

REPUBBLICA ITALIANA

# BOLLETTINO UFFICIALE

## DELLA REGIONE PUGLIA

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## PARTE SECONDA

*Deliberazioni del Consiglio regionale e della Giunta*

DELIBERAZIONE DELLA GIUNTA REGIONALE 31 maggio 2003, n. 733

**Programma Interreg III-B Transnazionale (C.A.D.S.E.S.). Programma Interreg III-C Interregionale. Presa d'atto programmi operativi e complementi di programmazione.**

Il Presidente della Giunta Regionale, on.le Dr. Raffaele Fitto, sulla base dell'istruttoria espletata dall'Ufficio Cooperazione P.V.S. confermata dal Capo di Gabinetto, riferisce:

La Comunicazione del 28/4/2000 della Commissione delle Comunità Europee ha stabilito gli orientamenti dell'Iniziativa comunitaria riguardante la cooperazione transeuropea volta ad incentivare uno sviluppo armonioso ed equilibrato del territorio comunitario- Interreg III.

La tipologia delle azioni di cooperazione che vi sono previste è ripartita in tre Sezioni.

- Sezione A transfrontaliera
- **Sezione B transnazionale**
- **Sezione C interregionale**

Le occasioni di cooperazione offerte dalla Sezione A sono già state colte dalla Regione con la partecipazione a specifici programmi di partenariato transfrontaliero: Interreg II-A 1994/1999 e Interreg III-A 2000/2006 con l'Albania; Interreg II-A 1994/1999 e Interreg III-A 2000/2006 con la Grecia e Interreg III-A 2000/2006 Transfrontaliero Adriatico con le Regioni Adriatiche Italiane e con i Paesi adriatici orientali.

Le Sezioni B e C prevedono invece azioni di cooperazione su area geografica vasta: l'Ufficio Cooperazione con i PVS, responsabile dell'iniziativa INTERREG, ha partecipato alle attività dei Comitati di Gestione Nazionali, alle varie fasi di programmazione e di negoziato con l'Unione Europea.

Si propone ora che la Regione partecipi anche ai programmi delle Sezioni B e C, poiché questi:

1. consentono alle comunità regionali di beneficiare di utili confronti su molteplici campi di attività con molte altre comunità, stante la notevole dimensione geografica degli interventi
2. non prevedono, a differenza dei programmi transfrontalieri (Sezione A), una obbligatoria partecipazione finanziaria da parte delle Regioni con una quota di risorse proprie.
3. alla regione che, a qualsiasi titolo, è partner del progetto vengono accreditate quote parti dell'ammontare complessivo del progetto.

Le quote di cofinanziamento previste a carico delle Amministrazioni nazionali centrali sono infatti pari al 50% del costo di ciascun progetto e concorrono quindi a coprire, unitamente al contributo FESR, l'intera spesa di ciascun intervento. Per quanto riguarda l'Italia, con Deliberazione del 22 giugno 2000 il Comitato Interministeriale per la programmazione economica ha deciso che per i programmi Interreg della sezione B (transnazionale) la quota di cofinanziamento pubblico nazionale è a totale carico del fondo di rotazione ex lege n.183 del 1987.

Il quadro complessivo relativo alle due Sezioni è il seguente:

### **Sezione B**

**La cooperazione transnazionale** si svolge fra autorità nazionali, regionali e locali ed ha come finalità la *promozione di una maggiore integrazione territoriale tra ampi raggruppamenti di regioni europee, per realizzare uno sviluppo sostenibile, armonioso ed equilibrato nella Comunità e una migliore integrazione territoriale con i paesi candidati ed altri paesi terzi.*

In particolare la Sezione B prevede cooperazione transnazionale diffusa su aree: Mediterraneo Occidentale, Spazio alpino, Atlantico, Europa sud-occidentale, Europa nord-occidentale, Mare del Nord, Mar Baltico, Regioni periferiche settentrionali, **C.A.D.S.E.S.**, archi-med

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**C.A.D.S.E.S. (Central Adriatic Danubian and South-Eastern Space)**


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Le aree territoriali dichiarate eleggibili in C.A.D.S.E.S. sono:

Albania	Tutto il Paese
<b>Austria</b>	<b>Tutto il Paese</b>
Bosnia Heszegovina	Tutto il Paese
Bulgaria	Tutto il Paese
Croazia	Tutto il Paese
Czech Republic	Tutto il Paese
Federal Republic of Yugoslavia	Tutto il Paese
Former Yugoslav Republic of Macedonia (FYROM)	Tutto il Paese
<b>Greece</b>	<b>Tutto il Paese</b>
Hungary	Tutto il Paese
Romania	Tutto il Paese
Slovak Republic	Tutto il Paese
Slovenia	Tutto il Paese
<b>Germany</b>	<b>Baden-Wuttember, Bayern Mecklenburg-Vorpommern, Sacsen,Sacsen-Anahalt, Berlin,Brandeburg, Thuringen</b>
<b>Italy</b>	<b>Puglia, Molise Abruzzo, Marche, Friuli Venezia Giulia, Veneto,Emilia Romagna, Lombardia, Trentino-Alto Adige, Umbria</b>
Poland	Tutto il Paese
Republic of Moldova	Tutto il Paese
Ukraine	Odesa oblast, Zakarpatska, Lviv oblast, Ternopol oblast,Ivano-Frankovsk ablant. Cernovci oblast

Le risorse FESR stanziare complessivamente per l'Italia-area CADSES, ammontano a 52,14424 Meuro, pari alla quota di cofinanziamento pubblico nazionale italiano.

Le autorità nazionali, in stretta collaborazione con le regioni interessate, hanno allestito il previsto Programma Operativo, allegato (A) al presente atto come parte integrante e sostanziale. Gli ambiti di cooperazione sono:

1. **Sviluppo spaziale** sostenibile, coesione economica e sociale, cooperazione urbana e questioni sociali.
2. **Sistemi di trasporto** efficienti e sostenibili ed accesso alla società dell'informazione.
3. **Promozione e managment** del patrimonio naturale, culturale e paesaggistico
4. **Protezione dell'ambiente**, managment delle acque e previsione dei rischi.

Il 27-12-01 tale Programma è stato approvato dalla Commissione Europea con Decisione C(2001) 4013 del 27/dicembre 2001: il Programma prevede la messa a punto di progetti che garantiscano una partnership sia nazionale che transazionale; per ciascun progetto va individuato un Partner Capofila responsabile della presentazione, del coordinamento e della gestione dell'intero progetto.

Il 14 maggio 2002 l'apposito Comitato di Sorveglianza ha approvato il Complemento di Programmazione, allegato (B) al presente provvedimento come sua parte integrante.

## Sezione C

**La cooperazione interregionale (sezione C)** è destinata a *migliorare l'efficacia delle politiche e degli strumenti di sviluppo regionale e di coesione mediante la creazione di reti, in particolare nelle regioni in ritardo di sviluppo o in fase di riconversione.*

L'intero territorio dell'Unione europea è ammesso a beneficiare della partecipazione finanziaria del FESR; la Commissione auspica la più ampia partecipazione da parte dei paesi terzi, in particolare quelli candidati all'adesione.

Per quanto attiene l'articolazione geografica del Programma il territorio comunitario è stato ripartito in quattro quadranti: Nord, Sud, Est, Ovest.

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### NORD

Danimarca	Tutto il Paese
Svezia	Tutto il Paese
Finlandia	Tutto il Paese
Germania	Bremen, Hamburg, Mecklenburg-Vorpommern, Niedersachsen, Schleswig-Holstein

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### EST

Austria	Tutto il Paese
Germania	Bayern, Sachsen, Sachsen-Anhalt, Berlin, Brandenburg, Thüringen
Italia	Friuli-Venezia Giulia, Veneto, Trentino-Alto Adige, Emilia-Romagna, Puglia, Molise, Abruzzo, Marche
Grecia	Anatoliki Makedonia, Thraki, Kentriki Makedonia, Dytiki Makedonia, Thessalia, Ipeiros

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### OVEST

Francia	Nord-Pas de Calais, Picardie, Haute-Normandie, Ile de France, Basse-Normandie, Centre, Champagne-Ardennes, Lorraine, Bourgogne, Alsace, Franche-Comtè, Bretagne, Pays de la Loire
Belgio	Tutto il Paese
Netherlands	Tutto il Paese
Lussemburgo	Tutto il Paese

Germania	Noedrhein-Westfalen, Hessen, Rheinland-Pfqlz, Saarland, Baden-Wurttemberg
Regno Unito	Tutto il Paese (escluso Gibraitar)
Irlanda	Tutto il Paese
<b>SUD</b>	
Spagna	Tutto il Paese
Portogallo	Tutto il Paese
Francia	Midi-Pyrennèes, Limousin, Auvergne, Aquitaine, Languedoc-Roussillon. Poitou-Charentes, Provence-Alpes-Cote d'Azur, Rhone-Alpes, Corse, Guyane, Guadalupe, Martinique, Reunion
Grecia	Dytiki Ellada, Peloponnisos, Voreio Aigaio, Notio Aigaio, Kriti, Ionia Nisia, Stera Ellada, Attiki.
Italia	Piemonte, Lombardia, Liguria, Toscana, Umbria, Lazio, Campania, Sardegna, Basilicata, Calabria, Sicilia, Val d'Aosta
Regno Unito	Gibraltar

La cooperazione nel quadro dei programmi INTERREG III C può svolgersi sulla base di tre tipi di operazioni:

1. **Operazione Quadro Regionale(OQR):** è rivolta alle Regioni affinché queste definiscano un approccio strategico comune allo scopo di promuovere lo scambio di esperienze e di apprendimento a lungo termine. Trattandosi di un tipologia inedita di cooperazione, nessuna regione può partecipare a più di due operazioni di questo tipo finchè non sia stata effettuata la valutazione intermedia del programma. Per queste operazioni, il programma prevede, per la regione capofila di un progetto, la possibilità di individuare sul proprio territorio un soggetto Altro che abbia il ruolo di Leader partner e che assuma la funzione gestionale e finanziaria del progetto stesso. La quota di cofinanziamento nazionale può variare tra 500.000 e 5.000.000 di euro.
2. **Singoli progetti di cooperazione interregionale:** questi sono finalizzati allo scambio di esperienze che non si limitino ad un semplice trasferimento di conoscenze, ma che perseguano il raggiungimento di risultati concreti in grado di essere applicati nel seguito, autonomamente, da tutti i partners del progetto. La partecipazione

FESR varia tra 200.000 e 1.000.000 di euro, cui andrà aggiunto la quota di cofinanziamento nazionale. Alla Regione capofila è assegnata una quota finanziaria non superiore al 40% del finanziamento totale del progetto salvo se si tratti di operazioni in regioni confinanti con i Paesi in adesione: in tal caso la partecipazione può essere più elevata

3. **Reti:** sono destinate a collegare territori dell'Unione europea e di Paesi terzi su uno dei temi promossi dalla Sezione C. La partecipazione FESR per le **Reti**, cui andrà aggiunto il cofinanziamento nazionale, varia tra 200.000 e 1.000.000 di €. Il totale del finanziamento è versato al capofila che lo gestisce

Nei finanziamenti dei progetti che saranno ritenuti idonei dall'apposito Comitato di Direzione, è compresa una quota destinata alla regione che è partner a qualsiasi titolo del progetto: non esiste dunque per le Regioni partecipanti un impegno finanziario, ma la partecipazione ai progetti implica la messa a disposizione di sole risorse umane.

Tutto ciò premesso e considerato, il Presidente della Giunta Regionale, propone:

- di prendere atto del Programma Operativo (all. A) e del Complemento di Programmazione (all. B) relativi al programma Interreg III-B CADSES 2000/2006;
- di prendere atto del programma Operativo (all. C) e del Complemento di Programmazione (all. D) relativi al programma Interreg III-C Interregionale 2000/2006;
- di deliberare la partecipazione della Regione Puglia al programma Interreg III-B Cadses, Interreg III-B ArchiMed ed Interreg III-C interregionale;
- di incaricare l' Ufficio Cooperazione PVS di:
  - o coordinare le varie iniziative finalizzate alla partecipazione della Regione Puglia ai detti programmi individuando al proprio interno funzioni e compiti di responsabilità.
  - o di individuare sul territorio regionale eventuali leader partner cui affidare il compito di capofila nella conduzione di uno specifico progetto, riservando, comunque, a questa Amministrazione il ruolo di indirizzo e controllo
  - o raccordare con i singoli Settori regionali competenti per materia, la definizione e la gestione dei singoli progetti.

#### COPERTURA FINANZIARIA

La partecipazione della Regione ai Programmi, non determina oneri finanziari diretti a carico del bilancio regionale.

Il Presidente della Giunta Regionale, sulla base delle risultanze istruttorie innanzi illustrate propone alla Giunta l'adozione del conseguente atto finale, che rientra nelle specifiche competenze della Giunta ai sensi dell'art. 4 comma 4 lett. D) della legge 7/97.

#### LA GIUNTA

- udita la relazione e la conseguente proposta, del Presidente;

- vista la dichiarazione posta in calce al presente provvedimento dal Funzionario Istruttore e dal Dirigente dell'Ufficio Cooperazione P.V.S e dal Capo di Gabinetto;
- a voti unanimi e palesi espressi nelle forme di legge;

#### DELIBERA

- di prendere atto del Programma Operativo (all. A) e del Complemento di Programmazione (all. B) relativi al programma Interreg III-B CADSES 2000/2006;
- di prendere atto del programma Operativo (all. C) e del Complemento di Programmazione (all. D) relativi al programma Interreg III-C Interregionale 2000/2006;
- di deliberare la partecipazione della Regione Puglia al programma Interreg III-B Cadses, Interreg III-B ArchiMed ed Interreg III-C interregionale;
- di incaricare il Gabinetto del P.G.R. – Ufficio Cooperazione con i PVS, di:
  - o coordinare le varie iniziative finalizzate alla partecipazione della Regione Puglia ai detti programmi individuando al proprio interno funzioni e compiti di responsabilità.
  - o di individuare sul territorio regionale eventuali leader partner cui affidare il compito di capofila nella conduzione di uno specifico progetto, riservando, comunque, a questa Amministrazione il ruolo di indirizzo e controllo
  - o raccordare con i singoli Settori regionali competenti per materia, la definizione e la gestione dei singoli progetti
  - o di pubblicare il presente provvedimento sul BURP.

Il Segretario della Giunta  
Dr. Romano Donno

Il Presidente della Giunta  
Dr. Raffaele Fitto





# Community Initiative Interreg III B (2000 – 2006)

for the



## PROGRAMME COMPLEMENT Draft

**Approved by the Monitoring Committee**

**April 12<sup>th</sup>, 2002**

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## INTRODUCTION

The INTERREG III B Operational Programme for the Central, Adriatic, Danubian and South Eastern European Space (CADSES) has been approved by the European Commission on 27 December 2001.

The CADSES Operational Programme aims at achieving a higher territorial and economic integration within the cooperating area, promoting a more balanced and harmonious development of the European space. The co-operation area includes regions belonging to four Member States: Austria, Germany, Greece and Italy, and to fourteen other Non Member States: Albania, Bosnia Herzegovina, Bulgaria, Croatia, Czech Republic, Federal Republic of Serbia and Montenegro, Former Yugoslav Republic of Macedonia, Hungary, Poland, Republic of Moldova, Romania, Slovak Republic, Slovenia, Ukraine.

The OP CADSES general and specific objectives are pursued through the development:

- of a joint strategy and programming in the fields of spatial development, social and economic cohesion, transport systems and information society, promotion of landscape, natural and cultural heritage, environment protection, resource management and risk prevention;
- of partnership and a “bottom up” and integrated approach;
- of complementarity with the mainstream interventions of the structural funds and
- of effective co-ordination with the Union’s instruments for external policy.

The Programme Complement contains **(a)** a more concrete description of the measures implementing the corresponding priorities in the operational programme; **(b)** the definition of the types of final beneficiaries; **(c)** the financing plan specifying for each measure the financial allocation envisaged for the contribution of the ERDF and the other existing financial instruments and the amount of eligible public or equivalent funding and estimated private funding; **(d)** measures intended to publicise the operational programme in accordance with Article 46; **(e)** a description of arrangements for the computerised exchange of the data required to fulfil the management, monitoring and evaluation requirements. The Programme Complement also contains further specification on project selection criteria.

It is particularly relevant for prospective project applicants and their transnational and local partnerships. It is intended to assist both newcomers to INTERREG and those who have gained already experience during the INTERREG IIC programme and should always be used in parallel with the CIP and the applicants’ packages and guidelines to be provided by the Joint Secretariat and by the CCPs in Athens and Vienna.

## 1. GENERAL INFORMATION

### *1.1.1 Responsible bodies and contact persons*

#### *Managing Authority*

The Managing Authority is represented by:

Mrs. Cinzia Zincone  
Ministry for Infrastructures and Transports  
Interreg Division-Section CADSES MA  
Via Nomentana 2  
I-00161 Rome  
Phone 0039 06.44124213  
Fax 0039 06 44123300  
e-mail: [cinzia.zincone@mail.llpp.it](mailto:cinzia.zincone@mail.llpp.it)

#### *Paying Authority*

The Paying Authority is represented by:

Mr. Claudio Gramaccioni  
Ministry for Infrastructures and Transports  
Authonomous Section PAs  
Via Nomentana 2  
I-00161 Rome  
Phone 0039 06.44125101  
Fax 0039 06 44123300  
e-mail: [carlo.grassini@mail.llpp.it](mailto:carlo.grassini@mail.llpp.it)

#### *Joint Technical Secretariat (JTS)*

The management of project application is carried out by the JTS. This includes calls for proposals, information and advice to applicants including preparation and making available of standardised forms for project applications, checking and assessment of applications, informing partners of decisions and to provide advice and assistance to transnational projects regarding implementation of activities and financial administration, including preparation of project documentation forms.

The JTS will have its office in Dresden, which will be located at:

Rathaus/ Town Hall  
Postfach / P.O. Box 12 00 20  
D – 01001 Dresden  
Phone +49 351 488 1021 Fax +49 351 488 1025  
Email : [cadses@jts.dresden.de](mailto:cadses@jts.dresden.de) Homepage: <http://www.cadses.net>

### *CADSES contact points*

CADSES Contact Points (CCP) serve as a first contact point for project applicants and assist to the project application and implementation process. They contribute to information and publicity within the respective country and support the National Committees in fulfilling their transnational tasks. CCP should be set up in each Partner State.

CADSES Contact Points in Athens and in Vienna fulfil additional tasks. They offer to assist to the CCPs of the participating countries on general project development including facilitating Interreg/PHARE and Interreg/CARDS co-operation between applicants of all participating countries.

Addresses of all CCP will be available on the INTERREG IIIB CADSES website.

### *National Committees (NC)*

Each partner state should establish a National Committee (NC) in accordance with its institutional structure, in order to involve the regional and local authorities as well as the relevant sectoral authorities and institutions and social and economic partners according to Art. 8 of the general regulation, Nr. 7 of the INTERREG guidelines and Nr. 6.7 of the CIP. NC in CEE countries shall include representatives of national authorities responsible for EU funding, if appropriate.

The NC as integrated part of the transnational programme implementation have advisory and supporting status. They have an important role in carrying out the proactive approach e.g. through information, support to project generation and development and to project assessment.

In the Non-Member States national authorities responsible for co-operation with CADSES programme will have to fulfil further tasks related to the specific criteria of the funding instrument they use for co-financing the CADSES programme. Launching the programme, assessing the projects, contracting the concerned project parts, approving payment claims, monitor the implementation, providing the necessary publicity measures will be ensured by the competent national bodies in line with the concerned national/EU regulations. These activities will be carried out in Non Member States in close co-operation with the JTS.

Information about the composition, the specific national tasks and contact addresses of NC will be provided on the CADSES website.

#### ***1.1.2 Financing instruments***

INTERREG III B projects are financed both by ERDF-funds as well as national and other co-financing like semi-public and private funds and EU-funds for Non-Member-States (e.g. from the PHARE, TACIS, ISPA, CARDS and SAPARD programmes).

600.000 € (maximum 50 % ERDF from it) are provided to encourage project development in the framework of feasibility studies.

