



# Cross-Border Regional Labour Market Analysis

Case study  
Region Norte – Galicia  
(Portugal – Spain)

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Data for the cross-border region as a whole has been calculated based on estimation techniques building mainly on aggregation of existing data sources as well as weighted-average approaches. Comparability of base data has been verified and only estimations with a reasonable degree of accuracy have been included in the case. Details on the calculation methods are outlined in the handbook delivered in the context of the project. Please interpret the corresponding results with care.

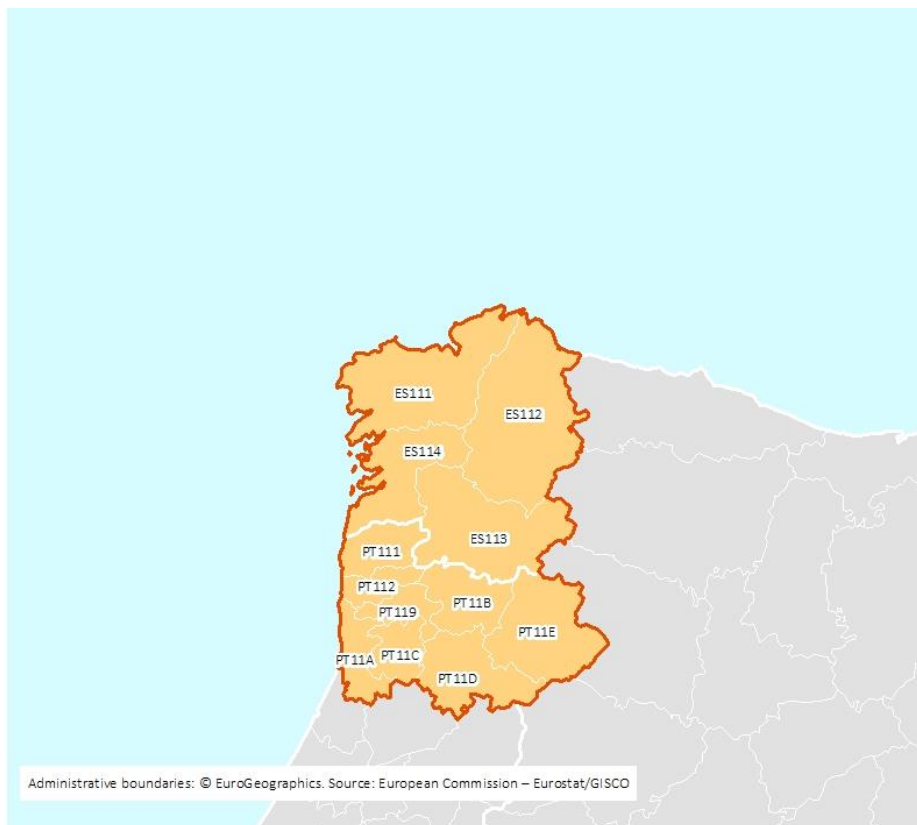
## Introduction

This report is an analysis of the labour market in the Euroregion Region Norte – Galicia. It presents a current and forward-looking analysis of the evolution of the labour market from both a statistical and policy perspective. Importantly, the focus of the case study is on the cross-border region as a whole (almost regardless of the existence of the border(s)). In other words, the analysis does not focus on mirroring the situation of the labour market in one region of a given country against the situation in the region(s) on the other side of the border.

This report falls within the scope of a DG REGIO project “Cross-border regional labour market analysis” which investigates, on a pan-European level, the state of play and specificities of cross-border labour market analyses practices. The ultimate objective of the project is to provide a knowledge basis, highlighting the potential opportunities and hindering factors of cross-border areas employment (and related data analysis), thereby allowing for a strengthening and better integration of the area as a common labour market.

For this specific case study, the region of analysis is the following:

- The Region Norte in Portugal and the Autonomous Community of Galicia in Spain
- NUTS2 (PT11; ES11) & NUTS3 (PT111; PT112; PT119; PT11A; PT11B; PT11C; PT11D; PT11E; ES111; ES112; ES113; ES114)



*Map of the examined region*

*Source: ÖIR 2024*

## 1. Summary of the main results

The Euroregion Region Norte – Galicia has traditionally very strong cultural ties and a long-lasting history of cross-border cooperation. Galicia has significantly higher unemployment rates but higher average wages and price levels are fairly balanced between the two countries. In Galicia, the largest share of cross-border commuters, i.e. of residents in the Region Norte working in Galicia, works in the transport and storage and construction sectors. In the Region Norte, the largest share of cross-border commuters, i.e. of Galician residents working in Region Norte, works in the industry sector and in administrative and support services activities. At present, the number of commuters can be estimated at around a minimum of 3000 people, based on contracts stipulated in 2022, 78% of whom commute from Galicia to the Region Norte (CEG). The data should be treated with caution, as it underestimates the phenomenon due to the lack of comprehensive data, and should only be considered as a starting point.

The first steps of an established cooperation framework at country level date back to 1977 and were strengthened at regional level in 1991 with the ratification of the Constitutive Act of the Galicia-Northern Portugal Working Community. Collaboration between Galicia and Region Norte continuously evolved over the years and nowadays presents a formalised structure involving numerous public and private entities that collaborate in various areas. Nevertheless, it is still difficult to harmonise rules between the two regions. This is also due to the different levels of administrative autonomy in each of these regions. While the devolution of powers and competencies in Galicia is quite substantial, the Norte region, due to the Portuguese centralised political system, depends on the national government. Regarding the labour market, the Cross-border Employment Office of the EURES network, in collaboration with business associations, trade unions and public institutions of both regions, provides different support services to businesses and jobseekers and publishes studies and reports on the cross-border labour market.

The collaboration between the two regions includes the exchange of data and the production of joint statistics, albeit with a limited scope. Data challenges still prevail however for all indicators not covered by these joint statistics, notably also linked to the differences in administrative systems and respective competences for collecting data. The members of the EURES network actively advocate for addressing the main barriers, such as taxation, labour laws, and social policies. The activities include also attention to third-country nationals, whose work permits are connected to a specific country but are not necessarily allowed to work throughout the border region regardless of the country. This has been identified as a considerable issue in the region, with rising importance of third country nationals within the respective labour market. In conclusion, it was noted that there is considerable attention to cross-border issues at regional level, with room for increased involvement of national authorities.

### 1.1. Summary of the main results – Português

A Euroregião Galiza – Região Norte de Portugal possui tradicionalmente fortes laços culturais e uma longa história de cooperação transfronteiriça. A Galiza possui taxas de desemprego significativamente mais altas mas salários médios mais elevados, sendo que os níveis de preços estão bastante equilibrados entre os dois países. Na Galiza, a maior parte dos trabalhadores transfronteiriços, ou seja todos aqueles que são residentes na Região Norte e trabalham na Galiza, desempenham a sua atividade profissional nos sectores de transportes, armazenagem e construção. Na Região Norte, a maioria dos trabalhadores transfronteiriços, ou seja, todos aqueles que são residentes na Galiza e trabalham na Região Norte, desenvolvem a sua atividade profissional no sector da indústria, em atividades de serviço de apoio e administrativo. Atualmente, estima-se que o

número de trabalhadores transfronteiriços ronde, no mínimo, 3.000 pessoas, com base em contratos estipulados em 2022, dos quais 78% viajam da Galiza para a Região Norte (CEG). Os dados devem ser analisados com cautela, pois subestimam o fenómeno devido à falta de dados abrangentes, e devem ser considerados apenas como um ponto de partida.

Os primeiros passos de um quadro de cooperação estabelecido a nível nacional datam de 1977, tendo sido reforçados a um nível mais regional em 1991, com o Acto Constitutivo da Comunidade de Trabalho Galiza-Norte de Portugal. A colaboração entre a Galiza e a Região Norte evoluiu continuamente ao longo dos anos e envolve hoje uma estrutura formalizada, que integra diversas entidades públicas e privadas que colaboram em variadas áreas distintas. No entanto, a harmonização das normas entre as duas regiões continua a ser um desafio, algo que se deve também aos diferentes níveis de autonomia administrativa de cada uma destas regiões. Embora a distribuição de poderes e competências na Galiza seja bastante substancial, a região Norte, devido ao sistema político português centralizado, depende do governo nacional. No que diz respeito ao mercado de trabalho, o Serviço de Emprego Transfronteiriço da rede EURES, em colaboração com associações empresariais, sindicatos e instituições públicas de ambas as regiões, presta diversos serviços de apoio às empresas e aos candidatos a emprego. Ao mesmo tempo, publica estudos e relatórios sobre o mercado de trabalho fronteiriço. A colaboração entre as duas regiões inclui a troca de dados e a produção de estatísticas conjuntas (IGE), embora com um alcance limitado. No entanto, permanecem os desafios na compilação de dados para todos os indicadores não abrangidos por estas estatísticas conjuntas, nomeadamente ao nível da recolha de dados relativos aos diferentes níveis de autonomia administrativa e às respetivas competências de recolha de dados. Os membros da rede EURES defendem ativamente a eliminação dos principais obstáculos, como a fiscalidade, a legislação laboral e as políticas sociais. As atividades incluem também a atenção aos cidadãos de países terceiros, cujas autorizações de trabalho estão ligadas a um determinado país, mas não estão necessariamente autorizados a trabalhar em toda a região fronteiriça, independentemente do país de residência. Este foi identificado como um problema relevante na região, dada a crescente importância dos cidadãos de países terceiros no respetivo mercado de trabalho. Em conclusão, observou-se que é dada uma atenção considerável às questões transfronteiriças a nível regional, com margem para um maior envolvimento das autoridades nacionais.

