

WORKING DOCUMENT:

***AN OPERATIONAL GUIDANCE PAPER
FOR THE
PREPARATION AND MANAGEMENT
OF
INTERREG IIIA
PROGRAMMES (2000-2006)***

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1. The Aim of the Document: Providing Assistance to Interreg IIIA-Programming Activities

This working document was prepared as part of the **Association of European Border Regions (AEBR) – measure "Linkage Assistance and Cooperation for European Border Regions / Technical Assistance and Promotion" (LACE-TAP)** with the aim to assist the future implementation of Interreg IIIA. This Paper is addressed to all those concerned with the preparation, approval and implementation of programmes under Interreg IIIA, namely: cross-border border regions; national authorities; and the European Commission.

This Paper takes into account the general requirements of the 1999 Structural Funds regulations and the new Interreg III-Guidelines of the Commission. All those involved in the preparation, approval and implementation of future Interreg IIIA programmes may need additional information and advice on cross-border programme development, implementation, management structures and procedures. The information contained in this document is based on good practice already existing under Interreg I and IIA.

The structure of the document is, as follows:

- **Chapter 2** gives a general overview on possible solutions for setting up truly joint co-operation structures that are to take over important tasks in both of the two basic Interreg IIIA-programme types with regard to programme management and joint programming. The presentation is done for each of the two basic cross border-programme types possible under INTERREG IIIA, the option „A Programme for a Border with Sub-programmes for each Cross-border Region“ (2.1.) and the option „A Programme for one Cross-border Region that may cover one or more Borders“ (2.2.). Each section starts with a comment on the formal prescriptions for cross border co-operation (Interreg-Strand A) laid down in the recently published Guidelines. On this ground, a number of practical recommendations are formulated concerning the most important programming tasks. These recommendations are presented in form of "Check Lists" and cross-referenced – where appropriate – by examples of good practice already existing in the framework of Interreg IIA or other useful information on specific aspects of cross-border co-operation (Annexes 1-3).
- **Chapter 3** gives recommendations on how to implement an Interreg IIIA-Programme by truly cross-border projects. Therefore, some basic remarks on the quality of cross-border projects are formulated (3.1.) and illustrative cross-border project examples - reflecting good practice under Interreg IIA – are presented for each of the future Interreg IIIA-priority themes (3.2.).

2. Setting-up Joint Co-operation Frameworks for Interreg IIIA-Programmes: A Step-by-Step Approach

2.1. Programme Type 1: A Programme for a Border with Sub-programmes for each Cross-border Region

2.1.1. Overview on Specific Programming Tasks Foreseen by the Interreg III Guidelines

The Interreg IIIA Programme Type 1 is defined in the Guidelines (Point 22) as follows: In general, a programme shall be drawn up for a border with sub-programmes for each cross-border region, where appropriate

Programme planning and implementation must respect a number of "General Principles" (Points 7, 22), such as:

- The development of a joint cross-border strategy and development programme, including truly cross-border projects (see 3.1.).
- The development of a wide partnership and a "bottom up" approach.
- Assuring complementarity with the "mainstream" of the Structural Funds
- A more integrated and co-ordinated approach to the implementation of the Community initiatives.
- Ensure effective co-ordination between Interreg and the external EU-policy instruments.

The Programme must be based on a **"wide cross-border partnership"**, which is established between regional/local authorities and other authorities/bodies co-financing the programme (e.g. national-level Member State authorities) as well as economic and social partners and other relevant bodies (NGO's, representatives from the academic world etc). It covers all programme phases from the elaboration of the joint development strategy to implementation of the operations and shall result in a significant advance on the present situation.

The Programme **shall be prepared** in the state of proposal by joint cross-border committees or other bodies constituted by the relevant regional/local and national authorities and, where appropriate, the relevant non-governmental partners. It shall be drawn up in accordance with the "General Principles" as a Single Programming Document (SPD) by the regional/local authorities in the eligible areas in partnership with national authorities, depending on the institutional structure of each Member State.

The document shall contain:

- A list of all eligible areas covered by the programme / *the sub-programmes*, including the areas for which not more than 20% of the total expenditure of the CIP concerned may be granted.
- An ex ante evaluation and an account of the joint programming process.
- A statement of the joint strategy and priorities for the development of the area covered by the programme, *broken down by sub-programmes*.
- A summary description *by sub-programme* of the measures planned to implement the priorities (quantified where possible); the nature of measures required to prepare, monitor and evaluate the programme.

- An indicative financial plan.
- A detailed description of the provisions for implementing the CIP.
- Information on the resources required for preparing, monitoring and evaluating assistance.

Programme proposals drawn up in this way shall be submitted to the Commission by the authorities designated by the Member States concerned and in agreement with those Member States. The programme **will be supplemented by a programme complement**, which shall be sent to the Commission not later than 3 months after the programme approval.

Interreg IIIA Programme Type 1 requires for the practical implementation **the designation by the competent authorities participating in the programme of the "common structures for co-operation"**:

- A "Monitoring Committee" for the whole of the programme and a Steering Committee (or, where appropriate a number of them).
- A "Managing Authority".
- A "Paying Authority" at programme level and if necessary "Subsidiary Paying Authorities".
- A "Joint Technical Secretariat" for the operational management of the CIP.

The functions of the Managing Authority, the Paying Authority and the Joint Technical Secretariat are undertaken by these bodies either separately or together, taking account of the specificities of the implementation of Interreg.

The set-up of appropriate „common structures for co-operation" is done on the ground of **"Specific Joint Agreements" (Interreg-Agreements)**, according to the specific nature of the programme / the sub-programmes. These agreements are concluded between the various authorities of the countries participating in the programme and signed by them. They take into account national legislation and cover the provisions for the "common structures for co-operation" and for the "system of cross-border financial management" (final liability, responsibilities for finance, financial control). The agreement shall be presented to the Commission.

In the framework of strategic and operational programme management, the "common structures for co-operation" are responsible for the following tasks:

A. Strategic Management:

The establishment of a Monitoring Committee for the programme covering an entire border is compulsory. It confirms or approves the programme complement; it establishes the criteria to be used for the selection of truly cross-border operations; it makes later amendments to the programme/the sub-programmes or the programme complement; it monitors and evaluates the programme as a whole.

B. Operational Management:

The establishment of several Steering Committees (one for each sub-programme), responsible for joint selection and co-ordinated monitoring of the operations / projects, is compulsory.

The establishment of a Managing Authority for the programme is compulsory. In addition to its general responsibilities, it shall be responsible for organising the preparation of decisions to be taken by the Monitoring Committee and the Steering Committees. It will

accept, consider and give a preliminary assessment of operations proposed for financing or will co-ordinate such tasks. It will co-ordinate the work of the authorities or bodies designated to implement the various sub-programmes and measures. **As an option**, if the Managing Authority does not assume the secretariat function itself, the Managing Authority is assisted in the implementation of its tasks (without prejudice to its global responsibility) by a **Joint Technical Secretariat**.

The establishment of a Paying Authority at programme level (where it is different to the Managing Authority) is compulsory. **As an option, Subsidiary Paying Authorities** can be established for each sub-programme

In addition, a "system of financial management" shall be defined and set up:

- **A single bank account** for the programme and the sub-programmes is established in the name of the Managing Authority or the Paying Authority, which shall receive the single contribution from the ERDF (without financial breakdown by Member State) attributed to the programme and preferably also the respective national co-financing for the programme and the sub-programmes.
- On the basis of decisions concerning the selection of projects taken by the Steering Committees established for each sub-programme, **the ERDF participation** (and the respective national co-financing where existing) **shall then be paid** by the Managing/Paying Authority **to the authorities and bodies designated to implement the various sub-programmes and measures or to Subsidiary Paying Authorities established for each sub-programme.**
- The authorities responsible for the implementation of the sub-programmes or the Subsidiary Paying Authorities shall then ensure **rapid and transparent forward of this finance to the final beneficiaries.** They make the payments to the "partner in charge" of the operation that shall undertake financial management and co-ordinate the various partners in the operation. The "partner in charge" will establish with these partners, possibly in the form of an agreement, the division of the mutual responsibilities.

2.1.2. Practical Recommendations for a Step-by-Step Set-up of Interreg IIIA-Co-operation Structures

Step 1 should define the basic characteristics of the future programme. Programme Type 1 can be used in Member States where cross border-arrangements with a higher degree of integration (see: Programme Type 2) have not yet been implemented or where cross-border regions lack practical experience in the management of Interreg programmes.

There will be one overall programme covering the whole of a national border (or part of a long border), comprising a number of autonomous regional/local sub-programmes, each one with its own financial tables. There will also be general parts of the programme setting out the Strategic Framework for all sub-programmes. Evaluation will be carried out in a co-ordinated way for all sub-programmes of the programme.

The Interreg partners will have to define the geographical delimitation of each sub-programme. The sub-programmes will be "autonomous" in operational management terms, i.e. there will be a Steering Committee for each sub-programme, which will inter alia take final decisions on project selection/approval.

There will be a single Community grant for the whole programme (certification of payments in year n+2 for the whole programme and its sub-programmes could reduce the risk of automatic de-commitment and could be advantageous for border regions with absorption capacity problems). But there will be clearly defined allocations to each sub-programme, which can be modified only with the agreement of the Monitoring Committee and the Commission.

Step 2 should concentrate on setting-up a wide cross-border partnership at programme and sub-programme level. These partnerships cover all programme phases from the elaboration of the joint development strategy to the implementation of the operations: They comprise

- regional/local authorities from the eligible area (programme/cross-border region),
- other authorities/organisations such as national-level Member State authorities (according to the particular circumstances applicable to each border), especially if they provide the non-EU contributions to the programme.
- economic and social partners and other relevant bodies (NGO's, representatives from the academic world etc).

If cross-border structures (euroregion or similar bodies) do exist in the programme area / the sub-programme areas, they should be fully integrated in the relevant partnership arrangement. In both cases, particular attention should be given to capacity building measures. An overview on existing cross-border structures can be found in Annex 1.

The Interreg partnership and the members of the Steering Committee / Monitoring Committees (see Step 3) coming from the partnership can be defined in the Interreg-Agreement (see Step 4).

Step 3 should define precisely the joint co-operation structure (Monitoring Committee, Steering Committee, Managing Authority, Joint Technical Secretariat) and the respective tasks in the framework of strategic and operational management. In addition, a system for joint cross-border financial programme management must be set up (Paying Authority, Subsidiary Paying Authorities). Chart 1 at the end of this section gives an example of a possible management structure and Annex 2 provides for additional information on cross-border financial management.

A. Strategic Management:

One "Monitoring Committee" is established for the programme and its autonomous sub-programme, which will meet once or twice a year. The Monitoring Committee will comprise representatives of:

- regional and local authorities concerned by the programme (Members of the sub-programme Steering Committees), the Managing Authority.
- the Member State authorities with competence for Interreg (if the latter so wish).
- the economic and social partners or NGO's (where appropriate)
- the European Commission (advisory status) and the EIB (if appropriate).

B. Operational Management:

Operational management comprises technical aspects (secretariat, working groups; programme promotion; information/advice to end beneficiaries including on partner search and co-financing; project appraisal; final project selection; notification of approval; progress

monitoring and reporting) and aspects related to strategic financial management and technical/operational financial administration (final liability, administration of joint bank accounts, contracting; payments; financial control and reporting etc.).

As a general rule, one "Steering Committee" is set up specifically and exclusively for the purposes of each Interreg sub-programme. It will be the final decision-making body of the partnership created in the individual cross-border regions. Decisions should be based on the principles of equality between the partners and unanimity. The Committees shall be constituted on the same principles as the Monitoring Committee and may comprise also a representative of the Commission attending as an observer.