- ERDF: In general all project partners coming from the EU Member States Austria and Italy are entitled to 50% ERDF co-financing of the total eligible costs of the project. German and Greek partners coming from Objective 1 areas can apply for 75% ERDF co-financing of the total eligible costs.
- PHARE: Project partners from Poland, Hungary, Czech Republic, Slovakia, Romania, Bulgaria and Slovenia may apply for co-financing within the national PHARE programme. Allocation of national PHARE funds through specific grant schemes to the CADSES programme is based on national decisions and subject of endorsement by the EC. The PHARE project parts will be implemented in accordance with the Guidelines developed at national level on the bases of the programme complement and in line with the PHARE PRAG stipulations.
- TACIS: Ukrainian and Moldavian project partners may be eligible to apply for co-financing from the TACIS programme. In particular the TACIS CBC Small Project Facility and the TACIS CBC Micro Facility, which are directed to regional and local authorities seems appropriate to co-finance participation in the INTERREG III B programme.
- ISPA: Accession Countries may use funds from ISPA, mainly to co-finance projects related to alignment on Community infrastructure standards, particularly in the transport and environmental spheres.
- CARDS: Albania, Bosnia and Herzegovina, Croatia, Federal Republic of Serbia and Montenegro, and Former Yugoslav Republic of Macedonia might be able to use CARDS funding to co-finance the participation to CADSES projects aiming at fostering transnational co-operation, increasing social and sustainable economic development, raising the orientation to the market economy.
- SAPARD: Candidate Countries might be able to use SAPARD funds to co-finance CADSES projects dealing with the problems of the structural adjustment in agricultural sectors and rural areas.

### ***1.1.3 Participation of Non-Member States***

According to paragraph 6.9 of the Operational Programme, Non-Member States shall participate to the Programme either as full members — with the same right as Member States in the decision-making process — or as committee members, with a status of observers with the right to vote only when the decision to be taken refers to them.

Full membership will be granted to all countries of CADSES which fulfil the following criteria:

- submission of a letter of intent on the general acceptance of the goals and priorities of the Community Initiative Programme for CADSES with the nomination of the responsible persons/institutions;

- setting up the necessary national institutions for management of the programme: CADSES National structures have to be established and supplied with adequate human and financial resources, in order to fulfil the tasks identified in paragraph 6.7 of the Operational Programme;
- allocation of national or EU funds including funds allocated to TA. Efforts will have to be demonstrated to participate to joint projects. Contributions in kind will be considered.

The Monitoring Committee will check the fulfilment of the above mentioned conditions during the implementation of the Programme and will accordingly revise the membership status of the Non-Member States on an annual base.

## **1.2 From the project idea to the results**

In the following the principles of project development, assessment and selection as well as of implementation, monitoring and auditing are depicted. Further details will be provided in the applicant's package published on the programme's website.

### ***1.2.1 Project development***

An overview of the project development process is given in Figure 1.

#### *National project development*

An important step in preparing a CADSES project is to address a CCP. The main task of the CCP is to provide project developers with first information about CIP INTERREG IIIB CADSES objectives and requirements. Furthermore the CCPs will provide information and advice on potential national and regional public or private funds for CADSES projects as well as, in close cooperation with the National Committees, on setting up of project proposals that are in line with national spatial development policy issues and strategies.

#### *Transnational partner search and project development.*

The JTS in co-operation with the CCPs provides service to project applicants in finding suitable partners to the project consortium. In order to facilitate this work applicants are asked to fill in a project sheet that could be downloaded from the CIP INTERREG IIIB CADSES website.

As the Operational Programme states, CADSES Contact Points in Athens and in Vienna fulfil particular tasks. In Athens, CCP supports transnational project development mainly in the Stability Pact area including information and publicity related to these activities. In Vienna, CCP *supports co-*



*operation between EU and Non EU partners mainly outside the Stability Pact Area as well as between Non EU countries in the fields of transnational project development, supporting efforts to improve the regulatory EU framework for the participation of Non EU partners; including information and publicity related to these activities.*

#### Appropriate project size and duration

*Based on the experiences from the INTERREG IIC the following recommendations regarding project size and duration are proposed. They will continuously be evaluated in relation to project decision made by the Steering Committee and might be further specified and amended by the Monitoring Committee during the implementation period.*

*As an average project sizes with total costs of 500.000 – 5,0 MEURO are envisaged. Between 40 and 60 % of projects should have a total budget of above 1,5 M€). For some measures, a few big projects might have a higher budget. In exceptional cases even small projects might be eligible, mainly in order to encourage co-operation between local and regional authorities.*

*As an average duration of project implementation the time-schedule should cover 2 - 3 years.*

#### Setting up of project management and partnership

The organisation of project management must be based on clearly defined work packages and on a project action plan divided into logically and chronologically structured milestones connected to a corresponding expenditure plan. Detailed information and advice on how to best structure the projects concerning both thematic and financing aspects will be provided by the JTS and by a project manual available for download on the CADSES website.

Each project must involve at least two financing project partners from different Partner States. Projects including more than two Partner States and in particular those with project partners from Non-Member States will be given priority in the project selection. Detailed information on the selection criteria is provided in sub-chapter 2.2.2. The project consortium should be comprised in a strategic manner well adapted to its purpose. The composition of the partnership and its various parts should reflect the strategic objectives of the project in that sense that it should be well adapted to fulfil the central objectives in an efficient and reliable way. The suitable number of partners in the consortium depends on the project and its thematic direction. However, efforts and costs for co-ordinating a network are growing with the number of involved partners. If it is necessary for the purpose of the project to have many partners involved, sub-units or umbrella groups could be established. Project partners contributing financially to the project and thus applying for ERDF co-funding must fit to the categories of final beneficiaries which are defined in chapter 2.

## Final beneficiaries

The main objective of the Interreg III B programme is to develop transnational co-operation between national, regional and local authorities in order to achieve a higher degree of territorial integration in Europe. Consequently, final beneficiaries (defined in the general regulation on the Structural Funds as the bodies and public or private firms responsible for commissioning operations) are mostly public organisations and authorities. The list of possible project partners is indicative and does not exclude other organisations from participation in the programme. The following categories of final beneficiaries may be regarded as possible project partners for all the measures defined in the CADSES programme: (i) regional and local self-governments; (ii) national, regional and local administrations of CADSES area responsible for spatial and regional planning; (iii) national, regional and local organisations implementing policies in the fields of regional development, comprehensive urban and rural development, traffic and transport, technology and innovation, nature protection and environmental management, cultural and natural heritage management; (iv) semi-public institutions like regional development associations and promoters, innovation and development agencies, research institutes and universities; (v) regional and local associations of enterprises (e.g. chambers of commerce, unions); (vi) private institutions like economic and social partners, regional councils, foundations as well as private companies (e.g. infrastructure providing enterprises, NGO in the relevant fields); international organisations (e.g. euroregions); (vii) spatial and regional consulting firms.

### *Lead partner principle*

The CIP INTERREG IIIB CADSES is based on the lead partner principle. As the CIP INTERREG IIIB CADSES states, the partners of each project shall nominate a lead partner (LP) which takes the overall responsibility for the application procedure and the implementation of the entire project. The possibility to initiate projects and to act as a LP has to be open for all of the eligible organisations of the CIP INTERREG IIIB CADSES. Lead partners under private law have to provide sufficient guarantees equal to the amount of ERDF funds they are claiming for the whole project.

The different nature of the general financial responsibility of the different financial instruments to be used within the CADSES area makes it necessary to handle the different project parts in different ways. Therefore there are two different ways of applying the LP principle regarding his location inside or outside the EU.

#### 1. Lead partner from EU member state

*The responsibilities of a LP coming from a Member State include:*

- The submission of the project application

- The co-ordination of the submission of the project application for the ERDF and other EU contribution
- The signature of the ERDF contract for the whole project
- Financial responsibility for the ERDF funds including liability to the MA for the total amount of the ERDF subsidy
- Transnational project management including public relation measures
- Collecting information about all project parts and monitoring and reporting about the progress of the whole project in the framework of the agreed monitoring system; request payments from PA on the basis of the subsidy contract
- Monitoring and reporting of financial flows for the whole project including ERDF funds
- Facilitating audit by all relevant national authorities

*The responsibilities of a LP coming from a Member State do not include:*

- Financial responsibility for other EU or national funds

## 2. Lead partner from Non member state (“functional LP”)

In the case that the lead partner comes from a non member state (functional LP) an ERDF lead partner is needed to deal with ERDF funds.

*The responsibilities of a LP coming from a Non-Member State are:*

- The submission of the project application
- The co-ordination of the submission of the project application for the ERDF and other EU contribution
- The signature of the ERDF contract for the whole project together with the ERDF-LP
- Transnational project management including public relation measures
- Collecting information about all project parts and monitoring and reporting about the progress of the whole project in the framework of the agreed monitoring system
- Monitoring and reporting of financial flows for the whole project together with the ERDF-LP
- Facilitating audit by all relevant national authorities

*The responsibilities of a LP coming from a Non-Member State do not include:*

- Financial responsibilities for EU or national funds of other countries

*The responsibilities of the ERDF-LP in a project with a “functional-LP” from a Non-Member State are:*

- The signature of the ERDF contract for the whole project together with the LP
- Financial responsibility for the ERDF funds including liability to the MA for the total amount of the ERDF subsidy
- ERDF accounting and reporting; request payments from PA on the basis of the subsidy contract
- Facilitating audit by all relevant national authorities

*The responsibilities of the ERDF-LP in a project with a “functional-LP” from a Non-Member State do not include:*

- Financial responsibilities for other EU or national funds

The LP shall establish legal relations with the project partners in order to define clearly their co-operation, to secure the high quality and goal fulfilment of the project and to safeguard himself against his partners. Therefore it is recommended to draw up a signed contract between the various actors in the partnership and the LP. The commitments of the partners in the project consortiums might vary from project to project. The responsibilities and obligations of the various partners should be agreed upon internally in the partnership. The operational structuring and responsibility for the different work packages and for its administration is another important issue that has to be considered. It is moreover of greatest importance that the regular input to the progress reports and financial reports is guaranteed and that this information will be transferred in time by the participants in the partnership to the LP. The financial reports produced by the LP have to contain all certifications of expenditures given by the respective national authorities about expenses arisen so far that can be objectively and spatially imputed to the project or about costs that are to be considered similar according to EU-regulation. The LP shall collect the certifications in all involved partner states.

The LP guarantees that it is entitled to represent the partners participating in the project. The LP guarantees furthermore that it has complied with all the relevant legal and other requirements under the law which applies to it and to the project partners and that all necessary approvals have been obtained. The ERDF-LP is furthermore liable towards the MA for infringements by the project partners in the same way as for its own conduct. If the MA demands repayment of ERDF subsidy funds the LP is liable to the MA for the total amount of the subsidy.

### *Setting up of project budget*

The CIP INTERREG IIIB CADSES funding of all projects has to be co-financed by national funding coming from project partners that fit to the categories of final beneficiaries. All project partners with financial commitments to the project have to sign the co-financing statement provided in the applicant's package. The signed co-financing statements of all partners have to be added to the project application.

In general all project partners coming from the EU Member States Austria and Italy are entitled to 50% ERDF co-financing of the total eligible costs of the project. German and Greek partners coming from Objective 1 areas can apply for 75% ERDF co-financing of the total eligible costs.

ERDF assistance will be granted with reference to the following categories of eligible activities: **(i)** transnational studies and planning activities like development concepts project, programme and policy assessments, (like EIA, TIA, SEA); **(ii)** project management; **(iii)** establishment of new and extension and intensification of co-operation in existing transnational networks and associations of actors of spatial development policy, and network related activities (Staff exchange – joint training facilities and programmes); **(iv)** pilot actions, pilot and demonstration projects with transnational dimension (if they are based on transnational concepts or strategies); **(v)** exchange of know-how and experience between actors of spatial development policy (comparative analysis of instruments, methodologies, standards and concepts); **(vi)** feasibility studies for investments; **(vii)** financing of small scale complementary infrastructure investment (bottlenecks, interfaces), proposed by transnational strategic concepts; **(viii)** financing of small scale investment (e.g. information and innovation centres of transnational importance, ICT networks, part of buildings), proposed by transnational strategic concepts; **(ix)** financing of implementation structures proposed by transnational strategic concepts.

The applicant is also asked to carefully consider the Commission Regulation (EC) No 1685/2000 of 28 July 2000 laying down detailed rules for the implementation of the Council Regulation (EC) No 1260/1999 as regards eligibility of expenditure of operations co-financed by the Structural Funds before setting up the project budget.

The project budget itself has to be divided in eight budget lines, which in turn are split up in the project's defined work packages. Project implementation must be built on a yearly budget breakdown where the total costs of each work package are given. The applicant should carefully consider the project budget and strive for a realistic and accurate estimation of costs for the different work-packages.

*The budget lines to be filled are:*

- 1 Project co-ordination (to be specified by applicant)
- 2 Personnel (including overhead costs)
- 3 Meetings, conferences and seminars
- 4 Travel and accommodation

5. Promotion and publications
6. External expertise and audit
7. Other (to be specified by applicant)
8. Small scale investment (to be specified by applicant)

Detailed information about these budget lines will be given in the applicant's package on the programme's website.

#### *Setting up of a project application and submission*

In the project application information will have to be given referring to project description, project partners structure and organisation, duration of the project, content of the project, territory concerned, measure, accordance of the projects objectives with those of the measure selected, links to other priorities/measures of the CIP INTERREG IIIB CADSES, reference to European and national spatial development policy issues, effects to integrated spatial development in the CADSES area, added value of the transnational approach, sectors concerned, effect on Community priorities, project output utilisation, actions for the publicity of project and the dissemination/communication of results. Moreover, the project action plan shall be submitted, together with the project financial table, the distribution of funding between partners, and the allocation of expenditure per year.

A practical information on filling in the application forms will be provided in the applicant's package published on the programme's web site.

Calls for project proposals will be launched — indicatively — at least once a year by the JTS on behalf of the Steering Committee. Depending on the course of programme implementation and based on a decision of the MC the calls for project proposals might have a thematic main focus on priority level. However, calls for each measure will be published at least twice during programme implementation. In order to be considered in the selection procedure project applications have to be submitted within the designated period. The JTS informs the LP on the formal receipt of the project proposal. The submission of the project application before the deadline is not relevant for the decision making process of the SC.

Detailed information about the actual and coming call will be provided on the programme's website.

#### *Feasibility studies*

Complex and large projects focusing on key issues of the programme need significant input in project preparation. Small scale start-up funding shall support the initial preparatory phase of such promising projects in order to enable them to submit well prepared and first rate quality applications. Project partners with corresponding project ideas will have the opportunity to submit an application for a feasibility study to promote project development. As a principle the allocation of small scale start-up funding for carrying out of feasibility studies is open to all INTERREG IIIB CADSES measures. Therefore an amount of 600.000 € (with a maximum ERDF contribution of 50%, which can be increased to 75% in Objective 1 regions) are provided. The application for feasibility studies has to fulfil the criteria defined by the SC..

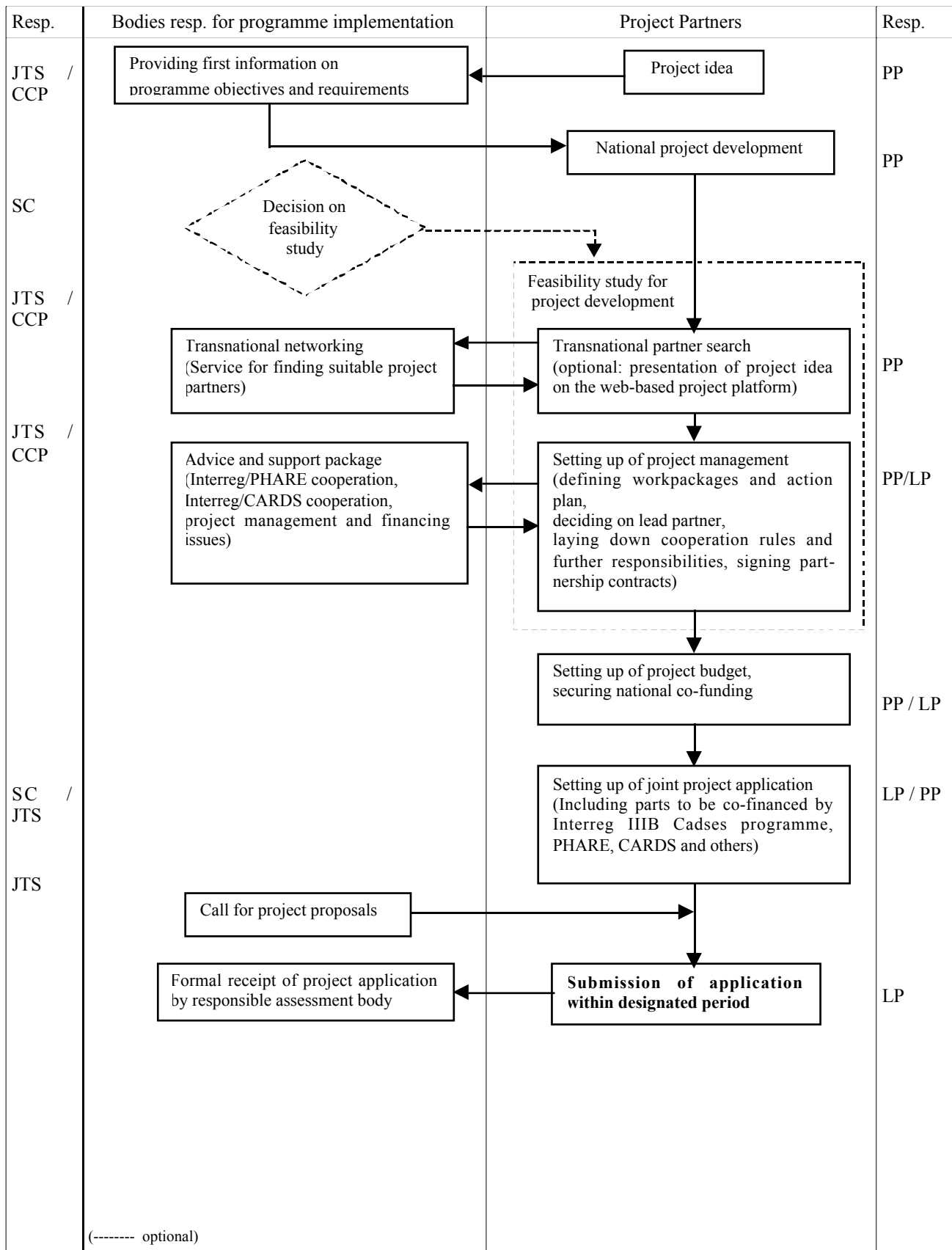
Thereby the following specific criteria shall be applied:

- a project to be developed by the means of a feasibility study has to focus on strategic spatial development issues covering the whole CADSES cooperation area or large sub-areas. The SC will decide about the issues that should be investigated by feasibility studies;
- a feasibility study must be completed within 6 months;
- the total costs must not exceed the amount of 20.000 Euro, maximum 50 % from this from ERDF;
- in total, costs for feasibility studies should not exceed 0,5 % of the total budget of each priority;
- a feasibility study might have only one financing partner but must be carried out by at least two project partners in terms of content;
- the result has to be a project application ready for submission at the next open call for projects.

For feasibility studies a simplified application procedure and implementation rules are applied:

- two decision rounds will be held each year;
- applications can be submitted at any time to the JTS (there will be no public calls);
- the application form consists of max. 2 pages indicating project idea, envisaged partnership, content of the study, activities and budget;
- the SC sets a list of criteria for selection and assigns the JTS to evaluate project applications by following the given criteria. The Director of the JTS, supported by the Project Officers, selects applications to be approved by the SC;
- the carrying out of feasibility studies should start within three months after approval. Applications for feasibility studies will be accepted until 2004;
- one report on implementation concerning both activities and financing (including certified financial statements) has to be submitted to the JTS until one month after finalising of feasibility studies. If the report is faultless, and a project application is ready for submission, payment will be effected within one month to the projects by the PA.

