORY ANNEX

TO THE CONVENTION AND TO THE ARTICLES OF ASSOCIATION REGARDING THE EGTC “CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) AND MUNICIPALITY OF ŠEMPETER-VRTOJBA (SLO)”

The Signatories

MUNICIPALITY OF GORIZIA

Piazza Municipio 1, Gorizia, Italy, tax No / VAT ID No: 00122500317,
represented by Mayor Ettore Romoli;

MUNICIPALITY OF NOVA GORICA

Trg Edvarda Kardelja 1, Nova Gorica, Slovenia, VAT ID No: SI53055730, reg. No: 5881773,
represented by Mayor Matej Arčon;

MUNICIPALITY OF ŠEMPETER-VRTOJBA

Trg Ivana Roba 3 a, Šempeter pri Gorici, Slovenia, VAT ID No: SI44857390, reg. No: 1358227,
represented by Mayor Milan Turk;

(hereinafter referred to as “the Signatories”),

INTRODUCTION

The Signatories to the Convention and to the Articles of Association regarding the EGTC “Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)”;

based on the letters of the Office of the President of the Council of Ministers of 18 February 2011 (implementing document, hereinafter referred to as DAR No 0001106P-4.22.1) and 11 June 2010 (DAR No 0003637);

agree to and sign the following Consolidated Explanatory Annex to the Convention and to the Articles of Association regarding the EGTC “Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)”, as approved by the Municipal Council of the Municipality of Gorizia (on 21 January 2010), the Town Council of the Municipality of Nova Gorica (on 21 January 2010) and the Municipal Council of the Municipality of Šempeter-Vrtojba (on 18 February 2010).

The Parties shall interpret articles 2 (Mission and objectives) and 3 (EGTC's tasks) as meaning that the expressions "political" and "regional" define the EGTC as a body of "political importance" - in a strictly etymological sense - to support and protect the specific geographic area within the borders of the founding members in order to strengthen territorial, economic and social cohesion, excluding any activities exceeding the statutory powers of the grouping.

"Strategic coordination" means the rational implementation of administrative/political tendencies in the field of development activities of the area within the competence of the local territorial institution.

"Encouragement and support of territorial cooperation in all areas of regional development" (Article 2 of the Articles of Association) does not mean that an EGTC, while being established, does not assume its clearly defined role laid down by law. The role of the EGTC is confirmed by specific objectives and administrative tasks that clearly define and subdivide the general objective, which is very broad by its very nature.

The items of Article 2 of the Articles of Association listing specific objectives such as "management, implementation and modernisation of infrastructure, transport, mobility and logistics", "coordination of public transport policy and joint/coordinated management of transport services" and "management of intermodal logistic terminals in the area of the three municipalities" define the competences of EGTC in accordance with the limitations laid down in Article 12 of the Regional Law No 23/2007 "Implementation of the Decree-Law No 111/2004 regarding regional and local public transport, transport of goods, motorisation, road transport and road network."

The part of Article 2 of the Articles of Association and of the Convention referring to the "use and management of local energy resources" implies compulsory compliance with the Alpine Convention and the Regional Law No 13/2005, of which Article 23 stipulates that a consolidated manner of water distribution based on a system of in-house procurement shall be preferred.

The part relating to the "introduction of joint measures also in other areas oriented towards strengthening economic and social cohesion" is to be deemed to bear the same meaning having regard to the competences laid down by the Italian legislation.

The fifth item of Article 2 of the Articles of Association and Article 3 of the Convention indicating that the EGTC "supports and protects the interests and needs of the operating area of EGTC in the decision-making process of the European Community regarding regional and sectoral policies in the framework of EU institutions and its procedures" is formulated assuming that the coordinating role of the competent Italian authorities is taken into account always and in any event and that therefore, in accordance with national legislation laying down the competences relating to coordinating roles in cohesion policy, EGTC may undertake all territorial cooperation activities, which shall contribute to achieving the pursued objectives for the sole purpose of strengthening economic and social cohesion pursuant to European legislation, the national law that governs it and the national law of all the members, while it shall not represent the formal positions with regard to cohesion policy and establishment of specific programming frameworks directly in EU institutions.

The items of Article 3 of the Articles of Association stating that the EGTC "promotes prosperity and improvement of the quality of life in the defined area", ensures "better cooperation in all areas relevant for the balanced development of the region" and "ensures dialogue and confrontation with regard to spatial planning and environmental protection on the EGTC territory" are to be interpreted as meaning that the Municipality of Nova Gorica cannot go beyond its competences laid down by Italian legislation in the field of social-economic and territorial activities.