Other support structures without decision making competencies such as Sectoral Working Groups or Advisory Committees (e.g. for project development and project appraisal / pre-selection with social partner representation) may also be created by the sub-programme partnership, depending on regional/local conditions.

There will be one "Managing Authority" designated for the entire programme vis-à-vis the Commission. Besides its global responsibilities and its tasks with regard to operational management and technical financial administration (if the Managing Authority is also acting as Paying Authority), it shall be responsible for organising the preparation of decisions to be taken by the Monitoring Committee / the Steering Committees and will co-ordinate the work of the authorities or bodies designated to implement the autonomous sub-programmes and measures. This function can be taken over by a public partner representing a cross-border structure. If a state authority is acting as Managing Authority, it should be assisted in its tasks by a separate "Joint Technical Secretariat" that is preferably a cross-border structure of sufficient size and capacity or a joint structure with representatives from each sub-programme area.

Each sub-programme will be implemented by a common cross-border structure. Their composition and functions can vary according to the degree of integration existing in each cross-border region. Two basic variants with regard to technical tasks of operational management can be distinguished:

- **VARIANT A:** A common structure based on an euroregion or similar cross-border structure existing in the area of the sub-programme concerned, assisted in its functions by a joint permanent secretariat at sub-programme level (if necessary).
- **VARIANT B:** A common structure based on a cross-border consortium, specifically established for the sub-programme between regional/local authorities involved in the implementation and assisted in its functions by a joint permanent secretariat.

Under both variants, particular attention should be given to capacity building: Recently created cross-border structures should be strengthened and the creation of new ones should be encouraged, with a view to assuming most or at least some of the basic operational management functions at sub-programme level on behalf of the cross border partnership. According to the provisions of the Interreg Guidelines, such structures can be funded under technical assistance.

The system of "cross border financial management" consists of two basic elements:

- The Managing Authority can be charged with tasks related to cross-border financial management. If this should not be the case, a unanimously designated single financial administration body ("**Paying Authority**") will be responsible for the programme and all sub-programmes. A single bank account for the programme is established in the name of the Paying Authority, which will be the only contact point for the Commission.

- In order to ensure a more decentraised cross-border financial management, the authorities or bodies designated to implement the various sub-programmes are designated **“Subsidiary Paying Authorities“**. They will operate under the control of the Paying Authority established for the programme. Where finance is transferred from the Main Paying Authority to such Subsidiary Paying Authorities at sub-programme level, the same principles shall apply as at programme level (joint bank account).

For each element of "cross border financial management system", **two practical solutions exist:**

- **Paying Authority for the whole programme:** (1) One of the public Interreg partners can jointly be designated as Paying Authority and is responsible for all tasks related to coordinated financial (strategic) management at programme level and to technical/operational financial administration of the single bank account established for the programme. (2) A financial institution (e.g. a bank) can be responsible for technical/operational financial administration of the single bank account established for the programme, while coordinated financial (strategic) management tasks at programme level remain a task of one jointly designated public Interreg Partner.
- **Subsidiary Paying Authorities for the sub-programmes:** (1) An euroregion or a similar cross-border structure responsible for the implementation of the sub-programme is designated Subsidiary Paying Authority. It is responsible for all tasks related to financial (strategic) management and to technical/operational financial administration of the respective sub-programme. (2) One public partner of the cross-border consortium is responsible for cross-border financial management at sub programme level. As an additional option, one public partner can be responsible for financial (strategic) management tasks of the sub-programme and delegate technical/operational tasks of financial administration (joint bank account at sub-programme level) to a financial institution (e.g. a bank).

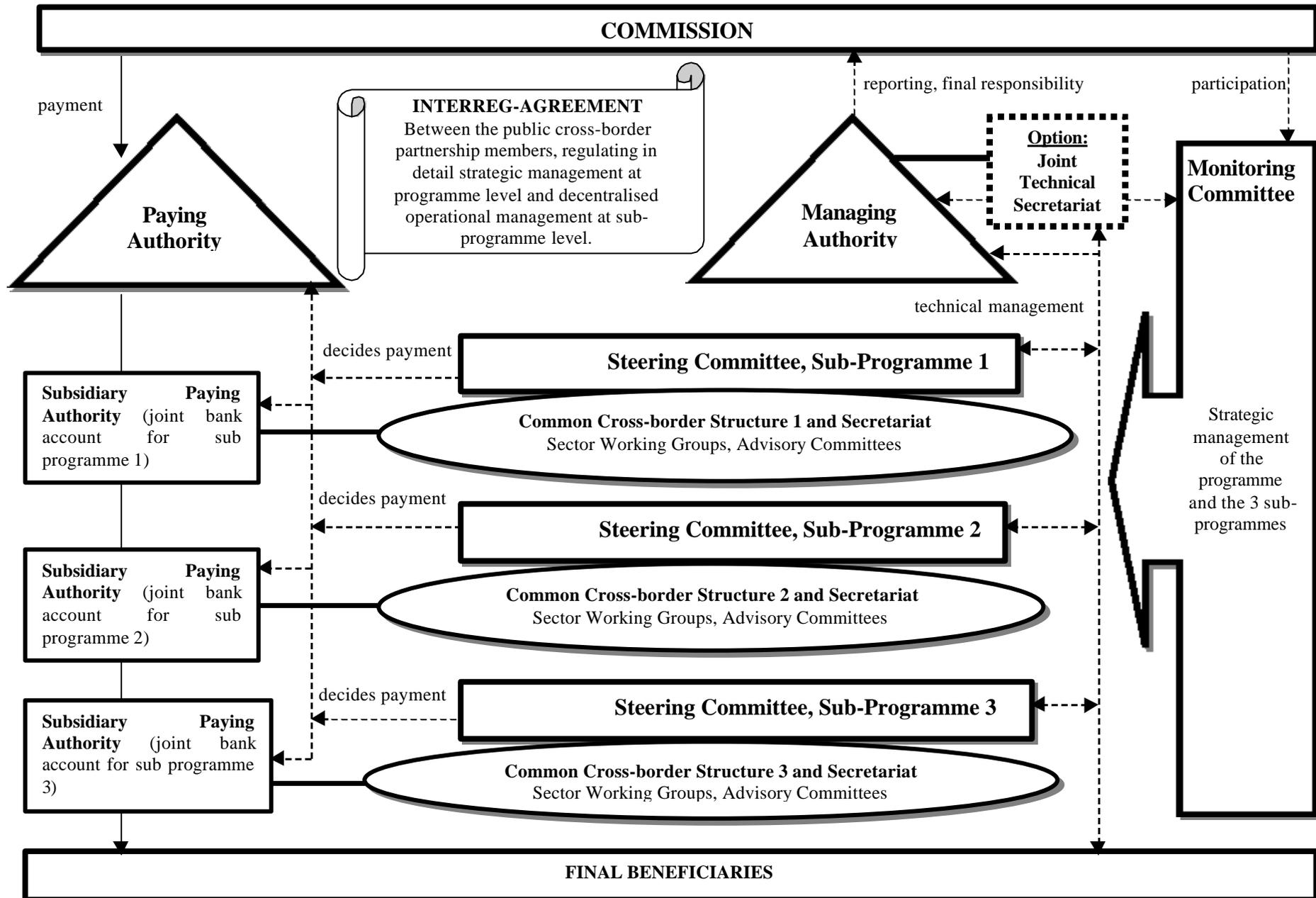
On the ground of instructions of each Steering Committee, payments are made from the Paying Authority to Subsidiary Paying Authorities as well as from the Subsidiary Paying Authorities to final beneficiaries.

In parallel to Step 2 and 3, a comprehensive Interreg Agreement should be concluded (Step 4). A checklist of main contents of an Interreg-Agreement can be found in Annex 3. This Agreement should be elaborated between Interreg partners normally for each programme prior to its submission to the European Commission. The Interreg partners will be regional/local authorities from the eligible cross-border region. Other authorities/organisations, such as national-level Member State authorities, should also be included, according to the particular circumstances applicable to each border, especially if they provide non-EU contributions to the programme. The Interreg-Agreement shall be presented to the Commission with the draft programme.

Ideally there should be a single Interreg-Agreement for each programme, including all its sub-programmes. The agreement will establish common procedures for all sub-programmes (e.g. for calls for proposals, project appraisal and selection), will designate the Managing Authority and the Joint Technical Secretariat, will define the membership of the Monitoring Committee and the Steering Committees of the sub-programmes, and will define the system of cross-border financial management (Designation of common financial administration body/bodies: Paying Authority and possible Subsidiary Paying Authorities for each sub-programme; Determination of financial responsibility and final liability). The participation of national-level Member State authorities as signatories to this agreement should obviate the need for a second-stage agreement with European Commission.

If other bodies, other than the partners are delegated certain functions (e.g. a bank acting as Paying Authority, Subsidiary Paying Authority), they should be signatories to the relevant parts of the agreement.

Chart 1 : Example for Programme Type-1-Management Structures



2.2. Programme Type 2: A Programme for one Cross-border Region that may cover one or more Borders

2.2.1. Overview on Specific Programming Tasks Foreseen by the Interreg IIIA Guidelines

The Interreg IIIA Programme Type 2 is defined in the Guidelines (Point 22) as follows: *In duly justified cases (e.g. very long borders, points where several borders converge, well developed existing co-operation structures), a programme will be drawn up for one cross-border region and may cover one or more borders.*

Programme planning and implementation must respect a number of "General Principles" (Points 7, 22), such as:

- The development of a joint cross-border strategy and development programme, including truly cross-border projects (see 3.1.).
- The development of a wide partnership and a "bottom up" approach.
- Assuring complementarity with the "mainstream" of the Structural Funds
- A more integrated and co-ordinated approach to the implementation of the Community initiatives.
- Ensure effective co-ordination between Interreg and the external EU-policy instruments.

The Programme must be based on a **"wide cross-border partnership"**, which is established between regional/local authorities and other authorities/bodies co-financing the programme (e.g. national-level Member State authorities) as well as economic and social partners and other relevant bodies (NGO's, representatives from the academic world etc). It covers all programme phases from the elaboration of the joint development strategy to implementation of the operations and shall result in a significant advance on the present situation.

The Programme **shall be prepared** in the state of proposal by joint cross-border committees or other bodies constituted by the relevant regional/local and national authorities and, where appropriate, the relevant non-governmental partners. It shall be drawn up in accordance with the "General Principles" as a Single Programming Document (SPD) by the regional/local authorities in the eligible areas in partnership with national authorities, depending on the institutional structure of each Member State.

The document shall contain:

- A list of all eligible areas covered by the programme, including the areas for which not more than 20% of the total expenditure of the CIP concerned may be granted.
- An ex ante evaluation and an account of the joint programming process.
- A statement of the joint strategy and priorities for the development of the area covered by the programme.
- A summary description of the measures planned to implement the priorities (quantified where possible); the nature of measures required to prepare, monitor and evaluate the programme.
- An indicative financial plan.
- A detailed description of provisions for implementing the CIP.
- Information on the resources required for preparing, monitoring and evaluating assistance.

Programme proposals drawn up in this way shall be submitted to the Commission by the authorities designated by the Member States concerned and in agreement with those Member States. The programme **will be supplemented by a programme complement**, which shall be sent to the Commission not later than 3 months after the programme approval.

Interreg IIIA Programme Type 2 requires for the practical implementation **the designation by the competent authorities participating in the programme of the "common structures for co-operation"**:

- A "Monitoring Committee" for the whole of the programme and a Steering Committee (or, where appropriate a number of them).
- A "Managing Authority".
- A "Paying Authority" at programme level and if necessary "Subsidiary Paying Authorities".
- A "Joint Technical Secretariat" for the operational management of the CIP.