**Figure 1:** Example for transnational project development





### ***1.2.2 Project assessment and selection***

The project selection process actually comprises three phases:

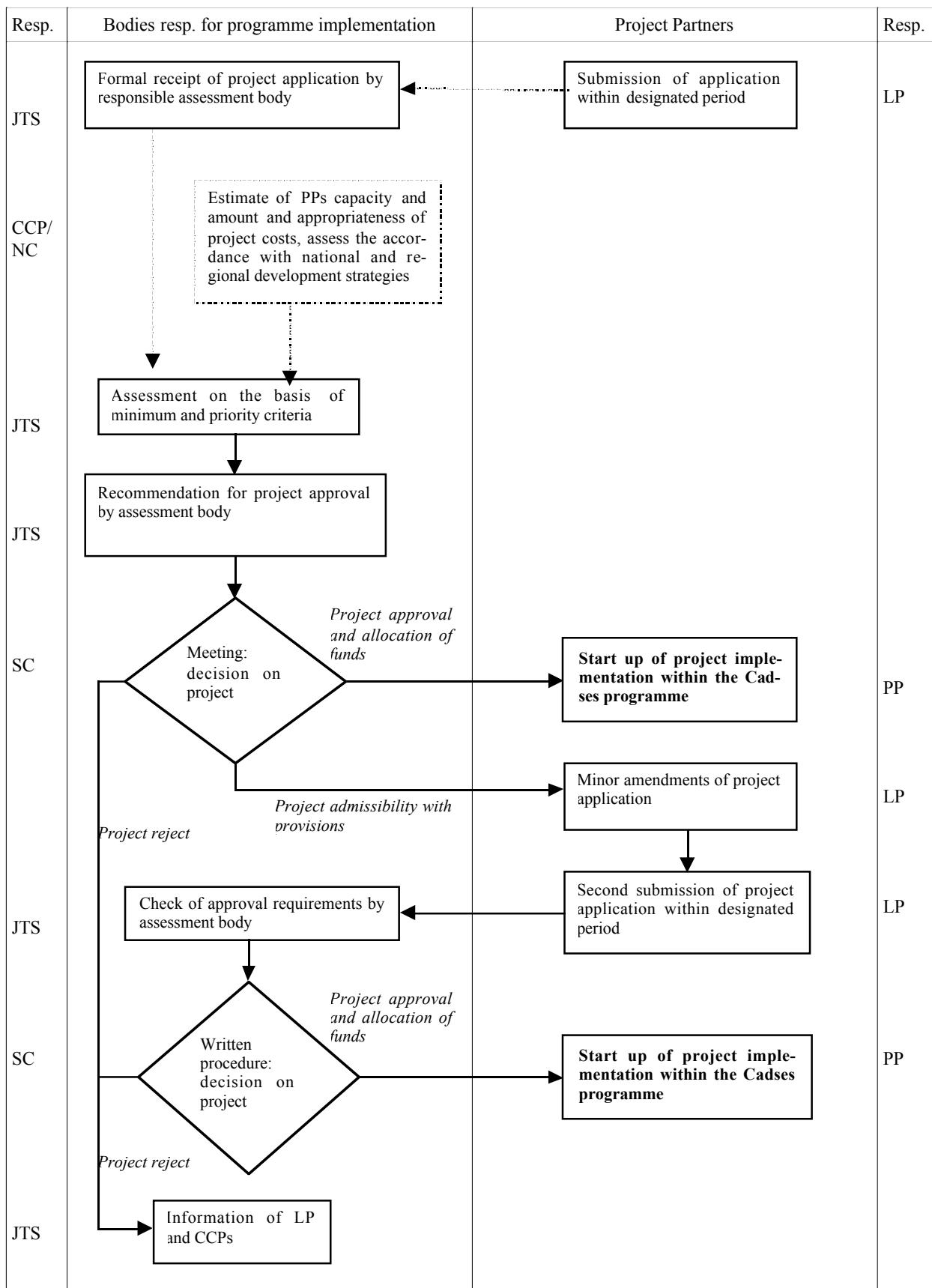
- Phase 1: Project applications will be checked by the JTS according to the defined criteria, which allow the project to enter the next steps;
- Phase 2: Evaluation of the economic and organisational capacity of project partners and accordance with national policies is done by the CCPs \ National Committees and coordinated by the JTS;
- Phase 3: Synthesis of the pre-assessment by the JTS put forward to the SC.

Figure 2 gives an overview on the project assessment and selection procedure.

#### *Minimum requirements (eligibility criteria) and priority criteria*

The SC will select projects for funding, applying the criteria for project selection agreed by the Monitoring Committee. Project selection is based on: **(a)** minimum requirements as presented in the Operational Programme; **(b)** priority criteria for ranking of projects presented below.

**Figure 2:** Overview on the project assessment and selection procedure



Projects have to fulfil all minimum requirements otherwise they are rejected. The first evaluation (eligibility check) of project applications leaves no space for quality ranking. Minimum requirements are simply examined by attributing “fulfilled” or “not fulfilled”.

Minimum requirements, as presented in the Operational Programme, are listed in the following table.

<b>Minimum requirements for project selection</b>	
1	Be in accordance with European and national spatial development policy issues: Spatial development aims and issues of the ESDP, CEMAT Guiding Principles and national/regional spatial development strategies.
2	Have effects to integrate development in CADSES, i.e. a project design that focused on generating development impulses towards a perspective of an economically and socially integrated space across EU borders.
3	Provide a transnational project partnership, i.e. have at least two financing project partners from different Partner States, wherein investment measures could take place in one or more of the financing partner states.
4	Demonstrate the value added of a spatial development approach (spatially integrating different sectoral approaches).
5	Respect relevant national and EU policies regarding structural funds policies, environment legislation.
6	Have project partners with sufficient capacity for project implementation and especially a Lead Partner who safeguards a reliable project organisation and a competent project implementation.
7	Secure national co-financing (co-financing statements enclosed)
8	Include the description of quantified outputs and / or clear attainable target to allow for appraisal and ex-post evaluation
9	Be completed within the programme period (before September 2008)
10	Appropriateness of project budget (cost/benefit ratio) and project within the frame of eligible size and duration which allows several projects per measure (exceptions to be decided by the SC)
11	Not be funded by other EU programmes (except PHARE, ISPA, CARDS, SAPARD, TACIS and other instruments providing assistance for Non Member States) - (parts of the project can be co-financed by other EU-programmes (e.g. 5th RDT, e-europe) if these parts are not calculated within the eligible project costs under CADSES)
12	Do not duplicate existing work (a review of existing actions, studies, database and/or networks has to be included in the project application)

The priority criteria are used for the ranking of the projects.

Priority criteria for project selection are listed in the following table.

<b>Priority criteria for project selection</b>	
<b>I</b>	<b>Project's contribution to the objectives of the Programme</b>
1	Degree of contribution to spatial development (economic and social cohesion, ESDP, CEMAT)
2	Synergy and/or complementarity with other CADSES projects or projects co-financed by other CI (INTERREG, LEADER+, URBAN, EQUAL), Structural Fund Programmes (Objective 1,2,3) or other EU funding instruments including EU assistance programmes to the Non Member States
3	Contribution to the Community priorities and policies (e.g. equal opportunities, environment, employment, information society)
4	Involvement of regional and local level to the programme implementation
5	Appropriate considerations of past experience and build on previous experience e.g. results of INTERREG II C projects or other EU programmes (e.g. functioning networks of co-operation)
<b>II</b>	<b>Partnership and project management ("project design")</b>
6	Transnational character of partnership (under particular consideration of the integration of Non-Member States)
7	Quality and coherence of partnership (under particular consideration of project design, implementation and financing)
8	Cross sectoral (trans-sectoral) character
9	Ability to attract private or semi-private resources and partnership
<b>III</b>	<b>Results and output</b>
10	Creation of concrete, tangible and visible results and impacts (with particular consideration of system building, political agreements, new or improved legislation, planning activities etc.)
11	Concrete preparation of investments such as feasibility studies, marketing concepts, land use plans, territorial and environmental impact assessments etc.
12	Small scale investments
13	Ability to contribute to an improvement in the institutional setting
14	Ability to apply innovative methods and techniques and capacity to contribute to results dissemination (Pilot and demonstration projects)

These criteria might be specified, completed and further developed by the SC and approved by MC during the implementation process.

In case of part of project proposals asking for support from PHARE or other EU sources preferably the same or similar minimum requirement and priority criteria will be used with due consideration of the regulations of the used financing instrument and priorities of the concerned country.

#### *Decision on project approval*

On the occasion of a SC meeting the SC decides on project approval on the basis of an eligibility assessment and a project ranking performed by the JTS. If some minor amendments are required for

a formal approval the SC might decide primarily on an admissibility status of the project. The amended application must be submitted to the JTS within a given period to enter the second eligibility check. The SC might decide on the project approval on the basis of a written procedure. This allows a faster start up of project implementation in the case of minor failure for selection. The criteria for reaching an admissibility status will be specified, completed and further developed by the SC and approved by MC during the implementation process. In the case of project reject the Lead Partner and CCPs will be informed by the JTS on behalf of the SC.

#### *Conclusion of the ERDF subsidy contract*

Based on the formal project approval by the SC the MA concludes an ERDF subsidy contract in its own name with the ERDF-LP, meaning the final beneficiary as defined in No. 31 sentences 4 and 5 of the Communication from the Commission to the Member States of 28 April 2000 laying down guidelines for the INTERREG III Community Initiative. The MA will use an ERDF subsidy contract form approved by the MC. The subsidy from funds of the CIP INTERREG IIIB CADSES will be awarded to the LP exclusively for the project as described in the application approved by the SC, which is an integral part of the contract.

Project parts financed by PHARE (or other EU or national funds) will be contracted according to the concerned rules. The contracting procedure will be harmonised to the maximum possible extent.

#### **1.2.3 Project implementation, monitoring and auditing**

The project shall be started and implemented according to the action plan approved by the SC. The LP has to inform the MA and the JTS when the project has been implemented. All ERDF financial transactions of the programme will have to be completed before September 2008. Figure 3 gives an overview on the project implementation process.

#### *Reporting obligations*

The LP may only request payments by providing proof of progress as described in the work plan, which is part of the approved application. Therefore the LP has to present progress reports on the basis of a standardised form and covering the whole transnational project. The first progress report must be submitted to the JTS at the latest six months after the start of the project according to the approved work plan. Subsequently progress reports should be submitted every six months, accordingly to the work plan. The progress reports must have two parts: as part one a report on progress made on the implementation of planned activities referring to the action plan and as part two a financial report including a table indicating the reporting period and the corresponding expenditure relating to each budget line. A confirmation of expenditures, in English language, which has to be signed by an auditor, accountant or financial manager independent from the project activities, has to be added to the financial report. Costs for auditing are eligible.

The LP has to submit a final report to the JTS within three months after completion of the project.

Independently from the regular reporting on the project progress the LP has to inform the MA and the JTS immediately if:

- the project costs are reduced,
- the project objectives, timing or financing plans on which this contract is based change,
- one of the disbursement conditions ceases to be fulfilled,
- Circumstances arise which entitle the MA to reduce or demand repayment of the subsidy wholly or in part.

CADSES projects should provide project websites in the Internet for project reporting and monitoring purposes. Detailed information on the reporting requirements for the progress and final reports including preparation advice will be provided in the reporting guidelines available for download on the CADSES website.

#### *Thematic networks*

The exchange of know-how and information between projects need specifically dedicated resources. Therefore thematic networks will be defined by the SC after the approval of the first round of projects and at one or two later stages. They have to focus around one or more specific issues and combine the issues of at least three or preferably more projects. The LP or another designated partner of the project should participate actively in the thematic networks. Corresponding travel costs for one meeting a year and preparation efforts in terms of working hours and material have to be covered by the project budget.

#### *Requirements for transnational project co-ordination*

The Lead Partner shall guarantee full-fledged project co-operation through a process of predefining minimum project co-operation conditions (e.g. every 6 months for the duration of the CADSES project, a minimum of one complete exchange of project materials between project-partners shall be exercised with a minimum 1 month given for all project partners for consultation on drafts before a consultative seminar is organised to decide on the next phase of the project).

#### *Requirements for publicity*

In public statements (reports, publications etc.), the LP assume the obligation to point out that the project was implemented through financial assistance from funds of INTERREG III B CADSES Programme in accordance with Commission Regulation (EC) No 1159/2000 on information and publicity measures concerning assistance from the Structural Funds. Interreg IIIB CADSES projects must provide project websites on the Internet for the dissemination of their results. Final reports, publications, booklets of CADSES projects shall be prepared and presented at a transnational level, agreed by all participating partners.

### *Payment of ERDF funds*

After the formal approval of the project by the SC the MA can grant an ERDF advance payment to the LP. The criteria for granting an advance payment will be specified, completed and further developed by the SC and approved by MC during the implementation process. Specific provisions regarding an advance payment are an integral part of the ERDF subsidy contract.

The ERDF funding requested will be forwarded retrospectively upon approval of the project progress report (consisting of an activity and a financial report) to the LP. The LP is responsible for the internal allocation of ERDF funds to his project partners as final beneficiaries of ERDF co-funding. The specific provisions for internal ERDF allocation shall be an integral part of the partnership contracts. After the final reports and documents are presented in due time and completely to the JTS and the JTS has proved that the documents are in proper form, the MA will be informed and instruct the PA to pay out the final amount to the LP. The last 5% of ERDF will only be paid out to the lead partner after programme closure.

### *Detection of irregularities and correction procedure*

If irregularities are detected by the LP regarding the performance of his project partners, by the auditing authorities or by the JTS the MA has to be informed immediately. If the irregularities entitle the MA to withdraw from the subsidy contract the MA instructs the PA to organise the retransfer of ERDF-funds in full or in part. Detailed rules for the correction procedure will be specified, completed and further developed by the SC and approved by MC during the implementation process.

### *Financial auditing*

In consultation with the MA and PA the Member States establish financial management and control arrangements in their countries as set out in Council Regulation (EC) No. 438/2001 and in such a way as to ensure that the MA and PA are able to fulfil the implementation of the CIP and to co-ordinate that Community Funds and national co-financing funds are used efficiently and correctly and that assistance is managed in accordance with all the applicable Community rules and in accordance with the principle of sound financial management. The Member States will provide the MA with a detailed description of the management and control systems they have installed.

Controls according to Art. 4 of Commission Regulation (EC) 438/2001 (hereinafter referred to as "first level controls") shall be fulfilled within the national framework, including controls of national and EU-funds, and therefore lie in the responsibility of each Member State.

Depending on the source of the national co-funding of a project, declarations of expenditure will be generally given by a public or private accountant, independent from the project implementation. If the co-funding stems from public funds, the declaration will be generally made by the responsible public co-funding authority, if the co-funding comes from private funds, the declaration of expenditure will be given by an accountant.

The certification of expenditure shall confirm the delivery of the products and services co-financed, the reality and eligibility of expenditure claimed and that national and community rules, especially Commission Regulation (EC) 1685/2000, have been respected.

The Member States will ensure that the national authority issuing the certification of expenditure is authorised to do so and independent from the project implementation. Furthermore, the Member States shall provide adequate information on national requirements for the first level control to any body responsible for giving guidance to project applicants (Joint Technical Secretariat, National Contact Point, etc.). The Lead Partner of a project communicates to the Managing Authority what are the bodies or institutions which exert controls on the expenditures of each project partner.

In case of irregularities found within a the first level control - system set up by any Member State, it is up to the MA and the respective Member State to adjust the system and to correct the irregularities.

Apart from the regular audit of independent auditors ensuring the proper use of ERDF funds at six-monthly level, sample checks on operations according to Chapter IV of Commission Regulation (EC) No. 438/2001 will be carried out at even intervals, spread over the years 2003 to 2008.

Sample checks on operations according to art. 10 of Commission regulation (EC) 438/2001 shall be carried out by an international auditing institution with branch offices in all Member States in order to secure common control-standards on basis of the European Commission audit manual and international auditing standards. This external auditor will be commissioned by the MA. It shall also be responsible for stating the programme closure declaration.

The basis for the selection of projects checked will be a risk analysis. Using a risk point system the following categories of risks will be taken into account:

- budget size (small, medium, large) of the project,
- number of project partners,
- participation of Non-Member States,
- cooperation of a functional LP from a Non-Member State and a ERDF LP from a Member State,
- LP in objective area 1 within the meaning of Article 3 of Council Regulation (EC) No. 1260/1999,
- LP governed by private law.

If necessary the list of risks will be amended by the MC according to the development during the programme period.

Based on this risk analysis, a representative sample of approved projects will be selected every second year by the auditor , so that at the end of the programme implementation the following criteria will be fulfilled:

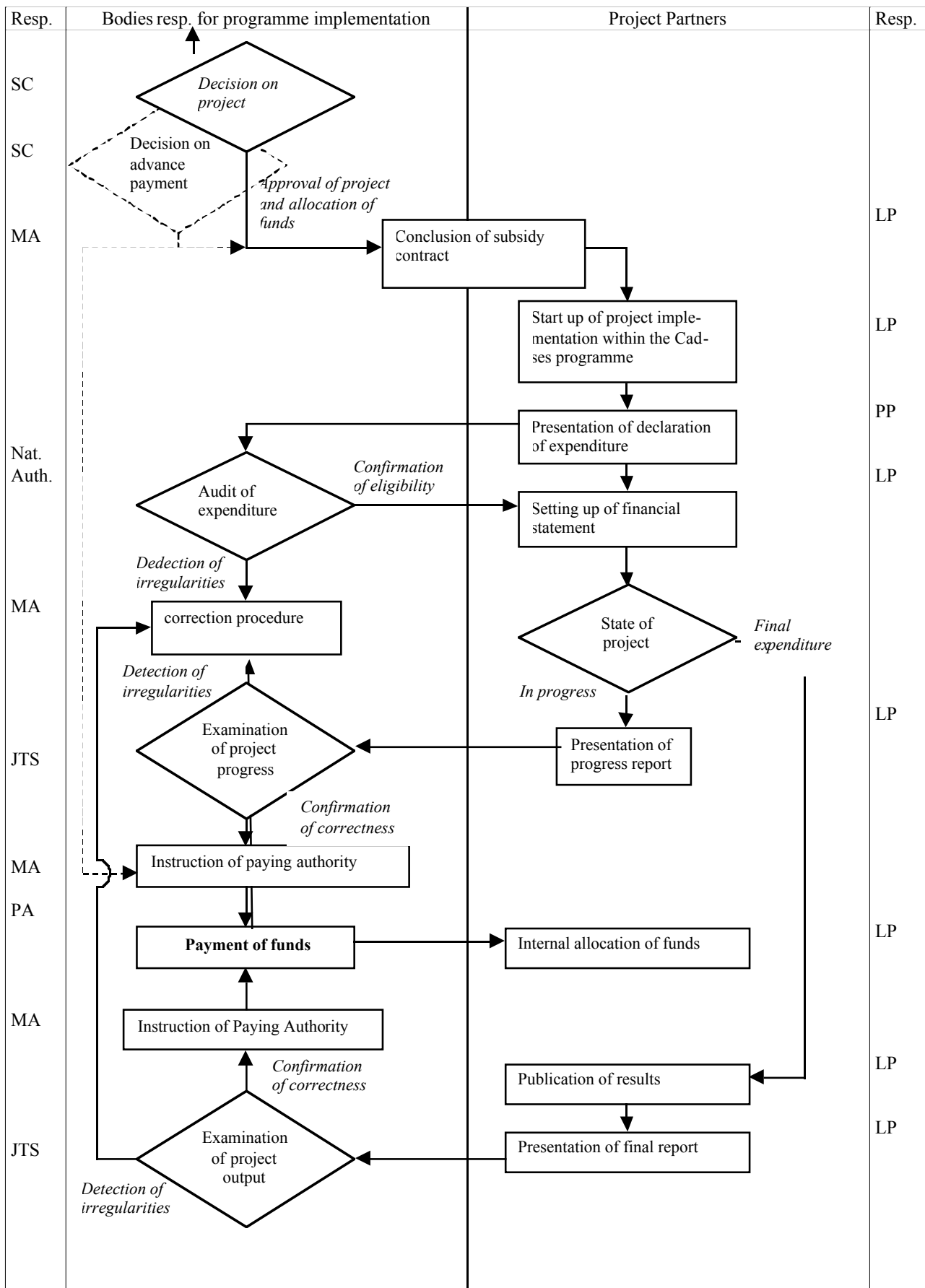


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- at least one project is controlled from each of three different categories of budget size, to be defined after the first two applications rounds when there will be an overview of the budgets of the projects approved,
  - at least one ERDF LP in each Member State,
  - at least one project from the objective area 1 within the meaning of Article 3 of Council Regulation (EC) No. 1260/1999,
  - at least one project with a functional LP from a Non-Member State
  - at least one project with a LP governed by private law,
  - at least one project from each of the twelve measures within the meaning of Chapter 4 of the CIP INTERREG III B CADSES.