The part of Article 5 of the Articles of Association indicating that the duration of the EGTC is "unlimited" is taken into account based on documents of other, already active EGTCs around Europe (for example, Article 7 of the Articles of Association regarding the EGTC Eurométropole Lille-Kortrijk-Tournai stipulating that "L'Eurométropole Lille-Kortrijk-Tournai est créé pour une durée illimitée..."; Article XV of the Articles of Association regarding the EGTC Ister-Granum stating that "The Grouping shall operate from the day of registration with the court until an indefinite period..."; and Article 3 of the Convention regarding the EGTC Duero-Douro indicating that "DUERO-DOURO AECT se constituye con una duración indeterminada.") meaning the Articles of Association contain a description of the procedures for the dissolution of the EGTC by the Assembly (Article 7 of the Articles of Association), although the date of the dissolution is not indicated.

The part of Article 8 of the Articles of Association explaining how to manage staff and finances is to be understood as meaning that EGTC intends to use the existing staff of the founding members' institutions and a system of secondments and similar arrangements in accordance with applicable legislation (Articles 56 and 57 of the D.P.R. No 3 of 10 January 1957, as amended and supplemented) to cover staffing costs and plans to be financed through European funds using different experts for the presented projects, whose costs can be covered with the acquired funds for the envisaged activities. It should be pointed out that a large share of the financial cover – the basic principle of public finance management of local communities – needs to be envisaged already during the phase of structuring the budget, having regard to the principle of coverage guaranteed beforehand, as provided for by the Italian legislation.

Articles 8, 9 and 10 of the Articles of Association referring to covering the costs from the activities of EGTC bodies are to be interpreted as meaning that the appointed members shall not receive any payment and that operating costs shall be purely administrative, and therefore low. With regard to dissolution, payments, right of withdrawal and entry into force, the Parties shall comply with the relevant European and Italian legislation.

To appoint the Supervisory Board, defined in Article 11 of the Articles of Association, the Parties agree to apply the Italian law, which stipulates that at least one member has to be entered in the register of auditors in accordance with this legislation.

This Annex is signed in six identical copies in Italian and Slovenian, of which each signatory receives two.

Read, adopted and signed in Gorizia, on 8 August 2011.

MUNICIPALITY OF GORIZIA

Mayor
Ettore Romoli

MUNICIPALITY OF NOVA GORICA

Mayor
Matej Arčon

MUNICIPALITY OF ŠEMPETER-VRTOJBA

Mayor
Milan Turk



COMUNE DI GORIZIA



MESTNA OBČINA
NOVA GORICA



OBČINA ŠEMPETER-VRTOJBA

CONVENTION

ON

THE EUROPEAN GROUPING OF TERRITORIAL COOPERATION “CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) and MUNICIPALITY OF ŠEMPETER-VRTOJBA (SLO)”¹

The Signatories

MUNICIPALITY OF GORIZIA

Piazza Municipio 1, Gorizia, Italy, tax No / VAT ID No: 00122500317,
represented by Mayor Ettore Romoli;

MUNICIPALITY OF NOVA GORICA

Trg Edvarda Kardelja 1, Nova Gorica, Slovenia, VAT ID No: SI53055730, reg. No: 5881773,
represented by Mayor Mirko Brulc;

MUNICIPALITY OF ŠEMPETER-VRTOJBA

Trg Ivana Roba 3 a, Šempeter pri Gorici, Slovenia, VAT ID No: SI44857390, reg. No: 1358227,
represented by Mayor Dragan Valenčič;

(hereinafter referred to as “the Signatories”),

hereby unanimously approve and adopt

THE CONVENTION

ON

THE EUROPEAN GROUPING OF TERRITORIAL COOPERATION “CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) and MUNICIPALITY OF ŠEMPETER-VRTOJBA (SLO)”

¹ *Translator's remark: In Slovenian and Italian the name of the conurbation is the following: “Območje občin: Comune di Gorizia (I), Mestna občina Nova Gorica (SLO) in Občina Šempeter-Vrtojba (SLO)” / “Territorio dei comuni: Comune di Gorizia (I), Mestna občina Nova Gorica (SLO) in Občina Šempeter-Vrtojba (SLO)”.*