The functions of the Managing Authority, the Paying Authority and the Joint Technical Secretariat are undertaken by these bodies either separately or together, taking account of the specificities of the implementation of Interreg.

The set-up of appropriate „common structures for co-operation" is done on the ground of **"Specific Joint Agreements" (Interreg-Agreements)**, according to the specific nature of the programme. These agreements are concluded between the various authorities of the countries participating in the programme and signed by them. They take into account national legislation and cover the provisions for the "common structures for co-operation" and for the "system of cross-border financial management" (final liability, responsibilities for finance, financial control). The Agreement shall be presented to the Commission.

In the framework of strategic and operational programme management, the "common structures for co-operation" are responsible for the following tasks:

A. Strategic Management:

The establishment of a Monitoring Committee for the programme covering a cross-border region is compulsory. It confirms or approves the programme complement; it establishes the criteria to be used for the selection of truly cross-border operations; it makes later amendments to the programme or the programme complement; it monitors and evaluates the programme as a whole.

B. Operational Management:

The establishment of a Steering Committee for the programme, responsible for joint selection and co-ordinated monitoring of the operations / projects, is compulsory. **As an option**, the Monitoring Committee acting as a Steering Committee may carry out duties of the Steering Committee.

The establishment of a Managing Authority for the programme is compulsory. In addition to its general responsibilities, it shall be responsible for organising the preparation of decisions to be taken by the Monitoring Committee and the Steering Committee (where existing). It will accept, consider and give a preliminary assessment of operations proposed for financing or will co-ordinate such tasks. **As an option**, if the Managing Authority does not assume the secretariat function itself, the Managing Authority is assisted in the

implementation of its tasks (without prejudice to its global responsibility) by a **Joint Technical Secretariat**.

The establishment of a Paying Authority at programme level (where it is different to the Managing Authority) is compulsory.

In addition, a "system of financial management" shall be defined and set up:

- **A single bank account** for the programme is established in the name of the Managing Authority or the Paying Authority, which shall receive the single contribution from the ERDF (without financial breakdown by Member State) attributed to the programme and preferably also the respective national co-financing for the programme.
- On the basis of decisions concerning the selection of projects taken by the Steering Committee or the Monitoring Committee acting as a Steering Committee, **the Managing/Paying Authority ensures rapid and transparent forward of the ERDF participation** (and the respective national co-financing where existing) **to the final beneficiaries. The Managing/Paying Authority makes the payments to the "partner in charge" of the operation** that shall undertake financial management and co-ordinate the various partners in the operation. The "partner in charge" will establish with these partners, possibly in the form of an agreement, the division of the mutual responsibilities.
- **As an option and in exceptional cases, the ERDF participation** (and the respective national co-financing where existing) **can be paid** by the Managing/Paying Authority **to authorities and bodies designated to implement specific measures**. In this case, they ensure rapid and transparent forward of the finance to the final beneficiaries and make the payments to the "partner in charge" of the operation.

2.2.2. Practical Recommendations for a Step-by-Step Set-up of Interreg IIIA-Co-operation Structures

Step 1 should define the basic characteristics of the future programme. Separate autonomous programmes for cross-border regions and management structures and procedures that reflect Programme Type 2 are already in use in a number of internal land borders and in some of the maritime borders under Interreg IIA. Examples for well-developed cross-border structures are the bilateral programmes along the D/NL, D/DK and B/NL borders. The same applies to programmes for trilateral borders, e.g. B/D/NL (Maas-Rhein), B/F/L (PED), D/A/CH (Alpenrhein/Bodensee/Hochrhein), where it is essential to maintain their integrity by maintaining them as separate programmes under Interreg IIIA.

- As a general rule, there will be a separate and autonomous programme for each cross-border region. As an option, autonomous programmes for several cross-border regions covering a border or part of it may agree on grouping themselves for the purpose of joint strategic programme management (concerning programme and financial management principles).
- There will be a **Monitoring Committee** for each programme for a cross-border region (strategic management). If autonomous programmes for several cross-border regions are grouped, there will be the possibility of establishing one Monitoring Committee for this group of autonomous programmes to ensure overall co-ordination.
- In both cases, each programme will have **its own Steering Committee** representing a regional/local cross-border partnership, with responsibility for final decisions on projects and other tasks of operational management.

There will be a separate Community grant for each programme, and any modifications will require the agreement of the Monitoring Committee and the Commission. In the case that

autonomous programmes are grouped, the principles of a horizontal re-allocation of funds between programmes in the same group and the obligation of submitting separate modification demands together and at the same time should be defined in the Interreg Agreement (see below).

Step 2 should concentrate on setting-up a wide cross-border partnership at programme level. The partnership covers all programme phases from the elaboration of the joint development strategy to the implementation of the operations and comprises

- regional/local authorities from the eligible area (programme/cross-border region),
- other authorities/organisations such as national-level Member State authorities (according to the particular circumstances applicable to each border), especially if they provide the non-EU contributions to the programme,
- economic and social partners and other relevant bodies (NGO's, representatives from the academic world etc).

Cross-border structures (euroregion or similar structures) existing in the programme area must be fully integrated in the relevant partnership arrangement. Where necessary, attention should be given to capacity building. An overview on existing cross-border structures can be found in Annex 1. Recently created cross-border structures should be strengthened and the creation of new ones should be encouraged. According to the provisions of the Interreg Guidelines, such structures can be funded under technical assistance.

The Interreg partnership and the members of the Steering Committee / Monitoring Committee (see Step 3) coming from the partnership can be defined in the Interreg-Agreement (see Step 4).

Step 3 should define precisely the joint co-operation structure (Monitoring Committee, Steering Committee, Managing Authority, Joint Technical Secretariat) and the respective tasks in the framework of strategic and operational management. In addition, a system for joint cross-border financial programme management must be set up (Paying Authority). Annex 2 provides for additional information on cross-border financial management.

A. Strategic Management:

For each separate and autonomous programme for a cross border region, a "Monitoring Committee" is established that will meet once or twice a year.

As an option, it can be agreed to set-up one "common Monitoring Committee" for several separate and autonomous programmes along a border or part of it. In this case, it is recommended to establish a **strategic co-ordination framework** for this group of programmes, which facilitates co-ordination and possible co-operation amongst the programmes and with the services of the European Commission and the Member States concerned. The framework must be agreed/established jointly by the cross-border regions and the competent Member State authorities, principally covering:

- the geographical definition of the area of each programme;
- common overall strategic priorities;
- key common criteria for all programmes (e.g. requirement to have 2 cross-border partners for each project);
- financial management principles (e.g. main rules concerning co-financing);

- technical management principles (composition of Steering or Management Committees, involvement of social partners, impartiality safeguards for project selection, monitoring and reporting arrangements);
- identification of Interreg agreements required, including the authorities or other bodies to be formally designated as Managing Authority and Paying Authority.
- a common methodology and timetable for the evaluation of the programmes (ex ante, mid-term and ex post).

In both cases mentioned above, the Monitoring Committee will comprise representatives of:

- regional and local authorities concerned by the programme (Members of the Steering Committees in case of a grouping), the Managing Authority (Managing Authorities in case of a grouping).
- the Member State authorities with competence for Interreg (if the latter so wish).
- the economic and social partners or NGO's (where appropriate)
- the European Commission (advisory status) and the EIB (if appropriate).

B. Operational Management:

For both of the above mentioned variants, a "**Steering Committee**" is set up specifically and exclusively for the purposes of each separate and autonomous Interreg programme covering a cross border region. It will be the final decision-making body of the partnership. Decisions should be based on the principles of equality between the partners and unanimity. The Committee shall be constituted on the same principles as the Monitoring Committee and may comprise also a representative of the Commission attending as an observer. **As an option**, the Monitoring Committee of an autonomous programme acting as a Steering Committee may carry out duties of the Steering Committee.

Other support structures without decision making competencies, such as Sectoral Working Groups or Advisory Committees (e.g. for project development and project appraisal with social partner representation) may also be created by the partnership, depending on regional/local conditions.

Operational management comprises technical aspects (secretariat, working groups; programme promotion; information/advice to end beneficiaries including on partner search and co-financing; project appraisal; final project selection; notification of approval; progress monitoring and reporting) **and aspects related to strategic financial management and technical/operational financial administration** (final liability, administration of the joint bank account, contracting; payments; financial control and reporting etc.).

There are **two variants for setting up operational management structures** that reflect the degree of integration existing in cross-border regions:

Variant A, fully integrated operational management using an existing permanent cross-border structure:

The Interreg Partners designate an euroregion or a similar cross-border structure as Managing Authority for the programme, which assumes also the functions of the Joint Technical Secretariat and the Paying Authority. This permanent cross-border structure will be the only contact point for the Commission. The euroregion or similar cross-border structure is responsible for all tasks of operational management (final liability, technical aspects, financial management and technical/operational financial administration). It is also

organising the preparation of decisions to be taken by the Monitoring Committee / the Steering Committee. The permanent cross-border structure establishes a single bank account for the programme in its name and makes payments to final beneficiaries on the instructions of the Steering Committee / Monitoring Committee acting as Steering Committee. **As an option**, the euroregion or similar cross-border structure can delegate technical/operational tasks of financial administration of the single bank account to a financial institution such as a bank, while financial (strategic) management tasks still remain a responsibility of the euroregion or a similar cross-border structure.

In all other cases one public Interreg Partner formally acts as Managing Authority (only assuming final liability vis à vis the Commission), but delegates all or most of its responsibilities with regard to strategic and operational programme management to an euroregion or a similar cross-border structure. This permanent cross-border structure will act as Joint Technical Secretariat, assumes all tasks related to technical aspects of operational programme management. It is also organising the preparation of decisions to be taken by the Monitoring Committee / the Steering Committee. With regard to cross-border financial management, two practical solutions exist: In both cases, the euroregion or a similar cross-border structure is designated Paying Authority and establishes a single bank account for the programme in its name.

- In solution 1, it is responsible for all tasks related to financial (strategic) management and to technical/operational financial administration.
- In solution 2, the euroregion or a similar cross-border structure is responsible for financial (strategic) management tasks, but delegates responsibilities for technical/operational tasks of financial administration (joint bank account) to a financial institution (e.g. a bank).

Example 1, the Interreg IIA-programmes on the D/NL and B/NL/D borders: The euroregions have overall responsibility for programme management, including secretariat and financial management. The operational aspects of technical financial administration for all autonomous programmes for several cross-border regions have been delegated to public banks, with common bank accounts for EU-funds and national co-financing. Example 2, the Interreg IIA-programme "Islands Region" SF/S: As above, but without a common bank account for national contributions.

In the case of a grouping of autonomous programmes for several cross-border regions, one euroregion or similar structure covered by the programmes will take over the secretariat function of the common Monitoring Committee. It is also recommended that partners agree upon designating one and the same Paying Authority (e.g. a bank), which administrates the separate joint bank accounts established for each autonomous programme. Payments will be made by this Paying Authority to final beneficiaries on the instructions of each Steering Committee.

**Variant B, fully integrated operational management
using a structure specifically created for management of Interreg programmes:**

If an euroregion or a similar permanent cross-border structure/body with sufficient capacity is not available, most of the operational programme management functions can be assumed by a "cross-border consortium". On the ground of an Interreg-Agreement, the consortium is established between regional/local authorities or other competent authorities/organisations (as appropriate). One public partner of the "consortium" acts as Managing Authority on behalf of the cross-border partnership and is assisted in its tasks by a Joint Technical Secretariat.

For cross-border financial management, two solutions exist:

- One public Interreg partner of the consortium can be jointly designated as Paying Authority for the programme and is responsible for all tasks related to financial (strategic) management and to technical/operational financial administration.
- The consortium delegates technical/operational tasks of financial administration to a financial intermediary or an other body such as a bank (Paying Authority), while financial (strategic) management tasks remain a responsibility of the one public partner of the cross-border consortium.

