

In addition, cross-border cooperation “enlarges” the territory for its inhabitants and businesses, which can take advantage of economies of scale and agglomeration in terms of market size, equipment and public services.

One of the most important effects concerns the sharing of investment costs related to public and private infrastructures (for example in terms of research, which is often very expensive in innovative sectors). Joint promotion of businesses and a joint presence at international trade fairs make it possible to be more visible and to share costs.

For an SME, cross-border development constitutes a particular means of opening up to the international arena, enabling it to expand so as to break into local, European and global markets while remaining rooted in a specific territory. By reaching out beyond the local context, the cross-border approach can result in a “win-win” situation for territories and their businesses and inhabitants.

.....

## PROMOTING CROSS-BORDER ECONOMIC DEVELOPMENT

**Highlighting the economic advantages specific to cross-border territories constitutes both internal promotion** (for the economic agents present in the territory) and external promotion (aimed at foreign investors) that are necessary for their economic development. This is the responsibility of territorial authorities, chambers of commerce and industry and economic development agencies, which have competence in the areas of territorial strategy and promotion and support for businesses. However, it appears that they are fairly ill-equipped to carry out actions to raise awareness about the benefits of designing the future of a business, economic sector or territory in the neighbouring country.

The first obstacle stems from the difficulty in objectively evaluating the concrete effects of cross-border economic cooperation. There are very few territorial studies or analyses that make it possible to identify the existence or potential of a cross-border market, notably because of the above-mentioned divergences in national statistical systems that hamper the use of common indicators that would allow the quantification and description of cross-border economic flows. In addition, the exploitation and media coverage of good experiences of economic cooperation remain very limited.

At a time when the evaluation of public policies is occupying a predominant place in their implementation and/or continuation, the scarcity of information is tending to reduce the efforts devoted to joint promotion actions aimed at domestic and foreign economic agents.

.....

## THE OBSTACLES TO CROSS-BORDER INTEGRATION AND PUBLIC ACTION

Crossing the border is from the outset a source of additional difficulties: the border is an administrative, cultural and often linguistic barrier, and is even a source of mistrust.

In addition, while within the European Union capital, goods and people move freely across borders, Member States make unilateral changes to their policy in the area of taxation: border territories are the first to feel the effects of the divergences that this can result in, and which for businesses constitute both constraints (competition, instability, etc.) and opportunities (for those that take advantage of the differentials).

### AS A RESULT, THE ECONOMIC DEVELOPMENT POTENTIAL OF CROSS-BORDER TERRITORIES IS INSUFFICIENTLY EXPLOITED:

- Unemployed people in border regions do not take advantage of job vacancies that are available on the other side of the border;
- SMEs which do not succeed in forming cross-border partnerships in spite of numerous potential synergies and opportunities for international development;
- Businesses which experience strong competition, without partnerships that would be beneficial for everyone being set up (R&D, creation of networks with universities and research laboratories, etc.).