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PREAMBLE

- Pursuant to the Treaty establishing the European Community, Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC), Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006, Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 and Council Regulation (EC) No 1083/2006 of 11 July 2006;
- In accordance with the Law of the Italian Republic No 88/2009 of 7 July 2009 implementing Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC);
- In accordance with the Regulation of the Republic of Slovenia on a European grouping of territorial cooperation (Official Gazette of the Republic of Slovenia No 31/2008 of 28 March 2008, p. 2920);
- In accordance with the European Outline Convention on Transfrontier Cooperation between Territorial Communities or Authorities of 21 May 1980;
- Having regard to the attribution of areas of competence in accordance with the national law of the Italian Republic and the Republic of Slovenia and to the limitations and obligations provided for by international and European law;
- Having regard to close historical, social, economic and cultural ties between the inhabitants of the three municipalities and to the need to define strategies and initiatives for the joint territorial management in areas of mutual interest;
- Having regard to the interest to carry out joint cross-border initiatives in the framework of European INTERREG programmes;
- Recognising one's own responsibility in the process of European integration within enlarged Europe, especially when bringing nations together;
- Wishing to strengthen exchanges and cooperation in areas of mutual interest, therefore establishing a new framework of cooperation;
- Believing that there is a need to ensure political visibility and create a conurbation consisting of the municipalities of Gorizia, Nova Gorica and Šempeter-Vrtojba, which will be a first step towards establishing a true "European city" in the light of closer territorial cooperation at the crucial moment of carrying out structural funds programmes and particularly European territorial cooperation programmes;
- Hoping that, in this manner, we will acquire greater consistency with regard to achieving common objectives and define joint strategies, which can be carried out through European territorial cooperation programmes as well as structural funds and other initiatives oriented towards consolidating economic and social cohesion in this area;
- Recognising that funds also need to be drawn outside European territorial cooperation programmes, for example from the "Italy-Slovenia" programme, and that samples of multilateral cooperation and common policy have to be formed to reach the pursued objectives.

- Offering the possibility for the neighbouring municipalities having an interest in individual projects to subsequently join the EGTC and be fully included in the established bodies.

Article 1 (Establishment)

Having regard to the Preamble and Article 8 of Regulation (EC) No 1082/2006, the Signatories to this Convention state they wish to establish a European grouping of territorial cooperation named “Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)”, which shall represent a legal entity with its own financial operations.

The members of the EGTC “Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)” are:

- Comune di Gorizia (Municipality of Gorizia, Italian Republic);
- Mestna občina Nova Gorica (Municipality of Nova Gorica, Republic of Slovenia);
- Občina Šempeter-Vrtojba (Municipality of Šempeter-Vrtojba, Republic of Slovenia).

Article 2 (Mission and tasks)

The mission of the EGTC “Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)” is to encourage and support territorial cooperation in all areas relating to regional development and reinforcement of economic and social cohesion. A specific objective of EGTC is to strategically coordinate policies on the territory of the three municipalities, particularly the following:

- management, implementation and modernisation of infrastructure, transport, mobility and logistics;
- coordination of urban transport policy and joint/coordinated management of transport services;
- management of intermodal logistic terminals in the area of the three municipalities;
- use and management of local energy resources;
- preparation of a joint energy plan;
- introduction of joint measures also in other areas oriented towards strengthening economic and social cohesion.

The main task of the EGTC shall be to carry out territorial cooperation programmes or projects co-financed by the European Community and other financial mechanisms. In addition, the EGTC shall perform the following tasks:

- promote prosperity and improve the quality of life in the defined area;
- carry out other specific tasks, programmes and projects in the framework of the pursued objectives with or without the financial support of the European Community;
- raise awareness about the advantage of competitiveness at the local and regional level of territorial cooperation to increase economic and social cohesion in the operating area of EGTC with regard to the strategic role of cross-border/international cooperation and the role of EGTC members in this context;
- ensure the necessary human and financial resources to perform tasks and fulfil the pursued objectives, guarantee an appropriate flow of information and inform the public about the achieved results and activities;
- support and protect the interests and needs of the operating area of EGTC in the decision-making process of the European Community regarding regional and sectoral policies in the framework of EU institutions and its procedures;
- ensure and support coordination, dialogue, political discussions, joint strategies for the management of the cross-border area and their coherence, a simpler implementation of joint projects relating to the mission of the EGTC and better cooperation in all areas relevant for the balanced development of the region.
- ensure dialogue and confrontation with regard to spatial planning and environmental protection on the territory of the EGTC;
- support the development of tourism in the area of operations by jointly promoting the region and its natural and cultural resources;
- support the dissemination of culture in order to get to know and respect each other.

Article 3 (Membership and mode of operation)

To join the EGTC under Article 4 of the Regulation (EC) No 1082/2006, a member must comply with the procedures and conditions set out in the Articles of Association.

The mode of operation of EGTC is laid down by the Articles of Association unanimously adopted by the members and approved by the competent authorities at a national level in accordance with applicable legal provisions.

To introduce an amendment to the Convention, Articles 4 and 5 of the Regulation (EC) No 1082/2006 as well as the Articles of Association shall be complied with.

