



BUILDING MORE RESILIENT CROSS-BORDER REGIONS

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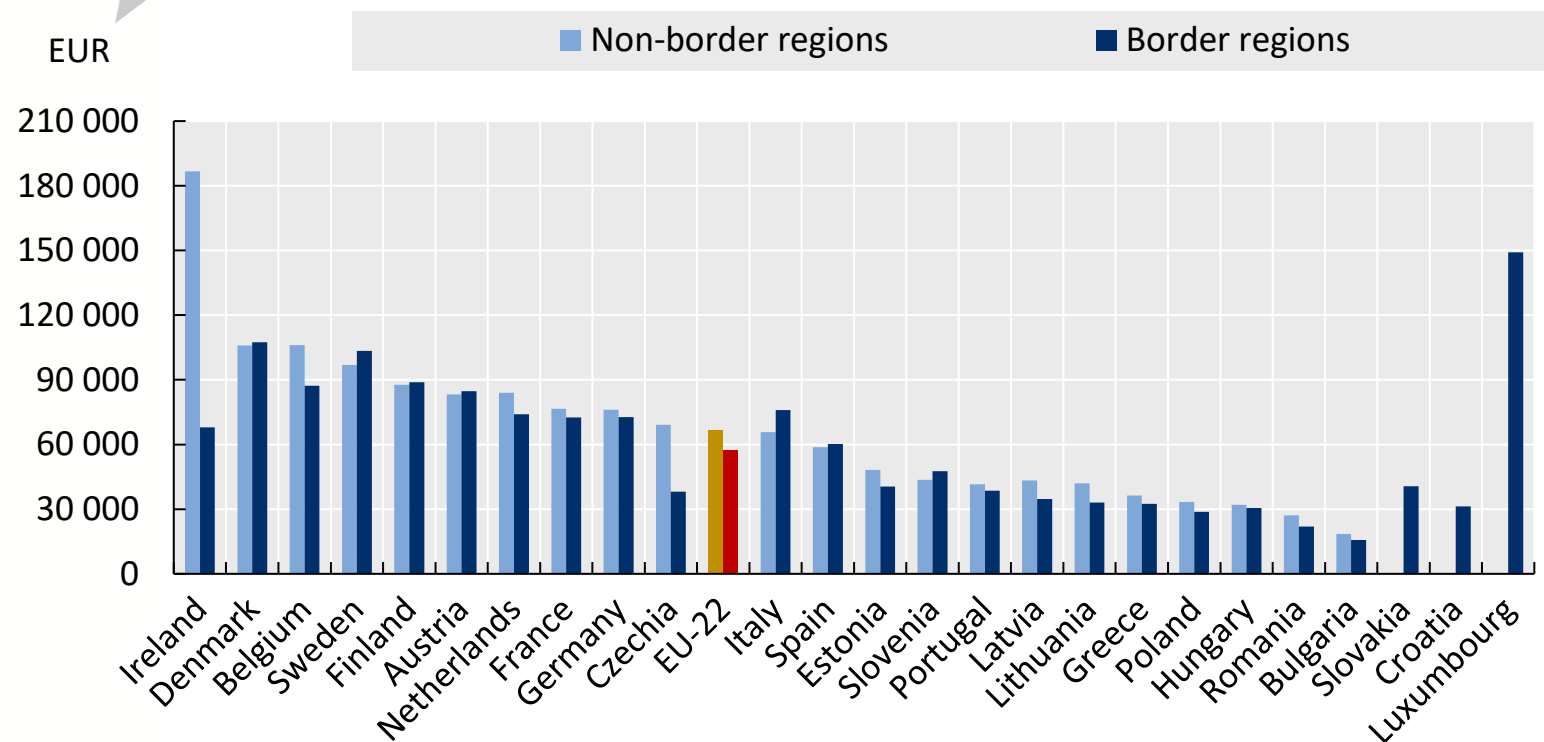
Supporting the development of cross-border regions needs to be a concern for policy-makers across the EU and beyond

In 2021, **labour productivity** in EU border regions was, on average, **14% lower** than in non-border regions.

In 2021, **GDP per capita** in EU border regions was **86%** of the EU average

Rail and road-transport connections also tend to be fewer in border regions.

Labour productivity (in EUR) in EU Member States, 2021



Author's elaboration with data from Eurostat, 2024.



The multiple development gaps faced by border regions can be attributed to specific barriers

Main obstacles to cross-border development



Legislative and regulatory differences



Territorial-administrative obstacles



Language and cultural differences

Examples of how these barriers affect governments, businesses and residents

- For companies crossing borders means navigating different tax regimes, procurement rules, and environmental standards.
- **The result: in the EU the business costs faced by firms engaged in cross-border trade can be up to 50% higher than businesses focused on domestic trade.**
- For governments, cross-border infrastructure projects can be significantly more complex than domestic initiatives.
- **In fact, in the EU, cross-border infrastructure projects will often take twice as long to complete as national ones.**



Unleashing the potential of border regions requires building on the existing foundations for cross-border co-operation

Governments across the EU and beyond have set up a range of cross-border governance mechanisms, e.g.:

- European Groupings of Territorial Co-operation (EGTCs)
- Eurocities and euroregions
- High-level conferences

A growing number of border regions are providing public services on a cross-border basis (+1500 across Europe in 2022)



Cross-border co-operation can create the conditions for socio-economic development

Example from the France-Luxembourg border:

- Growing realisation in Luxembourg that continued economic growth depends on effective cross-border co-operation (e.g. in the field of transport, education, healthcare).
- Cross-border governance bodies in France and Luxembourg successfully lobbied for joint investment in infrastructure projects in France.
- **Luxembourg is providing over EUR 200 million to strengthen cross-border road and rail connectivity between both countries.**



There are several pre-conditions for cross-border co-operation to deliver tangible results



Addressing shared challenges, such as limited cross-border transport infrastructure, requires **structured co-operation among relevant public and non-governmental actors** (i.e. that have the necessary resources and competences).