## 1.2. Summary of the main results – Español

La Eurorregión Galicia – Norte de Portugal tradicionalmente posee sólidos lazos culturales y una larga historia de cooperación transfronteriza. Galicia posee tasas de desempleo significativamente más altas, pero salarios medios más elevados, y los niveles de precios se encuentran bastante equilibrados entre ambos países. En Galicia, la mayor parte de los trabajadores transfronterizos, es decir, todos aquellos que son residentes en Región Norte y trabajan en Galicia, desempeñan su actividad laboral en los sectores del transporte, el almacenamiento y la construcción. En la Región Norte, la mayor parte de los trabajadores transfronterizos, es decir todos aquellos que son residentes en Galicia y trabajan en Región Norte, desempeñan su actividad laboral en el sector de la industria, en actividades administrativas y servicios auxiliares. En la actualidad, el número de trabajadores transfronterizos se estima en alrededor de un mínimo de 3000 personas, basado en contratos firmados en 2022, de las cuales el 78% se desplaza desde Galicia a la Región Norte (CEG). Los datos deben interpretarse con cautela, ya que subestiman el fenómeno debido a la falta de datos exhaustivos, y deben considerarse solo como un punto de partida.

Los primeros pasos de un marco de cooperación establecido a nivel nacional se remontan a 1977 y se afianzan a nivel regional en 1991 con el Acta Constitutiva de la Comunidad de Trabajo Galicia-Norte de Portugal. La colaboración entre Galicia y la Región Norte no ha

dejado de evolucionar a lo largo de los años y en la actualidad presenta una estructura formalizada en la que participan diversas entidades públicas y privadas que colaboran en distintos ámbitos. Sin embargo, aún continúa siendo un desafío la armonización de las normas entre las dos regiones. Algo que se debe también a los diferentes niveles de autonomía administrativa de cada una de dichas regiones. Mientras que la devolución de poderes y competencias en Galicia es bastante sustancial, la región Norte, debido al sistema político centralizado portugués, depende del gobierno nacional. En lo que respecta al mercado laboral, la Oficina Transfronteriza de Empleo de la red EURES, en colaboración con asociaciones empresariales, sindicatos e instituciones públicas de ambas regiones, presta diferentes servicios de apoyo a empresas y demandantes de empleo. A su vez, publica estudios e informes sobre el mercado laboral transfronterizo. La colaboración entre ambas regiones incluye el intercambio de datos y la elaboración de estadísticas conjuntas, aunque con un alcance limitado. Sin embargo, siguen existiendo desafíos en la recopilación de datos para todos aquellos indicadores no cubiertos por estas estadísticas conjuntas. En particular, el desafío se encuentra en la recopilación de aquellos datos relacionados con los diferentes niveles de autonomía administrativa y las respectivas competencias para la recolección de datos. Los miembros de la red EURES abogan activamente por abordar los principales obstáculos, como la fiscalidad, la legislación laboral y las políticas sociales. Las actividades incluyen también la atención a los ciudadanos de países terceros, cuyos permisos de trabajo están vinculados a un país concreto, pero no están necesariamente autorizados a trabajar en toda la región fronteriza independientemente del país de residencia. Esto se ha identificado como un problema relevante en la región, dada la creciente importancia de los ciudadanos de países terceros dentro del mercado laboral respectivo. En conclusión, se observó que se presta una atención considerable a las cuestiones transfronterizas a nivel regional, con margen para una mayor participación de las autoridades nacionales.

## 2. Main characteristics of the region's labour market

### 2.1. Location and key features of the cross-border region

The Euroregion Region Norte – Galicia is located in the Northwest of the Iberian Peninsula. The territory covers an area of approximately 51,000 km<sup>2</sup>, with around 58% of the territory belonging to Galicia. Within the Euroregion, the relevant urban centres close to both sides of the border are Vigo (ES) and Porto (PT). The two cities and their metropolitan areas are an important hub for economic activities and represent an attractive destination for cross-border workers (Falagán Mota et al., 2013). In general, economic activities are more focused on services in Galicia and more concentrated on manufacturing activities in the Region Norte. Considering the region as a whole, there are similarities between the coastal areas and the more internal and rural ones in both countries. The coastal zone of the cross-border region includes three airports – Porto (PT) and Santiago de Compostela and Vigo (ES) – and presents a developed tourism industry with the highest population density and industrial employment. In contrast, the inland areas have an economy based mainly on agriculture and livestock farming, with little tourism development and problems of depopulation. The sparse population of inland areas on both sides of the border reduces opportunities for interaction outside the main crossing points and has influenced the cooperation between the two regions, which gives preference to the coastal areas in terms of investments in infrastructures and services. Nevertheless, opportunities in inland areas have increased since the 2000s, thanks to the connection of the A-52, A-75 and A-24 highways, which link Ourense (ES) with Verín (ES) and to the south with Chaves (PT) and Vila Real (PT) (Pardellas & Padín, 2017). Due to the limited availability of public transport options, notably because of the poor train connections, most of the mobility between the

two regions is by car or private bus lines (Ministerio de Transportes, Movilidad y Agenda Urbana, 2023).

The first steps of Spanish-Portuguese cooperation date back to 1977 when the Spanish-Portuguese Treaty of Friendship and Cooperation was signed. Lately, Portugal and Spain, in 1988 and 1990 respectively, ratified the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (1980). Following the same orientation, both states signed, in 2002, the Treaty on Cross-border Cooperation between Territorial Entities and Instances. By doing so, the legal framework for cross-border cooperation was further developed and strengthened. If informal dialogue between the two regions began in the 1980s, it was only in 1991 that the Constitutive Act of the Galicia-Northern Portugal Working Community (CT) was signed. Thanks also to several Interreg programmes in which Galicia and Region Norte have been involved since the early 1990s<sup>1</sup>, cross-border projects began to be implemented in various areas such as interregional infrastructures, social services, research and technological development. Representing the continuous evolution of the collaboration between the two regions, in 2008, the Galicia-Northern Portugal European Grouping of Territorial Cooperation (GNP-EGCT) was constituted, with its own legal and administrative status (Outeda, 2010), being the second EGCT<sup>2</sup> to be registered in the EU. Such grouping, due to the fact that has a legal personality, enshrines the establishment of a formalised and stable structure for territorial cooperation between Galicia and Region Norte. The GNP-EGCT, being European Grouping of Territorial Cooperation, aims to promote collaboration and joint initiatives in various areas, such as economic development, infrastructure, environmental issues, and cultural exchanges, across Galicia and Region Norte. This type of cooperation mechanism allows participating regions to work together more effectively, addressing common challenges and leveraging shared opportunities.

Overall, the territory constituted by Region Norte – Galicia shows well-developed cooperation fostered by its common history and cultural and linguistic ties. Apart from the aforementioned cooperation bodies, there are also other established cooperation networks between cities<sup>3</sup>, the EGTC Rio Minho<sup>4</sup>, the EGTC Eurocity of Chaves (PT) – Verín (ES) and three more eurocities: Valença (PT)-Tui (ES), Vila Nova de Cerveira (PT) – Tomiño (ES) and Monção (PT) – Salvaterra de Miño (ES).

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<sup>1</sup> Financed through Interreg I (1991-93) and Interreg II (1994-1999). For instance, Interreg II provided the basic financial support for the activities of the Galicia-Northern Portugal Working Community's main actions in the field of infrastructures (the international bridges between Arbo (ES) and Melgaço (PT), Salvaterra Miño (ES) and Monção (PT), and Vilanova(PT)), environment (the creation of the Xurés-Peneda Gerês international natural park), training and employment (setting up of a cross-border employment office of the EURES network in Valença do Minho) and tourism (publication of the first Region Norte-Galicia touristic map) (Pardellas & Padín, 2017).

<sup>2</sup> The European Grouping of Territorial Cooperation (EGTC) allows different Member States' public entities to come together under a new entity with a legal personality. The EGTC Regulation was established in 2006 and it gave the possibility to create the first European cooperation structures with legal personalities, defined by European law.

<sup>3</sup> In April 1992 the two cities of Porto (PT) and Vigo (ES) founded the "Eixo Atlántico do Noroeste Peninsular", a cross-border association that today comprises 41 municipalities from Galicia and Region Norte. It is a supra-municipal entity which works for territorial cohesion and a cohesive organisation of the urban system in the Euroregion, as well as for the modernisation of its members through cooperation, exchange of knowledge and joint strategic planning. The fields of work of the organization are: modernisation of administration, sustainable development, culture, tourism, sports, social development and transport.

<sup>4</sup> The EGTC was created in 2006 and comprises the Intermunicipal Community of Alto Minho, made by ten municipalities, and sixteen Galician municipalities of the province of Pontevedra.

## 2.2. Evolution and trends of the labour market

### *Demographics, density and its evolution*

The Euroregion Region Norte – Galicia concentrates a population of around 6.3 million inhabitants, of which 2.7 live in Galicia and 3.6 live in Region Norte (Eurostat, 2023). The majority of the people live in the Metropolitan area of Porto (PT) (1.74 million), followed by the provinces of A Coruña (ES) (1.12 million) and Pontevedra (ES) (942,894). The Metropolitan area of Porto is the most densely populated area, with 858 inhabitants per square km. Galicia region's population density is in line with the national average (94.3), while the Region Norte is higher than the national average (113.9). This is due to the fact that the Metropolitan area of Porto is the second most densely populated sub-region of the country after the Metropolitan Area of Lisbon. Among the foreigners living in Galicia, the Portuguese are the most numerous. In 2022, 14,655 Portuguese lived in Galicia, more than one-third residing in the province of Pontevedra. By contrast, only 3,858 Spaniards lived in the Region Norte, of which almost half lived in the metropolitan area of Porto.

There are 399 municipalities in the cross-border region, 313 Spanish municipalities and 86 Portuguese. The most populated municipality is Vila Nova de Gaia with 307,563 inhabitants in Portugal, followed by Vigo (293,652) in Spain and Porto (240,592) in Portugal. The two cities of Vila Nova de Gaia and Porto are both part of the Metropolitan area of Porto.

Figure 1 shows the population development in the timeframe 1992-2022. During this period, the population in the Euroregion increased only by 0.6%, with the growth occurring on the Portuguese side. Population growth is below national averages of both countries (with the Galician population even shrinking in the last ten years), and is remarkably low considering the growth of the Spanish population in the last two decades. This is because Galicia did not attract many of the immigrants behind this stark increase in population.