Article 4 **(Geographic scope)**

The geographic area of the EGTC is the same as the area within the competence of its members. Other public organisations or bodies governed by public law which join EGTC as “associate members” may also be included in the activities of the EGTC to achieve the objectives from Article 2 of this Convention.

Article 5 **(Headquarters)**

The grouping is lawfully registered in the EGTC registers at the Office of the President of the Council of Ministers of the Italian government. The temporary headquarters of the EGTC are based on the premises of INFORMEST company at Via Cadorna, 36 in Gorizia until the House of Trade at Corso Giuseppe Verdi, 52 in Gorizia, Italian Republic, becomes available. The change of headquarters under this Article shall not be deemed to be an amendment to the Convention. This change shall be decided by the Assembly.

Article 6 **(Applicable law and system of financial control)**

This Convention and other related instruments shall be governed by Italian law. Legal provisions of the Italian Republic shall apply to the administrative, financial and budgetary control over the EGTC.

Article 7 **(Costs and funding)**

The financial operation of the EGTC shall be ensured by its members so that 50% of the funds are covered by the Slovenian municipalities and 50% by the Italian municipality. The Slovenian municipalities shall define the share of the initial capital in proportion to the number of inhabitants.

EGTC members undertake to search for funding opportunities to provide the means for the operation of EGTC in the framework of its activities, provided they do not come from other resources.

Participation in projects financed from structural funds or receiving other funds shall be decided by the Assembly.

EGTC shall draw funds from its own resources, European projects and funds of the founding members.

Article 8 **(Duration)**

The duration of this Convention shall be unlimited. The Convention shall only expire in the event of dissolution of the EGTC.

The EGTC shall cease operations when the objectives for which it was established are fulfilled or upon request of any of the members using the procedure provided for by this Convention or also for reasons set out in Article 14 of Regulation (EC) No 1082/2006.

Members may submit a request to cease operations at any time as long as they ensure a smooth implementation of on-going projects or programmes so that there is no harm caused to any of the members.

If the EGTC ceases to operate, shares of individual members shall be determined to cover potential debts or to distribute surpluses pursuant to Article 12(2) of the Regulation (EC) No 1082/2006.

Should one of the members want to opt out of the EGTC and the remaining members estimate there is no reason to cease operations, the provisions of the preceding paragraph shall apply mutatis mutandis.

A member loses its member status: (a) when submitting a written declaration to the president; (b) if the EGTC ceases to operate; (c) in the event of actions which could damage the reputation and the activities of the EGTC.

All provisions regarding the cessation of operations or the withdrawal of a member are adopted unanimously by the members on a proposal from the Assembly.

Article 9
(Dispute settlement)

The laws of the Italian Republic shall apply to the settlement of legal disputes that may arise from this Convention.

Article 10
(Working languages)

The working languages of the EGTC shall be Italian and Slovenian. All documents produced in the framework of the EGTC shall be written in both languages.

Article 11
(Adoption of the Convention)

The members unanimously adopt and publish this Convention in accordance with Regulation (EC) No 1082/2006, the Law of the Italian Republic No 88/2009 of 7 July 2009, Articles 2699 et seq. of the Italian Civil Code and Slovenian national legislation. Failing this, the Articles of Association are to be considered null and void.

This Convention is signed in six identical copies in Italian and Slovenian, of which each signatory receives two.

Read, adopted and signed in Gorizia, on 19 February 2010.

MUNICIPALITY OF GORIZIA
Mayor
Ettore Romoli

MUNICIPALITY OF NOVA GORICA
Mayor
Mirko Brulc

MUNICIPALITY OF ŠEMPETER-VRTOJBA
Mayor
Dragan Valenčič

The EGTC was entered in the official EGTC register at the Office of the President of the Council of Ministers of the Italian government. - Department for Regional Affairs, under the number 3 on 15 September 2011.

ANNEX TO THE EGTC CONVENTION

EUROPEAN GROUPING OF TERRITORIAL COOPERATION

“CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) and MUNICIPALITY OF ŠEMPETER - VRTOJBA (SLO)”

ARTICLES OF ASSOCIATION

The Signatories, hereby, pursuant to:

- Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on the establishment of a European grouping of territorial cooperation (EGTC) (hereinafter referred to as the Regulation (EC));
- provisions for the fulfilment of obligations deriving from the membership of the Italian Republic in the European Communities – Community Act 2008 of the Italian Republic (Law No 88/2009 of 7 July 2009);
- Articles 14 to 42 of the Civil Code of the Italian Republic;
- Regulation of the Republic of Slovenia on the establishment of a European Grouping of Territorial Cooperation (Official Gazette of RS, No 31/2008 of 28 March 2008, p. 2920);
- the Convention, which is an integral part of these Articles of Association on the basis of Article 9(2) of the Regulation (EC) No 1082/2006 and was signed by the Members on 19 February 2010

agree on the establishment of a European grouping of territorial cooperation in the form of a not-for-profit organisation as a legal entity of public law with the name “Conurbation: Municipality of Gorizia (IT), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)”

**Article 1
(Establishment)**

The founders of the EGTC are:

- Comune di Gorizia (Municipality of Gorizia, Italian Republic)
- Mestna občina Nova Gorica (Municipality of Nova Gorica, Republic of Slovenia)
- Občina Šempeter-Vrtojba (Municipality of Šempeter-Vrtojba, Republic of Slovenia)

hereinafter referred to as: “the Members”.