Experience suggests that priority should be accorded to building up the capacity of cross-border structure with a view to assuming at least some of the programme management functions on behalf of the Interreg partnership. Such structures can be funded under technical assistance.

In parallel to Step 2 and 3, a comprehensive Interreg Agreement should be concluded (Step 4). A checklist of main contents of an Interreg-Agreement can be found in Annex 3. This Agreement should be elaborated between Interreg partners normally for each programme prior to its submission to the European Commission. The Interreg partners will be regional/local authorities from the eligible cross-border region. Other authorities/organisations, such as national-level Member State authorities, should also be included, according to the particular circumstances applicable to each border, especially if they provide the non-EU contributions to the programme. The Interreg-Agreement should be presented to the Commission with the draft programme.

The nature of the Interreg-Agreement will depend on the chosen institutional model, the involvement of member state authorities (with competence for Interreg) and the options available in the Commission's Interreg-Guidelines (i.e. „SPD's“ and „global grants“).

For operational management-variant A, the experience of the German/Dutch/Belgian and some Scandinavian borders shows that a single agreement can suffice. The euroregion or similar cross-border structure/body will be one of the partners and signatories to the agreement. However, if the euroregion were to act on its own as programme manager, or where the regional/local partnership does not include the competent member state authorities for Interreg, a further „second-stage“ agreement will be necessary, clarifying the relationship of the euroregion with the Member State and with the Commission (e.g. financial responsibilities and final liability).

The Agreement for Variant A is based on the experience of the Interreg IIA-Programmes along the German/Dutch/Belgian borders. A single agreement between the partners is sufficient, as the partners have up to now included the member state authorities with competence for Interreg (i.e. the Dutch Economics Ministry and German Länder in the case of the Dutch-German border). Through such a partnership agreement the Interreg partners have jointly delegated under national law

- some of their responsibilities (normally, audit and ultimate financial liability will remain with the Member State authorities) to the cross-border body / structure (Euregio),
- and technical tasks of cross-border financial management as regards the common bank account for EU-funds and national co-financing to a financial institute (public bank under private law).

For operational management-variant B, a double-agreement solution will typically be needed: A „first-stage“ partnership agreement between the members of the consortium (to prepare, propose and if approved manage the implementation of an Interreg IIIA programme); and a „second-stage“ agreement between the Commission and the managing partner of the

consortium or an intermediary body, to assure directly or indirectly all the essential technical and financial management functions on behalf of the consortium (including clarification of the role of the Member States, especially regarding financial responsibilities and final liability). A single agreement solution is possible, if in the case of a „first-stage“ partnership agreement the competent authorities for Interreg in the two countries concerned are included (based on the Interreg IIA-experience of PAMINA, F/D, but without national co-financing).

In the specific case of joint strategic management for a group of autonomous programmes (one Steering Committee), a single agreement may cover all the programmes.

If other bodies, other than the partners are delegated certain functions (e.g. a bank acting as Paying Authority), they should be signatories to the relevant parts of the agreement. Alternatively, they should enter into a supplementary agreement (or agreements) with the cross-border structure (in Variant A) or the representative of the consortium (in Variant B).

A second-stage agreement may also be required in some circumstances between the regional/local partnership and the European Commission, especially if the EU contribution takes the form of a global grant, and if national authorities are not members of the regional/local partnership.

Annex 1:
Typology of Cross-border Structures
Existing along European Borders

There are now many cross-border structures in existence, representing a considerable diversity in purpose, competencies and capacities, including involvement in Interreg-programmes and related projects. The following typology summarises the main characteristics of structures with a multi-purpose orientation, and actual (or potential) capacity for programme-level functions.

Variant A: Euroregions and similar structures

A number of cross-border structures are known as „euroregions“ (or „euregios“). Although they are not identical in legal form or organisation they share many common characteristics, and especially they:

- are permanent;
- have a separate identity from their members;
- have their own administrative, technical and financial resources;
- have their own internal decision-making.

The geographical area of an euroregion is typically determined by a common interest - especially by the extent of socio-economic integration - and not only by administrative units. The cross-border euroregion is not a new tier of local or regional government, but an interchange point for existing public and private sector bodies and a balance of different competencies existing on both sides of the border. Although they are the main body for all regional/local activities of a cross-border nature, the implementation of most of the actions included in cross-border plans and programmes is done by the competent authorities and other organisations according to national procedures based on common decisions. A more detailed list of characteristics of the euroregions is in **Table 1**.

Most euroregions or similar bodies are established on the borders of Germany with the Netherlands, Belgium, Luxemburg, Switzerland, Austria, Poland, Czech Republic, France and Denmark. There are also euroregions on the Belgian/Dutch border (e.g. Euregio Scheldemond), Italian/Austrian border (Euregio Tyrol), Greek/Bulgarian border (Euroregion Nestos/Mesta) and the French/Spanish border (Euroregion Midi-Pyrénées, Languedoc-Roussillon, Catalunya) (see **Table 2**). Moreover, regional cross-border structures in the Nordic countries have considerable similarities with euroregions, especially in terms of identity, regional/local capacity, and role in Interreg IIA (see **Table 3**).

Practically all euroregions within the EU have been accorded an important role in Interreg on both internal and external EU borders. Their geographical area has often been designated as the eligible area for Interreg IIA purposes, and their organisation performs all or some of the functions required for the management of the implementation of the corresponding operational programme. However, only a few euroregions (e.g. D/NL, B/NL) or similar bodies (e.g. S/SF-Islands, D/DK) currently do play a key role in fully integrated operational programme management as described above for Programme Type 2.

Table 1: Euroregion criteria – Association of European Border Regions / LACEOrganisation

- amalgamation of regional and local authorities from both sides of the national border, sometimes with a parliamentary assembly;
- cross-border organisations with a permanent secretariat and experts and administrative staff;
- according to private law based on national associations or foundations from both sides of the border according to the respective public law;
- according to public law based on international treaties, which also regulate the membership of regional authorities.

Method of working

- development and strategic-oriented co-operation, no measures based on individual cases;
- always cross-border-oriented, not as national border region
- no new administrative level;
- hub for cross-border relations; citizens, politicians, institutions, economy, social partners, organisers of cultural events etc.;
- balancing between different structures and powers on both sides of the border and with regard to psychological issues;
- partnership co-operation, vertically (European, governmental, regional, local) as well as horizontally beyond the border;
- implementation of cross-border decisions at national level and according to procedures applicable on both sides of the border (avoidance of competence and structural power conflicts);
- cross-border participation of citizens, institutions and social partners in programmes, projects and decision-making processes;
- direct initiatives and the use of own resources as preconditions for help and support of third parties.

Content of cross-border co-operation

- definition of fields of action according to joint interests (e.g. infrastructure, economy, culture);
- co-operation in all areas of life: living, work, leisure time, culture etc.;
- equal emphasis on social-cultural co-operation as on economic-infrastructure co-operation;
- implementation of treaties and agreements and concluded at European level between countries to achieve cross-border practice;
- advice, assistance and co-ordination of cross-border co-operation, particularly in the following fields:

• economic development;	• tourism and leisure;
• transport and traffic;	• agricultural development;
• regional development;	• innovation and technology transfer
• environmental protection	• schools and education;
and nature conservation;	• social co-operation;
• culture and sports;	• emergency services and
• health affairs;	disaster prevention;
• energy;	• communications;
• waste disposal;	• public security.

Source: AEBR-LACE Working Paper on the EU Initiative Interreg and future developments, July 1997.

Table 2: Euroregions in the European Union

<i>Name</i>	<i>Date of Establishment¹</i>	<i>Border</i>
EUREGIO	1958	D/NL
Rhein-Waal	1973	D/NL
Maas Rhein	1976	D/NL
Elms-Dollart	1977	D/NL
Rhein Maas Nord	1978	D/NL
Benelux-Middengebied	1984	B/NL
Scheldemond	1989	B/NL
Saar-Lorlux	1989	D/F/LUX
Midi-Pyrénées, Languedoc-Rousillion, Catalunya	1989/91	E/F
Euroregion Neisse/Nisa/Nysa	1991	D/PL/CZ
Elbe/Labe	1992	D/CZ
Erzgebirge	1992	D/CZ
Euregio Pro Europa Viadrina	1992	D/PL
Egrensis	1993	D/CZ
Spree-Neisse-Bober	1993	D/PL
Inn-Salzach	1994	D/A
Euregio Pomerania	1994	D/PL
Euregio Bayerischer Wald/Böhmerwald	1994	A/D/CZ
Regio TriRhena	1995	D/F/CH
Salzburg-Berchtesgadener Land-Traunstein	1995	D/A
„via Salina“	1997	D/A
Nestos-Mesta	1997	GR/BUL
Sonderjylland-Slesvig	1997	DK/D
Zugspitze-Wetterstein-Karwendel	1998	D/A
Euregio Burgenland/Hungary	1998	A/HUNG

Source: AEBR-LACE Working Paper, Institutional aspects of cross-border co-operation, September 1998.

Table 3: Euroregion-type structures in Scandinavia²

<i>Name</i>	<i>Date of Establishment³</i>	<i>Border</i>
Oeresund Council	1964	DK/S
Oeresund Committee	1994	
North-Calotte Council	1971	S/SF/N
Kvarken Council	1972	SF/S
Mittnorden Kommittee	1977	SF/S/N
Storstroms Amt / Kreis Ostholstein	1977	DK/D
Islands/Archipelago Cooperation	1978	S/SF
Arko Cooperation	1978	S/N
Bornholm-Southeastern Skåne	1980	DK/S
Oestfold/Bohuslän	1980	S/N
Tornedalsrådet	1987	S/SF
Baltic Euroregion	1997	DK/LAT/LIT/PL/RUS/S

Source: AEBR-LACE Working Paper, Institutional aspects of cross-border co-operation, September 1998.

¹ In most cases, informal operation started earlier

² Other cross-border cooperation bodies are MittSkandia and Barents Council. They are not associations of local/regional authorities under the Nordic Council Agreement. However, they have a common secretariat and are to some degree involved in Interreg management. A new cross-border structure is being developed in North Karelia-Russia.

³ In most cases, informal operation started earlier

Variant B: Structures specific to Interreg or other EU programmes

An other category is that of structures created specifically for the purposes of Interreg. Such structures exist in one form or another for all internal borders, with at least a programme monitoring committee and secretariat.

A good example is that of PAMINA on the French-German border. An important development in this context has been the establishment of the „Information and Advice Office for Cross-Border Issues“ in January 1991 (PAMINA Office)⁴. Specifically set up for the purposes of Interreg are the Monitoring Committee and the Working Group PAMINA which has the function of a Steering Committee. Other implementation functions have been assigned to the existing PAMINA Office which acts as the Programme Secretariat, services the Working Group PAMINA and Monitoring Committee and monitors project implementation.

Although the initial *raison d'être* of such structures is the management of the implementation of Interreg programmes, there are signs of consolidation and transformation into a permanent cross-border structure for other cross-border co-operation activities.

Nota bene:

Besides the two basic cross-border structures described above, a number of other cross-border bodies do exist. They may be upgraded during the new programming period in order to play a role in Interreg IIIA-programme management similar to the Variant A-Type or the Variant B-Type solution. In a large number of cases regional / local authorities, or other organisations have agreed to co-operate, e.g. by signing a protocol of co-operation or a legally non-binding agreement, and have created some sort of structure, typically without its own legal personality.