**Table 1: Population and population density 2022**

| Region (NUTS3)             | Population 2022 | Population density (inh./km <sup>2</sup> ) | Region (NUTS2 and NUTS0)               | Population 2022 | Population density (inh./km <sup>2</sup> ) |
|----------------------------|-----------------|--------------------------------------------|----------------------------------------|-----------------|--------------------------------------------|
| A Coruña                   | 1,120,121       | 142.0                                      | Galicia                                | 2,691,456       | 91.7                                       |
| Lugo                       | 324,400         | 33.1                                       | Region Norte                           | 3,587,882       | 170.1                                      |
| Ourense                    | 304,041         | 42.3                                       | Cross-border region – Euroregion total | 6,279,338       | 123.1                                      |
| Pontevedra                 | 942,894         | 211.3                                      | Spain                                  | 47,432,893      | 94.3                                       |
| Alto Minho                 | 230,942         | 105.9                                      | Portugal                               | 10,352,042      | 113.9                                      |
| Cávado                     | 416,600         | 338.4                                      |                                        |                 |                                            |
| Ave                        | 417,756         | 289.4                                      |                                        |                 |                                            |
| Metropolitan area of Porto | 1,740,117       | 858.3                                      |                                        |                 |                                            |
| Alto Tâmega e Barroso      | 84,083          | 29.2                                       |                                        |                 |                                            |
| Tâmega e Sousa             | 407,700         | 225.4                                      |                                        |                 |                                            |
| Douro                      | 183,668         | 46.1                                       |                                        |                 |                                            |
| Terras de Trás-os-Montes   | 107,016         | 19.4                                       |                                        |                 |                                            |

Data source: Eurostat<sup>5</sup>

<sup>5</sup> The total value for the Euroregion has been calculated based on aggregation.

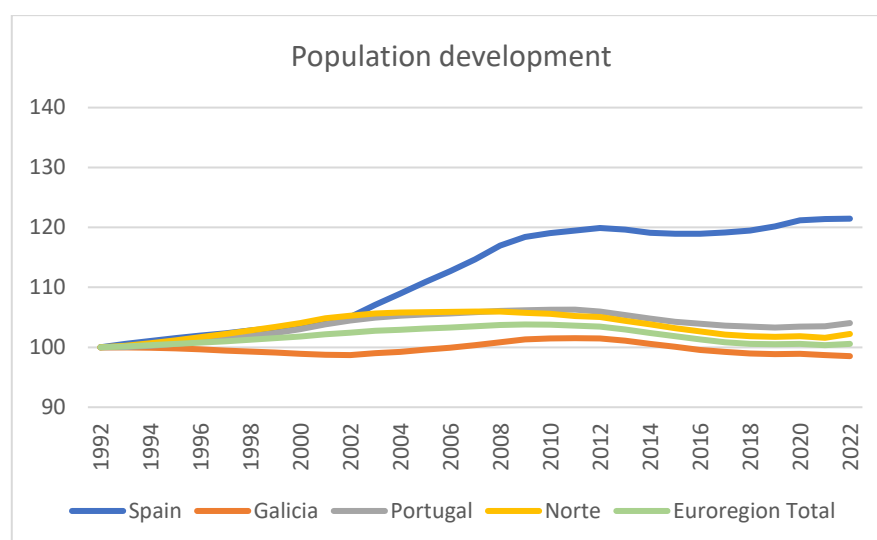


Figure 1: Population development 1992-2022, index 1992=100

Data source: Eurostat<sup>6</sup>

Although Region Norte has a slightly younger population than Galicia, there are no significant differences in the age composition within the cross-border region. Values are also in line with national and EU27 averages (see Table 2).

**Table 2: Population by age group 2022. Values expressed in percentage**

| Region                                 | Population with less than 15 years old | Population between 15-64 years old | Population over 65 years old |
|----------------------------------------|----------------------------------------|------------------------------------|------------------------------|
| Spain                                  | 14%                                    | 66%                                | 20%                          |
| Galicia                                | 11%                                    | 63%                                | 26%                          |
| Cross-border region – Euroregion total | 12%                                    | 64%                                | 24%                          |
| Portugal                               | 13%                                    | 64%                                | 24%                          |
| Region Norte                           | 12%                                    | 65%                                | 23%                          |
| EU27                                   | 15%                                    | 64%                                | 21%                          |

Data source: Eurostat<sup>7</sup>

### Socio-economic characteristics and employment

In 2021, the total regional GDP for the cross-border region was EUR 128 billion (Eurostat). This constitutes 9% of the total GDP of Spain and Portugal combined. In Spain, the GDP of Galicia constitutes only 5% of the total country GDP. Conversely, the Region Norte of Portugal's economy recorded a GDP of EUR 64.7 billion in 2021, corresponding to around 30.2% of the national GDP. Compared to the other six Portuguese regions, it has the 2<sup>nd</sup> largest regional economy, just behind the Lisbon Metropolitan Area. However, the GDP per capita is higher in Galicia than in Region Norte (see Table 3). While both regions suffered from the aftermath of the pandemic in 2020, their GDP recovered in 2021. In general, the Spanish provinces have a higher GDP per capita than the Portuguese ones (with the exception of the Portuguese subregion of Porto Metropolitan Area) (López-Villuendas & Del Campo, 2022).

<sup>6</sup> The total value for the Euroregion has been calculated based on aggregation.

<sup>7</sup> The total value for the Euroregion has been calculated based on aggregation.

**Table 3: GDP in EUR and GDP in EUR per capita**

| Region                                 | GDP 2021 (million EUR) | GDP per capita (EUR) |
|----------------------------------------|------------------------|----------------------|
| Spain                                  | 1,206,842              | 25,800               |
| Galicia                                | 63,230                 | 23,700               |
| Portugal                               | 214,471                | 21,000               |
| Region Norte                           | 64,709                 | 18,300               |
| Cross-border region – Euroregion total | 127,938                | 20,427               |

Data source: Eurostat<sup>8</sup>

The total unemployment rate for the cross-border region was 8.2% in 2022. This is slightly higher than the Portuguese average but much lower than the Spanish one. Considering the entire cross-border area, the unemployment rate is considerably higher in Galicia (almost double), which is in line with the national rates.

As the figure below shows, unemployment increased slightly during the pandemic, but the effect was not long-lasting.

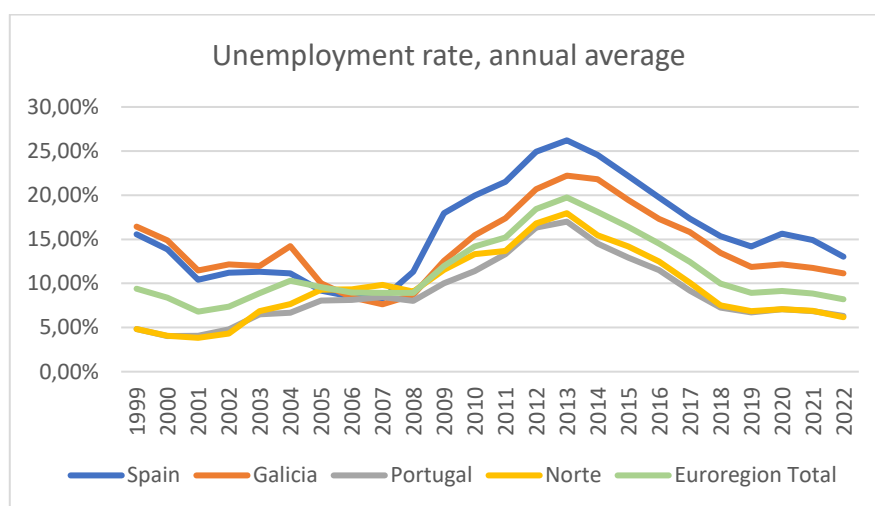


Figure 2: Unemployment rate, annual average

Data source: Eurostat<sup>9</sup>

### Labour market characteristics

The activities and employment dynamics of the Region Norte – Galicia region are mainly regarded in the services sector (64.6%), industry and construction (29.6%) (López-Villuendas & Del Campo, 2022). In Galicia, 72% of employed people work in the services sector while in the Region Norte 65.4%. In regards to the industry sector, while, in the Region Norte, the sector is well developed (25% of employees), in Galicia, less than 16% of employees work in this sector. Compared to the others, the primary sector has low percentages of employed people in both regions, respectively 6% in Galicia and 2.4% in Portugal (Observatório Galicia Norte de Portugal). It is noteworthy that Galicia's share of primary sector employment is higher than the EU27 average of 4% (Eurostat), even if it is decreasing from quite high historical levels.

In general, cross-border flows of workers are more substantial between the coastal provinces of Pontevedra (ES) and the Metropolitan area of Porto (PT) due to faster transport connections and a higher concentration of industries in this area. The presence of construction, naval, and automotive (e.g. Stellantis Vigo plant is one of the largest

<sup>8</sup> The total value for the Euroregion has been calculated based on aggregation.

<sup>9</sup> The total value for the Euroregion has been calculated based weighted average

employers in the region employing roughly 6,500 workers) sectors create an attractive working environment. Furthermore, connections are faster on the coastal axis rather than inland. Despite the lower wages in the Region Norte (the minimum salary in Portugal is currently EUR 820/month<sup>10</sup> while in Spain it is EUR 1,134/month<sup>11</sup>), there are more job opportunities in the Portuguese region, which therefore is attractive to Spaniards (Interview Spanish public employment service, 2024). Thanks to policies that have eased the procedures for setting up new businesses (e.g. simplified registration procedures for businesses, tax incentives) and lower labour costs, the Region Norte has a higher number of industries, including many Spanish companies that have moved their headquarters from Galicia to the Region Norte (Interview Spanish business association, 2024).