Selected projects will only be checked if at least 50 per cent of the approved eligible expenditure is spent and if this fact is reported to the JTS. To ensure that the sample checks on operations cover at least 5 per cent of the total eligible expenditure as stated in Article 10 (2) of Commission Regulation (EC) No. 438/2001, the accumulated budgets of the selected projects have to account for at least an amount of 10 per cent per selection period.

The JTS will support the checks on project level by providing necessary information particularly on the amount of budgets used, the project contact persons and addresses, a proposal for the checking period and the organisation of joint meetings of the responsible authorities in order to discuss various questions.

Figure 3: Flow chart for project implementation



## 2. DETAILED DESCRIPTION OF MEASURES

### 2.1 General overview

This chapter contains the description of measures defined in the CADSES Operational Programme. In the first subchapter the categories of final beneficiaries for all measures are defined. The description of each measure has the same structure including: contents of the measure (reference to the summary description in the operational programme), general and specific objectives, types of eligible activities, quantification of objectives, categories of interventions, monitoring indicators and ex-ante evaluation.

#### Priorities and measures of INTERREG-CADSES programme

Priority 1	Priority 2	Priority 3	Priority 4
Promoting spatial development approaches and actions for social and economic cohesion	Efficient and sustainable transport systems and access to the information society	Promotion and management of landscape, natural and cultural heritage	Environment protection, resource management and risk prevention
<b>Measure 1.1</b> Supporting joint strategies for spatial development and actions for implementation	<b>Measure 2.1</b> Developing efficient transport systems with regard to sustainable development	<b>Measure 3.1</b> Protecting and developing cultural heritage	<b>Measure 4.1</b> Promoting environmental protection and resource management
<b>Measure 1.2</b> Shaping urban development, promoting urban networks and co-operation	<b>Measure 2.2</b> Improving access to knowledge and the information society	<b>Measure 3.2</b> Protecting and developing natural heritage	<b>Measure 4.2</b> Promoting risk management and prevention of disasters
<b>Measure 1.3</b> Shaping rural development		<b>Measure 3.3</b> Protecting and developing landscape	<b>Measure 4.3</b> Promoting integrated water management and prevention of floods
<b>Measure 1.4</b> Spatial impact of immigration			

The description of measures is done in coherence with the summary description contained in the CIP but specific aspects are here highlighted and commented. The remaining sections of the sheets highlight the *logical framework* of the measure. The general and specific objectives of the measure are then identified; and the activities that are needed to achieve those objectives are described. Each activity is associated to one of the four types of actions defined by the OP (planning activities, like transnational studies and strategies; networking; pilot actions; information, training and awareness raising). As far as possible, a quantification of the assumed objectives is done in the following section of the sheet. Interventions are then classified by category, following the EU codification (see Annex to the PC). It has to be underlined that the codes shown for each measure are only indicative. In principle, projects which do not refer to listed codes will not be excluded. The programme indicators (output, results and impact) are identified — accordingly to the Commission rules and methods — in order to make possible the monitoring and evaluation of the Programme. Finally, the ex ante evaluation of the measures is reported, in order to demonstrate — following the article 41 of Reg 1260 — the consistency of the measures with the aims of the corresponding priorities and the relevance of selected objectives.

## 2.2 Description of measures

### *Priority 1 - PROMOTING SPATIAL DEVELOPMENT APPROACHES AND ACTIONS FOR SOCIAL AND ECONOMIC COHESION*

#### *Measure 1.1: Supporting joint strategies for spatial development and actions for implementation*

##### **Contents of the Measure**

A corner-stone of spatial development policies is that, taking into account the determining effect of existing structures, the decreasing population in most Accession Countries, and the limited availability of economic resources, development will take place largely within the present framework of spatial structures. Radical shifts in regional and settlement structures in CADSES are not to be expected, changes will take place rather within the internal structure of regions and settlements.

Improvement of existing spatial structures should include mitigation of emerging regional disparities. Special attention has to be paid to regions and areas lagging behind or in serious structural crisis, whilst at the same time the development of leading, dynamic regions as carriers of national growth and competitiveness has to be promoted.

Disadvantageous situation of specific peripheral areas needs improving. This aim may be achieved through the intensification of transnational co-operation and improvement of permeability of borders, establishment of new rural-urban relationships as well as facilitation of access to resources, knowledge and information.

Spatial development policy in CADSES region should contribute to diversification of the economic and employment structure of monosectoral areas and one-sided "company towns" in order to reduce the economic dependency by promoting small and medium sized enterprises (SMEs), by utilising endogenous resources and by combining different measures of economic policy to initiate innovation and structural change.

##### **General Objectives**

- to deal with emerging regional disparities within the framework of a comprehensive regional policy, by focusing efforts on areas lagging behind in development or in a serious structural crisis, but without endangering the development of leading dynamic regions, the latter being the carriers of national growth and competitiveness, which is vital for the countries of the CADSES;
- to establish a new rural-urban relationship in order to ensure integrated development, structural change and improvement of service provision in urban centres and their surroundings;
- to mitigate drawbacks and disadvantages caused by peripheral situations by improving the permeability of borders in general, promoting a transnational strategic framework for border crossings, intensifying co-operation and by developing cost-effective models for multi-country border crossing transport links;
- to diversify the economic and employment structure of monosectoral areas and one-sided "company towns" to reduce the economic dependency by promoting small and medium sized enterprises (SME), by utilising endogenous resources and by combining different measures of

<p>economic policy to initiate innovation and structural change;</p> <ul style="list-style-type: none"> <li>- to facilitate better access to resources, knowledge and information in all areas through better location and profile of educational, cultural and research institutions, by networking between these institutions and by utilising up to date information technology;</li> <li>- to establish a structured relationship between settlements and coastal areas through co-operation and harmonised action to be integrated in the comprehensive concept of coastal management; further on to strengthen, at the transnational level, the governance capacity over the most relevant territorial issues by the collective decision-makers, through a common elaboration of integrated spatial development perspectives;</li> <li>- involving the spatial variables in a perspective of self – organising development of SMEs, taking account of the “local systems” as a kind of interconnection between cultural and political, as well as spatial and economic processes;</li> <li>- therefore, an effort has to be made through an adequate policy to promote co-operation between SME’s, in order to overcome the current imbalances between the East and the West of Europe by establishing better conditions with the aim of reaching a highly balanced and sustainable development, as recommend by the principles indicated in ESDP.</li> </ul>	
<b>Specific objectives</b>	
<ul style="list-style-type: none"> <li>- integration and improvement of the compatibility of existing planning databases and information instruments</li> <li>- promotion of innovative instruments for spatial development (TIA, EIA) at the transnational level</li> <li>- identification of probable mutual impact of the accession process on both sides of the EU border (including demographic, economic, social and infrastructure consequences)</li> <li>- promotion of small and medium sized enterprises (SME) and development of transnational co-operation between SMEs</li> <li>- development of co-operation between businesses infrastructure for regional innovation (industrial parks, business information centres)</li> <li>- promotion of instruments and services of innovative finance in order to improve the availability of instruments for the SMEs</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- preparation of integrated spatial development strategies and perspectives for certain issues concerning sub-regions of CADSES (e.g. “Vision Planet GPP” transnational development areas)</li> <li>- transnational studies and planning activities</li> <li>- Territorial Impact Assessments (TIA) of specific policies, projects and programmes especially in relation to the enlargement of the EU</li> <li>- Elaboration of knowledge based regional development concepts</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- establishment of new as well as extension and intensification of co-operation in existing transnational networks and associations of actors of spatial development policy and network related activities (staff exchange, joint training facilities and programmes)</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> <li>- <u>realisation of small functional centres</u></li> </ul>

Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- exchange of know-how and experience between actors of spatial development policy (comparative analysis of instruments, methodologies, standards and concepts)</li> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of the objectives</b>	
<p>Interreg III B programme should contribute to further development and substantiation of the transnational co-operation between the actors of spatial planning from CADSES area through implementation of common projects referring to the objectives of this measure. Interreg III B projects should have strong spatial development references and transnational character. High number of partners from non-member countries belonging to CADSES space is expected to participate in the co-operation within the transnational networks. Development of the co-operation in the years 2000-2006 requires improvement in the quality of partnership and more active participation. The results of the projects may contribute to the enlargement process and stabilisation of the situation in Balkans. Within the Measure 1.1 appropriate solutions should be proposed for the subregions of CADSES, described in the Vision Planet Guidelines and Policy Proposals (i.e. Central European Interaction Area, Adriatic Sea Region, Danubian Co-operation Zone, Black Sea Co-operation Area, the Area of Stability Pact for South Eastern Europe and Carpathian Development Region).</p> <p>Co-operation in at least three transnational development areas should be encouraged and the respective number of permanent strategic management structures (networks) should be established. At least five politically approved spatial development concepts on different levels should be worked out accompanied by lists of concrete investments to be carried out. At least three best practice examples should be developed and marketed for developing lagging regions, for networking between educational institutions in such regions and for involving SME in spatial development policies.</p>	
<b>Categories of interventions</b>	
22, 23, 35, 163, 164, 182, 184, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of common planning guidelines, plans, strategies or land use plans</li> <li>- Number of actions aimed at promoting SME</li> <li>- Number of strategies/perspectives for CADSES subregions</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of new methods and instruments promoted in the field of spatial planning and management of spatial development</li> <li>- Number of projects launching co-operation between authorities, enterprises, information centres, chambers of commerce, universities, research institutions and settlements and number of organisations involved</li> <li>- Number of best practice examples promoted concerning regional development</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of planned investments determined in transnational spatial development concepts</li> <li>- % of project partners who made use of transnational planning documents in planning activities at national level</li> </ul>	

<ul style="list-style-type: none"> <li>- Contribution of CADSES programme to mitigation of disparities existing within the countries, between rural and urban areas as well as border and central regions</li> <li>- Strengthening of the co-ordination between Interreg and EU funds for Non-Member-States (CARDS, PHARE, Ispa, Sapard, TACIS, etc.)</li> </ul>	
<b>The Ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level, as far as they contribute to the spatial integration and development of CADSES area, through the support to planning activities, the creation or the enhancement of networks, the implementation of <i>pilot</i> actions, the exchange of know how and experiences between actors of spatial development policy.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure gives priority to specific themes, i.e. innovative instruments for spatial development, promotion of SMEs, information society.
<i>Integration</i>	<b>Highly relevant.</b> The objectives and activities of the measure are highly interrelated with those of other measures of the Operational Programme, since they provide for the definition of the strategic and operational lines — on a general, sectoral and specific level — which constitute the framework for most of the other actions of the Programme.
<i>Environment</i>	<b>Highly relevant.</b> The measure activities are relevant for environment and sustainable development. In fact, actions are provided for the territorial impact assessment of specific policies, projects and programmes especially in relation to the enlargement of EU.
<i>Equal opportunities</i>	<b>Not relevant.</b>
<i>Information society</i>	<b>Relevant.</b> A priority of the measure is given by the promotion, within the framework of the information society, of content based services which incorporate local resources.
<i>Employment</i>	<b>Not relevant</b>

***Measure 1.2 Shaping urban development, promoting urban networks and co-operation***

**Contents of the Measure**

A dynamic urbanisation process took place in most countries of CADSES during the last decades. The percentage of the population living in larger cities is quite similar in the western and eastern parts of the area. The economic structure and development of eastern cities was, however, determined primarily by administrative functions and industrialisation, the service sector played a secondary role, whereas in western cities the tertiary sector is the dominate one. Furthermore, in several countries of the area, smaller centres are either non-existent or they are not sufficiently developed. Their development should be one of the priorities of the coming years. The overly hierarchical system of cities and settlements should become more flexible and differentiated. Multipolar or polycentric systems should develop focusing on specialisation and division of labour between cities within countries but even between countries (e.g. networks of harbour cities, university cities, finance, media, trade centres, etc.).

The internal structure of most cities is in the process of rapid transformation. The function of downtown districts, of the urban-rural fringe and of large housing estates is changing rapidly. Several cities are unprepared for these unexpected and uncontrolled economic and social developments. The dangers of uncontrolled urban sprawl, congestion and social segregation are imminent. New types and instruments of urban management and planning, new initiatives in housing and social policy are needed to meet these new challenges.

Currently the great majority of the people in the CADSES area live in cities. The future development of the cities themselves as their specific relationships with the surrounding rural areas represents one of the big challenges for the development of the CADSES area. Cities with their high commitment for a clean environment and for a high quality of life are key elements for an integrated development of the urban and rural space. The cities are to be supported within these efforts politically and administratively. In this respect the co-operation targeting at mutual assistance, transfer of information and know-how concerning issues such as urban policy, technology, society, economy, environment and culture should be strengthened. The integration of these different policies within urban development and the city-surrounding partnerships is essential.

**General objectives**

- promotion of restructuring and renewal of the cities (especially downtown areas) and not extensive urban growth
- establishment of a more balanced, diversified and polycentric city network
- promotion of urban economic development
- adjustment of urban planning methods and procedures

**Specific objectives**

- strengthening of urban economies, infrastructures and social systems
- promotion of urban restructuring (downtown development, urban fringe, large housing estates, old industrial areas)
- promoting the ex-change of experience concerning the co-operation between cities and cities and their surroundings



<ul style="list-style-type: none"> <li>- promotion of urban development with a view to dynamic, attractive and competitive cities</li> <li>- promoting transfer of know-how regarding urban policies</li> <li>- development of the co-operation between cities and their surroundings in order to strengthen functional regions</li> <li>- actions to improve communal services through development of public-private partnership</li> <li>- development and use of specific urban technologies</li> <li>- development of profiles of cities concentrating on their strengths and specific functions in a national and transnational division of labour (e.g. border cities, harbour cities)</li> <li>- promotion of social housing policy and housing mobility</li> </ul>	
Types of actions	Activities
Planning activities	<ul style="list-style-type: none"> <li>- studies and planning activities in the field of urban development</li> <li>- preparation of feasibility studies for investments</li> <li>- land use planes, environmental impact assessments</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- development of new and extension of existing city networks (co-operation between metropolitan areas, cities as well as other urban areas facing similar problems)</li> <li>- development of networks between cities with specific functions (e.g. along the seacoast, along major rivers and Trans-European corridors)</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- transnational exchange of experience and know-how on urban development issues like: support of SME sector, improvement in urban infrastructure, reduction of traffic, pollution and urban sprawl, promotion of business and R&amp;D</li> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of the objectives</b>	
<p>Projects implemented within this measure should lead to further development of transnational co-operation between cities dealing with similar problems. Newly created and extended existing networks should include metropolitan areas as well as cities in order to establish more balanced city network. The results of Interreg III B projects referring to the objectives of measure 1.2 may contribute to improvement of urban planning and sustainable development of cities.</p> <p>At least one exemplary solution should be found for each of the general objectives mentioned above. At least three projects should deal with co-operation structures and processes between cities and the surrounding communities. At least three projects should promote brown-field development (re-use of military or industrial sites). One third of the projects should involve actors from several small- or medium sized cities. Three best practice solutions should be developed and marketed.</p>	
<b>Categories of interventions</b>	

351, 352, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of transfer know how actions about urban development and restructuring</li> <li>- Number actions aiming at promoting harmonious development between peripheral and central areas</li> <li>- Number of created networks between cities</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of cities participating in transnational networks</li> <li>- Number of new methods and tools promoted in the field of urban planning and urban management</li> <li>- Number of best practice examples promoted concerning enhancement of urban services and technologies</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number partners who made use of project results in their urban development and restructuring plans</li> <li>- Increase in number of cities participating in transnational activities within the programme</li> </ul>	
<b>The Ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level. Indeed, co-operation between key actors of spatial development policies is enhanced in order to promote spatial integration of CADSES and polycentric development.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure assures concentration of resources on specific themes, i.e. restructuring and renewal of cities (especially downtown areas), city networks, urban economic development, urban planning. Moreover, the measure dealt with selected issues, i.e. re-use of military or industrial sites and cities.
<i>Integration</i>	<b>Highly relevant.</b> The objectives and activities of the measure are highly interrelated with those of measures relating to spatial policies, rural development, spatial impact of immigration, transport systems and information society, cultural heritage and landscape.
<i>Environment</i>	<b>Relevant,</b> as far as the measure deals with improvement in urban infrastructure, reduction of traffic, pollution and urban sprawl.
<i>Equal opportunities</i>	<b>Relevant,</b> as far as projects regarding the improvement of communal services, the promotion of social housing and housing mobility they may contribute to equal opportunities priorities.
<i>Information society</i>	<b>Not directly relevant,</b> even if city networks have to be largely based on information society strategies and tools
<i>Employment</i>	<b>Relevant.</b> The measures assumes as a priority economic urban development and promotes SME sector

**Measure 1.3 Shaping rural development****Contents of the Measure**

The extent and percentage of rural areas is more or less similar in the western and eastern parts of the CADSES area. The major difference lies in the importance of agricultural employment and in the level of development of the infrastructure in rural areas. Agricultural employment in some transition countries is high and has even increased in recent years. Rural employment restructuring is unavoidable but cannot be implemented without simultaneous internal restructuring of rural settlements, of rural land use, nor without developing rural infrastructure networks. It is one of the biggest challenges CADSES countries will face during the next decades. Comprehensive national rural development strategies should be drawn up and implemented, including economic, social, and environmental aspects. The first generation of SAPARD strategies will provide a new impetus for the elaboration of rural development strategies. The development of best-practice models in multi-functional agriculture is another challenging aspect.

**General objectives**

- promotion of rural structural change (development of small and medium size industrial and service enterprises, processing of agricultural products, promotion of tourism etc.)
- promotion of competitive and environmentally friendly agriculture
- restructuring of employment in rural areas
- development of infrastructure with a view to improving accessibility

**Specific objectives**

- promoting differentiated development strategies with a view to diversifying rural economies, taking into account the specific typology of rural areas (mountainous areas, coastal areas, landlocked areas, areas undergoing major economic restructuring, out-migration and severe social changes)
- promotion of the economic base diversification (e.g. processing agricultural products, development of SME and service enterprises, tourism promotion)
- assessment of the spatial impact and horizontal co-ordination of specific projects carried out in rural areas through the pre-accession instruments (SAPARD, ISPA), with a view to ensuring sustainable development
- strengthening of the partnership and interrelationships between rural areas and regional urban centers, to achieve new development synergies
- strengthening transnational co-operation between small and medium-sized cities
- development of experimental models for restructuring rural settlements and networks of rural settlements, enhancing infrastructure, public utility and diversified service provision as well as co-ordination of basic services and facilities between settlements
- co-operation in specific issues affecting rural development like rural vocational and educational training systems, social care for the aging population, maintenance of technical infrastructure, rural housing, soil erosion, planning methodologies and tools
- improvement of accessibility to transport connections within and to rural areas
- restructuring and improving the further development of education and training systems

<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- elaboration of rural development strategies as part of the spatial development strategies</li> <li>- transnational studies and planning activities in the field of rural development</li> <li>- preparation of feasibility studies for investments</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- exchange of experience, co-operation and networking between rural areas facing similar problems of development and of preserving natural and cultural heritage</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of the objectives</b>	
<p>Planning activities concerning rural development should include different types of rural areas (mountainous, border, coastal, landlocked areas etc.). As the economic and social situation in rural areas differ not only between the CADSES countries but also within the countries, a wide representation is essential in order to facilitate the ex-change of experiences and better diffuse the project results. Pilot actions are to be undertaken as regards rural structural change and restructuring.</p> <p>At least three networks between actors from rural communities and regions should be established. At least half of the projects should involve actors from administrations of regional urban centres with a population less than approx. 50,000. Two strategies for rural employment restructuring should be developed and preferably implemented.</p>	
<b>Categories of interventions</b>	
17, 23, 35, 1305, 1306, 1307, 1309, 1310, 413, 415	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of integrated actions and networks between rural areas</li> <li>- Number of planning documents dealing with restructuring of employment in rural areas</li> <li>- Number of pilot actions in order to implement national rural development strategies including economic, social and environmental aspects</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of best practice examples marketed concerning restructuring of rural settlements and enhancement of infrastructure</li> <li>- Number of new concepts with regard to improvement of education and training systems in rural areas</li> </ul>	

- Number of Territorial Impact Assessment studies in relation to projects implemented in rural areas within the pre-accession programmes (e.g. SAPARD)	
<b>Impact indicators</b>	
- Planned increase of employment in rural areas	
- Number of planned infrastructure investments induced by the programme	
- Reduction of migrations from rural to urban areas	
<b>The ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level. Also in this case, co-operation between key actors of spatial development policies is enhanced in order to promote spatial integration of CADSES and polycentric development.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure gives priority to specific rural areas, i.e. mountainous, border, coastal and landlocked areas. A specific attention is paid to small areas.
<i>Integration</i>	<b>Highly relevant.</b> The objectives and activities of the measure are highly interrelated with most of the other measures. Specifically, the measure aims at strengthening partnership and interrelationships between rural areas and regional urban centres.
<i>Environment</i>	<b>Relevant.</b> The measure activities are relevant for environment and sustainable development. In fact, some actions are especially provided for the development of environmentally friendly agriculture.
<i>Equal opportunities</i>	<b>Relevant.</b> The restructuring of employment in rural areas is promoted, paying a specific attention disadvantaged parts of labour force. Social issues are fully considered within the measure strategies and actions.
<i>Information society</i>	<b>Not relevant.</b>
<i>Employment</i>	<b>Highly relevant.</b> The measure aims at promoting the economic base diversification and the rural employment restructuring.