- The commonest term used for such structures is „working community“ (*communauté de travail*) and the commonest type of membership is that involving regional authorities. Examples include: Jura (F/CH), Pyrenées (E/F) and Extremadura/Alentejo (E/P), ARGE ALP, Alpen-Adria.
- A variety of other names are also in use. For instance in the case of Ireland/UK (Northern Ireland) there are three cross-border „clusters“ (informal associations) of local authorities, called: EBRC (East Border Regions Committee); ICBAN (Irish Central Border Network); and NWRCBG (North West Region Cross Border Group).

There are also cross-border bodies which are non-governmental organisations belonging to the private or voluntary sectors. An example is Co-operation Ireland in IRL/NI.

The main common features of such structures can be summarised as follows:

- they are permanent;
- they sometimes have a separate identity (e.g. ICBAN in IRL/NI) but they often retain the identity of their members (e.g. Working Community of Galicia and Norte in E/P);
- they rarely have separate capacity from the members, normally relying on a revolving chairmanship and secretariat; and committees/working groups of officials representing the members and meeting from time to time, and are without substantial financial and personnel resources of their own;

⁴ The office provides information and analysis services for the public and private sector. It is jointly financed by the Länder Rheinland Pfalz and Baden-Württemberg and the Region of Alsace and the Department of Bas-Rhin.

- they rarely have separate decision making from their members, maintaining an inter-organisational form of decision-making, i.e. participants in the committees, working groups etc of the cross-border structure acting as representatives of their own authority.

Typically these structures have focused on strategic planning activities (such as studies), and/or development of specific projects, and to date they have not been accorded a major role in Interreg. An example, of limited involvement in Interreg I was that of the establishment of a technical assistance bureau on the Spanish/Portuguese border - the Gabinete de Iniciativas Transfronterizas, GIT) by the Working Community of Extremadura/Alentejo. There is however, a tendency for the geographically smaller and more focused ones to play increasingly a role in Interreg IIA for specific projects and functions, e.g. the three IRL/Ni „clusters“ and the Working Community of Galicia/Norte/Galicia (P/E). Some of the Working Communities that represent very large groupings in terms on numbers of members and geographical area covered (e.g. COTRAO, ARGE ALP, Alpen-Adria, Pyrenees), they have not been easy to fit in with the scope Interreg IIA (although they might have been closer to IIC), and anyway their members tend to participate in other capacities in Interreg structures.

Annex 2:
Cross-border Financial Management:
Lessons from Interreg I and IIA-Programmes

In the case of the 43 INTERREG IIA programmes along the internal borders of the EU and on the borders with the non-EU States Switzerland and Norway, a significant level of integration in financial co-operation has already been achieved. Just considering the 35 INTERREG IIA programmes involving at least two EU Member States, a joint bank account has been set up for the transfer of INTERREG funds in 17 cases. In five out of these 17 programmes, national co-financing is kept in the same joint account as the EU assistance (see Table 4). As regards the other 16 INTERREG IIA programmes along the EU borders with the PHARE CBC and TACIS CBC areas, only the multilateral programme Barents (S/F/N/RUS) features a joint account for handling INTERREG funds between Finland and Sweden, the two EU States involved (see *Table 4*).

Analysis of the financial implementation of INTERREG IIA programmes shows that three models of integration in cross-border financial management at programme level can be distinguished:

- completely integrated cross-border financial management systems (joint administration of EU assistance and all national co-financing)
- partially integrated cross-border financial management systems (joint administration of EU assistance and possibly some national co-financing)
- separate financial management of activities undertaken as part of cross-border co-operation.

Completely integrated cross-border financial management systems and partially integrated cross-border financial management systems are of particular relevance for partners who search to establish solutions for their future Interreg IIIA programme.

Completely integrated cross-border financial management

Practical examples of this case are to be found notably in the INTERREG programmes for the Euroregions along the German-Dutch border and in the triangle of the German-Dutch-Belgian borders. The main feature of this model is that in these cross-border border areas, where highly integrated decision-making structures with regard to programme management already existed at regional/local level even before the INTERREG initiative, co-operation in the sphere of financial management has also become a "joint responsibility". In practice, this means that both the INTERREG funds and all national co-financing are managed jointly within the Euroregion, and that one common entity (private bank or Euroregion) has delegated responsibility for dealing with the technical aspects of the financial implementation of these funds.

In all cases, specific INTERREG agreements were concluded by the public-sector partners for this purpose. These agreements set out who is to assume overall responsibility / final liability in the name of all partners vis-à-vis the EU for the financial implementation of the INTERREG funds. They also detail the various tasks, procedures and duties relating to financial implementation. The Euroregions already established in these areas have complete responsibility for overall financial and programme management. The transparent procedures reduce the administrative burden on the project promoter applying for assistance from EU funds and national co-financing to a minimum. Commitment and payment of funds is made on the basis of one private law contract containing uniform provisions for all types of assistance (rather than several administrative decisions based on differing criteria and public law provisions in the individual countries).

In the case of the four German-Dutch INTERREG IIA programmes (EUREGIO, Rhein-Maas-Nord, Rhein-Waal, Ems Dollart), an overall INTERREG agreement comprising two parts - an agreement between the INTERREG partners and an agreement between the INTERREG partners and the two banks - was concluded. The two German banks (IB-NRW and LTS-Wirtschaft) were appointed to handle the technical aspects of financial management. The programme implementation structure thus established ensures single responsibility for programme and financial management (including vis-à-vis the EU) while allowing the technical side of financial management to be handled separately through the two banks. The system adopted here enables each of the Euroregions to have a single account for all programme funds, thereby allowing the EU assistance and national co-financing to be grouped. Lastly, the professional expertise of the two banks ensures financial implementation and efficient monitoring of financial transfers, which in turn means that funds are contracted from the EU in good time (see: chart 2).

Partially integrated cross-border financial management

Practical examples of this case are to be found on the Belgian-Dutch border and in the region of SaarLorLux-Wallonia (D/F/LUX/B), as well as in the German-French and German-Danish border areas and in many areas along the internal-EU borders between the Scandinavian EU Member States. The most notable feature of this model is the fact that the general financial management is closely linked to programme management while the technical aspects of financial management - at least as far as EU funds are concerned - are delegated by the partners to a joint entity. National co-financing is granted separately. The two INTERREG IIA programmes Scheldemond and Middengebied, on the Belgian-Dutch border, are worth mentioning in this context. In these programmes, not only the INTERREG funds but also the

co-financing provided by the project promoters in the various countries (but not that of the public-sector partners) have been transferred to the joint entity.

The role of joint entity responsible for the financial implementation of the INTERREG funds may be taken on by a variety of organisations:

- The INTERREG programme PAMINA (F/D), the programmes in the German-Danish border area (Sønderjylland/Schleswig, Fyn/KERN, Storstom/Ostholstein) and some of the programmes operating between Scandinavian EU Member States (Kvarken/MittSkandia, Islands, Barents) are instances where the task is handled by a regional authority.
- Examples of cases where technical financial management has simply been transferred to a State-owned or private bank include the INTERREG programmes Oberrhein-Mitte-Süd (D/F/CH), Saar-Lor-Westpfalz (D/F), the Germany/Luxembourg programme and the two programmes on the Dutch-Belgian border (Scheldemond, Middengebied).

As for completely integrated financial management, in most cases the partners (national, regional and local authorities or joint cross-border entities) have entered into joint INTERREG agreements which set out precisely how the cross-border financial management is to be carried out. As a rule, the joint entity appointed by the partners is responsible only for the administration, technical management and actual disbursement of INTERREG funds placed on the partners' joint ECU account.

In partially integrated financial management systems also, one crucial question must be answered: who takes responsibility for the INTERREG funds on behalf of all partners vis-à-vis the EU? This question has been solved in a variety of ways depending on the approach adopted.

- In cases where financial implementation is contracted out to a bank, responsibility is often assumed by one of the public-sector partners in the country of origin of the bank (for instance in the INTERREG programmes Oberrhein-Mitte-Süd, Saar-Lor-Westpfalz and Germany/Luxembourg).
- Another possibility is for responsibility to be split between the regional authorities involved in the programme on either side of the border (this is the case for the Sønderjylland/Schleswig, Fyn/KERN and Storstom/Ostholstein programmes).
- Within the Scheldemond and PAMINA INTERREG programmes (see: chart 3), overall responsibility is assumed by the monitoring committee.

In a few cases where the single entity is a regional authority, this authority takes responsibility (for instance in the Kvarken/MittSkandia and Islands programmes).

Table 4: Summary overview on cross border financial management under Interreg IIA		
<i>Model</i>	<i>Characteristics</i>	<i>INTERREG IIA Programmes (including external borders)</i>
<p>Completely integrated cross-border financial management</p> <p><i>Comment: Acceptable for Interreg IIIA</i></p>	<p>Joint and cross-border programme, project and financial management on the basis of a specific INTERREG agreement. The agreement also sets out provisions governing the technical aspects of the financial implementation of INTERREG funds <u>and</u> national co-financing through a joint account at a private bank.</p>	<ul style="list-style-type: none"> • 4 bilateral programmes between Germany and the Netherlands (EUREGIO, rhein-maas-nord, Rhein-Waal and Ems Dollart), see Chart 2. • Euregio Rhein-Maas between Germany, the Netherlands and Belgium.
<p>Partially integrated cross-border financial management</p> <p><i>Comment: Acceptable for Interreg IIIA</i></p>	<p>Type I: Integration of EU funds and some national co-financing (joint bank account for INTERREG funds and some project co-financing).</p> <p>Type II: Integration of EU assistance through a joint bank account for INTERREG funds. National co-financing contributions made separately by the partners.</p>	<p>Type I:</p> <ul style="list-style-type: none"> • 2 programmes on the Dutch-German-Belgian border (Scheldemond, Middengebied). <p>Type II:</p> <ul style="list-style-type: none"> • Saar-Lor-Westpfalz (D/F) and Germany/Luxembourg, PAMINA (F/D, see Chart 3), Oberrhein-Mitte-Süd (D/F/CH) • 3 programmes between Germany and Denmark (Sønderjylland/Schleswig, Storstrøm/Ostholstein, Fyn/K.E.R.N). • 3 programmes in the Scandinavian region: Kvarken & MittSkandia (SF/S/N), Islands (SF/S), Nordkalotten (SF/S/N) • Multilateral external border programme Barents (SF/S/N/RUS).
<p>Separate financial implementation of programmes</p> <p><i>Comment: Not any longer acceptable under Interreg IIIA</i></p>	<p>Despite the joint decision-making bodies prescribed under the INTERREG initiative, no joint financial management of INTERREG funds at programme level. The funds are transferred by the Commission separately to the participating countries and administered on both sides of the border by the relevant authorities.</p> <p>In the case of some INTERREG programmes and other cross-border EU measures, initial steps have been taken to achieve integration of financing for joint projects (provision of national and local co-financing; small project funds as preparation for future joint management via Euroregions or similar structures).</p>	<ul style="list-style-type: none"> • Ireland/Wales, UK/Morocco • Spain/Portugal, Spain/Morocco • Italy/Greece, Italy/Austria and Italy/Switzerland • Øresund (DK/S) • Programmes between Sweden and Norway (Gränslost Samarbete, Inre Skandinavia, Nordens Gröna Belte). • Alpenrhein/Bodensee/Hochrhein (D/A/CH), Austria/Bavaria. • Programmes along the French border: Jura, Rhône-Alpes (F/CH), European Development Priority (F/L/B), West Flanders, PACTE, Ardennes (F/B), Nord-Pas-de-Calais/Kent, Rives Manche (F/GB), Alpes, Corsica/Sardegna and Corsica/Toscana (F/I), Pyrénées (F/S). • 15 external border programmes with the PHARE CBC and TACIS CBC areas. <p>Integration of project financing:</p> <ul style="list-style-type: none"> • INTERREG IIA: Austria/Bavaria, Pyrénées (F/S).