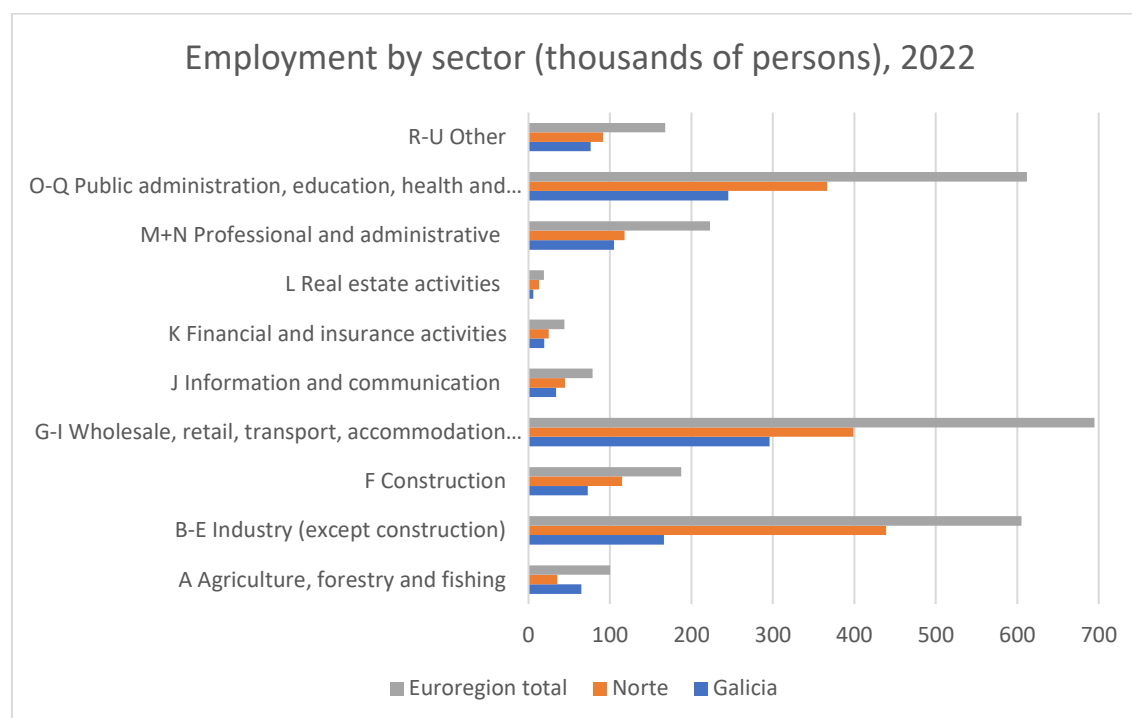


Figure 3: Employment by economic activity (thousands of persons, NACE Rev. 2), 2022

Data source: Eurostat<sup>12</sup>

One of the peculiarities of the evolving labour market that has emerged in recent years is the increasing number of third-country nationals residing in the Euroregion since 2018-2019, thanks to the specific agreements that Spain and Portugal have with certain countries to facilitate the application for work permits. In Galicia, apart from Portugal, the three most represented countries are Venezuela, Colombia and Brazil<sup>13</sup>, while in the Region Norte, Brazil<sup>14</sup> is the most represented country (Confederación de empresarios de Galicia, 2023). This group of third-country nationals represents a possible pool of cross-border workers. However, this is not yet a real possibility, as national residence permits do not enable working rights in other European countries.

<sup>10</sup> Decreto-Lei n.º 107/2023, de 17 de novembro, Diário da República n.º 223/2023, Série I de 2023-11-17, páginas 23-24

<sup>11</sup> Real Decreto 145/2024, de 6 de febrero, por el que se fija el salario mínimo interprofesional para 2024, «BOE» núm. 33, de 07/02/2024

<sup>12</sup> The total value for the Euroregion has been calculated based on aggregation.

<sup>13</sup> In 2022 the number of foreigner resident in Galicia was: 14.655 Portuguese, 14.290 Venezuelan, 10.065 Brazilian and 8.876 Colombian (source: Spanish National Institute of Statistic)

<sup>14</sup> In 2022 25,214 Brazilian nationals were residing in Region Norte (source: Serviço de Estrangeiros e Fronteiras de Portugal)

### *Impact of the developments linked to the COVID-19 pandemic*

As with other countries of the European Union, during the COVID-19 Pandemic, Portugal and Spain reintroduced border controls and limited freedom of movement. Although work travel was allowed and cross-border workers were explicitly mentioned among the categories of people who could cross the border, the situation had important consequences for cross-border workers, particularly in tourism, agriculture and construction sectors. First of all, the temporary reestablishment of controls in the internal borders created many inconveniences in the daily lives of workers, who had to endure long queues every day to reach their workplace. In fact, not only had border controls been reintroduced but the majority of road border crossings had also been closed<sup>15</sup> (Interview cross-border entity, 2024) so hampering cross-border commuting for long periods of time. Other consequences were a higher number of job losses among cross-border workers compared to the regional average due to the fact that a high number of them worked in the accommodation and food services sector (Interview cross-border entity, 2024). Before this situation, many cross-border workers had to apply for unemployment services and, in comparison to workers who live and work in the same country, they had to go through many bureaucratic difficulties.

In fact, unlike unemployment procedures for those living and working in the same country, where there is direct contact between the relevant public service and the employer, cross-border workers are responsible for bringing the necessary documents to the relevant office themselves. The lack of knowledge of these procedures both by workers and employers has created many delays and problems for cross-border workers. Another consequence has been the increase in teleworking also among cross-border workers. This also led to a sizeable regulatory gap, especially with regard to fiscal and social security aspects. According to a study commissioned by Rio Minho EGTC, it is estimated that the closure of borders between Portugal and Spain, in the first general confinement, in 2020, caused “a loss of turnover greater than EUR 92 million” in the cross-border region. The study estimates that the closure of borders, during the first general confinement caused by the COVID-19 pandemic, between March 17<sup>th</sup> and June 30<sup>th</sup>, “affected around 25,000 people throughout the North of Portugal-Galicia Euroregion and 10,000 in the districts of Pontevedra and Viana do Castelo” (Xavier Martínez Cobas & Anxela Fernández Callís, 2021).

The positive aspect of the pandemic is that it put the reality of cross-border workers at the attention of the public, both at the European and national level. In this framework, Spain and Portugal are among the twenty States (eighteen MS, Switzerland and Norway) that, in July 2023, signed the Framework Agreement on the application of Article 16 (1) of Regulation (EC) No. 883/2004 in cases of habitual cross-border telework. Provided that certain conditions are met, the framework agreement facilitates the conclusion of individual derogations between the signatory states in the interest of a category of employed teleworkers and their employer(s).

## 2.3. Differences, imbalances and complementarities across the border

The Euroregion in general has a relevant and constant flow of people and goods between the two regions. Despite some limitations in the comparability of data between the two regions, relevant data on population and labour market are provided by EURES Transfronterizo Galicia-Norte de Portugal (EURES G-NP).

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<sup>15</sup> The only places allowed to cross the border Galicia/Region Norte were: Valença do Minho (District of Viana do Castelo); Tui (Province of Pontevedra) Vila Verde da Raia/Chaves (District of Vila Real); Verín (Province of Ourense) Quintanilha (District of Bragança)

EURES G-NP, thanks to the work of the Confederation of Entrepreneurs of Galicia (CEG), publishes specific data on Spanish and Portuguese workers working in the Region Norte – Galicia Euroregion outside their state of origin. According to the data published by EURES G-NP, the three most important sectors in which Portuguese workers are employed in Galicia are accommodation activities, transport and storage and the manufacturer industry (e.g., canned fish industry, automotive components, construction industry). Figure 4 shows a drastic decrease in the number of contracts in accommodation and food service activities as well as transport and storage, coinciding with the COVID-19 pandemic and a moderate recovery. Of the 7851 contracts to Portuguese workers in Galicia (in 2022), 41% were located in the province of Pontevedra, which is located on the Atlantic coast of the region.

On the other hand, the sectors that employ most Spanish people in the Region Norte are industrial, administrative and support services activities, as well as wholesale and retail (Figure 5). The Region Norte is also very attractive for health sector professionals, such as doctors, due to staff shortages that Portuguese hospitals are experiencing. In the case of the Norte Region, there is no evident effect of the COVID-19 Pandemic on the labour market. Of the 4,461 Spanish workers with declared income in the Norte Region in 2022, 45% were located in the district of Viana do Castelo and 34% in the Metropolitan area of Porto. The high number of Spaniards working in the industrial sector is also due to the fact that some Galician companies have moved to industrial estates in the north of Portugal, in Valença do Minho and Vila Nova da Cerveira – municipalities close to the border – in order to reduce labour costs. The attractiveness of these two municipalities is also due to their strategic location, which makes them important access points for companies looking to expand their operations beyond national borders and to access both Portuguese and Spanish markets. Portugal also offers a series of tax and economic incentives to attract foreign investment and promote economic development in specific regions, such as the north of the country. Finally, it is also worth mentioning that the northern part of Region Norte, corresponding to the area of Alto Minho, has a better transport and logistics network than Galicia, with access to roads, ports and airports that facilitate the transport of goods and distribution to other markets. Jobs in the wholesale and retail trade sectors are linked to creating distribution networks for their products in the North of Portugal and opening small commercial offices as well as large stores (such as El Corte Inglés). In addition to these activities, Galicians have a strong presence in administrative services (Interview Spanish Public Employment Service, 2024).