**Article 2
(Mission and objectives)**

Members shall support the overall strategy aimed at promoting economic and social development, and the common activities within the European institutions to strengthen political, economic, social and cultural ties between the inhabitants of the three municipalities.

In order to remove any obstacles stemming from different national regulations and procedures that may stand in the way of the implementation and the management of cooperation projects, the Members, in line with the Regulation (EC) intend to establish a European grouping of territorial cooperation (EGTC), which will enable them to participate at a European level.

The overall objective of the EGTC shall be to promote and support territorial cooperation in all areas of regional development of the area in order to strengthen the economic and social cohesion among the Members from the three municipalities. Other institutions, which may represent future associate members of the EGTC, must also be taken into consideration.

The specific objective of the EGTC is the strategic coordination of policies in the area of the three municipalities, and in particular:

- management, implementation and modernisation of infrastructure, transport, mobility and logistics;

- coordination of public transport policy and joint/coordinated management of transport services;
- management of intermodal logistic terminals in the area of the three municipalities;
- use and management of local energy resources;
- preparation of a joint energy plan;
- introduction of joint measures in other areas aimed at strengthening economic and social cohesion.

The EGTC shall carry out the following tasks:

- promoting, developing and implementing projects of territorial cooperation;
- representing the interests of the three municipalities in the Member States and the European institutions;
- seeking and managing available financial resources;
- approaching the authorities, associations and networks in accordance with the objectives of the EGTC;
- managing operational programmes of European territorial cooperation;
- carrying out other tasks that contribute to the achievement of the objectives set in accordance with the European law, the national law governing the EGTC, and the state legislation of the Members.

Article 3 (EGTC's tasks)

The main task of the EGTC shall be to carry out territorial cooperation programmes or projects co-financed by the European Union and other financial mechanisms. In addition, EGTC shall perform the following tasks:

- to promote prosperity and to improve the quality of life in the operating area;
- to carry out other specific tasks, programmes and projects in the framework of the pursued objectives with or without the financial support of the European Union;
- to raise the awareness about the advantages of competitiveness at the local and regional level of territorial cooperation in order to increase economic and social cohesion in the operating area of the EGTC with regard to the strategic role of cross-border/international cooperation and the role of EGTC members in this context;
- to ensure the human and financial resources needed to perform its tasks and fulfil the pursued objectives, to guarantee an adequate flow of information and inform the public about the results achieved and the activities completed;
- to support and protect the interests and needs of the operating area of the EGTC in the decision-making processes of the European Union that apply to regional and sectoral policies in the framework of EU institutions and its procedures;
- to ensure and promote coordination, dialogue, political discussions and joint strategies for the management of the cross-border area, as well as to ensure the coherence thereof, a simpler implementation of joint projects relating to the mission of the EGTC and better cooperation in all areas relevant to the balanced development of the region;
- to promote dialogue in spatial planning and environment protection on the territory of the EGTC;
- to support the development of tourism in the area through a joint promotion of the region and its natural and cultural resources;
- to support the sharing of culture as a tool of reciprocal knowledge and respect.

Article 4 (Legal form and applicable legislation)

The EGTC shall acquire the status of a not-for-profit association governed by public law and legal personality as of the date of its registration. The EGTC shall be a legal entity and shall therefore be able to enter commitments, exercise the rights acquired, sell or dispose of movable and immovable property and to have legitimacy in court proceedings. The EGTC shall be autonomously managed by its Members. The disposal of real estate shall be decided by the Assembly.

The EGTC shall be governed by the Italian law applicable to organisations under public law in accordance with Article 2 of Regulation (EC) and Article 4 of these Articles of Association.

Article 5 (Members, duration and headquarters)

The EGTC shall be established by the Municipality of Gorizia in the Italian Republic and by the Municipality of Nova Gorica and the Municipality of Šempeter-Vrtojba in the Republic of Slovenia. The aforementioned municipalities shall be full members of the EGTC.

The EGTC shall have an unlimited duration and shall carry out its tasks in the area of competence of the municipalities above.