Cross-border actors need a **shared understanding of what can be gained from co-operating with each other**.



Robust and inclusive strategic planning is essential to address challenges such as limited integration of rail, road and waterways across borders



Impactful cross-border co-operation requires **sustainable and adaptable funding and financing**.



Generating and maintaining political and public engagement is fundamental if cross-border co-operation is to flourish.



So where should we focus our efforts to build more prosperous border regions, and more effective cross-border transport?



Monitoring and evaluation

Cross-border governance bodies must enhance their **capacity to track, evaluate and communicate** their performance.



Legislation and policy checks

Countries should explore ways to consistently **integrate a border perspective** into new legislation, policies and plans.

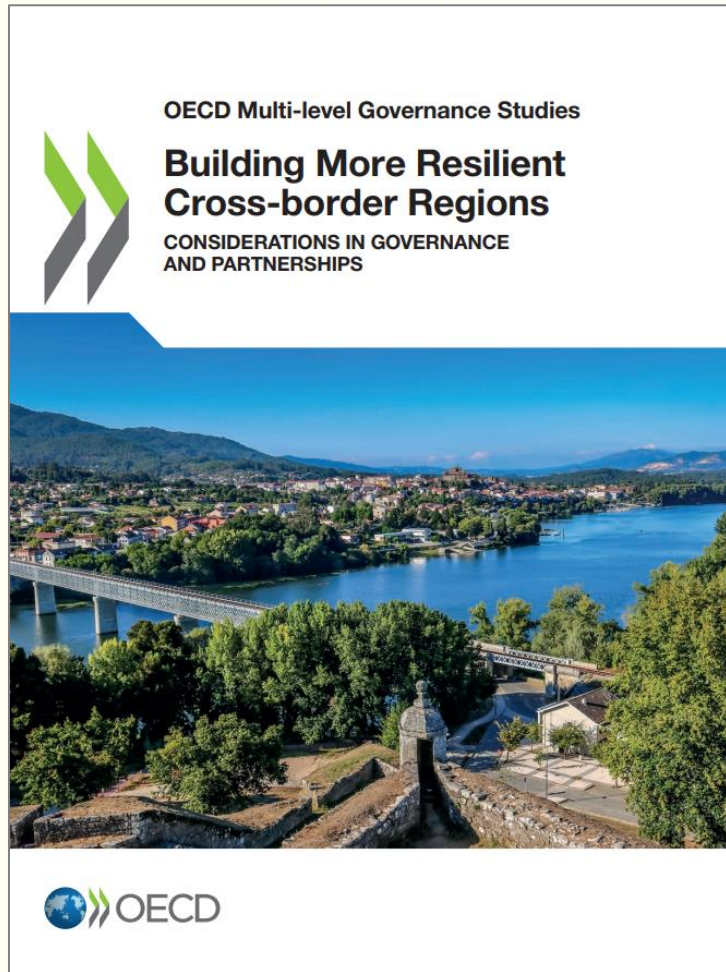


Pooling public and private funding

Policy makers should explore **setting up joint investment funds** for cross-border infrastructure development.

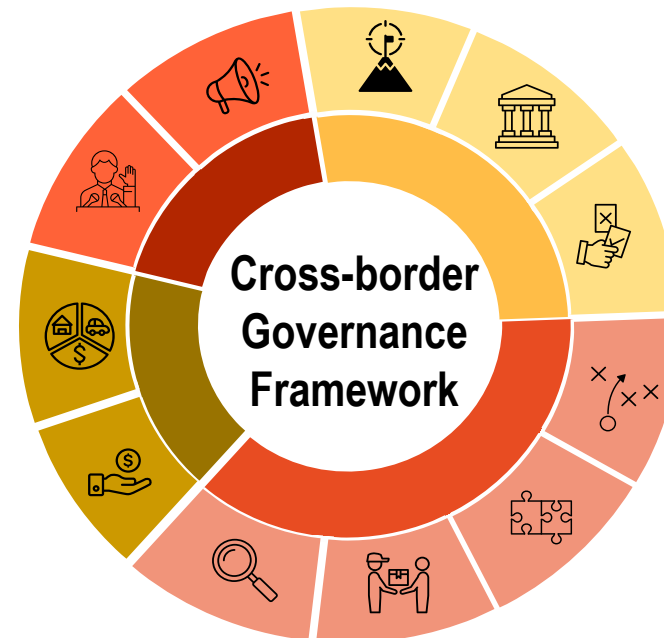


For more tailored analysis and recommendations, check out our *Building More Resilient Cross-border Regions* report



Includes:

- Analysis, **good practice examples and recommendations** for international, national and subnational policy makers
- Includes the **Cross-border governance framework and tool**



Thank you for your attention



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