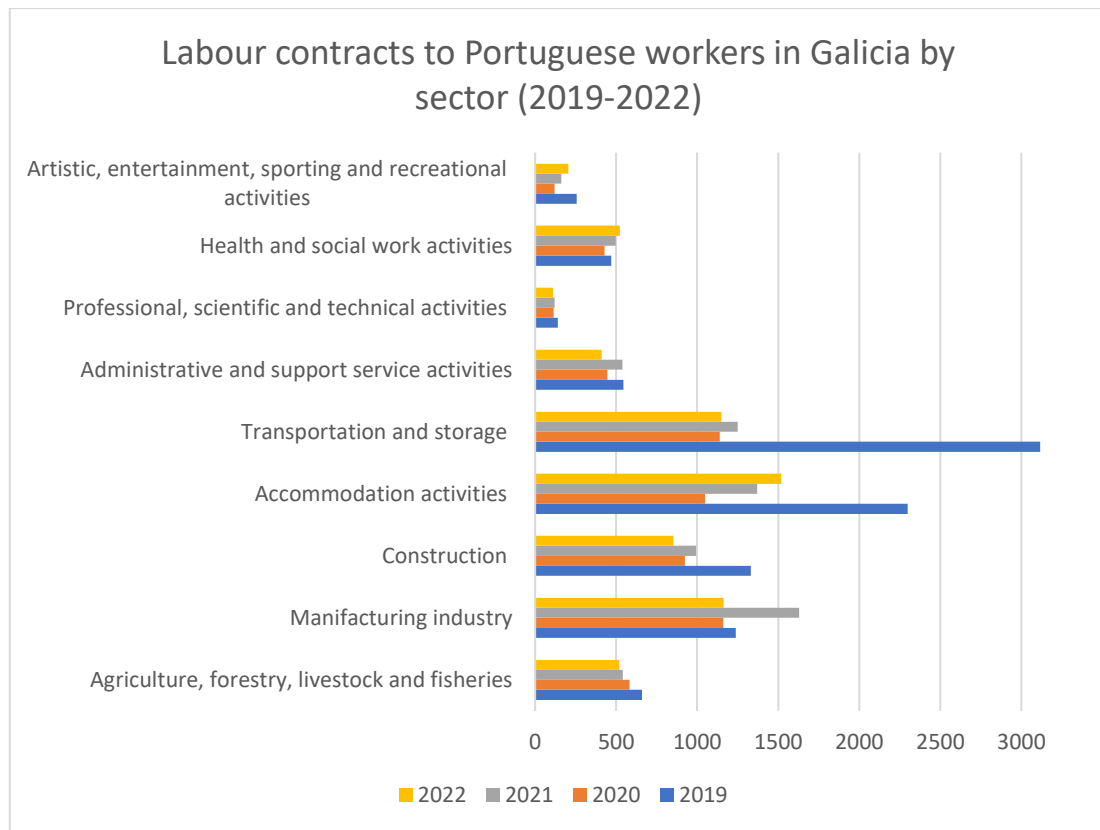


Figure 4: Labour contracts to Portuguese workers in Galicia by the ten most representative sectors (2019-2022, CNAE sector classification)

Source: CEG based on primary data of "Conselleria de Emprego e Igualdade"

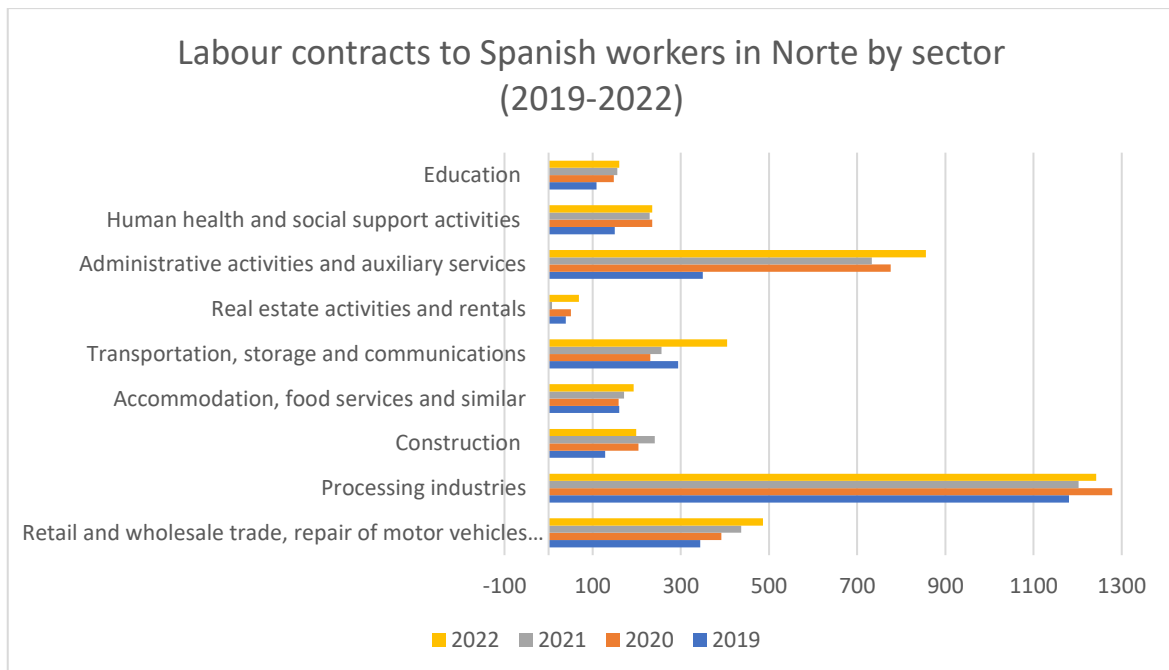


Figure 5: Labour contracts to Spanish workers in Region Norte by the ten most representative sectors (2019-2022, CAE sector classification)

Source: CEG based on primary data of "Ministério de Trabalho, Solidariedade e Segurança Social"

Data presented in Figure 4 and Figure 5 are based on citizenship, i.e. do not include only cross-border commuters, but also Portuguese and Spanish nationals that have moved their residence in Galicia or Region Norte or Portuguese and Spanish nationals coming from other regions.

A greater level of detail can be given through the data on Spanish and Portuguese individuals residing in their country of origin and working in the Galicia-Norte Euroregion (in a country other than that of residence). As shown in Figure 6, in 2022 the largest share of labour contracts to Portuguese nationals residing in Portugal and working in Galicia was stipulated in the transportation and storage and construction sectors. Conversely, the largest share of labour contracts to Spanish nationals residing in Spain and working in Region Norte works in the industry sector and in administrative and support services activities. Of the 6451 contracts to Portuguese workers in Galicia in 2022, 650 regard workers who still reside in Portugal, 64% working in Pontevedra. Of the 4,461 Spanish workers with income declared in the Norte Region Galicia 2022, 2371 workers still have their residence in Spain and 79% work in the district of Viana do Castelo.

Although the number of Portuguese nationals working in Galicia is higher than the number of Spaniards working in the Region Norte in terms of the number of contracts per nationality, this does not correspond to a higher number of commuters from the Region Norte to Galicia, as many Portuguese have moved to Galicia. As noted above, cross-border commuting is more substantial from Galicia to Region Norte (Interview Business and Economic Association Spain, 2024). At present, based on the data on labour contracts to Spanish and Portuguese national residing in the country of origin, for 2022 the number of commuters can be estimated at around a minimum of 3000 people, 78% of whom commute from Galicia to the Region Norte (CEG). Data are an estimation since they consider only the ten most representative activity sectors. Furthermore, it is important to note that using the number of contracts as a proxy for the number of workers introduces several challenges. Contracts recorded in a single year may not fully represent the true extent of cross-border employment, as they do not account for long-term or permanent contracts signed in previous years, which are not included in annual reports. This omission could lead to an underrepresentation of the actual number of cross-border workers. The same individual could also have multiple short-term contracts in the same year, potentially inflating the figures and making it difficult to distinguish between individual workers and repeated contracts. Moreover, in practice the complexity of cross-border bureaucratic processes, particularly the challenges faced by employers and workers in handling tax and social security requirements, often leads to longer-term contracts being favoured. Therefore, if only new contracts signed in a given year are considered, without incorporating long-term contracts from previous years, the data likely underestimates the true scale of cross-border employment. A further limitation arises from the figures related to Spanish workers declaring income in the Region Norte of Portugal. Thanks to the agreement to avoid double taxation between Spain and Portugal<sup>16</sup>, cross-border workers have the option to declare their income in either country. This means that the reported figure of 2,371 Spanish workers declaring income in Portugal may not fully capture the total number of cross-border workers, as it excludes those who choose to declare their income in Spain. This option is often more favourable for workers, further suggesting that the data may underrepresent the true extent of cross-border labour movements. In light of these limitations, the estimate of 3,000 cross-border workers provides a useful reference point but should be regarded as a conservative figure, since it likely omits a significant number of individuals due to the limitations in data collection and reporting mechanisms. In support of this, daily traffic data from the region further indicates substantial movement across the Galicia-Norte border. According to a recent study, in 2019 over 45,000 vehicles crossed the border daily, including both light and heavy vehicles (Secretaría General de Transporte y Movilidad; Ministerio de Transportes, Movilidad y Agenda Urbana, 2022). This high volume of traffic suggests a much larger population of cross-border commuters and trade activity than the labour contract data alone would imply.

<sup>16</sup> [Instrumento de Ratificación, del Convenio entre el Reino de España y la República Portuguesa para evitar la doble imposición y prevenir la evasión fiscal en materia de impuestos sobre la renta y Protocolo, firmado en Madrid el 26 de Octubre de 1993.\(BOE, 07-noviembre-1995\)](#)

Due to the characteristics of the predominant industry sectors, the labour market of the two regions presents more complementarities than overlaps and fostering its integration and synergies can have positive effects on the Euroregion in its entirety. In general, the main obstacles to more integrated cross-border markets are administrative in nature. Applying to social security or the fiscal regime are the issues that discourage workers from taking work across borders. Other common problems are the homologation and recognition of professional and academic titles, which sometimes can be very time-consuming due to the fact that it depends on different administrations. Furthermore, even if the EURES G-NP network strongly supports businesses and workers, in most cases, the lack of concrete answers lies in the directly responsible administrations. This has become even more visible with the advent of teleworking, which raised even more doubts on social and tax issues (Interview Spanish Public Employment Service, 2024).