Source: AEBR-LACE Working Paper, Cross-border financial management, May 1999.

**Chart 2: Financial implementation, INTERREG IIA:
EUREGIO, rhein-maas-nord, Rhein-Waal and Ems Dollart programmes (D/NL)**

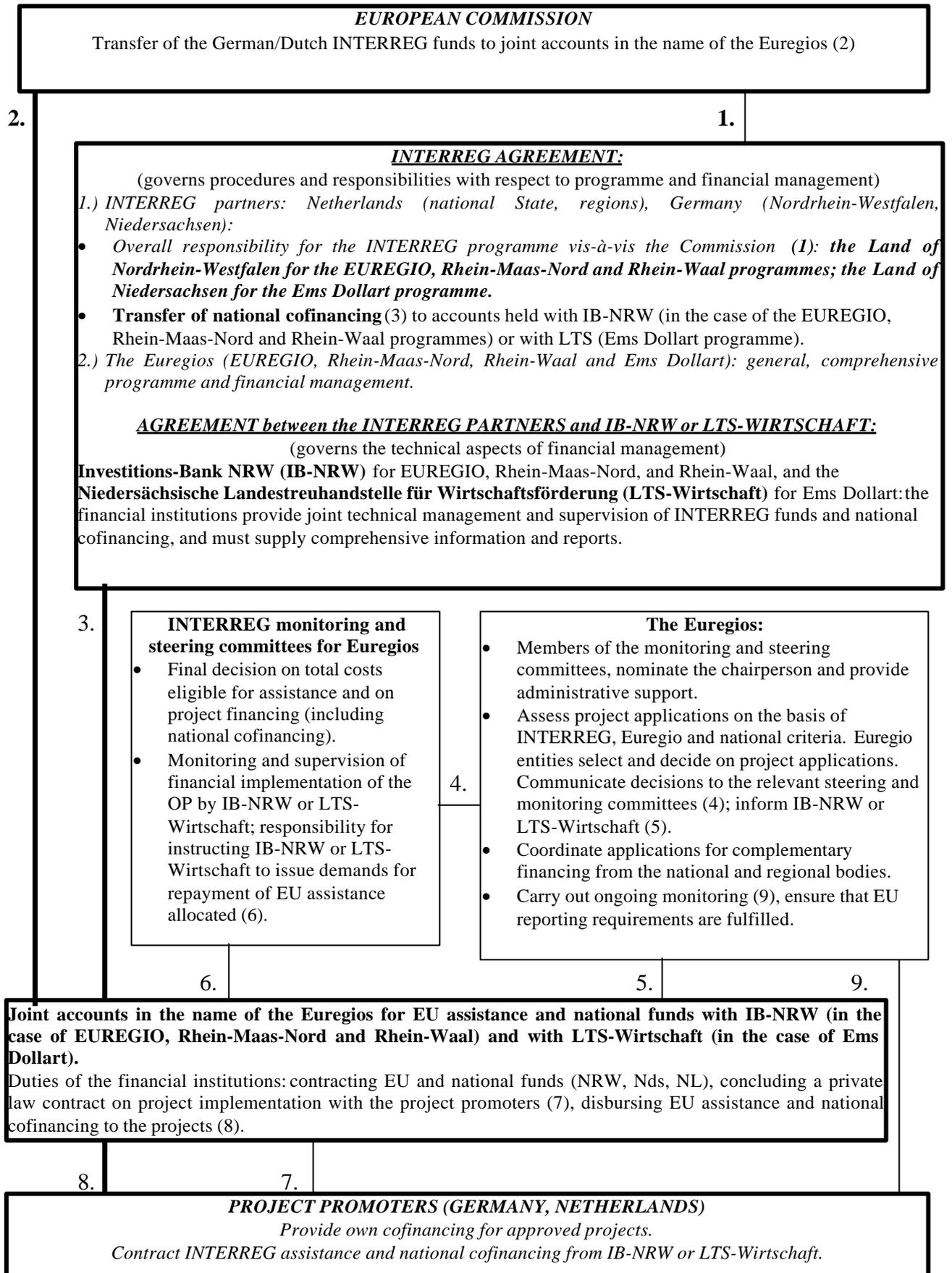
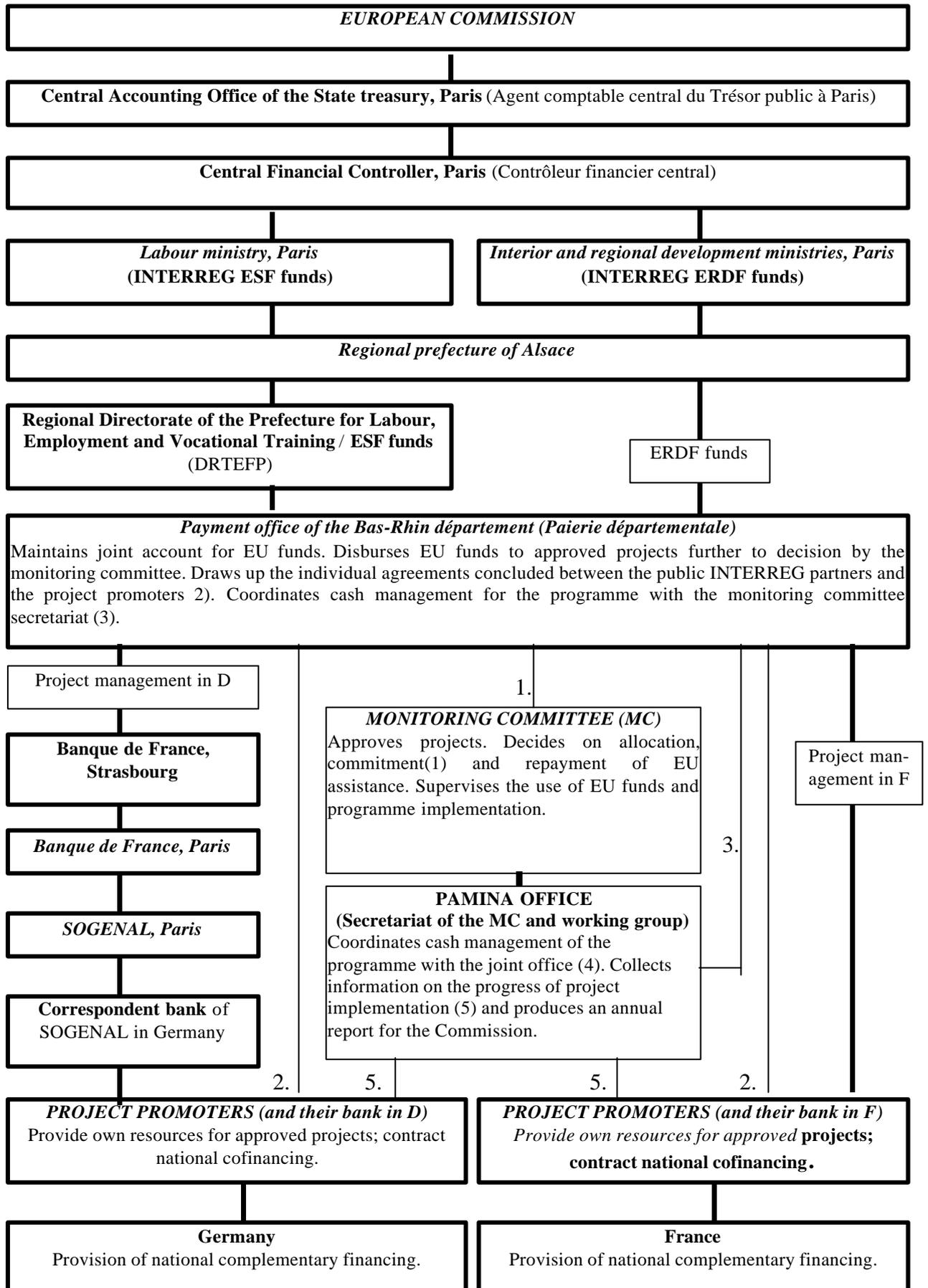


Chart 3: Financial implementation, INTERREG IIA: PAMINA programme (F/D)



<u>Annex 3:</u> <i>Checklist of Main Contents of an Interreg-Agreement</i>	
<i>Field</i>	<i>Aspects / Matters to be defined in agreement</i>
General	<ul style="list-style-type: none"> • Contracting partners • Geographic area • Subject and duration • Involvement of social partners • “Managing Authority“ • "Joint Technical Secretariat" • “Paying Authority“
General criteria for projects to be supported	<ul style="list-style-type: none"> • Strategic objectives (in context of Interreg) • specific programme project criteria (cross-border character and impact, partnership principle, capacity building, overall financing ensured for both sides of the border) • eligible actions • eligible applicants • conditions for “successful implementation“ (final report, criteria and procedure for its approval) • eligible costs • grant type and co-financing rules (max. EU contribution and non EU) • exit strategy and sustainability
Structures	<ul style="list-style-type: none"> • Monitoring Committee (composition, responsibilities, decision making procedures) • Steering Committee(s) • Secretariat for Monitoring and Steering Committee (who, responsibilities) • Cross-border Structure designated to implement each sub-programme (programme type 1)
Technical Management	<ul style="list-style-type: none"> • Application procedure defined (receipt and processing of grant applications, e.g. role of "Joint Technical Secretariat", application forms, timetable) • Appraisal / approval procedure (bodies responsible for different steps in appraisal / approval, selection criteria) • Monitoring and evaluation procedure (body/ bodies responsible for monitoring / evaluation, reporting procedures e.g. progress and annual reports, evaluation results fed back into planning process) • Information and publicity measures considered (e.g. information for potential beneficiaries, professional organisations and general public)
Financial Management	<ul style="list-style-type: none"> • Authority / body with responsibility for financial management defined • Determination of financial responsibility and final liability • Principles for possible re-allocation of funds between sub-programmes (Interreg-III A-Programme Type 1) or within the autonomous programme / group of autonomous programmes (Interreg-III A-Programme Type 2) • Specific financial management functions delegated (e.g. to a bank)
Financial Administration	<ul style="list-style-type: none"> • Joint bank account • Accounting • Use of interest rates on EU bank account, e.g. for Interreg purposes
Financial Liability	<ul style="list-style-type: none"> • Contracting conditions with project partners • Payment procedures
Audit	<ul style="list-style-type: none"> • Accounting and auditing procedure (Art. 38,39 General Regulation) • Repayment (Art. 38,39 General Regulation)
<i>Source: AEBR-LACE Working Paper, Interreg IIIA: Programme Management Models, July 1999.</i>	

3. Implementing an Interreg IIIA-Programme by Truly Cross-border Projects.

3.1. Some Remarks on the Quality of future Cross-border Projects

Future Interreg IIIA-programmes must particularly ensure the quality of cross border-projects, their influence on the economy and commercial locations, coherence and their cross-border importance. It therefore is important to jointly define already in the future Interreg IIIA-programme what a cross-border project should look like. Some basic questions could help to elaborate an appropriate definition:

- Are projects based on joint regional sector strategies (tourism, waste disposal, environment, infrastructure)?
- Do the joint sector-specific criteria for projects clarify the value of the project (e.g. for jobs, infrastructure, tourism, SMEs, the economy)?
- What is the minimum and maximum extent of a project? For example, the minimum must not be below EURO 50,000 or 100,000 and the maximum of a project must not be so big that it uses the funds of an entire sector (e.g. a road would use up so much funds that there would be nothing left for the other projects of the programme).
- What is the cross-border character of a project?
- How does the possible development of a project look, its viability with regard to the economy, jobs etc.?
- How high is the regional share, which is regarded as proof that there is an actual demand for the project?
- Is the project of importance for the border or is it actually a cross-border project?
- How is a cross-border project defined? (e.g. co-operation between the partners from both sides of the border with regard to the content, organisation, staff and/or funds).