The grouping shall be lawfully registered in the EGTC registry of the Office of the President of the Council of Ministers of the Italian government. The temporary headquarters of the EGTC shall be on the premises of INFORMEST at Via Cadorna 36 in Gorizia, until the House of Trade at Corso Giuseppe Verdi 52 in Gorizia, Italian Republic, becomes available.

Other public bodies or bodies governed by public law may also participate in the activities of the EGTC, provided they join the EGTC as 'associate members' in line with Article 2 of these Articles of Association and under the conditions laid down by the Assembly.

Article 6 (EGTC's bodies)

The governing bodies of the grouping are:

- the Assembly;
- the President;
- the Director.

In accordance with these Articles of Association, the Assembly shall form a Supervisory Board and appoint the members of Permanent Committees on a proposal from the Director.

Article 7 (Assembly's composition, procedures and tasks)

The Assembly, as the supreme body of the EGTC, controls, approves and makes decisions.

One half of the Assembly shall be composed of Italian representatives and the other of Slovenian ones; five of which shall represent the Municipality of Nova Gorica, two the Municipality of Šempeter-Vrtojba and seven the Municipality of Gorizia.

Assembly members shall be appointed by the Municipal Councils on proposals from the mayors.

The term office of the Assembly members shall last four years.

The Assembly shall be chaired by the President or the Vice-President, shall the former be unable to perform his/her duties.

The Assembly shall meet at least twice a year. The sessions of the Assembly shall be convened by the Chair. The Assembly may be convened by any member with the support of at least a third of its members. The Assembly shall approve decisions by a majority vote. In the case of tie votes, the President's vote shall count as two votes. The members of the Assembly shall adopt the amendments to the Articles of Association by unanimous consent.

The Assembly shall be in charge of the following tasks:

- electing the President and the Vice-President;
- discussing joint development strategies and deciding on the strategic orientations of the Grouping;
- reviewing and approving budgets, annual and multi-annual financial plans, balance sheets, income statements, cash-flow statements, the notes thereto and other documents in accordance with the relevant financial regulations;
- deciding on amendments to the Articles of Association;
- appointing the Director;
- approving and amending the Rules of Procedure of the Assembly;
- deciding on the appointment of an independent external auditor, to be selected in a public-procurement procedure;
- deciding on the dissolution of the EGTC.

Article 8 (Duties of the Director and management of the staff)

The Director shall be an expert responsible for carrying out the activities of the EGTC. The Director's duties shall be consistent with the areas of activities of the EGTS, and in particular:

- definition of strategic orientations of the EGTC;
- implementation of the activities of the EGTC;
- planning and developing projects;

- monitoring and acquiring European and other funds.

The Director shall make decisions in all areas that are not within the competence of the Assembly pursuant to Article 9 of the Regulation (EC), namely:

- preparation of work plans;
- management of human resources needed for the functioning of the EGTS;
- preparing proposals for the Assembly on Permanent Committees.

The Director shall be appointed by the Assembly. His term of office shall last four years. In agreement with the Assembly, the Director shall be granted a mixed Slovenian-Italian expert staff. The Members of the EGTC shall decide—in a separate agreement—about the number of employees, the management of the expert staff, the recruitment procedures and the selection of appropriate personnel that may either be temporarily seconded from the administrations of the Members or outsourced by public tender. The Director's employment contract shall be linked to his/her term of office, whereas other contracts shall be linked to projects.

The Municipality of Gorizia, owner of a share in INFORMEST, shall use the agency's expert personnel to implement the planned activities.

The President may authorise the Director to sign official documents.

Article 9 (The President of the Assembly)

The President of the Assembly shall be the legal representative of the EGTC. He/She shall coordinate the work of the Assembly and ensure its functioning. The President shall be in charge of signing decisions. The term of office of the President and the Vice-President shall last two years and he/she shall be appointed according to the rotation system among the Italian and Slovenian representatives.

The term of office of the President and Vice-President shall automatically expire concurrently with the expiry of the term of office of the Assembly members. The President shall be elected by a majority of votes of the Assembly members.

Shall the President be unable to perform his/her duties due to hindrances or force majeure, the Vice-President shall perform his/her duties.

The President may authorize the Director to sign official documents.

Article 10 (Permanent committees)

Permanent committees are expert working bodies that shall be appointed by the Assembly on a proposal from the Director. They shall be composed of experts in the particular fields of the committee they are appointed to.

The two permanent committees shall be:

- the Transport Committee; and
- the Energy Committee.

In order to achieve the objectives set out in Article 2, the Assembly may establish other committees, in line with Article 8 of these Articles of Association.