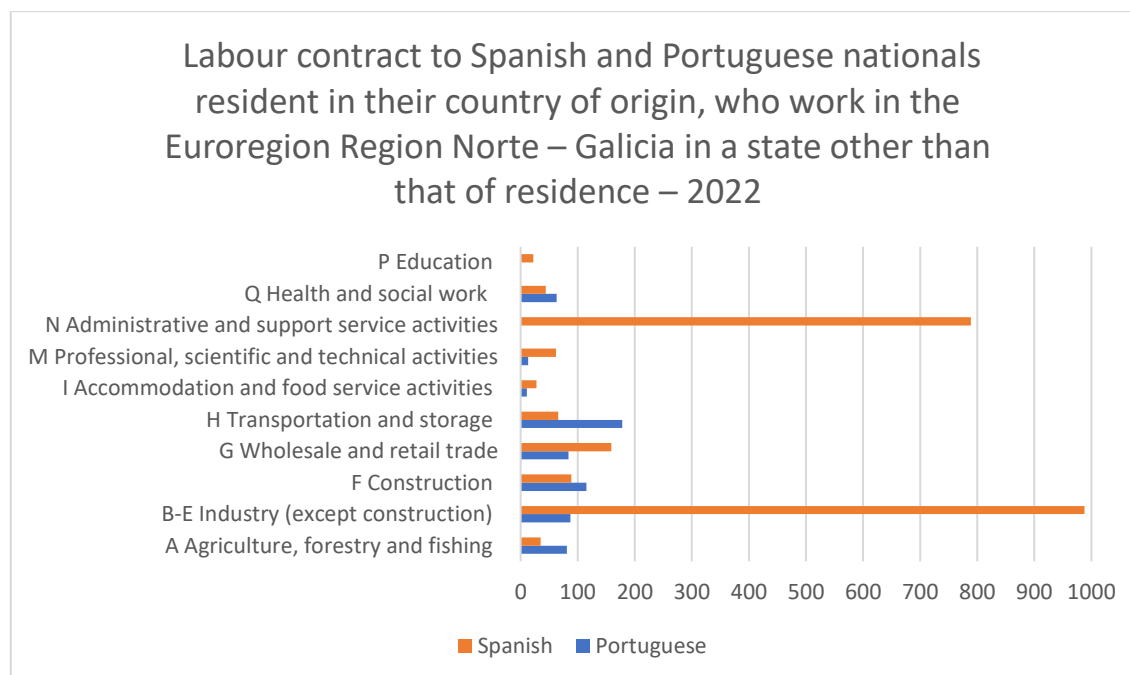


Figure 6: Labour contracts to Spanish and Portuguese nationals residing in their country of origin, who work in the Euroregion Region Norte – Galicia in a state other than that of residence, by ten most representative sectors (2022, NACE Rev. 2)

Source: CEG based on primary data of “Ministério de Trabalho, Solidariedade e Segurança Social” and “Conselleria de Emprego e Igualdade”

### 3. Cross-border policy framework

#### 3.1. Governance structure and key actors of the labour market

The governance structure of the Region Norte – Galicia region is characterised by a high level of cooperation among regional and local authorities from Portugal and Spain. The Xunta of Galicia (i.e., the government of the autonomous community of Galicia) and the Comissão de Coordenação e Desenvolvimento Regional do Norte (CCDR-N), together with the Territorial Cooperation Communities (CTC) which bring together local institutions (Municipal Chambers on the Portuguese side and Municipalities Councils and Provincial Councils in Spain), play a major role in fostering cooperation at all levels (transport, tourism, environment, labour market).

As mentioned in section 2.1, in 2008 the Galicia-Northern Portugal-European Grouping of Territorial Cooperation (GNP-AECT) was constituted (based on Regulation (EC) 1082/2006 on European grouping of territorial cooperation) suggesting a commitment to sustained collaboration and coordinated efforts between the regions involved. The GNP-AECT consists of the Xunta de Galicia and the CCDR-N and, in partnership with the Galicia-Northern Portugal Working Community and regional and local entities, and aims to facilitate and promote territorial cooperation by establishing links in various fields of action, such as promoting and improving the competitiveness of businesses through knowledge and innovation, improving basic cross-border facilities and strengthening the social and institutional cohesion of the Euroregion.

Regarding the labour market, one important actor is the Cross-border Employment Office of the EURES G-NP network which provides relevant information on the topic and supports other regional and local actors in their activities. The Cross-border Employment Office publishes job offers in the Euroregion, supports businesses in the drafting of cross-border contracts, provides workers with information on the legislation of the two countries on labour, tax, and social matters applied to cross-border mobility, spreads news about cross-border internships and training opportunities and eases the exchange of information between trade unions and businesses. EURES G-NP network has a widespread distribution thanks to the presence of EURES advisers that work within the framework of public employment services, trade unions and business organisations of each member state. In particular, regarding job offers, EURES G-NP publishes all job offers publicly through the channels of the Xunta de Galicia and the Instituto do Emprego e Formação Profissional (IEFP). In addition to attending to individual queries from workers or companies that wish to work in the other region, it also publishes studies and reports on labour market topics.

The partners of the EURES G-NP networks can be categorised as follows:

- Business associations: Confederación de Empresarios de Galicia, AEP – Associação Empresarial de Portugal, Associação Empresarial de Viana do Castelo and CEVAL – Confederação Empresarial do Alto Minho, Associação Empresarial do Alto Tâmega
- Trade unions: The main unions of Galicia (Sindicato Nacional de Comissões Obreiras de Galicia and UGT Galicia) and Region Norte (Confederação geral dos trabalhadores Portugueses – intersindical nacional, UGT Portugal, CGTP-in) are part of the EURES G-NP network and regularly meet to exchange information about cross-worker needs and organise labour inspections
- Public institutions: GNP-AECT, Xunta de Galicia, CCDR-N, University of Vigo, University of Minho, the Instituto do Emprego e Formação Profissional, CIM Alto Minho, the Spanish Ministry of Employment and Social Security, the Portuguese social security and working conditions authorities

EURES G-NP annually creates an activity plan involving all the partners. Examples of activities include union meetings or the informative sessions organised by the employment centres to address administrative issues or other obstacles.

## 3.2. Main policies and good practices from the cross-border region

A number of very useful tools are available to Euroregion stakeholders. The Cross-border Employment Office of the EURES G-NP has published the “Cross-border worker guide”<sup>17</sup> in which workers can find all kinds of useful information regarding contracts, social security, retirement, taxes, etc. Furthermore, it carries out continuous observation and monitoring activities, the output of which is the Bulletin<sup>18</sup>, which is published twice a year. The Bulletin presents relevant data on cross-border workers and useful information on legislative developments regarding, for example, fiscal and social security matters. Regarding cross-border workers, it is particularly difficult to trace the flow accurately because the absence of border control and geographical proximity have stimulated non-formalised and seasonal employment, which is challenging to capture in official statistics. To overcome these problems, the EURES G-NP regularly collects data from public bodies like social security authorities, employment observatories, institutes of employment and training services, immigration and borders services, and National Statistical Institutes (Pires & Nunes, 2018) to provide information on cross-border labour. The collection of data is carried out by the Confederation of Entrepreneurs of Galicia (CEG), which, in the framework of the EURES G-NP, coordinates an annual report<sup>19</sup> which collects and systematises sources and data to improve the mobility of workers and companies in the Euroregion. The report is divided in three sections and presents data on population, labour market and labour mobility and enterprise mobility. A relative analysis is carried out comparing and integrating the information corresponding to Galicia and to Region Norte, as well as the annual evolution of each indicator. Data are gathered through the following institutions in both countries<sup>20</sup>. The territorial scope is Galicia and the Region Norte. Both regions are considered NUTS 2 territorial units. In the case of Galicia, the data is broken down by provinces, where possible; and in the case of the Region Norte, by districts.

In 2009, CEG began defining the typologies and situations in which workers could incur due to mobility problems, which were collected in the first study on the *Euroregion Galicia-Region Norte labour market and worker mobility*, published that same year. Following these definitions, the CEG developed a catalogue of indicators<sup>21</sup> that serve as a basis for preparing the report that has since been presented every year. The catalogue covers the legislation on labour mobility and labour market in the Euroregion as well as the indicators that are provided by the organisations that produce and/or disseminate information related to the labour market of the Euroregion. In particular, the catalogue compares the availability of indicators and points out the differences and similarities in their calculation. Regarding the data exchange, statistical collaboration started in 1995 in the framework of an Interreg project between the Instituto Galego de Estatística (IGE) and the Portuguese National Institute of Statistics. At that time, the process of harmonisation of data and definition started. As for today, IGE collaborates with CCDDR-N to collect data on the Portuguese side.

<sup>17</sup> [https://www.eures-norteportugal-galicia.org/wp-content/uploads/2022/11/Vivir-en-Galicia-e-Traballar-en-Portugal\\_Guia-do-Traballador-Transfronteirizo.pdf](https://www.eures-norteportugal-galicia.org/wp-content/uploads/2022/11/Vivir-en-Galicia-e-Traballar-en-Portugal_Guia-do-Traballador-Transfronteirizo.pdf)

<sup>18</sup> The Buletins are accesible at this link: <https://www.eures-norteportugal-galicia.org/boletin-eures-t/>

<sup>19</sup> O mercado laboral da Eurorrexión Galicia-Norte de Portugal e a mobilidade de traballadores. The reports are accessible at this link: <https://www.eures-norteportugal-galicia.org/indicadores-de-mobilidade-transfronteiriza/>

<sup>20</sup> For the last study, the following institutions have been consulted to gather data: Ministerio de Inclusión, Seguridad Social y Migraciones (Secretaría de Estado de Migraciones -Observatorio Permanente de la Inmigración), Consellería de Promoción do Emprego e Igualdade, Instituto Galego de Estatística, Spanish Instituto Nacional de Estadística, Portuguese Instituto Nacional de Estatística, Ministério de Trabalho, Solidariedade e Segurança Social (Instituto do Emprego e Formação Profissional and Segurança Social Portugal), Ministério da Administração Interna (Serviço de Estrangeiros e Fronteiras) and Instituto dos Mercados Públicos, do Imobiliário e da Construção.