A high standard-definition for cross-border projects that builds on the experience of Dutch/German cross-border co-operation is the following: ***A project is a cross-border project if the partners from both sides of the border participate with regard to contents, organisation, staff and funds.***

- *With regard to contents means:* German/Dutch co-operation with regard to the project's contents and objectives, even if there is only one national location.
- *With regard to organisation means:* a joint organisational body on both sides of the border chaired by one of the partners as legal organiser. This applies also if only one national location exists.
- *With regard to staff means:* joint implementation of the project through organisational bodies on both sides of the border.
- *With regard to funds means:* the project organisers raise jointly their minimum share of 20%. The financial participation of the regional level must also be ensured if the project is located on the other side of the border. In addition and besides the German/Dutch quota of a maximum of 30%, funds made available by the German and Dutch Ministries of Economic Affairs will flow into the co-funding. This also applies for projects with only one national location.

Interreg IIIA-projects implemented in only one Member State must fulfil at least one of the four above mentioned criteria.

There are many and diverse qualitative and quantitative project indicators which, however, are measurable in a different way. It would be sensible to develop indicators per area of activity and to agree them with the project organisers. The creation of jobs may, for example,

be sensible and measurable in the short-term in the infrastructure (road construction) but these jobs may be lost after the road is completed. On the other hand, jobs created through co-operation between SMEs are mostly permanent. In the tourism sector, jobs are mostly measurable directly by establishing whether or not the tourism sector has increased which, however, cannot entirely be traced back to Interreg. ***In any case, all future Interreg IIIA-projects should therefore incorporate project indicators, whether in the form described or in the form of an evaluation matrix which mainly concerns the following points:***

- synergy effect;
- correspondence with the cross-border plans and programmes existing in the Euregios;
- added value of the project;
- contribution of the project to the strengthening of the situation in the labour market;
- contribution of the project to the removal of border obstacles;
- Euro-regional effect of the project (e.g. improvement of commercial locations, acceptance in the population).

The future Interreg-bodies responsible for project selection should examine projects with regard to their completeness before the applications are submitted, their cross-border importance, their possible future development and their regional share of co-funding. In addition, it must be examined whether these projects can be assisted under national plans, programmes and regulations. To avoid great bureaucratic efforts, the authority responsible for the project leader should give a general statement whilst the authorities responsible in the neighbouring country need only give a secondary statement, i.e. only with regard to points and criteria which can be examined by them (e.g. staff costs arising in the neighbouring country). In addition to the criteria incorporated in the Interreg-statements, region-specific criteria may be developed which must be considered in the projects.

3.2. Examples of Good Practice from Interreg IIA

Promoting urban, rural and coastal development and supporting preconditions of development

Quality control for the fisheries industry – Interreg IIA (SF/S/N)

The Nordkalotten region faces major problems on account of its outlying position in northern Europe, harsh climate, great distances, sparse population, high level of structural unemployment and outward migration of the workforce. The fisheries research organisation in Tromsø (N) has concluded a contract with SR Instruments (SF) with a view to promoting high-quality produce in order to resist international competition in the fisheries industry. A new control instrument is to be developed for the fisheries industry, which will detect poor quality in fish fillets and also serve as a control parameter in the automatic fillet cutting process. The objective is to improve production in order to raise quality standards in the fish industry and increase market access. Thanks to new technology, jobs are also being created in leading-edge areas (such as programming and instrument design). It is expected that some 80 quality control instruments will have been marketed by 2002.

Transport without frontiers – Interreg IIA (A/D)

The Euregio Salzburg Berchtesgadener Land-Traunstein (D/A), with a population of some 500,000, is regarded as an attractive European economic location which is making the most of crossborder opportunities. The *Land Salzburg-Landkreis Berchtesgadener Land* crossborder transport association was set up in 1997, further to a cooperation agreement between the German *Landkreis* and the *Land* of Salzburg – without any particular agreement being concluded at national level – which enabled cooperation between the *Landkreis* and the Austrian transport association. Since then, all residents of this Euroregion have been able to travel to and from any bus stop on either side of the border with the same ticket and at the same rates. In particular, a system of tariff zones has been drawn up and electronic ticket machines have been installed. This crossborder transport association and the new transport arrangements have brought together two previously separate public transport systems within a single financial and legal framework – one ticket, one tariff. The tariff zones have been organised in a honeycomb pattern and the relevant information is detailed on each ticket. Currency and exchange rates, taxation discrepancies and the respective legal frameworks are all taken into account. The Salzburger Verkehrsverbundgesellschaft shares out the ticket revenue between the *Länder*, the regional authorities and transport companies. As a result, the number of passengers using short-distance public transport is increasing, and the attractiveness of the region and cooperation with the urban centre of Salzburg have been strengthened.

Encouraging entrepreneurship and the development of small firms (including those in the tourism sector) and local employment initiatives

German-Polish economic development corporation (D/PL)

The German-Polish economic development corporation is a public limited company based in Gorzów Wielkopolski (PL). Its shareholders are German *Länder* and voivodships on the border between Germany and Poland.

The corporation's remit includes:

- promoting and monitoring practical cooperation and investment projects on both sides of the border
- providing advice and information for German and Polish businesses, concerning specific legislation for example
- participating in crossborder cooperation relating to infrastructure
- collecting and preparing local information, reference numbers and invitations to tender
- organising exhibitions, opportunities to establish contacts and cooperation, and information and further training events for entrepreneurs and executive personnel.

In all, some 50 cooperation projects have been successfully launched, including:

- a textile pilot project: the first German/Polish cooperation project on activities ranging from design to marketing, distribution and after-sales services for an entire collection of high-quality ladies' clothing
- a business database pilot project: provides important information, in particular for small and medium-sized enterprises on both sides of the border, to assist with cooperation and investment decisions.

The corporation has observed a perceptible response in the border regions and strong interest in crossborder cooperation and investment. In particular, joint ventures have successfully been set up and are expected to create 1,075 new jobs.

Telematics Centres – Interreg IIA (GR/I)

The Telematics Services will be operated by two Greek/Italian Service Centres, with access points in Patras and

Igoumenitsa (GR) and in Bari and Brindisi (I) with the main objective to strengthen the development of the economies and the tourism sector of the regions of Puglia (I) and Western Greece, Epirus, Ionian Islands (GR).

Common services include: electronic commerce, on-line marketing and customer advice, technological and consulting intermediation, and distance learning. Whilst the services on the Italian side are addressed to SMEs, the Greek Centre is also envisaging public services, such as tourism-cultural services and environmental services. The projects are being implemented in two phases:

- five preparatory studies: feasibility and viability; cross-border co-operation; services to be provided by the centres; infrastructure; organisation of the centre on the Greek side.
- design and development of the services, and the pilot operation of the Centres.

In future an enhanced set of services will be offered by the Centres themselves and other partners which can facilitate cross-border cooperation, depending on market conditions. The project aims a long-term sustainability beyond the period of support from Interreg.

Coast to Coast – Interreg IIA (UK/F)

The project develops a joint tourism promotion strategy on both sides of the Channel in Boulogne- sur-mer and Shepway District. It is based on several modules:

- product and market analysis of the tourism situation on either side of the Channel (accommodation, catering, attractions, transport), the exchange of data bases and development of common products to ensure coherence.
- enhancement of the image of the ‘coast to coast’ destination
- creation of a marketing programme for the markets.

From the geographical viewpoint, the marketing programme concerns France, Belgium, Holland, Germany, UK, the USA and Canada as well as worldwide access through a joint Internet site.

The project aims to develop the tourism economy and the competitiveness of the two coastal areas involved by diversifying traditional tourism products with a view to opening up a new markets, improving visitor reception and receiving visitors from a wider range of places. The project’s objective is to increase employment in tourism related areas and enhance the quality of tourism employment, promote and generate year-round tourism, improve business performance and maximize financial returns from tourism. In addition, the project is expected to offer indirect benefits for cultural and employment links between the two areas.

Promoting the integration of the labour market and social inclusion

A common labour market in the Øresund region – Interreg IIA (DK/S)

The Øresund labour market project, which covers a population of 2.9 million, provides for:

- the crossborder analysis and crossborder promotion of Interreg II A
- crossborder training for management personnel and information under European Social Fund objectives 3 and 4.

The impetus for the project was given by the new Øresund bridge, a permanent rail and car link between Copenhagen and Malmö. The bridge will form part of the trans-European transport network, thus creating boundless new crossborder labour markets in the region by the year 2000. Journey times for train and car commuters – as opposed to ferry travellers – will be reduced to around 20 minutes.

In addition, it is expected that the above-average rate of unemployment in the region (150,000, or approximately 15 %, in 1996) will fall as a result of the new crossborder labour markets and that new, better job opportunities will be created for the 1.4 million or so already in employment.

The project is expected to last three years, during which cooperation between employment services in the six sub-regions should be improved. Initial deliverables include:

- information leaflets, Internet courses and job placement through the Internet
- fundamental forecasting data

The project is also to produce findings and results concerning:

- new opportunities for recruiting jobseekers
- improving employee skills
- new forms of labour market policy cooperation to promote overall employment

CELTIC KNOTS (IRL/UK)

The main objective is to research and devise an accredited hospitality training programme specific to the needs of personnel of on board-services of ferries operating in the Irish sea between Ireland and Wales.

The Dublin Institute of Technology (DIT), Ireland, and Tourism Research Centre, Coleg Menai as well as the Further Education Corporation, Wales and Irish Ferries agreed on content, structure and the schedule for a training programme. In addition, several on board audits were conducted to establish the level of training required and specific training needs of the personnel.

After a review of existing training programs and qualification systems in Ireland and Wales, the British National Vocational Qualifications (NVQ) system was selected. The training was structured as follows :

- off-ship training aimed primarily at personnel at supervisory level;
- on-board teaching sessions during normal ship working hours involving 4-5 participants for a 1-2 hour training period; and
- on-board assessments between the NVQ assessor and ferry staff. At this stage the participant has the opportunity to be accredited for skills developed in line with the relevant NVQ qualifications.

In two years, some 151 staff have participated in the training programme and 167 NVQ units have been completed. The project is addressing problems of skill shortages in this area of work, and also contributing to a change in the recruitment practices. Previously Irish ferries tended to recruit staff inter-generationally in Ireland and rarely in Wales, but it is now changing.

Local training and employment measures – Interreg IIa (E/P)

The measures are managed under the umbrella of a Spanish-Portuguese office (Gabinete de Iniciativas Transfronterizas in Mérida-Evora) which general function is to promote cross-border cooperation. 37 measures have been carried out between Alentejo (P) and Extremadura (E) with the objective to exchange experiences in the field of local training and employment, to promote the mobility of labour in the respective border regions and to help develop a cross-border labour market.

- A course in Spanish /Portuguese Legal Institutions and Procedures aims at providing lawyers from Alentejo and Extremadura with basic practical knowledge of the legal procedures and institutions operating in each other's states, and especially in the area of cross-border cooperation.
- Apprenticeship scheme: the city of Badajoz is developing a specific training scheme for Spanish police men and women in Portuguese language and culture.
- The Association for the Development of the Comarca of Alcantara is offering a Portuguese language course to business people and public and private organisations involved in rural development.
- Managed by the Federation of Municipalities and Provinces of Extremadura a cross-border meeting of Spanish and Portuguese local administrations and associations was organised in Mérida. It focused on the exchange of experience, know-how and good practice in the field of local employment development, active labour market measures and employment creation activities.