Article 11 (Supervisory Board)

The Supervisory Board shall be appointed by the Assembly. It shall consist of three permanent members; one of the members shall represent the Italian Republic, one the Republic of Slovenia, and one shall be appointed in accordance with the mutual agreement and shall act as Chair. The Chair has to be a member of a charter of auditors or meet the national requirements for chartered auditors. Shall a supervisor become permanently unable to perform his/her functions, a new one shall be appointed.

The term of office of the members of the Supervisory Board shall last four years and may be renewed.

The Supervisory Board shall verify the financial operations of the EGTC and approve the closing financial statements prepared by the Director and approved by the Assembly. The Supervisory Board shall decide by majority of the votes cast by members present. In case of a tied vote, the Chair's vote shall count as two votes.

Article 12 (Assets and financial arrangements)

For the operational functioning of the EGTC, the Members shall set up a fund of EUR 40,000.00 (forty thousand euros). 50% of the funds shall be contributed by the two Slovenian municipalities and 50% by the Italian municipality. The contribution by the two Slovenian municipalities shall be determined in proportion to the number of inhabitants of each municipality.

Article 13

(Working Languages of the EGTC and liabilities)

All EGTC bodies shall operate bilingually, i.e. in Slovenian and Italian.

The EGTC shall be liable for any of its debts. Should the EGTC be unable to meet its liabilities from its own assets, the Members shall be liable for any of its debts, each Member's share being fixed in proportion to its contribution in accordance with Article 12 of these Articles of Association.

Article 14

(Adopting and amending the Articles of Association)

The Members shall unanimously adopt and publish the Articles of Association and in accordance with Regulation (EC) No 1082/2006, the Law of the Italian Republic No 88/2009 of 7 July 2009, Articles 2699 et seq. of the Italian Civil Code and relevant Slovenian national laws. Failing this, the Articles of Association shall be considered null and void.

Amendments to the Articles of Association shall be made pursuant to Articles 4 and 5 of Regulation (EC) No 1082/2006.

The amendments to the Articles of Association were approved by the Assembly on 15 July 2013.
The change was entered in the official EGTC register on 17 February 2014.



CONSOLIDATED EXPLANATORY ANNEX

TO THE CONVENTION AND TO THE ARTICLES OF ASSOCIATION REGARDING THE EGTC “CONURBATION: MUNICIPALITY OF GORIZIA (I), MUNICIPALITY OF NOVA GORICA (SLO) AND MUNICIPALITY OF ŠEMPETER-VRTOJBA (SLO)”

The Signatories

MUNICIPALITY OF GORIZIA

Piazza Municipio 1, Gorizia, Italy, tax No / VAT ID No: 00122500317,
represented by Mayor Ettore Romoli;

MUNICIPALITY OF NOVA GORICA

Trg Edvarda Kardelja 1, Nova Gorica, Slovenia, VAT ID No: SI53055730, reg. No: 5881773,
represented by Mayor Matej Arčon;

MUNICIPALITY OF ŠEMPETER-VRTOJBA

Trg Ivana Roba 3 a, Šempeter pri Gorici, Slovenia, VAT ID No: SI44857390, reg. No: 1358227,
represented by Mayor Milan Turk;

(hereinafter referred to as “the Signatories”),

INTRODUCTION

The Signatories to the Convention and to the Articles of Association regarding the EGTC “Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)”;

based on the letters of the Office of the President of the Council of Ministers of 18 February 2011 (implementing document, hereinafter referred to as DAR No 0001106P-4.22.1) and 11 June 2010 (DAR No 0003637);

agree to and sign the following Consolidated Explanatory Annex to the Convention and to the Articles of Association regarding the EGTC “Conurbation: Municipality of Gorizia (I), Municipality of Nova Gorica (SLO) and Municipality of Šempeter-Vrtojba (SLO)”, as approved by the Municipal Council of the Municipality of Gorizia (on 21 January 2010), the Town Council of the Municipality of Nova Gorica (on 21 January 2010) and the Municipal Council of the Municipality of Šempeter-Vrtojba (on 18 February 2010).

The Parties shall interpret articles 2 (Mission and objectives) and 3 (EGTC's tasks) as meaning that the expressions "political" and "regional" define the EGTC as a body of "political importance" - in a strictly etymological sense - to support and protect the specific geographic area within the borders of the founding members in order to strengthen territorial, economic and social cohesion, excluding any activities exceeding the statutory powers of the grouping.

"Strategic coordination" means the rational implementation of administrative/political tendencies in the field of development activities of the area within the competence of the local territorial institution.

"Encouragement and support of territorial cooperation in all areas of regional development" (Article 2 of the Articles of Association) does not mean that an EGTC, while being established, does not assume its clearly defined role laid down by law. The role of the EGTC is confirmed by specific objectives and administrative tasks that clearly define and subdivide the general objective, which is very broad by its very nature.