<sup>21</sup> The catalogue with the indicator is available at this link: <https://www.eures-norteportugal-galicia.org/wp-content/themes/eures/indicadores/o-mercado-laboral-da-eurorrexion-e-a-mobilidade-de-traballadores.pdf>

Each country produces its own data in a common framework. Indicators are presented separately but also at an aggregated level for the Euroregion and collected in the webpage “Observatorio Transfronterizo Galicia-Norte de Portugal<sup>22</sup>”, which presents different sets of data on population, territory, labour market, tourism, industry, etc.

It is worth mentioning that employment is also one of the main priorities of the POCTEP<sup>23</sup> programme. POCTEP is funded by Interreg, in the European Regional Development Fund (ERDF) and promotes cross-border development and cooperation between Spain and Portugal. The POCTEP2021-2027 is the largest cross-border cooperation programme in the EU, with a total allocation of EUR 427 million (EUR 299 million from the ERDF for projects). The programme is organised around the 6 Cooperation Areas and 36 NUT III regions. One of the six cooperation areas is specifically Galicia/Region Norte. Employment is addressed in the Operational Programme through several specific objectives<sup>24</sup>, with particular reference to improving conditions for cross-border workers and reactivating cross-border public services after the paralysis caused by the COVID-19 pandemic. Moreover, Xunta de Galicia and CCDR-Norte have a Joint Investment plan for the Euroregion Galicia – Region Norte 2021-2027 (PIC) (CCRD-Norte, Xunta de Galicia, 2021), which aims to exceed the reduced financial framework for POCTEP and foster cross-border cooperation in line with the five political objective of European Cohesion Policy.

Another initiative that has been successful in the past is the so-called “Cross-border job days”, organised by GNP-AECT in 2014, which were a way to bring together workers and employers of a specific sector. Sectors were selected according to the need for more labour force and complementariness among the two regions. During the fair, job offers and related administrative aspects were presented. The initiative had a positive impact in both the short and medium term, allowing some workers to be recruited thanks to the CVs exchanged during the fair and increasing awareness of cross-border working opportunities (Interview cross-border entity Spain, 2024).

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<sup>22</sup> [https://www.observatoriognp.eu/web/mostrar\\_seccion\\_gnp.jsp?codigo=0502](https://www.observatoriognp.eu/web/mostrar_seccion_gnp.jsp?codigo=0502)

<sup>23</sup> Programa de Cooperación Interreg España-Portugal (Interreg Cooperation Program Spain-Portugal): <https://www.poctep.eu/>

<sup>24</sup> Of the four call for proposals that have already been published under POCTEP, the 4<sup>th</sup> (published in April 2023) was focused on OP4 A more social Europe. Projects in the filed of employment and education selected through this called are expected to be approved in the first semester of 2024. The 5<sup>th</sup> and the 7<sup>th</sup> call for proposals, to be published in the second semester of 2024, will be also focused on OP4.

## 4. Conclusions and recommendations

This section synthesises the key findings from the study, identifies the key strengths and weaknesses and provides recommendations to enhance the integration and efficiency of the cross-border labour market.

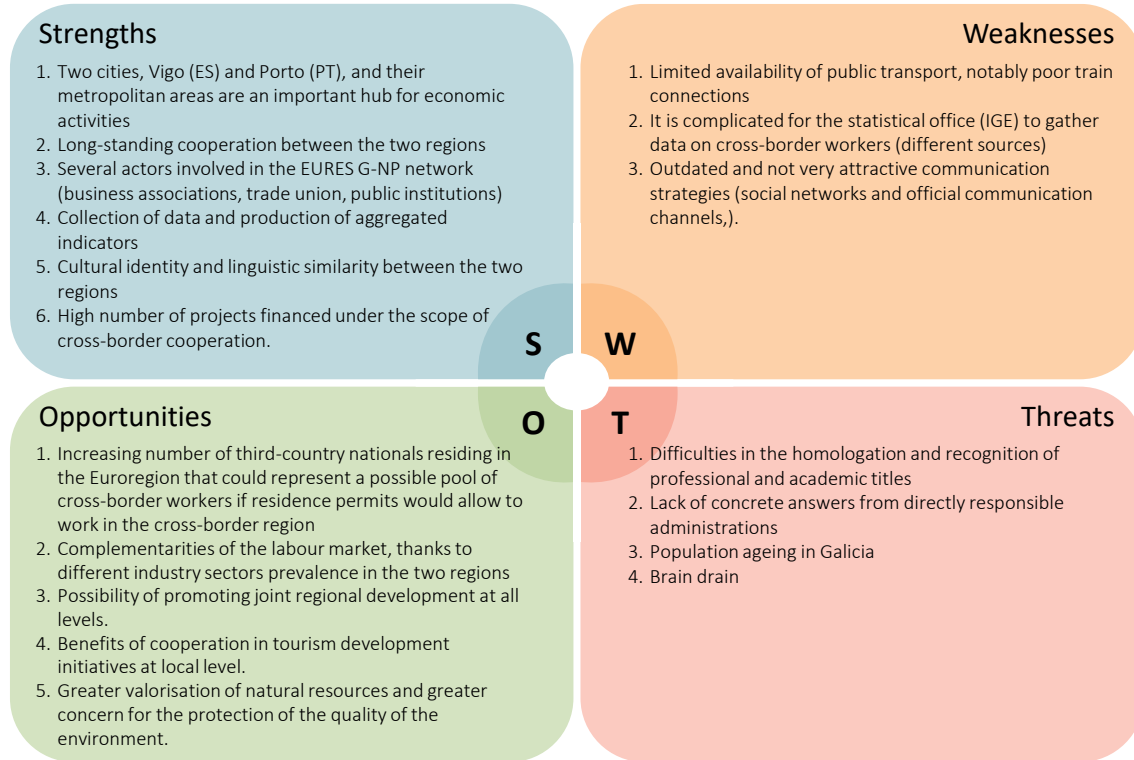


Figure 7: SWOT analysis

Source: own elaboration

### 4.1. Lessons learnt and improvement suggestions

The region's main strength lies in its already well-integrated culture and society and long history of cross-border cooperation. Political entities are committed to advancing cross-border cooperation and promoting common economic priorities that could benefit the Euroregion. The Joint Investment Plan of the Euroregion Galicia – Region Norte 2021-2027 (PIC) confirms the strong political will of the Xunta de Galicia and the CCDD-Norte to promote cooperation beyond Interreg and European funded projects and to strengthen the Euroregion, taking advantage of its complementarities. Although presenting a well-established network of institutions at any level (political, business associations and unions) and a constant dialogue between the two regions, data show that cross-border commuting does not make up a considerable share of the workforce. This is probably due to the fact that interest in cross-border working opportunities among citizens is low due to administrative difficulties and the poor public transport connections, notably by train. To reach a more integrated cross-border market, improvements are needed in harmonising administrative aspects such as the fiscal regime, social security, homologation, and recognition of professional and academic titles (Interview Spanish Public Employment Service, 2024). Due to the different levels of administrative autonomy between the two regions, this harmonisation process requires a greater involvement of national authorities.

Concerning the collection of data on cross-border workers and the labour market, the study has revealed a high level of data exchange between the two regions. The main issue is that Portuguese data on the Region Norte are produced at national level, while Galicia has its own Institute of Statistics that produces data at the level of the autonomous community.

This is due to the differing levels of administrative autonomy in each of these regions. While administrative autonomy is high in Galicia, the Region Norte depends on the national government because Portugal has a centralised political system. This competence asymmetry also affects how data is collected and disaggregated (e.g. in Spain, firms are obliged to register contracts in the Public Employee Service, while in Portugal the estimation of the number of contracts is based on declared remuneration), making data not easily extractable. As such, data collected at the regional level for Galicia is difficult to compare with Portuguese data collected at the national level without further re-elaboration. Furthermore, using contracts data as a proxy for cross-border worker numbers presents several limitations, ranging from an underestimation of permanent contracts to the difficulty of individuate the actual place of residence of workers based on their declared income. This lack of comprehensive, comparable data remains a significant barrier to accurately assessing cross-border commuting and labour market integration. Nevertheless, thanks to the catalogue of indicators developed by the CEG and to a well-established system of information exchange and cooperation between IGE and CCDR-N, data harmonisation is a consolidated praxis and an excellent starting point for a consistent cross-border data production. The cooperation between IGE and CCDR-N represents a successful case of an Interreg-born collaboration that has continued without European support, thanks to the willingness of the two institutions to continue financing this project.

Regarding transport network, improvements in access to public transport could facilitate the mobility of all social groups across all the border. In this sense, it is essential to promote integrated transport services on both sides of the border, in terms of circuits, schedules or other aspects, promoting greater interrelation between the territories. The measures adopted in terms of transport and communication will contribute to developing the potential of urban and rural areas, affecting also tourism and culture, which are two elements that can clearly contribute to the generation of investments and employment in the cross-border area, supporting small businesses (leisure activities, restaurants, etc.) (Associação Nacional de Municípios Portugueses , Federación Española de Municipios y Provincias, 2018).

Finally, as mentioned in section 2.2, the presence of third-country nationals in the Euroregion has increased since 2018-2019. In this context, the EURES G-NP network is receiving increasing enquiries from businesses about the possibility of recruiting third-country nationals who have residence and work permits on the other side of the border. In this sense, there is still a lack of indications and plans to facilitate the mobility of these workers and an increasing need for coordination with migration policies at European level (Interview cross-border entity, 2024).