### *Measure 1.4 Spatial impact of immigration*

#### **Contents of the Measure**

##### *The development of spatial security policies*

Special attention has to be paid to the consequences of the phenomena of immigration on the spatial development and more generally on the social and economic cohesion of the interested regions; the nature of immigration flows and experiences of CADSES I demonstrate that only an approach based on the transnational co-operation is able to achieve tangible goals in these fields. Any notion of immigration policies should clearly distinguish between immigration and social security. These two phenomena tend to be in some cases interdependent, nevertheless a constructive approach should draw a clear distinction between them. The first is immigration: it should be considered as a positive phenomenon, which bears the opportunity to enrich the society of the receiving nation in political, economical and cultural terms. The second phenomenon is disorder, criminality and the feeling of insecurity developing in some gateway cities. Urban safety, considered in its twofold dimension of objective safety and its subjective perception, covers a much wider field than safety and security in a formal sense: in fact it refers to the control of illegality and the suppression of crime. Security requirements in respect of its "objective" dimension as well as of its subjective perception strongly differ among social groups respectively strata. The security needs of immigrants on the one hand and the inhabitants on the other hand will be in most cases different. The expectations and perceptions might be even conflicting, i.e. that security for one group might be considered as a source of insecurity by another group. Any approach which tries to bridge these gaps in perception by mere police action will not be successful in a mid- to long-term perspective: integrated strategies are needed which comprise interventions in the fields of infrastructure, social, economic and cultural actions. Community Initiatives such as this Programme offer a favourable opportunity to create proactive, integrated strategies.

##### *The development of immigration / emigration policy strategies*

There was a marked convergence of immigration policies among the EU Member States at the beginning of the 1990s. Migration policies were in most cases based on two main objectives: a greater integration of the former immigrant groups already present and in parallel a rather restrictive policy towards new immigrant flows. From the viewpoint of an integrated approach such policies tend to be inconsistent and substantially ineffective in their attempts to restrict further immigration flows. These overall less effective mechanisms tend to prevail if the strategies adopted fail in developing an approach, which focuses also on the regions of origin. In fact for the countries of origin the loss of human resources leads to specific problems exerting spatial impact in terms of brain drain in particular for rural regions, unfavourable changes in the social and territorial balance and finally the loss of cultural heritage.

##### *Social inclusion and opportunities*

The implementation of social inclusion policies should be based on two principles: The identification of actions, which contribute to the improvement of living standards in the countries of origin; the promotion of positive action for social inclusion in target regions respectively countries. It is strategically important to start working with those social groups from the immigrant community which tend to be considered as being harmful for social stability, since they are perceived as being – or actually are involved - in vicious circles of exploitation and organised crime. The measures to be adopted should have the following objectives: the prevention of social exclusion of immigrants with a particular focus on immigrant women; the facilitation of social inclusion, which means to integrate them in the official labour market including appropriate training programmes. Due emphasis should be placed upon spe-

cific work skills, hence promoting the social status in particular in terms of financial independence.	
<b>General objectives</b>	
<ul style="list-style-type: none"> <li>- promoting integration of immigrants groups and restriction of further immigration flows</li> <li>- enhancement of spatial security policies</li> <li>- development of transnational co-operation, exchange of know-how and experiences on social issues and security</li> <li>- development of joint migration strategies in the context of regional development</li> </ul>	
<b>Specific objectives</b>	
<ul style="list-style-type: none"> <li>- development of spatial policies related to migration</li> <li>- development of social inclusion policies related to migration (in countries of origin and destination countries); in particular for female immigrants</li> <li>- identification of actions which contribute to the improvement of living standards in the countries of origin, promotion of positive action for social inclusion in target regions</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- preparation of common immigration / emigration policy strategies, focus on hindering clandestine immigration and development of integrated security policy strategies</li> <li>- transnational immigration/emigration policy strategies, aimed at improving preventive controls as regards migratory flows</li> <li>- security policy strategies concerning the whole population, the quality of urban environment and social relationships are to be developed</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- establishment of networks between settlements dealing with similar migration problems</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot projects and actions aimed at enhancing urban safety and improving an efficient integration between different ethnic, cultural and social components</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- exchange of experience on spatial impact of immigration</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> <li>- transnational project management with organisational structure and costs</li> </ul>
<b>Quantification of the objectives</b>	
<p>This Measure should contribute to development of spatial policies related to migration. Appropriate solutions should be proposed for the destination as well as origin countries. High number of partners, representing national and local authorities and spatial planning organisations from member states and other CADSES countries is expected to participate in the activities undertaken within the Measure 1.4. Projects should have strong spatial references and include pilot actions.</p> <p>At least two integrated strategies for the country of origin and the destination country should be developed and politically approved. At least one third of projects should involve organisations of migrants. At least half of the projects should involve partners from two or more EU member states.</p>	
<b>Categories of interventions</b>	

22, 23, 25, 35, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of studies for developing spatial security policies, immigration/emigration strategies and social inclusion policies</li> <li>- Number of pilot actions in order to implement spatial security, immigration/emigration and social inclusion projects</li> <li>- Workshops/seminars and number of participants</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of organisations representing migrants participating in the projects</li> <li>- Number of prepared documents dealing with definition of activities which should be undertaken in the regions of origin of emigrants</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Improvement of knowledge about social issues and security in planning documents</li> <li>- Number of project results used by the partners</li> <li>- Contribution to the reduction of migratory flows</li> </ul>	
<b>The ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level, as far as they contribute to develop joint migration policy strategies in the context of spatial development.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure concentrates resources on projects with strong spatial references, involving both origin and destination countries of immigration flows.
<i>Integration</i>	<b>Relevant.</b> The objectives and activities of the measure are interrelated with those of other measures of the Operational Programme, with particular reference to spatial policies, urban development and rural development.
<i>Environment</i>	<b>Not relevant.</b>
<i>Equal opportunities</i>	<b>Highly relevant.</b> The measure aims at promoting social inclusion, in particular for female immigrants. Moreover, the measure supports the improvement of living standards in the countries of origin.
<i>Information society</i>	<b>Not relevant.</b>
<i>Employment</i>	<b>Indirectly relevant.</b> Even if the measure does not lead to direct impacts on employment, it produces indirect relevant effects, because it contributes to improve labour market mechanisms



**Priority 2 - EFFICIENT AND SUSTAINABLE TRANSPORT SYSTEMS AND ACCESS TO THE INFORMATION SOCIETY****Measure 2.1 Developing efficient transport systems with regard to sustainable development****Contents of the measure**

Increasing efforts to develop international transportation networks are common characteristics in all CADSES countries. Priority has been given everywhere to the development of multimodal transport corridors along the main Trans-European corridors (TEN and TINA), to a better connection of national transport networks and network planning with those of neighbouring countries and to better compliance with environmental standards in transport development. Development of these networks should be carried out in accordance with the principal objectives and processes of spatial development. The primary task is to improve transport connections between the eastern and western halves of the CADSES which were neglected until now. At the same time, however, existing transport infrastructures within the eastern part of the CADSES should be improved, where recovering economic relations might require efficient rail, road, maritime, inland waterways or telecommunication connections. A more thorough co-ordination of the separate projects of TEN and TINA networks is needed, as well as the extension of the assessing and planning works to those countries which are at present excluded from TEN and TINA processes. Accessibility for the majority of the population of the respective countries is to be ensured by improving or developing transportation facilities within smaller regions (secondary networks). Maintaining or improving public transport systems plays an important role here. Transversal connections should transform the overly hierarchical and centralised system of transport networks.

Multimodal transport is – for different reasons – particularly important in the CADSES area (low density of transport networks in some countries, different railway gauges, inadequate use of waterways and air transportation etc.). A network of logistic centres serving multimodal transport should be established. Border crossings and ports (both sea and inland waterways) are important nodal points of this network. An integral approach should be applied in planning the new transportation system elements, considering their economic, social and environmental impacts and interdependencies. Sustainable transport systems as railways, public passenger transport, footpaths and cycle tracks should be stressed. Economic instruments should promote the use of multimodal transport to increase the use of environmentally friendly modes of transport.

With regard to freight transport, ongoing changes in market sizes and business management practices, and ICT applications open challenging new fields for transport planning. In future transport planning will have to focus even more intensively on multi-modal networks and related services as an integrated logistic system: additionally such system need to be integrated into goods production and distribution processes. Due emphasis should be placed upon the settlement systems and related city logistics as well as to the local SME systems (industrial districts): developing these interdependent systems is crucial since they determine a broad range of territorial phenomena. The assumption of the mentioned systems as key-elements for the projects is primarily important to assure a balanced access to main corridors and networks as well as a balanced development of the transport systems.

Transports and IT technologies are still growing together with the so-called ITS (intelligent transport systems), that aim at the best use of the infrastructural systems, with special regard to safety and user information. These practices have to be further promoted and spread, favouring dialogue, standardisa-

tion and co-operation between different urban and regional systems, also in a transnational perspective.	
<b>General objectives</b>	
<ul style="list-style-type: none"> <li>- development and improvement of transport connections along the main Trans-European corridors</li> <li>- development of multimodal transport and establishment of logistic centres network</li> <li>- co-ordination of transportation policy in the western and eastern CADSES countries with regard to differentiated priorities</li> <li>- improvement of urban-rural connections</li> </ul>	
<b>Specific objectives</b>	
<ul style="list-style-type: none"> <li>- development of transnational concepts, co-operation mechanisms, institutions and pilot projects for an efficient and sustainable transport system</li> <li>- promotion of a balanced development between the transnational, national and regional networks</li> <li>- promotion of a balanced development of rail, road and waterways</li> <li>- promotion of transnational co-ordination and development of environmentally sound transport infrastructure in CADSES that is linked to spatial development objectives</li> <li>- promotion of intermodality and modal shift towards environmentally sustainable transport modes, in particular public transport, walking and cycling, rail freight and combined transport</li> <li>- promotion of dialogue and co-operation to deepen the understanding of actual processes and the set-up of management and policies solutions; this includes measures in the field of enterprise orientation and creation as an important factor for development of regional and transnational logistic chains and systems</li> <li>- actions to improve access to sea and inland waterways</li> <li>- promoting use of IT in transport services</li> <li>- development of concepts and projects concerning multimodal transport</li> <li>- integration of transport and land use planning</li> <li>- co-ordination of the separate projects of TEN and TINA networks as well as extension of planning and assessment work to the CADSES countries excluded from TEN and TINA networks</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- preparation of transnational studies and planning activities concerning spatially integrated development and improvement of the transport connections, multimodal transport, public transport systems etc.</li> <li>- assessment of territorial impact of transnationally relevant projects, programmes and policies (e.g. ISPA)</li> <li>- preparation of feasibility studies for investments</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- establishment of new as well as extension and intensification of co-operation in existing transnational networks (e.g. co-operation between nodes or sea and inland ports)</li> </ul>

Pilot actions	<ul style="list-style-type: none"> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- exchange of experiences on the implementation of ISPA programme</li> <li>- promoting exchange of information between investors to support a harmonised development in large-scale transport infrastructure e.g. by means of an "observatory"</li> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of objectives</b>	
<p>Transnational strategies, studies and concepts concerning development of transport systems should lead to harmonisation of networks between the CADSES countries (especially EU member and non-member states) and within them (national and regional level). New co-operation mechanisms are to be developed within this Measure. Feasibility studies and small-scale exemplary investments can be financed under the Measure 2.1.</p> <p>At least three best practice solutions with regard to multimodal or environmentally sound transport should be developed and marketed. At least 20% of projects should involve transport operators from public or private sector and representing different modes (road, rail, sea, inland waterways, air). At least two third of the projects should encourage investment and secure durable results by preparing public and/or private investment, regional planning measures or legislative plans or programmes. At least three territorial impact assessments for larger transnational projects or programmes should be developed.</p>	
<b>Categories of interventions</b>	
31, 35, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of actions to connect eastern and western areas</li> <li>- Number of feasibility studies for investments in transport</li> <li>- Number of Territorial Impact Analyses of specific projects/programmes</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of best practice examples promoted with regard to development of multimodal transport</li> <li>- Number of actions and planning documents promoting use of ICT in transport development</li> <li>- Number of new methods and tools promoted in the field of transport management</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of planned investments in transport infrastructure induced by the programme</li> <li>- Number of established logistic centres networks</li> <li>- Increase in use of intermodal transport systems</li> </ul>	
<b>The ex-ante evaluation</b>	

<b>A. Consistence with the aims of corresponding priority</b>	
The aims of the measure are consistent with the objectives defined at a priority level, as far as they contribute to the promotion of an efficient, multimodal and sustainable transportation systems in CADSES.	
<b>B. Relevance for selected objectives</b>	
<i>Concentration</i>	<b>Relevant.</b> Actions are concentrated on transport connections along the main Trans-European corridors, logistic centres network, rural-urban connections. At least two third of the projects should encourage investment, regional planning measures or legislative plans or programmes.
<i>Integration</i>	<b>Relevant.</b> The objectives and activities of the measure are interrelated with those of other measures of the Operational Programme, with particular reference to spatial policies, urban development and rural-urban connections.
<i>Environment</i>	<b>Highly relevant.</b> The measure activities are relevant for environment and sustainable development. In fact, actions are provided for the territorial impact assessment of transport policies, projects and programmes. Moreover, the measure promotes the transnational coordination and development of environmentally sound transport infrastructure in CADSES area.
<i>Equal opportunities</i>	<b>Not relevant.</b>
<i>Information society</i>	<b>Highly relevant.</b> The measure aims at promoting the use of information and communication technologies in the transport sector, through the development of the so-called ITS - Intelligent Transport System.
<i>Employment</i>	<b>Not directly relevant.</b> Nonetheless, the promotion of planned investment in transport infrastructure may determine, in the longer run, strong effects on the economic activities and employment levels.

**Measure 2.2 Improving access to knowledge and the information society****Contents of the measure**

At present, one of the most dynamic economic sector is telecommunication. Central and South-eastern European countries have the "advantage" of being late starters in applying the most up-to-date technologies in their telecommunication systems. Therefore modernisation and development of telecommunication infrastructures is a necessary precondition for investors and regional development which then offers big market opportunities and is quite attractive for foreign investors. As in most countries within the EU, "teledensity" in the CADSES is still lower outside the urban centres. It is important that governments address this territorial aspect of the development of telecommunication infrastructures and of the transition to the "Information Society". Access to modern information and communication technologies and services in all parts of the CADSES is a prerequisite for economic and social development. As an important secondary effect these efforts might promote equal opportunities between women and men in IT qualifications and employment. Technical and economical (affordability) aspects are relevant fields of intervention to reduce the risk of accumulating economic and social disadvantages in sparser populated areas. The recent achievements must be utilised as a competitive advantage in the future spatial development of the CADSES e. g. For rural development or for attracting service industries. Spatial development policy should contribute to this aim by raising awareness for IT-applications and by supporting local, regional and national actors in making use of these opportunities.

The promotion of content based services which incorporate local resources is another important task. Information and content based services should be developed simultaneously. Modern communication technologies facilitate the development of socially and culturally relevant services, which are crucial for the value of local commerce allowing CADSES countries to link into the global economy. The integration of locally available human resources into the broader European and global economy ought to be another important factor.

**General objectives**

- development of telecommunication infrastructure as precondition for investors and regional development,
- improvement of access to knowledge and the information society outside the urban centres and application of information and communication technology in rural development,
- simultaneous development of information and content based services

**Specific objectives**

- promotion of access to knowledge and information through new information technology services (e.g. electronic commerce, training, research, teleworking)
- actions to promote development of modern technology in telecommunication systems
- harmonisation of educational and spatial policies as well as improving the further development of the educational system in all its forms
- development of co-operation and networking between educational, research and know-how and technology transfer related institutions
- use of modern information and communication technologies for improving public services (e.g.

<p>health care, schools and libraries)</p> <ul style="list-style-type: none"> <li>- supporting production of information at local and regional level in order to promote identity and democracy</li> <li>- development of co-operation in the field of teleworking, correspondence courses, university and research centres networking, telematics services for SME and city information highways</li> <li>- introduction of technology and information system to facilitate and promote a quicker exchange of information between SMEs, the market and other economic and financial bodies of the CADSES area</li> <li>- promotion, within the framework of the information society, of content based services which incorporate local resources</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- elaboration of plans and perspectives of information society development</li> <li>- preparation of feasibility studies for investments</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- development of SMEs networking and "virtual clustering" in order to provide SMEs with a better access to innovation</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- exchange of experiences and know-how as well as training activities concerning IT use</li> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of the objectives</b>	
<p>Co-operation networks created within the Measure 2.2 should include institutions dealing with transfer of information technology. Pilot actions are to be prepared as regards use of modern technologies for improving public services and promotion of access to knowledge and information. Small-scale investment (like information centres and ICT networks) should also be financed within this Measure.</p> <p>At least one third of the projects should seek to improve the access to the information society in lagging regions. At least one third of the projects should seek to improve the efficiency of administrative procedures. At least half of the projects should comprise training measures for local and regional actors.</p>	
<b>Categories of interventions</b>	
163, 164, 167, 182, 322, 323, 324, 35, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of transfer know-how actions about information society</li> <li>- Number of pilot actions promoting use of ICT in order to improve access to knowledge and infor-</li> </ul>	

<p>mation in remote areas and underdeveloped regions</p> <ul style="list-style-type: none"> <li>- Number of ICT networks created</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of ICT transfer related institutions participating in the projects</li> <li>- Number of training courses concerning ICT use – number of trainees</li> <li>- Number of new educational programmes</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of project results used by the partners</li> <li>- Increase of network users number</li> <li>- Number of new concepts concerning use of ICT for improvement of public services which are to be implemented</li> </ul>	
<b>The ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
<p>The aims of the measure are consistent with the objectives defined at a priority level, as far as they contribute to the development of the potentials offered by the information society for spatial development in CADSES.</p>	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure gives priority to interventions in lagging regions. Moreover, a special attention is paid to projects which seek to improve the efficiency of administrative procedures and which comprise actions to transfer competence and know how to local and regional actors.
<i>Integration</i>	<b>Relevant.</b> The objectives and activities of the measure have a horizontal relevance and are therefore interrelated with most of the other measures of the Programme. A more direct relations may be recognised with reference to spatial policies, urban and rural development, transport systems.
<i>Environment</i>	<b>Relevant.</b> The measure activities are relevant for environment and sustainable development. In fact, actions are provided for the territorial impact assessment of specific policies, projects and programmes especially in relation to the enlargement of EU.
<i>Equal opportunities</i>	<b>Relevant.</b> Access to IC technologies and services may promote equal opportunities between women and men in IT qualification and employment. Moreover, the diffusion of IC technologies and services may reduce the risk to accumulate economic and social disadvantages in sparsely populated areas.
<i>Information society</i>	<b>Highly relevant.</b> The measure is specifically centred on IS.
<i>Employment</i>	<b>Relevant.</b> The measure aims at facilitating the access and use to IC technologies and services for workers and SMEs. This may produce strong effects on the levels of economic activity and on employment.