All measures contribute to a greater understanding of the situation in the neighbouring region and aim at practical aspects which affect people's personal or professional lives. The overall aim is to incrementally develop a culture which naturally taps into the strengths and experience offered by each part of the border region and leads to lasting cooperation, and especially to economic cooperation.

Sharing human resources and facilities for research, technological development, education, culture, communications and health

Neuro-fuzzy technology centre for SMEs – Interreg IIA (D/NL)

The Centre for Neuro-Fuzzy Technologies (bringing together universities and colleges in Münster and Enschede) is carrying out research and development measures relating to technical control processes:

- fuzzy logic develops potential in areas such as rationalisation, quality improvement and energy saving.
- neural networks reproduce the way in which the human brain recognises speech, processes images and controls movement.

Neuro-fuzzy technology builds on the advantages of both approaches, while limiting disadvantages (such as unstructured knowledge-saving and inability to learn).

The Interreg project provides for:

- targeted consultancy for small and medium-sized enterprises on neural and fuzzy technology, development of model solutions to problems, and fundamental research and development into practical applications;
- crossborder projects between companies (for exchanges of new technology, patent rights, etc.);
- training for company experts, networking through regional exchange points.

Some 500 small and medium-sized enterprises have been offered consultancy and customised solutions to problems where established methods had failed. For example:

- further development and introduction of a diagnostic and prediction system for monitoring machinery using fuzzy logic and neural networks, electrical engineering, 200 staff involved;
- development of a patented fuzzy position controller (for instance for bottling plants), electrical engineering, 7 staff involved;
- development of intelligent physical sensors, company project, electrical engineering, 200 staff involved.

Six jobs have been created within the project. 200 jobs have already been preserved or created in companies on both sides of the border as a result of the introduction of fuzzy technology. And more than 20 jobs have been created for young engineers experienced in "fuzzy knowledge". The jobs preserved and created can be seen as a safe human capital investment on the part of the companies in the field of innovative technologies. And the process is bringing specialist personnel closer together, thus paving the way for the creation of more leading-edge, forward-looking jobs. The competitive position and competitiveness of, in particular, the Euroregion's small and medium-sized companies in national and international markets could be boosted in the long term. The Centre for Neuro-Fuzzy Technologies has been chosen as a demonstration project for the world exhibition, Expo 2000, in Hannover.

Cross-border technology transfer in the PAMINA-Area (D/F)

The objective is to promote cross-border technology transfer in order to create synergies between SMEs and to improve their international competitiveness. The network offers extensive and specialised information and advice services including (1) an extensive Franco-German on-line database, (2) cross-border advice for SMEs and promotion of business co-operation, (3) the organisation of cross-border events (seminars, study trips) for the interested public, (4) joint public relations and marketing of the region to a wider business community, (5) the establishment of the "Region Club PAMINA" as an informal and open body of German/French business people and (6) regular trainee places for young people.

The project has strengthened and expanded cross-border linkages between technology and innovation businesses, as well as between the wider technology and innovation actors. The network is based on a strong public-private sector partnership approach. SMEs requiring information and advice can benefit from the network's excellent contacts and expert services, while SMEs involved in a project with a cross-border partner can benefit from the transfer of skills, higher flexibility and new market opportunities. The "Region Club PAMINA" offers a networking opportunity to discuss cross-border business culture as well as providing a forum to develop new project ideas. An "Entrepreneur Service Centre" has been developed assisting micro enterprises to access more information on the benefits of cross-border co-operation.

Establishing of Cross-border Health Stations – Interreg IIA (GR)

The project is developed in the Northern Greek region of Epirus, Central Macedonia, West Macedonia, East Macedonia and Thrace. It aims to:

- support the border areas that face significant problems in the health sector either due to their geographical location or due to the legal and illegal transport of people, animals and products,
- establish Cross-Border Health Stations as centres for serious transmittable diseases and other health problems,
- promote cooperation with the neighboring countries in the field of research, education and in the exchange of experiences in the field of public health in order to ensure communication and coordination among the health agencies in the neighboring Greek/Balkan countries.

The expected results are the cross-border development of regional infrastructure in health services, strategic approaches, seminars and mechanisms for emergency situations and the improvement of living standards for residents of the border areas.

Hier-Her television programme – Interreg IIA (DK/D)

Growing cooperation in the Schleswig/Sønderjylland region is to be monitored and promoted on an ongoing basis by a regular, autonomous and independent television programme produced by the two neighbouring German and Danish broadcasters. Above all, the television programme is intended to:

- stimulate and increase interest in the neighbouring country's culture, history, mentality and way of life
- promote tolerance among communities along the border
- improve communication possibilities through better knowledge of the language, the area and the region, and promote the region

Since 1997, the joint, bilingual television programme *Hier-Her* has been broadcast at regional level twice a month, between 6 pm and 8 pm, on both sides of the German-Danish border. It offers interesting and informative reports on current topics. Funds to cover production costs have come from Interreg IIA. The programme has made it possible to create new jobs in the region and upgrade the skills of employees of the broadcasting companies; viewing figures have also risen steadily. Schools have used the programme's content as teaching material, and the European Commission (DG XVI) awarded *Hier-Her* the „Prix Circom Regional“ in 1997.

Encouraging the protection of the environment, increase energy efficiency and promote renewable sources of energy

"INTEGRALP" and "Theme trails in the Upper Pusteria Valley and Tirol" – Interreg IIa (A/I)

The Austrian-Italian alpine border region covers a large number of environmentally-sensitive areas increasingly under threat, e.g. air pollution, hydrological system and sole reliance on a particular type of agriculture. Tourism and farming are major pillars in the economic structure. Furthermore, historical circumstances have resulted in a variety of common cultural roots.

With a view to promoting mutual co-operation in the farming and forestry sectors and to protecting the region's flora and fauna, the cross-border research project INTEGRALP has been set up between the neighbouring regions in North (A) and South Tirol (I). A series of joint studies analyse more closely the repercussions of changes in agriculture (intensification, extensification, leaving fallow) on the environment of the mountain regions, and shed more light on the set of circumstances which have led to the abandoning of farming on alpine meadows. The research has also laid the foundations on which to base specific development planning decisions as well as promotional initiatives and thus safeguard the sustained, long-term use of the alpine area.

A cross-border project based on research is entitled "Cycling Tourism, Nature and Culture Trails in the Upper Pusteria Valley and East Tirol" and intends to contribute to the promotion of economic co-operation and development by further developing tourism potential, e.g. to extend the network of cycle paths and improve the large number of cross-border walks. "Theme trails in the Upper Pusteria Valley and East Tirol" aims to "bring back" forgotten walking routes, such as pilgrims' or smugglers' routes and paths focusing on common cultural, historical and trade-related features. Concrete measures are a general assessment of the network, maintenance of the routes, a leaflet, information boards, the planning of "Hiking Hotels and Restaurants" and marketing.

International Marine Reserve – Bonifacio/Maddalena Arhipelago - Interreg IIa (F/I)

The International Marine Reserve covers most of the maritime cross-border area between Corsica and Sardinia. Its is a natural area of outstanding ecological value which not only demands a high level of protection but is also extremely valuable as a tourist attraction, and as a site with education and job creation potential.

The Interreg IIa-project includes following measures:

- completion of further research particularly concerning an inventory of plants and animals, both marine and terrestrial, and transcription of this information onto maps.
- setting up of facilities and an infrastructure which will ensure the management, monitoring, organisation and promotion of the Reserve. The purchase of land is the precondition to ensure the monitoring and supervision of the area as well as the link between the two islands, for education and information measures, to provide emergency health services in the event of an accident, and furthering scientific research within the Reserve, with the aim of setting up a multidisciplinary databank.
- organisation and promotion of the reserve including creating botanical gardens; creating a network of footpaths; managing a Corsican-Sardinian information retrieval service and an integrated video system linked to television cameras set up on the sea bed, providing images accessible to the public, also contributing to the monitoring of the sea bed and the whole area; publishing information and promotional material.

Obvious positive environmental effects are protective initiatives in both marine and terrestrial environments. A direct economic result will be the creation of a dozen permanent jobs for qualified staff. The prolonging of the spring and autumn tourist seasons is anticipated. Thus, seasonal work will also be available in this area. An important indirect effect on employment is envisaged in the tourist sector, the hotel trade and in heritage development agencies. The incentive of exploring the cross-border area should also cause an increase in the amount of traffic both from visitors and local residents.

Improving transport, informations and communication networks and services and water and energy systems

Improvement of Transport Links in the Pyrenees – Interreg IIa (E /F)

In 1988, the Pyrenean Working Community (CTP) approved

- the development of two high-speed railway lines along the Atlantic and Mediterranean sides respectively
- the re-development of two conventional lines in Pyrénées Occidentales and Pyrénées Orientales respectively and a conventional line which meets international standards through the central part of the Pyrenees.

The Road Scheme planned to create a network evenly distributed across the Pyrenean area:

- coastal motorways at the Atlantic and the Mediterranean (E5/E70/E80 and E15);
- partially new construction of motorways in the Central Pyrenees through the Cerdagne (E9) and Somport (E7);
- two parallel roads in the North and South of the Pyrenees.

More than 80% of Trans-Pyrenean trade needs to take the two coastal routes along the Mediterranean and the Atlantic, it is thought that two central routes linking Toulouse to Barcelona and Pau to Zaragoza will help to

improve both communications and economic and social links. In 1991, France and Spain decided to go ahead with the construction of a tunnel under the Somport Pass extending 40 km. Among immediate benefits, there were locally safer travel; sub-regionally improved links between mountainous areas and their administrative and economic centres; regionally facilitated inter-regional traffic between the Adours-Garonne and the Ebro basins; inter-regionally favouring a more extensive link between Aquitaine, Midi-Pyrénées and the Spanish regions; and all above the respect of the necessary environmental constraints with the definite objective of ensuring that the link would not become a major transit route.

Cross-border "Data Highway" between Mons (B) and Valenciennes (F)

The cross-border area Hainaut/Nord-Pas-de-Calais/Picardie (F) is acutely marked by a decline of its traditional economic activities. Improvement of the broadband telecommunications infrastructure has been considered a potential starting point for a resolute policy aimed at restructuring and modernisation of the economy of the cross-border region. The construction of a 54-kilometre-long high-performance fiber optic network link between the two cities of Valenciennes and Mons was launched in 1994. A declaration of understanding defined the goals of the project and set out the financial resources required and the forms that the cross-border usage of the fibre optic infrastructure would take. A "European Economic Interest Grouping" (EEIG) took on the day-to-day running of all administrative, financial, technical and advertising-related aspects of use of the fiber optic infrastructure. Work on the fiber optic link itself was completed at the end of 1995. In the following, an intensive co-operation of the Chambers of commerce, universities and local television channels can be remarked. The universities applied for additional connections at an early stage. But also other parties (e.g. clinics, the media, the computing sector) show an increased interest in using the fiber optic infrastructure.

One of the follow-on initiatives set up under INTERREG IIA is the "Development of the High-Performance Fibre Optic Link between the University Centres of Valenciennes and Mons". Some key objectives were (1) the practical use of the high-performance fibre optic network, (2) the development of cross-border cooperation in the area of image production and other services related to the fiber optic network, (3) the support for transfer of technology between the affected locations and industry and the (4) promotion of synergies of new devices for digital picture production. By the end of December 1997, it was possible to conduct a suitability test for optical signal transmission between the two main connection points near the border, to test the effectiveness of the ATM 155 megabit/second link and to investigate in new links with other existing networks. With the application of ATM technology, all types of information (text, images, sound) can now be efficiently transmitted along the "cross-border data highway". Whereas with conventional capacity, for instance, only about five video pictures could be transmitted per second, with the new link transmission speed has risen to almost twenty pictures per second.