## 4.2. Lessons learnt and improvement suggestions – Português

A principal força da região reside na sua cultura e sociedade que já estão bem integradas, assim como na sua longa história de cooperação transfronteiriça. As entidades políticas comprometeram-se a impulsionar a cooperação transfronteiriça e a promover prioridades económicas comuns que possam beneficiar a Eurorregião. O Plano de Investimento Conjunto da Eurorregião Galiza-Norte 2021-2027 (PIC) confirma a firme vontade política da Junta de Galiza e da CCDR-Norte em promover a cooperação (indo mais além do Interreg e dos projetos financiados com fundos europeus) e em reforçar a Eurorregião através do aproveitamento das suas complementaridades. Apesar de apresentar uma rede bem estabelecida de instituições a todos os níveis (associações políticas, empresariais e sindicais) e um diálogo constante entre as duas regiões, os dados mostram que os movimentos transfronteiriços não constituem uma parte considerável da força de trabalho. Isto deve-se, provavelmente, ao facto de os cidadãos demonstrarem pouco interesse nas

oportunidades de emprego transfronteiriças, devido às dificuldades administrativas e às fracas ligações de transportes públicos, especialmente de comboio. Para alcançar um mercado transfronteiriço mais integrado, é necessário melhorar a harmonização de aspetos administrativos como o regime fiscal, a segurança social, a homologação e o reconhecimento de títulos profissionais e académicos (Entrevista Serviço Público de Emprego do Estado, 2024). Devido aos diferentes níveis de autonomia administrativa entre as duas regiões, este processo de harmonização exige um maior envolvimento das autoridades nacionais.

No que diz respeito à recolha de dados sobre os trabalhadores transfronteiriços e o mercado de trabalho, o estudo revelou um elevado nível de troca de dados entre as duas regiões. O principal problema é que os dados portugueses sobre a Região Norte são produzidos a nível nacional, enquanto a Galiza tem o seu próprio Instituto de Estatística, que produz dados ao nível da comunidade autónoma. Isto deve-se aos diferentes níveis de autonomia administrativa de cada uma destas regiões. Embora a Galiza tenha um elevado nível de autonomia administrativa, a Região Norte depende do governo central porque Portugal tem um sistema político centralizado. Esta assimetria de poderes afecta também a forma como os dados são recolhidos e desagregados (por exemplo, em Espanha, as empresas são obrigadas a registar os contratos no Serviço Público de Emprego, enquanto em Portugal, a estimativa do número de contratos tem por base a remuneração declarada), tornando os dados de difícil extração. Os dados recolhidos a nível regional na Galiza são difíceis de comparar com os dados portugueses recolhidos a nível nacional sem uma nova compilação. Além disso, o uso de dados de contratos como um indicador para o número de trabalhadores transfronteiriços apresenta várias limitações, desde uma subestimação dos contratos permanentes, até à dificuldade em identificar o local de residência real dos trabalhadores com base na sua renda declarada. A falta de dados abrangentes e comparáveis continua a ser uma barreira significativa para avaliar com precisão o deslocamento transfronteiriço e a integração no mercado de trabalho. Não obstante, graças ao catálogo de indicadores desenvolvido pelo CEG e a um sistema bem estabelecido de troca de informação e cooperação entre o GIE e a CCDR-N, a harmonização de dados é uma prática que está a ser consolidada e representa um excelente ponto de partida para a produção consistente de dados transfronteiriços. A cooperação entre o GIE e a CCDR-N representa um caso de sucesso de uma colaboração que nasce do Interreg e que continuou sem apoio europeu, graças à vontade de ambas as instituições em continuar a financiar este projeto.

No que diz respeito à rede de transportes, as melhorias no acesso aos transportes públicos poderiam facilitar a mobilidade de todos os grupos sociais ao longo de toda a fronteira. Neste sentido, é fundamental promover serviços integrados de transporte em ambos os lados da fronteira, no que concerne a circuitos, horários ou outros aspetos, de forma a fomentar uma maior inter-relação entre os territórios. As medidas adotadas ao nível dos transportes e comunicações contribuirão para desenvolver o potencial das zonas urbanas e rurais, e terão também impacto no turismo e na cultura, que são dois elementos que podem claramente contribuir para a geração de investimentos e emprego na região transfronteiriça, apoiando as pequenas empresas (atividades de lazer, restauração, etc.) (Associação Nacional de Municípios Portugueses, Federação Espanhola de Municípios e Províncias, 2018).

Por fim, como referido na secção 2.2, a presença de cidadãos de países terceiros na Eurorregião aumentou desde 2018-2019. Neste contexto, a rede EURES G-NP recebe cada vez mais pedidos de empresas sobre a possibilidade de contratar nacionais de países terceiros que possuam autorização de residência e de trabalho além-fronteiras. Neste sentido, ainda faltam indicações e planos para facilitar a mobilidade destes trabalhadores e a coordenação com as políticas migratórias a nível europeu é cada vez mais necessária (entrevista com entidade transfronteiriça, 2024).

### 4.3. Lecciones aprendidas y propuestas de mejora – Español

La principal fuerza de la región radica en su cultura y sociedad, ya bien integradas, y en su larga historia de cooperación transfronteriza. Las entidades políticas se han comprometido a impulsar la cooperación transfronteriza y a promover prioridades económicas comunes que puedan beneficiar a la eurorregión. El Plan Conjunto de Inversiones de la Eurorregión Galicia-Región Norte 2021-2027 (PIC) confirma la firme voluntad política de la Xunta de Galicia y de la CCDR-Norte de promover la cooperación más allá de Interreg y de los proyectos financiados con fondos europeos, y de fortalecer la eurorregión aprovechando sus complementariedades. A pesar de presentar una red bien establecida de instituciones a todos los niveles (político, asociaciones empresariales y sindicatos) y un diálogo constante entre las dos regiones, los datos muestran que los desplazamientos transfronterizos no constituyen una parte considerable de la mano de obra. Esto se debe probablemente a que los ciudadanos muestran poco interés en las oportunidades de trabajo transfronterizas, debido a las dificultades administrativas y a las deficientes conexiones de transporte público, especialmente en tren. Para alcanzar un mercado transfronterizo más integrado, es necesario mejorar la armonización de aspectos administrativos como el régimen fiscal, la seguridad social, la homologación y el reconocimiento de títulos profesionales y académicos (Entrevista Servicio Público de Empleo Estatal, 2024). Debido a los diferentes niveles de autonomía administrativa entre las dos regiones, este proceso de armonización requiere una mayor implicación de las autoridades nacionales.

En cuanto a la recopilación de datos sobre los trabajadores transfronterizos y el mercado laboral, el estudio ha revelado un alto nivel de intercambio de datos entre las dos regiones. El principal problema es que los datos portugueses sobre la Región Norte se producen a nivel nacional, mientras que Galicia tiene su propio Instituto de Estadística, que produce datos a nivel de la comunidad autónoma. Esto se debe a los diferentes niveles de autonomía administrativa de cada una de estas regiones. Mientras que Galicia tiene un alto nivel de autonomía administrativa, la Región Norte depende del gobierno nacional porque Portugal tiene un sistema político centralizado. Esta asimetría de competencias también afecta a la forma en que se recogen y desglosan los datos (por ejemplo, en España, las empresas están obligadas a registrar los contratos en el Servicio Público de Empleo, mientras que en Portugal la estimación del número de contratos se basa en la remuneración declarada), lo que dificulta la extracción de datos. Los datos recogidos a nivel regional en Galicia son difíciles de comparar con los datos portugueses recogidos a nivel nacional sin una nueva elaboración. Además, el uso de datos de contratos como un indicador del número de trabajadores transfronterizos presenta varias limitaciones, desde la subestimación de los contratos permanentes hasta la dificultad de identificar el lugar de residencia real de los trabajadores en función de sus ingresos declarados. La falta de datos completos y comparables sigue siendo una barrera significativa para evaluar con precisión el desplazamiento transfronterizo y la integración del mercado laboral. No obstante, gracias al catálogo de indicadores desarrollado por el CEG y a un sistema bien establecido de intercambio de información y cooperación entre el IGE y la CCDR-N, la armonización de datos es una práctica consolidada y representa un excelente punto de partida para la producción consistente de datos transfronterizos. La cooperación entre el GIE y la CCDR-N representa un caso de éxito de una colaboración nacida de Interreg que ha continuado sin apoyo europeo, gracias a la voluntad de ambas instituciones de seguir financiando este proyecto.

En cuanto a la red de transporte, las mejoras en el acceso al transporte público podrían facilitar la movilidad de todos los grupos sociales a lo largo de toda la frontera. En este sentido, es fundamental promover servicios de transporte integrados en ambos lados de la frontera, en cuanto a circuitos, horarios u otros aspectos, para fomentar una mayor

interrelación entre los territorios. Las medidas que se adopten en materia de transportes y comunicaciones contribuirán a desarrollar el potencial de las zonas urbanas y rurales, y también incidirán en el turismo y la cultura, que son dos elementos que pueden contribuir claramente a la generación de inversiones y empleo en el espacio transfronterizo, apoyando al pequeño comercio (actividades de ocio, restauración, etc.) (Associação Nacional de Municípios Portugueses, Federación Española de Municipios y Provincias, 2018).

Por último, como se menciona en la sección 2.2, la presencia de ciudadanos de terceros países en la eurorregión ha aumentado desde 2018-2019. En este contexto, la red EURES G-NP está recibiendo cada vez más consultas de empresas sobre la posibilidad de contratar a nacionales de terceros países que tienen permisos de residencia y trabajo al otro lado de la frontera. En este sentido, siguen faltando indicaciones y planes para facilitar la movilidad de estos trabajadores y cada vez es más necesaria la coordinación con las políticas migratorias a nivel europeo (entrevista a entidad transfronteriza, 2024).

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## Annex: List of interviewees

| Country/region | Interviewee type                                               | Date of the interview |
|----------------|----------------------------------------------------------------|-----------------------|
| Galicia        | Data producers                                                 | 02/02/2024            |
| Galicia        | Regional public authority and public employment services (PES) | 08/02/2024            |
| Galicia        | Business and economic associations                             | 07/02/2024            |
| Galicia        | Cross-border entities                                          | 06/02/2024            |
| Norte          | Regional public authority and public employment services (PES) | 01/02/2024            |
| Norte          | Business and economic associations                             | 07/02/2024            |

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