***Priority 3 -PROMOTION AND MANAGEMENT OF LANDSCAPE, NATURAL AND CULTURAL HERITAGE***

***Measure 3.1 Protecting and developing cultural heritage***

<p><b>Contents of the measure</b></p> <p>Cultural heritage is a concept which goes beyond architectural heritage, and should not be dominated solely by the past. It is the cornerstone of regional, national and European identity. Accordingly, spatial planning should approach this issue in a comprehensive manner. The view of different cultures and the culture of differences in CADSES as an opportunity and not as threat for future development appears as a precondition for any co-operative regional development approach in the region. Hence cultural heritage in a broader sense includes also issues like contemporary art, education, youth projects and projects promoting the development of civil society.</p> <p>The development and protection of the historical, architectural, archaeological and monumental heritage should be based both on cultural and economic considerations. This protection requires adequate juridical instruments and its goals should be integrated in spatial planning at various levels.</p> <p>Sound research and administrative criteria are to be set for the identification and recognition of the items forming the historical, archaeological and artistic heritage. Legal regulation should gradually move from the protection of single monuments to that of cultural ensembles and landscapes. In addition education and more efficient diffusion of relevant information should contribute to a better understanding and to the promotion of respect for natural and cultural values.</p> <p>The protection and enhancement of the cultural heritage will become an important resource for sustainable tourist use of cultural and environmental exemplary goods, considering also the compatibility between the conservation – preservation of those sites and their economic development, shown by the growing interest in tourist networks and tourist packages that include visit to historic towns and centres of architectural and historical interest.</p> <p>To strengthen regional identities and to protect cultural heritage of minorities their co-operation should be promoted as a task which obviously exceeds mere tourist development.</p>
<p><b>General objectives</b></p> <ul style="list-style-type: none"> <li>- protection of historical, architectural, archaeological and monumental heritage based on cultural and economic considerations</li> <li>- development of adequate juridical instruments as well as sound research and administrative criteria for the identification and recognition of its items</li> <li>- promotion of cultural heritage as a basis of regional, national and European identity</li> </ul>
<p><b>Specific objectives</b></p> <ul style="list-style-type: none"> <li>- development of mechanism and tools improving the effectiveness of cultural heritage protection policy against every kind of risk through the adoption of common methodologies</li> <li>- extension of protected “cultural landscapes” in all CADSES countries</li> <li>- promotion of co-operation for the protection and upgrading of the manifold heritage and its creative development</li> <li>- enhancement of “cultural routes” in order to ensure the protection of the distinct character of the</li> </ul>



<p>various communities and underline the existence of common values</p> <ul style="list-style-type: none"> <li>- making use of cultural and natural potential of the region to develop sustainable tourism and specific transnational tourist packages</li> <li>- integration of protected areas in the comprehensive spatial development strategies</li> <li>- actions to improve and co-ordinate existing legislation</li> <li>- actions to preserve respect for and the memory of the nations and nationalities, ethnic and religious groups which have created a specific cultural heritage</li> <li>- actions to preserve village architecture, folkloric arts and the preparation of art objects for everyday use</li> <li>- promotion of education activities and more efficient diffusion of relevant information with a view to changing social attitude and creating respect for natural and cultural values</li> <li>- promotion of public-private partnership and use of private capital in restoring, maintaining and utilising objects of cultural heritage</li> <li>- intensifying co-operation and joint actions in the field of training, education, including school-, youth- and adult-education, culture and sports</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
<p>Planning activities (transnational studies and strategies, land use plans etc.)</p>	<ul style="list-style-type: none"> <li>- transnational studies and planning activities with regard to the protection and development of cultural heritage</li> <li>- preparation of feasibility studies for investments</li> </ul>
<p>Networking</p>	<ul style="list-style-type: none"> <li>- establishment of new as well as extension and intensification of co-operation in existing transnational networks</li> </ul>
<p>Pilot actions</p>	<ul style="list-style-type: none"> <li>- enhancement and maintenance of buildings with particular historical values proposed by transnational strategic concepts</li> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
<p>Information / Training / Awareness raising</p>	<ul style="list-style-type: none"> <li>- promote the creation within a transnational context of information centres dealing with the enhancement of cultural heritage</li> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of the objectives</b>	
<p>Transnational co-operation within this measure may contribute to the creation of new and improvement of existing methods of cultural heritage protection. "Cultural routes" should connect sites from different CADSES countries in order to promote common local/regional/national and European identity. "Cultural landscapes" should be further promoted, especially in the non-member CADSES countries.</p> <p>The measure should at least encourage three best practice projects on cultural tourism. At least three thematic routes should be established. At least two networks should work on improving the effectiveness of cultural heritage protection policies and develop politically approved concepts accompanied by a list of concrete investments to be carried out.</p>	
<b>Categories of interventions</b>	

1306, 1310, 17, 35, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of analysis focusing on safety of cultural heritage</li> <li>- Number of "cultural routes" created</li> <li>- Number of actions aiming at protecting "cultural landscapes" in all CADSES countries</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of common mechanisms and standards adopted in the field of cultural heritage protection</li> <li>- Number of measures helping to reduce damages to cultural heritage</li> <li>- Number of private partners participating in the projects</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Increase in tourist activity focusing on cultural heritage</li> <li>- Number of social groups which identity have been promoted/maintained</li> <li>- New opportunities for investments attraction and regional development</li> </ul>	
<b>The ex-ante evaluation</b>	
<b>A. Consistence with the aims of corresponding priority</b>	
The aims of the measure are consistent with the objectives defined at a priority level. Indeed, the measure contributes to promote the enhancement of cultural heritage.	
<b>B. Relevance for selected objectives</b>	
<i>Concentration</i>	<b>Relevant.</b> The measure gives priority to projects regarding cultural routes, which should connect sites from different CADSES countries, and cultural landscapes.
<i>Integration</i>	<b>Highly relevant.</b> The measure is interrelated mainly with objectives and activities of measures relating to spatial policies, urban development and rural development, within the first priority; and with the two other measures included in the third priority.
<i>Environment</i>	<b>Not directly relevant,</b> even if strategies and actions for protecting cultural heritage, supporting cultural identity and promoting sustainable tourism are strictly linked to strategies and actions directed to natural heritage.
<i>Equal opportunities</i>	<b>Not directly relevant,</b> even if the possible impact of the measure on employment may determine an improvement of chances for women and disadvantaged workers over the labour market.
<i>Information society</i>	<b>Relevant.</b> Co-operation, promotion of cultural heritage and networking may take advantage from the use of IC technologies and services.
<i>Employment</i>	<b>Highly relevant.</b> The measure promotes sustainable tourism and supports specific transnational tourist packages. This may strongly contribute to the increase of economic activities and employment.

**Measure 3.2 Protecting and developing natural heritage**

<b>Contents of the measure</b>	
<p>Natural heritage is an essential component of the environmental situation and living environment of each country. Bio-diversity in the CADSES area is enormous. Appropriate management of environmentally sensitive areas of high bio-diversity like coastal zones, mountainous areas, river basins and wetlands must be promoted. The Ramsar Convention on wetlands (1971) forms an important basis for international co-operation in this field. The institutional conditions for the conservation of the most valuable part of the natural heritage has already been ensured. The European Union has established a network of protected areas, i.e. the "Natura 2000"-areas: the approach emphasises standardised management. Most of the Accession Countries have already joined this network. The next task is to fully enforce these protective measures and – in longer term – to integrate all countries in this network.</p> <p>National parks have started networking. Improvement is necessary, however, with regard to protect and manage them and to enforce the regulations. Less developed, however, is the network of protected areas in the eastern CADSES countries. Protected areas are fragmented, they consist usually of isolated smaller spots, and rarely form ecological corridors. Furthermore, the most valuable natural ecosystems are to be found in border areas where a common – or at least co-ordinated – form of regulation and maintenance would be highly desirable.</p>	
<b>General objectives</b>	
<ul style="list-style-type: none"> <li>- promotion of appropriate measures and management of environmentally sensitive areas of high bio-diversity like coastal zones, mountainous areas, river basins and wetlands</li> <li>- enforcement of the protective regulations concerning the conservation of the natural heritage which were adopted by the EU</li> </ul>	
<b>Specific objectives</b>	
<ul style="list-style-type: none"> <li>- management and maintenance of different types of protected landscapes/sites</li> <li>- promoting integration of all CADSES countries into the "Natura 2000" network</li> <li>- connection of protected areas by geographic or functional links like ecological corridors</li> <li>- making use of natural potential of the region to develop tourism and specific transnational tourist packages</li> <li>- extending of the more permissible types of protected areas</li> <li>- measures for the rehabilitation/restoration of wetlands and flood plains</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- transnational studies and planning activities including actions to integrate protection and development of natural heritage in the comprehensive spatial development strategies</li> <li>- preparation of feasibility studies for investment</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- establishment of new as well as extension and intensification of co-operation in existing transnational networks</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> </ul>

	<ul style="list-style-type: none"> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- exchange of experience concerning the management and maintenance of different types of protected landscapes/sites</li> <li>- preparation of preservation instructions and specific guidelines</li> <li>- transnational project management with organisational structure and costs</li> </ul>
<b>Quantification of the objectives</b>	
<p>Promotion of natural heritage protection should cover different types of protected sites (national parks, valuable natural ecosystems and landscapes, environmentally sensitive areas like coastal zones, mountainous areas and wetlands). Interreg III B projects may contribute to the improvement of methods concerning management and maintenance of protected natural heritage through preparation of preservation instructions and specific guidelines. Integration of all CADSES countries in the "Natura 2000" network should be promoted along with the enforcement of protective measures and procedures.</p> <p>The measure should at least encourage three best practice projects on using natural heritage as a regional development asset. At least two networks should work on improving the effectiveness of natural heritage protection policies and develop politically approved concepts accompanied by a list of concrete activities and investments to be carried out.</p>	
<b>Categories of interventions</b>	
35, 1310, 1312, 172, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of pilot projects promoting use of natural heritage in regional development</li> <li>- Number of analysis focusing on safety of natural heritage</li> <li>- Number of actions aiming at connecting protected areas by geographic or functional links</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of common instructions and guidelines with regard to natural heritage protection</li> <li>- Number of actions promoting enforcement of existing protective regulations</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of new "protected areas" instituted</li> <li>- Increase in tourist activity focusing on natural heritage</li> <li>- Number of planned investments, induced by the programme, with regard to protection and development of natural heritage.</li> </ul>	
<b>The ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level. Indeed, the measure contributes to promote the enhancement of natural heritage and landscape.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure concentrates resources on projects regarding

	environmentally sensitive areas of high bio-diversity and the creation of ecological corridors. Projects are also considered as desirable, aiming at building common rules of regulation and maintenance of natural ecosystems.
<i>Integration</i>	<b>Highly relevant.</b> The measure is interrelated mainly with objectives and activities of measures relating to spatial policies, urban development and rural development, within the first priority; and with the two other measures included in the third priority. Integration with other policies and strategies also stems from the priority given to the use of natural heritage as a regional development asset.
<i>Environment</i>	<b>Highly relevant.</b> The measures specifically aims at protecting and developing natural heritage in the CADSES area.
<i>Equal opportunities</i>	<b>Not directly relevant,</b> even if the possible impact of the measure on employment may determine an improvement of chances for women and disadvantaged workers over the labour market.
<i>Information society</i>	<b>Relevant.</b> Co-operation, promotion of natural heritage and networking may take advantage from the use of IC technologies and services.
<i>Employment</i>	<b>Relevant.</b> The measure promotes sustainable tourism focusing on natural heritage. This may strongly contribute to the increase of economic activities and employment.

**Measure 3.3 Protecting and developing landscape**

<b>Contents of the measure</b>	
<p>According to the European landscape convention, that has been adopted on 20 October 2000 in co-operation with the Council of Europe, landscape contributes to the formation of local culture and is a basic component of the European natural and cultural heritage, promoting the consolidation of the European identity. Landscape is an important part of the quality of life in different areas of the European continent. Development on all sectors of activities accelerate the transformation of landscapes. The main objective is to promote awareness for the quality of landscapes and the development of socio-cultural thematic strategies. The quality and diversity of the European landscape constitute a common resource to be protected, managed and planned. It's important to increase the awareness among the civil society, private organisations and public authorities for the value of landscapes and their role.</p>	
<b>General objectives</b>	
<ul style="list-style-type: none"> <li>- protection of landscape as basic component of natural and cultural heritage which contributes to the formation of local culture</li> <li>- protection and development of landscape in order to improve the quality of life</li> </ul>	
<b>Specific objectives</b>	
<ul style="list-style-type: none"> <li>- integration of landscapes protection and upgrading with regional development</li> <li>- development and improvement of methods and methodology concerning preservation, <u>upgrading</u> and development of landscapes</li> <li>- protection of landscapes at the transnational level with a view to creating "green corridors"</li> <li>- development of databases on ecological networks</li> <li>- development of plans and tools for derelict and wasteland sites rehabilitation</li> <li>- promoting rehabilitation of areas devastated by coal and other ores excavation as well as their best functional uses (agriculture, forestry, water surfaces, recreation, industrial and housing purposes)</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- elaboration of integrated strategies for the protection and development of landscapes</li> <li>- preparation of feasibility studies for investments</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- establishment of new as well as extension and intensification of co-operation in existing transnational networks</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
Information / Training / Awareness	<ul style="list-style-type: none"> <li>- exchange of know-how and experience on management of cultural and natural landscapes</li> </ul>

raising	<ul style="list-style-type: none"> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of the objectives</b>	
<p>Within the Measure 3.3 new methods concerning preservation and development of valuable landscapes are to be elaborated (including plans of rehabilitation of wastelands). Transnational networks (e.g. ecological networks) should be created and common databases developed. Appropriate solutions should be proposed as regards use of valuable landscapes in regional development.</p> <p>The measure should at least encourage and promote three best practices solutions on integrating landscape issues into spatial development policies.</p>	
<b>Categories of interventions</b>	
1306, 1310, 1312, 35, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of pilot projects aiming at protecting valuable landscapes</li> <li>- Number of created transnational connections between landscapes</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of new methods and skills promoted in the field of landscape protection and landscape management</li> <li>- Number of created databases</li> <li>- Number of best practice examples promoted with regard to use of valuable landscapes in regional development</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of planned investments, induced by the programme, concerning derelict and wasteland sites rehabilitation</li> <li>- Number of off-programme planning documents in which project results have been used</li> </ul>	
<b>The ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level. Indeed, the measure contributes to promote the enhancement of landscape.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure concentrates resources on the development of new methods concerning preservation and developments of valuable landscapes, the creation of transnational ecological networks and the building common databases. Moreover, a priority is recognised to the rehabilitation of derelict and wasteland sites.
<i>Integration</i>	<b>Highly relevant.</b> The measure is interrelated mainly with objectives and activities of measures relating to spatial policies, urban development and rural development, within the first priority; and with the two other measures included in the third priority.

<i>Environment</i>	<b>Highly relevant.</b> The measures specifically aims at protecting and developing landscape, which is a part of natural heritage.
<i>Equal opportunities</i>	<b>Not directly relevant,</b> even if the possible impact of the measure on employment may determine an improvement of chances for women and disadvantaged workers over the labour market.
<i>Information society</i>	<b>Relevant.</b> Co-operation, promotion of landscape and networking may take advantage from the use of IC technologies and services.
<i>Employment</i>	<b>Relevant.</b> The measure may promote sustainable tourism focusing on cultural and natural landscape. This may strongly contribute to the increase of economic activities and employment.



**Priority 4 - ENVIRONMENT PROTECTION, RESOURCE MANAGEMENT AND RISK PREVENTION**

**Measure 4.1 Promoting environmental protection and resource management**

**Contents of the measure**

The environmental situation in eastern CADSES has improved substantially over the last decade. Emission of most pollutants decreased due to a decline in production but also due to restructuring and environmental measures. There is, however, the legacy of the past to tackle the accumulated damage to the environment, to clean up derelict open-cast mines, industrial sites, rubbish dumps. Additionally, new dangers have emerged, especially in rural areas. The conditions for the protection of newly privatised forests and nature conservation areas are not yet fully clarified, the maintenance of large scale water supply and sewage networks is not adequately ensured. Environmental authorities have to cope with the task of monitoring the increased number of – smaller but more dispersed - pollution sources. National environmental plans of action should be drawn up, setting qualitative as well as quantitative targets and providing a framework for new types of regulations and procedures. Environmental impact assessments should be made compulsory for larger development projects.

Large areas with serious problems of pollution and management of environmental resources are often cross-border regions demanding transnational co-operation. Functionally integrated co-operation for maintaining the quality of the environment and transnational environmental policy-making are indispensable.

The capacities of national, regional and local administrations and self-governments have to be strengthened in order to implement the demanding EU environmental policies and standards. Considerable modernisation of administrative structures is necessary to be able to cope with the assistance offered by the EU and others to local and regional administrations and self-governments.

Environmental rehabilitation of degraded areas should be given priority. The largest sources of pollution have to be eliminated also by the use of alternative energy sources. Transnational co-operation is particularly required concerning large scale water reserves, common resources and environmental-natural-cultural assets like the Danube, the Adriatic and Black Seas, the Alps and the Carpathians.

**General objectives**

- development of transnational co-operation for maintaining and improving quality of the environment (elimination of the largest sources of pollution, environmental rehabilitation of degraded areas)
- improvement and development of methods in the field of environmental resources management
- implementation of the existing environmental policies and standards

**Specific objectives**

- development of environmental planning tools and concepts (e.g. Regional Agenda 21 process)
- concerted preservation and management of sensitive areas like coastal zones, mountainous areas and large wetlands
- promotion of new technologies for the management of natural resources

<ul style="list-style-type: none"> <li>- development of studies and tools for the integrated management of coastal areas and their most relevant environmental problems</li> <li>- promotion of renewable fuels and renewable energy in regional energy concepts</li> <li>- actions to promote rehabilitation of degraded areas (old military sites, mining areas, contaminated sites)</li> </ul>	
Types of actions	Activities
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- elaboration of integrated strategies of environmental protection and resource management</li> <li>- preparation of Environmental Impact Assessments studies of strategic investments</li> <li>- feasibility studies for environmental investments</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- establishment of new as well as extension and intensification of co-operation in existing transnational networks</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> <li>- financing of small scale investments proposed by transnational strategic concepts</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- common monitoring activities and development of data management tools</li> <li>- exchange of know-how and experience (comparative analysis of instruments, methodologies, standards, and concepts concerning protection of the environment and resource management) within transnational networks</li> <li>- transfer of know-how on development and use of urban technologies for local environmental protection and resource management</li> <li>- exchange of experiences on the implementation of ISPA programme</li> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
Quantification of the objectives	
<p>Activities undertaken within this measure may include preparation feasibility studies for environmental investments. Pilot and demonstration projects are to be prepared with regard to promotion of renewable energy and know-how transfer on urban technologies in the field of environmental protection. New concepts concerning management of natural resources and monitoring of environment are to be proposed within the Measure 4.1.</p> <p>The measure should encourage at least three best practice examples on how to effectively integrate environmental issues in spatial development concepts and actions in larger regions across borders. At least two territorial impact or strategic environmental assessments for concrete transnational development projects (i.e. TEN or TINA projects) should be developed. Transnational concepts should be developed and politically approved for at least three large scale water reserves or common resources.</p>	
Categories of interventions	

1308, 1312, 332, 341, 342, 343, 344, 345, 35, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of environmental protection feasibility studies</li> <li>- Number of actions to monitor pollution sources and to avoid environmental damages</li> <li>- Number of Environmental Impact Assessment studies</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of best practice examples marketed concerning promotion of renewable energy</li> <li>- Number of actions promoting use of new technologies in the management of natural resources</li> <li>- Number of common monitoring activities</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of planned investments, induced by the programme, concerning rehabilitation of degraded areas</li> <li>- Number of project results used by institutions which have not participated in the programme</li> </ul>	
<b>The ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level, as far as they contribute to promote functionally integrated management of strategic environmental resources in CADSES including the protection of environmental goods, of natural resources and the prevention from risk of environmental disasters.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure concentrates resources on environmental rehabilitation of degraded areas, elimination of the largest sources of pollution, promotion of use of alternative energy sources, actions regarding large scale water reserves, common resources and assets.
<i>Integration</i>	<b>Highly relevant.</b> The measure is interrelated mainly with objectives and activities of measures relating to spatial policies and rural development, within the first priority; to the protection of natural, cultural and landscape heritage, in the third priority; and with the three other measures included in the fourth priority.
<i>Environment</i>	<b>Highly relevant.</b> The measures specifically aims at protecting the environment and at promoting the management of environmental resources.
<i>Equal opportunities</i>	<b>Not relevant.</b>
<i>Information society</i>	<b>Relevant.</b> The measure aims at promoting the adoption of new technologies for the management of natural resources.
<i>Employment</i>	<b>Relevant.</b> The measure may promote new employment in innovative sectors linked to the investment for natural resources management and alternative energies development.

