

France

Inter-municipal cooperation bodies with own-source taxes



TYPE OF TOOL
Institutional reform



MAIN SECTOR
All sectors



INFRASTRUCTURE GOVERNANCE PILLARS
Co-ordination across levels of government

In a nutshell



OBJECTIVE: Inter-municipal cooperation bodies promote cooperation across municipalities on development projects and exercise powers on behalf of such municipalities.



Agency in charge
Municipal councils



Levels of government
Sub-national



Year of implementation
1999



Current status
Fully operational

Overview

In France, inter-municipal cooperation bodies with own-source taxes (établissements de coopération intercommunale à fiscalité propre - EPCI) are playing an increasing role as local public investors. Since the law of 12 July 1999 on the strengthening and simplification of inter-municipal cooperation, the legal nature of EPCIs with their own tax status has been similar to that of territorial authorities.

While in 1993, their investment expenditure amounted to 8% of municipal investment, they now account for 25%. This reflects the increase in the coverage of French territory by EPCI. In January 2023, there were 1,254 EPCI, grouping all 35,000 French municipalities (except 4). It also reflects the growing importance of their responsibilities. The 2015 NOTRe law (New territorial organisation of the Republic) has further increased the number of mandatory responsibilities that inter-municipal cooperation bodies exercise on behalf of its member local authorities. The EPCI includes métropoles (metropolises), introduced by the 2014 "MAPTAM" law on the modernisation of public territorial action and metropolises. The métropoles status is reserved for functional urban areas greater than 400,000 inhabitants. There are 21 métropoles in France as of 1st January 2023, including the three largest metropolitan areas, Paris, Lyon, and Aix-Marseille-Provence. French métropoles carry a growing number of major infrastructure projects at the metropolitan scale. According to their legal status, métropoles have to "design and conduct projects for economic, ecological, educational, cultural, and social planning and development" in order to "improve cohesion and competitiveness and contribute to the sustainable and mutually supportive development of the regional territory". They are therefore in charge of most investment projects in their area.

REFERENCES:

- Government of France, *Intercommunalité: Règles de modification statutaire*, <https://www.collectivites-locales.gouv.fr/institutions/regles-de-modification-statutaire>