The items of Article 2 of the Articles of Association listing specific objectives such as "management, implementation and modernisation of infrastructure, transport, mobility and logistics", "coordination of public transport policy and joint/coordinated management of transport services" and "management of intermodal logistic terminals in the area of the three municipalities" define the competences of EGTC in accordance with the limitations laid down in Article 12 of the Regional Law No 23/2007 "Implementation of the Decree-Law No 111/2004 regarding regional and local public transport, transport of goods, motorisation, road transport and road network."

The part of Article 2 of the Articles of Association and of the Convention referring to the "use and management of local energy resources" implies compulsory compliance with the Alpine Convention and the Regional Law No 13/2005, of which Article 23 stipulates that a consolidated manner of water distribution based on a system of in-house procurement shall be preferred.

The part relating to the "introduction of joint measures also in other areas oriented towards strengthening economic and social cohesion" is to be deemed to bear the same meaning having regard to the competences laid down by the Italian legislation.

The fifth item of Article 2 of the Articles of Association and Article 3 of the Convention indicating that the EGTC "supports and protects the interests and needs of the operating area of EGTC in the decision-making process of the European Community regarding regional and sectoral policies in the framework of EU institutions and its procedures" is formulated assuming that the coordinating role of the competent Italian authorities is taken into account always and in any event and that therefore, in accordance with national legislation laying down the competences relating to coordinating roles in cohesion policy, EGTC may undertake all territorial cooperation activities, which shall contribute to achieving the pursued objectives for the sole purpose of strengthening economic and social cohesion pursuant to European legislation, the national law that governs it and the national law of all the members, while it shall not represent the formal positions with regard to cohesion policy and establishment of specific programming frameworks directly in EU institutions.

The items of Article 3 of the Articles of Association stating that the EGTC "promotes prosperity and improvement of the quality of life in the defined area", ensures "better cooperation in all areas relevant for the balanced development of the region" and "ensures dialogue and confrontation with regard to spatial planning and environmental protection on the EGTC territory" are to be interpreted as meaning that the Municipality of Nova Gorica cannot go beyond its competences laid down by Italian legislation in the field of social-economic and territorial activities.

The part of Article 5 of the Articles of Association indicating that the duration of the EGTC is "unlimited" is taken into account based on documents of other, already active EGTCs around Europe (for example, Article 7 of the Articles of Association regarding the EGTC Eurométropole Lille-Kortrijk-Tournai stipulating that "L'Eurométropole Lille-Kortrijk-Tournai est créé pour une durée illimitée..."; Article XV of the Articles of Association regarding the EGTC Ister-Granum stating that "The Grouping shall operate from the day of registration with the court until an indefinite period..."; and Article 3 of the Convention regarding the EGTC Duero-Douro indicating that "DUERO-DOURO AECT se constituye con una duración indeterminada.") meaning the Articles of Association contain a description of the procedures for the dissolution of the EGTC by the Assembly (Article 7 of the Articles of Association), although the date of the dissolution is not indicated.

The part of Article 8 of the Articles of Association explaining how to manage staff and finances is to be understood as meaning that EGTC intends to use the existing staff of the founding members' institutions and a system of secondments and similar arrangements in accordance with applicable legislation (Articles 56 and 57 of the D.P.R. No 3 of 10 January 1957, as amended and supplemented) to cover staffing costs and plans to be financed through European funds using different experts for the presented projects, whose costs can be covered with the acquired funds for the envisaged activities. It should be pointed out that a large share of the financial cover – the basic principle of public finance management of local communities – needs to be envisaged already during the phase of structuring the budget, having regard to the principle of coverage guaranteed beforehand, as provided for by the Italian legislation.

Articles 8, 9 and 10 of the Articles of Association referring to covering the costs from the activities of EGTC bodies are to be interpreted as meaning that the appointed members shall not receive any payment and that operating costs shall be purely administrative, and therefore low. With regard to dissolution, payments, right of withdrawal and entry into force, the Parties shall comply with the relevant European and Italian legislation.

To appoint the Supervisory Board, defined in Article 11 of the Articles of Association, the Parties agree to apply the Italian law, which stipulates that at least one member has to be entered in the register of auditors in accordance with this legislation.

This Annex is signed in six identical copies in Italian and Slovenian, of which each signatory receives two.

Read, adopted and signed in Gorizia, on 8 August 2011.

MUNICIPALITY OF GORIZIA

Mayor
Ettore Romoli

MUNICIPALITY OF NOVA GORICA

Mayor
Matej Arčon

MUNICIPALITY OF ŠEMPETER-VRTOJBA

Mayor
Milan Turk