**Measure 4.2 Promoting risk management and prevention of disasters**

<b>Contents of the measure</b>	
<p>CADSES has faced a number of natural and man made disasters with transnational dimension over the last decades. The nuclear fallout of Tschernobyl nuclear power plant, flooding and poisoning of several rivers like the Danube, Oder (Odra) and the Theiss (Thisa) and the eutrophication of the upper Adriatic sea have received high transnational public attention.</p> <p>To a large extent concepts for the prevention of disasters (like floods, landslides, earthquakes, avalanches, nuclear accidents, industrial accidental pollution, poisoning and eutrophication of water, civic protection plans, risk management's tools are focused) at the national level.</p> <p>Those disasters causing great deal of damage and loss of human life demonstrate that measures for risk prevention are transnational tasks. If similar catastrophes are to be prevented in future, long-term area management for whole functional areas are necessary. Plans of action are to be drawn up on a transnational and regional basis for risk management in areas threatened by disasters.</p> <p>Existing risks should be reduced by specific regional development policies and land use measures (e.g. agriculture, forestry, urban planning, recreation and water supply). Coherent and comprehensive transnational strategies and programmes should be elaborated for the whole functional area, (e.g. river catchment areas, integrated coast areas, etc.) defining the instruments required for and the costs arising from the implementation of the proposed measures.</p>	
<b>General objectives</b>	
<ul style="list-style-type: none"> <li>- prevention of natural and man made disasters (like floods, landslides, earthquakes, droughts, avalanches, nuclear accidents, industrial accidental pollution, poisoning and eutrophication of water) at the transnational level</li> <li>- elaboration of transnational programmes for risk management in areas threatened by disasters</li> </ul>	
<b>Specific objectives</b>	
<ul style="list-style-type: none"> <li>- development of transnational co-operation and exchange of experiences regarding risk prediction, risk prevention and civic protection systems</li> <li>- improvement of communication between different national and regional risk management systems with a view to creating transnational integrated systems (alarm and early warning systems, population information)</li> <li>- integration of civil protection plans in spatial planning instruments (e.g. building restrictions in zones threatened by avalanches)</li> <li>- adjustment of spatial development regulations in areas affected by the same disasters</li> <li>- identification of the most numerous and dangerous kinds of disasters occurring in the particular regions</li> </ul>	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	- preparation of integrated strategies and plans of action for the prevention of natural and man made risk in order to insure long term management of the whole functional area

	- preparation of feasibility studies for investments
Networking	- establishment of new as well as extension and intensification of co-operation in existing transnational networks and network related activities (e.g. staff exchange, joint training programmes concerning risk management)
Pilot actions	- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies - financing of small scale investments proposed by transnational strategic concepts
Information / Training / Awareness raising	- monitoring of environmental damages and consequences of disasters - monitoring of relevant parameters in endangered areas - transnational project management with organisational structure and costs - financing of implementation structures proposed by transnational strategic concepts
<b>Quantification of the objectives</b>	
<p>Development of transnational co-operation within the Measure 4.2 should lead to preparation of common studies and plans of action for the prevention of different disasters, like floods, droughts, avalanches, poisoning and eutrophication of water, nuclear accidents etc. in endangered areas. Interreg III B projects should promote integration of spatial planning instruments in risk management. New mechanisms in the field of risk management are to be promoted.</p> <p>At least three best practice examples should demonstrate how to effectively deal with risks and disasters. At least two coherent and comprehensive strategies should be elaborated and politically approved for whole transnational functional areas, accompanied by a list of concrete investments to be carried out.</p>	
<b>Categories of interventions</b>	
35, 413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of actions to monitor risk sources and to avoid environmental damages</li> <li>- Number of transnational programmes for risk prevention in threatened areas</li> <li>- Number of feasibility studies to manage risks and prevent disasters</li> </ul>	
<b>Result indicators</b>	
<ul style="list-style-type: none"> <li>- Number of co-operation agreements between national and regional risk management systems aiming at creating transnational integrated systems</li> <li>- Number of common standards and regulations adopted</li> <li>- Number of new warning mechanisms promoted</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of off-programme institutions which have adopted the same standards and instruments</li> </ul>	

<ul style="list-style-type: none"> <li>- Number of new concepts concerning adaptation of houses and infrastructure to local conditions in threatened areas</li> <li>- Number of off-programme planning documents including the project results</li> </ul>	
<b>The Ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
The aims of the measure are consistent with the objectives defined at a priority level, as far as they contribute to promote functionally integrated management of strategic environmental resources in CADSES including the prevention from risk of environmental disasters.	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure concentrates resources on actions referring to areas threatened by disasters and to particular regions.
<i>Integration</i>	<b>Highly relevant.</b> The measure is interrelated mainly with objectives and activities of measures relating to spatial policies, urban development and rural development, within the first priority; to the protection of natural, cultural and landscape heritage, in the third priority; and with the two other measures included in the fourth priority.
<i>Environment</i>	<b>Highly relevant.</b> The measures specifically aims at protecting the environment against natural and man made disasters.
<i>Equal opportunities</i>	<b>Not relevant.</b>
<i>Information society</i>	<b>Relevant.</b> The measure aims at promoting the adoption of new technologies for improving communication between different systems for national and regional risks management. Moreover, the measure aims at creating transnational integrated systems for alarm and early warning system, population information, etc.
<i>Employment</i>	<b>Not directly relevant,</b> even if the prevention of disasters and the promotion of physical safety may contribute to safeguard existing economic activities and employment and to promote local economies

**Measure 4.3 Promoting integrated water management and prevention of floods****Contents of the measure**

The water cycle and the integrated management of water resources linked with environmental protection and risk prevention are the main issues of this measure. Particular attention has to be paid to the implementation of integrated strategies and actions for the prevention of flooding in transnational river-catchment areas. Meteorological and hydrological monitoring and forecasting are indispensable to provide adequate support for activities aimed at preventing hydraulic risk and civil protection. However, these measures form only a part of a long-term strategy against floods. Further activities are necessary to reduce the risks that a flood develops, e.g. by improving sustainable best practices for agricultural and forestry management and land use in flood risk areas or by developing solutions and feasibility studies for discharging rainwater from residential and urban industrial areas.

It will be necessary to enhance and to strengthen integrated strategies and actions relating to the transnational co-operation for the prevention of drought, by developing common monitoring systems and by setting up a network among international structures or reference centres, in order to promote the exchange of data, information, methods and procedures.

In the majority of countries of the CADSES area another problem are the "conflicting uses" of water, i.e. that often the quantity and quality of the water available is unsuitable for the uses required (drinking and domestic, industrial, irrigation).

Last but not least we consider the concerted management of coastal waters which includes the problem of coastal erosion and eutrophication phenomena, facing the fact that in these areas densely populated areas are located.

**General objectives**

- Promotion of integrated management of water resources linked with environmental protection and risk prevention as well as sustainable land use planning
- Implementation of integrated strategies and actions for the prevention of flooding
- development of transnational co-operation in the field of water management

**Specific objectives**

- designation of threatened flood areas (building and settlement regulations and concepts)
- development of transnational co-operation to identify the location of retention areas and settlement structures for an hydraulic and ecological balance
- common planning of main infrastructure
- integration of infrastructures (for instance railways, roads, bridges) in an active development of passive barriers, planned security systems and regional co-operations,
- planning dikes moved further back
- promotion of the concerted management of coastal waters
- improvement of sustainable methods (best practices) in the field of agricultural and forestry management and land use in flood risk areas
- development of solutions and feasibility studies for discharging rainwater from residential and

urban industrial areas	
- enhancement of monitoring, warning and protection systems	
<b>Types of actions</b>	<b>Activities</b>
Planning activities (transnational studies and strategies, land use plans etc.)	<ul style="list-style-type: none"> <li>- elaboration of integrated strategies and plans of actions for the prevention of flooding in transnational river-catchment areas</li> <li>- development of integrated water management strategies, concepts and monitoring systems</li> <li>- development of common strategy for emergency plans and identification of sensitive areas</li> <li>- preparation of feasibility studies for investments</li> </ul>
Networking	<ul style="list-style-type: none"> <li>- establishment of new as well as extension and intensification of co-operation in existing transnational networks and network related activities</li> </ul>
Pilot actions	<ul style="list-style-type: none"> <li>- financing of small scale investments proposed by transnational strategic concepts</li> <li>- pilot actions, pilot and demonstration projects as examples for implementing transnational concepts and strategies</li> </ul>
Information / Training / Awareness raising	<ul style="list-style-type: none"> <li>- exchange of data, information, methods and procedures in the field of water management</li> <li>- transnational project management with organisational structure and costs</li> <li>- financing of implementation structures proposed by transnational strategic concepts</li> </ul>
<b>Quantification of the objectives</b>	
<p>Threatened flood areas in CADSES region should be designated as a result of Interreg III B projects. Appropriate studies and plans of actions for the prevention of flooding in these areas are to be prepared. The examples of best practice and new concepts concerning water management are to be promoted. Within the Measure 4.3 feasibility studies for investments in the field of water management and flood prevention should be prepared.</p> <p>The measure should at least encourage three best practice solutions with regard to preventive flood protection. At least one coherent and comprehensive strategy for flood prevention should be elaborated and politically approved for a whole transnational functional area, accompanied by a list of concrete investments to be carried out.</p>	
<b>Categories of interventions</b>	
413, 414	
<b>Output indicators</b>	
<ul style="list-style-type: none"> <li>- Number of feasibility studies for water management and prevention of floods</li> <li>- Number of actions aiming at identifying the location of retention areas and settlement structures</li> <li>- Number of projects including transnational river-catchment areas</li> </ul>	
<b>Result indicators</b>	



<ul style="list-style-type: none"> <li>- Number of new of water management instruments promoted (e.g. monitoring systems, new technical solutions)</li> <li>- Number of best practice examples promoted with regard to flood prevention</li> <li>- Numbers of research institutes concerned</li> </ul>	
<b>Impact indicators</b>	
<ul style="list-style-type: none"> <li>- Number of land use plans which are to be adapted to the needs of water management</li> <li>- Number of planned investments induced by the programme</li> </ul>	
<b>The ex-ante evaluation</b>	
<i>A. Consistence with the aims of corresponding priority</i>	
<p>The aims of the measure are consistent with the objectives defined at a priority level, as far as they contribute to promote functionally integrated management of strategic environmental resources in CADSES including the protection of environmental goods, of natural resources and the prevention from risk of environmental disasters.</p>	
<i>B. Relevance for selected objectives</i>	
<i>Concentration</i>	<b>Relevant.</b> The measure concentrates resources on actions referring to areas threatened by floods and to particular regions where water management issues are critical.
<i>Integration</i>	<b>Highly relevant.</b> The measure is interrelated mainly with objectives and activities of measures relating to spatial policies, urban development and rural development, within the first priority; to the protection of natural, cultural and landscape heritage, in the third priority; and with the two other measures included in the fourth priority. Moreover, the measures aims at integrating infrastructures as railways, roads, bridges (see Measure 2.1) in an active development of passive barriers.
<i>Environment</i>	<b>Highly relevant.</b> The measures specifically aims at protecting the environment through the integrated water management and the prevention of floods. Moreover, the interventions seek to improve sustainable methods in the field of agricultural and forestry management and land use.
<i>Equal opportunities</i>	<b>Not relevant.</b>
<i>Information society</i>	<b>Relevant.</b> The measure aims at promoting the adoption of new technologies for enhancing monitoring, warning and protection systems.
<i>Employment</i>	<b>Not directly relevant,</b> even if the prevention of floods may contribute to safeguard existing economic activities and employment and to promote local economies

### **3. DETAILED FINANCIAL PLAN**

#### **3.1 Financial allocation for each measure**

Financial table at a measure level is shown in the following table.

#### **3.2 National co-financing**

Austria and Italy choose a ERDF co-financing rate of 50% for their whole territory regardless the objective 1 status of some of their regions. Germany and Greeks choose the option of 75% of ERDF co-financing for their objective 1 regions (and 50% for the non objective 1 regions). Taking the population objective 1 region into account that leads to a co-financing rate for Greek of 75% and for Germany of 57%. For the whole CADSES the average ERDF co-financing rate is 55%.

Financial table for programme complement by priority and measure  
 Commission Reference No of the related OP: 2001 RG 160PC008  
 Title: Community Initiative Interreg III, CADSES PROGRAMME  
 Last Commission Decision of the related OP: 4013 of 27/12/2001

Priorities and measures	Fields of intervention	eligible total cost					Third countries (not decided yet)
		Total	Public			Private	
			Total public eligible expenditure	ERDF	National		
<b>Priority 1 - Spatial development approaches</b>		<b>63.791.364</b>	<b>62.615.637</b>	<b>34.626.331</b>	<b>27.989.206</b>	<b>1.275.827</b>	
Measure 1.1 - Promoting spatial development	....	22.328.978	21.860.438	12.084.216	9.796.222	446.540	
Measure 1.2 - Shaping urban development	....	22.328.978	21.860.438	12.084.216	9.796.222	446.540	
Measure 1.3 - Shaping rural development	....	9.568.705	9.377.331	5.178.950	4.196.381	191.374	
Measure 1.4 - Spatial impact of immigration	....	9.568.703	9.377.330	5.178.949	4.196.381	191.373	
<b>Priority 2 - Transport systems and IS</b>		<b>55.902.040</b>	<b>54.784.000</b>	<b>30.256.330</b>	<b>24.527.670</b>	<b>1.118.040</b>	
Measure 2.1 - Efficient transport systems	....	33.541.224	32.670.400	18.153.798	14.716.602	670.624	
Measure 2.2 - Access to knowledge and the IS	....	22.360.816	21.913.600	12.102.532	9.811.068	447.216	
<b>Priority 3 - Landscape, natural and cultural heritage</b>		<b>48.776.127</b>	<b>47.800.604</b>	<b>26.398.512</b>	<b>21.401.062</b>	<b>975.523</b>	
Measure 3.1 - Cultural heritage	....	19.510.451	19.120.242	10.559.806	8.560.436	360.209	
Measure 3.2 - Natural heritage	....	14.632.838	14.340.181	7.919.853	6.420.328	262.657	
Measure 3.3 - Landscape	....	14.632.838	14.340.181	7.919.853	6.420.328	262.657	
<b>Priority 4 - Environment protection</b>		<b>52.701.503</b>	<b>51.647.472</b>	<b>28.524.075</b>	<b>23.123.397</b>	<b>1.054.031</b>	
Measure 4.1 - Environmental protection	....	12.493.641	12.243.767	6.762.037	5.481.730	249.874	
Measure 4.2 - Risk management	....	12.493.641	12.243.767	6.762.037	5.481.730	249.874	
Measure 4.3 - Integrated water management	....	27.714.221	27.159.938	15.000.001	12.159.937	554.283	
<b>Technical assistance</b>		<b>16.314.341</b>	<b>16.314.341</b>	<b>8.010.152</b>	<b>7.304.189</b>	<b>-</b>	
Technical assistance I	....	11.853.098	11.853.098	6.435.821	5.217.277	-	
Technical assistance II	....	4.661.243	4.661.243	2.574.331	2.086.912	-	
<b>TOTAL</b>		<b>237.485.375</b>	<b>233.061.954</b>	<b>128.716.400</b>	<b>104.345.554</b>	<b>4.423.421</b>	

\* ERDF contribution refers to total costs

\*\* 'National' include central, regional, local, and other public funds

\*\*\* For private funds figures are indicative (2%), if not available, they will be replaced by public co-financing

## **4. INFORMATION AND PUBLICITY PLAN**

### **4.1 Aims**

The overall aim of the CADSES communication strategy is to ensure transparency by constantly providing different kinds of stakeholders with adequate and high-quality information about the programme. An efficient communication of information should both increase the public awareness about the programme as well as providing the stakeholders with accurate and reliable information and data on the programme.

The communication strategy is based on the Community Initiative Programme for CADSES 2000 - 2006, which takes into consideration the experiences made during the Interreg II C programme period. Consequently, the strategy lays strong emphasis on homogenous self-representation and public relations of the Programme and maintains at the same time the necessary local, regional and national foundation. The strategy is set out in accordance with Regulation (EC) No. 1159/2000 of 30 May 2000 on information and publicity measures to be carried out by the Member states concerning assistance from the Structural Funds.

### **4.2 Target group**

The target group of the programme is compound and manifold. This implies that the information communicated to different stakeholders has to be adjusted to various needs. Primarily information should be directed to potential as well as final beneficiaries becoming or being involved in actions taken within the programme. Information should also be provided for on a regular basis to relevant public authorities on national, regional and local level, in order to achieve a full coverage when it comes to further dissemination of information in the participating countries. Economic and social partners as well as non-governmental organisations are parties that also should be included in frequent communication activities.

### **4.3 Information and means of communication**

Information about the programme will be spread through a variety of channels in order to reach the different stakeholders. A number of basic sources of information as well as some essential means of communicating this information serve as a basis for a constantly broad and a deep communication of programme-related information.

#### SOURCES OF INFORMATION

##### ***Core documents:***

- *CADSES Community Initiative Programme (CIP)*: The Programme forms the basis for transnational spatial development co-operation in the Central European, Adriatic, Danubian

and South-Eastern European Space. It features an analysis of the region, outlines the joint transnational strategy, introduces the priorities and measures and provides information about administrative and financial procedures.

- *Programme Complement:* The Programme Complement gives a detailed picture of the measures, their background and objectives, as well as expected outputs, results and impacts. In addition to this, the principles for assessment, evaluation and monitoring of the projects are depicted.

*Publications related to the Programme:*

- *Flyers and brochures:* flyers and brochures giving general information about the programme and its objectives, implementation, activities and results are constantly produced in order to market the programme to the public. These intend to promote the programme and its funding opportunities and to generally encourage interest and participation in the programme. Production of flyers and brochures of general interest will be managed by the Secretariat, those of special interest (geographically and/or thematically) might also be produced by national and regional authorities involved in the programme management.
- *Newsletters:* The secretariat will produce and publish a regular electronic newsletter, giving an overview of the latest news of the programme and an update on projects. The newsletter will be distributed by email at least two times a year to project owners and other parties interested in the progress of the programme. Stakeholders have the opportunity to subscribe to the newsletter on the programme's web site.
- *Applicant's package:* The applicant's package includes, apart from the application form and the co-financing statement: a practical guide for filling in the form; a manual which describes the managing and monitoring system of the Programme; a preliminary guide to financing opportunities for Non Member applicants; a subsidy contract draft between the Managing Authority and the Lead Partner; a joint convention draft among the Lead and Project Partners; a list of contacts, referring to all the persons and institutions who are relevant — at a national and transnational level — for the project construction, financing and implementation; the list of the project selection criteria; a checklist which helps applicants to control the correctness and completeness of application. The entire applicant's package is published on the programme's web site.
- *Specific publications:* in connection to e. g. seminars, conferences, speeches, exhibitions a wide range of information material will be produced in order to meet the needs of information at each specific occasion (conference packs, fact sheets, CD-ROMs ...).
- *Best practices reports:* the secretariat will manage on behalf of the Managing Authority the production of mid-term (2004) and ex-post (2007) reviews of projects. These reports should identify best practices and thus complement the regular programme evaluation. They will inform in a practical way national programme co-ordinators, project owners, the European Commission and other interested parties about concrete results of the Community Initiative.

### *Programme database*

The Joint Technical Secretariat will develop a database for processing and storing information about the projects and subsequently also information about the various priorities and measures on programme level. The database will serve as the main source for both quantitative and qualitative data on projects and projects' achievement.

## **ESSENTIAL MEANS OF COMMUNICATION AND INFORMATION**

### *The CADSES web site*

The *web site* serves as the main source for regular exchange of information to all parties having an interest in the programme. It will feature all kinds of relevant information and data on ongoing actions as well as facts and figures about the programme and its implementation (e.g. applicant's package, contact addresses, ongoing activities and calls for proposals, partner search facilities, programme schedule, information about projects, links to project web sites, other INTERREG programmes and relevant institutions and organisations acting in the CADSES Region). The web site will be established and constantly updated by the Secretariat. Contracts for creating the web site will be issued as soon as the secretariat is established. Some contents may be created at a later stage, but it is important to set up a structure at this initial stage. As a first step the site will be in English with links to important documents in other CADSES languages. Translation into official CADSES languages of other parts of the web site will be supplied during the progress of the programme, if possible.

### *Participation in external events*

The programme is marketed at several occasions like conferences, seminars, exhibitions and fairs organised by organisations or networks active in the region. At these occasions information is given on funding opportunities and application procedures.

### *Information and partner-search forums*

After the launch of the programme various *information and partner search forums* will take place in EU member states and non-member states marketing the programme to future applicants and potential project owners. These events will introduce the programme and its priorities and measures as well as application procedures. In co-operation with CADSES Contact Points and National Committees, *information seminars* will be held throughout the entire programme period. To avoid overlapping and double-work, the Secretariat in close co-operation with the CADSES Contact Points will schedule these seminars.

### *Lead partner seminars*

The Managing Authority, supported by the secretariat, will organise *seminars* for project lead partners on management and administration of approved CADSES Interreg III B projects. Information on, among others, monitoring and reporting standards will be given, as well as

information on the subsidy contract and other administrative, legal and practical matters of relevance concerning project management within the programme.

#### *Internal information flow*

In order to enable the flow of information between the various management units of the programme, i.e. between the Joint Technical Secretariat, the Managing and Paying Authority, the Monitoring and Steering Committee and the national committees, a two-monthly info letter and regular interim reports on progress of programme implementation will be produced and disseminated in English language by the Secretariat. Regular meetings and contacts between the different units and actors will moreover complete these reports.

#### *Project promotion*

The projects will be requested to organise within their own budget own publicity activities and to report regularly on these activities to the Secretariat. The Secretariat will give guidance relating to Commission Regulation (EC) No 1159/2000 on information and publicity measures.

#### *Media*

The Secretariat in close co-operation with the Managing Authority and the CADSES Contact Points will provide press releases and other kind of information to the media when issues of interest to the general public or to experts so arise. Particular attention will be given to professional magazines to make the programme known among the eligible circles.

### **4.4 Complementing activities**

Information and publicity of a programme in a region of 18 countries, where a population of about 200 million speak more than 15 languages, additional publicity activities are needed especially in the field of political backing and for reaching a wider audience. Therefore, some complementary activities are planned, such as:

#### *Political conferences*

Several *transnational conferences* with high-profile political participation shall take place during the programming period in all participating EU member states and in other partner countries. These conferences aim at involving governments, EU, large donors and investors and the media in spatial development policies in the region.

#### *Publications for a wider audience*

As the programme proceeds, a video and road show should be developed to demonstrate the programme's successes to a wider audience. A proposal for a video is to be developed and a

consultant to be employed when the secretariat is established. The video should be specifically developed for use at the CADSES political conferences and be aimed at governments, EU, large donors and investors and media. It should also be suitable for a general audience and could be distributed to local and regional authorities in the region.

CADSES Contact Points are responsible for gathering photographs of the CADSES co-operation area and its projects. If necessary, a professional photographer will be employed to take additional photographs of the region. A slide and presentation pack will be put together by the Secretariat and distributed to all CADSES Contact Points for use at meetings and conferences.

#### *Specific publications*

To inform the national audience about specific results of the co-operation, it might be necessary for CADSES Contact Points to produce own *publications* in national languages.

#### *Public relations company*

The Steering Committee might decide to delegate some of the tasks and activities mentioned under 4.3 and 4.4 to a *PR company*. In that case, the terms of reference should be drafted by the Secretariat. On behalf of the Managing Authority, the Secretariat shall also handle the necessary call for tenders. Final decision on terms of reference and selection of the agency lies with the Steering Committee.

### **4.5 Responsibilities**

In accordance with the CADSES CIP, this plan will be implemented under the responsibility of the Steering Committee.

The Joint Technical Secretariat in Dresden will provide all interested parties and institutions with information on the programme and its actions. The secretariat could be contacted by phone, fax, email and via the CADSES web site. Meetings will provide additional opportunities to communicate with the Secretariat. With regard to project development in non-member states and in the Stability Pact area, the Secretariat will be supported by the CADSES Contact Points in Vienna and Athens. The Secretariat will also ensure a common layout of CADSES programme publications and the CADSES web site. The Secretariat will be in charge for the regular handling of publicity and communication activities, regularly supervised by the Managing Authority. The secretariat will report to the Steering Committee once a year on the progress of the Information and Publicity Plan. It will present on the same occasion an updated detailed plan (including a schedule for intended actions and events and a cost estimation) for approval by the Steering Committee.

CADSES Contact Points will co-ordinate information and publicity within the country. They will support the secretariat e. g. by producing flyers and brochures of special interest or by organising translations into national language of important publications.



#### **4.6 Indicative budget**

The activities mentioned in this plan will be financed through the technical assistance budget. The terms of reference for the Joint Technical Secretariat and the working plan of the Managing Authority will refer to this Information and Publicity Plan and will designate the tasks mentioned above and allocate the necessary funds to the respective bodies. The indicative total budget foreseen is 1.5 M € or 12,5 % of the TA budget.

However, in context of CADSES co-operation, technical assistance has to accomplish further important tasks. Therefore the CIP sets aside up to 2 % of the total CADSES budget for tasks related to the specific conditions and additional information needs in this region. These funds may cover in particular the activities mentioned under 4.4 above.

## **5. DESCRIPTION OF COMPUTERISED EXCHANGE OF DATA BETWEEN THE MANAGING AUTHORITY AND THE COMMISSION**

The OP monitoring system is built up around a common *Information System*, which allows for the data collection and monitoring at a transnational level. This system is basically organised as follows:

- a) the monitoring system is strongly centred on the Lead Partner, who has the task of collecting (from PPs) and to make available data referring to the execution of projects, feeding the computerised system for exchange of data;
- b) the areas of the monitoring system are the usual ones of financial, physical (data on outputs and results) and procedural implementation. With reference to procedural indicators construction, relevant and homogenous *steps* have been identified at a sector of intervention level;
- c) the monitoring system guarantees that financial flows may be identified on the basis: (i) of nationality of the Authorities which pay the co-financing shares; (ii) of nationality of recipient;
- d) essential data will be collected also for presented projects which have been not approved or financed.

The structure of financial data in the CADSES INTERREG III B database will be developed by fully taking into account the “Vademecum for the Programming Period 2000-2006”.

During the programming phase the budgets of project applicants will be compiled in financial tables. The total budget will be broken down by “priority and year” and by “measure”. During the reporting phase requests for payments from projects will be gathered for each reporting period. The projects will be assigned to “priorities and measures”. The next step will be the payment phase when after checking the financial reports payments of EU funding will be carried out. All payments will be registered in the database. Also the initially agreed budgets of the projects will be kept in the database for comparison. All data will be related to priorities and measures.

Data concerning national co-financing will be gathered in the database. The database will allow a recording of all changes. Thus, it is possible to get information on the budgetary status for each single day.

For reporting purposes, amounts will be in Euro. Financial reports should be internally consistent (for example amounts at priority level should equal the sum of the amounts at measure level). Files generated from CADSES INTERREG III B database will be submitted via email.

**ANNEX 1 – AREAS OF INTERVENTION**

The list below of Structural Funds: Areas of Intervention is based on Article 36 of the General Regulation and has been compiled to help the Commission services report on Structural Fund activity.

**Structural Funds: Areas of Intervention  
by category and sub-category**
***I. Productive Environment*****11 Agriculture**

- 111 Investments in agricultural holdings
- 112 Setting up of young farmers
- 113 Agriculture-specific vocational training
- 114 Improvement of processing and marketing of agricultural products

**12 Forestry**

- 121 Investments in forest holdings
- 122 Improving the harvesting, processing and marketing of forestry products
- 123 Promoting new outlets for use and marketing of forestry products
- 124 Establishment of associations of forest holders
- 125 Restoring forestry production potential damaged by natural disasters and introducing prevention instruments
- 126 Planting of non-farm land
- 127 Improving and maintaining ecological stability of protected woodlands
- 128 Forestry-specific vocation training

**13 Promoting the adaptation and the development of rural areas**

- 1301 Land improvement
- 1302 Reparcelling
- 1303 Setting up of farm relief and farm management services
- 1304 Marketing of quality agricultural products
- 1305 Basic services for the rural economy and population
- 1306 Renovation and development of villages and protection and conservation of the rural heritage
- 1307 Diversification of agricultural activities and activities close to agriculture, to provide multiple activities or alternative incomes
- 1308 Agricultural water resources management
- 1309 Development and improvement of infrastructure connected with the development of agriculture
- 1310 Encouragement for tourist activities
- 1311 Encouragement for craft activities related to farms

- 1312 Protection of the environment in connection with land, forestry and landscape conservation as well as with the improvement of animal welfare
- 1313 Restoring agricultural production potential damaged by natural disasters and introducing appropriate prevention instruments
- 1314 Financial engineering

**14 Fisheries**

- 141 Adjustment of fishing effort
- 142 Renewal and modernisation of the fishing fleet
- 143 Processing, marketing and promoting of fisheries products
- 144 Aquaculture
- 145 Equipment of fishing ports and protection of the coastal sea-areas
- 146 Socio-economic measures (including aids to the temporary stopping and compensation for technical restrictions)
- 147 Actions by professionals (including vocational training, small coastal fishing)
- 148 Fishery-specific vocational training

**15 Assisting large business organisations**

- 151 Investment in physical capital (plant and equipment, co-financing of state aids)
- 152 Environment-friendly technologies, clean and economical energy technologies
- 153 Business organisation advisory service (including internationalisation, exporting and environmental management, purchase of technology)
- 154 Services to stakeholders (health and safety, providing care for dependants)
- 155 Financial engineering

**16 Assisting SME:s and the craft sector**

- 161 Investment in physical capital (plant and equipment, co-financing of state aids)
- 162 Environment-friendly technologies, clean and economical energy technologies
- 163 Enterprise advisory service (information, business planning, consultancy services, marketing, management, design, internationalisation, exporting, environmental management, purchase of technology)
- 164 Shared business services (business estates, incubator units, stimulation, promotional services, networking, conferences, trade fairs)
- 165 Financial engineering
- 166 Services in support of the social economy (providing care for dependents, health and safety, cultural activities)
- 167 SME- and craft-specific vocational training

**17 Tourism**

- 171 Physical investment (information centres, tourist accommodation, catering, facilities)
- 172 Non-physical investments (development and provision of tourist services, sporting, cultural and leisure activities, heritage)

- 173 Shared services for the tourism industry (including promotional activities, networking, conferences and trade fairs)
- 174 Tourism-specific vocational training
- 18 Research, technological development and innovation (RTDI)**
  - 181 Research projects based in universities and research institutes
  - 182 Innovation and technology transfers, establishment of networks and partnerships between businesses and/or research institutes
  - 183 RTDI Infrastructure
  - 184 Training for researchers
- 2. Human Resources**
- 21 Labour market policy**
- 22 Social inclusion**
- 23 Developing educational and vocational training not linked to a specific sector (persons, firms)**
- 24 Workforce flexibility, entrepreneurial activity, innovation, information and communication technologies (persons, firms)**
- 25 Positive labour market actions for women**
- 3. Basic Infrastructure**
- 31 Transport infrastructure**
  - 311 Rail
  - 312 Roads
    - 3121 National roads
    - 3122 Regional/local roads
    - 3123 Bicycle lanes
  - 313 Motorways
  - 314 Airports
  - 315 Ports
  - 316 Waterways
  - 317 Urban Transport
  - 318 Multimodal Transport
  - 319 Intelligent Transport Systems
- 32 Telecommunications infrastructure and information society**
  - 321 Basic infrastructure
  - 322 Information and Communication Technology (including security and safe transmission measures)

- 323 Services and applications for the citizen (health, administration, education)
- 324 Services and applications for SMEs (electronic commerce and transactions, education and training, networking)
- 33 Energy infrastructures (production, delivery)**
  - 331 Electricity, gas, petroleum products, solid fuel
  - 332 Renewable sources of energy (solar power, wind power, hydro-electricity, biomass)
  - 333 Energy efficiency, cogeneration, energy control
- 34 Environmental infrastructure (including water)**
  - 341 Air
  - 342 Noise
  - 343 Urban and industrial waste (including hospital and dangerous waste)
  - 344 Drinking water (collection, storage, treatment and distribution)
  - 345 Sewerage and purification
- 35 Planning and rehabilitation**
  - 351 Upgrading and Rehabilitation of industrial and military sites
  - 352 Rehabilitation of urban areas
- 36 Social and public health infrastructure**
- 4. Miscellaneous**
- 41 Technical assistance and innovative actions (ERDF, ESF, EAGGF, FIG)**
  - 411 Preparation, implementation, monitoring, publicity
  - 412 Evaluation
  - 413 Studies
  - 414 Innovative actions
  - 415 Information to the public









**INTERREG IIC East**  
**Programme Complement**

Version as of 24<sup>th</sup> September 2002

EUROPEAN COMMUNITY

European Regional  
Development Fund



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According to the definition of Article 9 (m) and the description of Article 18 (3) of the Council Regulation laying down general provisions on the Structural Funds (EC No. 1260/1999) and as specified in paragraph 27 of the INTERREG III Communication (2000/C 143/08), the INTERREG IIIC Community Initiative Programmes are to be supplemented by a Programme Complement. Herewith the Member States of the East zone of INTERREG IIIC present the Programme Complement for the INTERREG IIIC East zone Community Initiative Programme. It gives information on the eligible measures, the final beneficiaries, the financing plan, the publicity plan, the arrangements between the Commission and the Members States for exchange of data and related issues.

## **1. Description of Measures**

The objective of the interregional co-operation is to improve the effectiveness of policies and instruments for regional development and cohesion.<sup>1</sup> The effects will materialise both at national or regional and European level:

- The regional and other public authorities will gain a mean to enhance development through access to the experiences of others; this will enable them to better develop policies and projects to overcome problems and exploit potentials.
- The European policies will be boosted by added value through expanding the effects from individual structural funds interventions to different regions across Europe. Learning effects can be multiplied by disseminating experience interregionally.
- The goal of improving the effectiveness of policies and instruments for regional development and cohesion may be achieved by:
  - Changes on the level of projects by introducing new methods or approaches or by improving existing ones. The focus here is on improving the delivery of existing programmes and instruments of regional policy.
  - Changes on the level of policies imply a more far-reaching change of political and institutional structures related to regional policy. Changes at this level occur when a policy instrument, programme etc. is readjusted or reoriented, or if a new instrument is added.

The co-operation under this programme may be organised along one of the following three types of operations. This chapter gives the definition and summary description of the three types.

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<sup>1</sup> This is coherent with the objectives given in the IIIC-Communication, point 5, and the INTERREG Communication point 17.

### **1.1 Operation Type (a) Regional Framework Operations (RFO)**

A RFO is aimed at exchanging experience on methodology and project-based activities among a group of regions. The goal is to produce a clear strategic approach to interregional co-operation for the participants, which will allow them to develop a process of exchange and learning, which can grow over the long-term.

The RFO is based on an interregional co-operation strategy covering the participating regions. Within the frame given with the INTERREG IIIC programme, the RFO's strategy is forming a self-standing strategic framework which is kind of a "mini-programme". Each RFO should address a limited range of subjects relevant to the regions participating, thus ensuring that interregional co-operation activity is better integrated into the economic and social development of the participating areas. In line with its strategy, a RFO should cover a limited number of smaller projects.

The selection of RFO-internal projects is the responsibility of the regional partners co-operating in the RFO. They will form a Steering Committee at RFO-level for the purpose of project selection. Each RFO should be prepared by a group of regional authorities or equivalent regional bodies in a number of regions from a minimum of three countries of which at least two must be Member States. RFO-internal projects in turn should involve participants from different countries within the participating regions. A RFO under this programme can only be submitted by a lead partner that is located in the programme area of the East zone. The other partners need not to be located in the programme area of the East zone. Each partner should be supported by a regional partnership. The regional partnership would consist of the authorities and organisations in each region with a role to play in the RFO.

A RFO is based on a detailed interregional co-operation strategy, which is focused on a limited number of subjects and includes a detailed work-plan and forms the basis for project development and selection. The strategy needs to give sound information on the management and implementation structures of the RFO. The strategy will indicate the expected concrete results that can be evaluated and disseminated.

As the RFO is a new type of co-operation, no region should participate in more than 2 such operations under INTERREG IIIC until the mid term review of the programme has been completed.

The total ERDF contribution for a RFO may normally be between € 500,000 and € 5 million. RFOs can cover all the topics covered by INTERREG IIIC. An indicative share of 50% to 80% of the funding under this programme should be allocated to RFOs.

Regions eligible to present a RFO are listed in Annex C of the Community Initiative Programme of East zone. Regional authorities at a geographically lower level can be either lead partner or partner in a RFO on behalf of the region defined in Annex C of the East zone programme.

## **1.2 Operation Type (b) Individual Co-operation Project:**

Individual Co-operation Projects aim at exchanging experience on methodology and project-based activities. The goal is not merely a transfer of knowledge, but genuine co-operation on the realisation of various parts of the project, with a significant added value to the project participants. The implantation of project results from one region into another with a clear impact in the recipient region would be one concrete effect of such a project.

The Individual Co-operation Project is based on a detailed work programme, defining the expected outcome and concrete results and allowing for evaluation and dissemination of achievements.

Projects should involve partners from a minimum of three countries of which at least two must be Member States. Not more than 40% of the overall funding can go to the lead partner and the total ERDF contribution may normally be between € 200,000 and € 1,000,000.

Individual Co-operation Projects can cover all the topics covered by INTERREG IIIC. An indicative share of 10% to 30% of the funding under this programme should go to Individual Co-operation Projects.

## **1.3 Operation Type (c) Networks:**

Networks aim to link the various regions inside and outside the European Union on project implementation methods and development.

Only costs related to actions such as seminars, conferences, websites, databases, study trips and exchange of staff, all in order to exchange experience and pass on expertise, might be considered. However, networking should lead to concrete results, which can be evaluated and disseminated. All networking actions should have detailed work programmes, indicating the tasks to be carried out and the expected outcomes.

A Network must have partners from at least 5 countries of which at least three must be Member States. The ERDF contribution may normally be between € 200,000 and € 1 million. All the aid will be paid to and managed by the lead partner of the Network.

Networking can cover all the topics covered by INTERREG IIIC with the exception of those related to topic (d) of point 22 of the INTERREG IIIC Communication - Innovative Actions - which, as indicated in the Programme, can be covered elsewhere. An indicative share of 10% to 20% of the funding under this programme should go to Networks.

#### **1.4 Participation of Non Member States**

Non Member States can participate in INTERREG IIIC both on programme level and on operation level.

On programme level Non Member States can participate provided that they sign a corresponding letter of commitment specifying which zone they want to adhere to for the overall programme period. Public authorities in these Non Member States will have the option to act as functional lead partner in that zone. This means that they can perform the co-ordination and management tasks of a lead partner for a project. However, as ERDF funds cannot be administered by a Non Member State, the functional lead partner will need a financial lead partner from a Member State of the same zone who will be responsible for the use of the ERDF funds. There has to be a close cooperation between the functional and the financial lead partner. As this makes the administration of the project rather difficult, functional lead partners should be the exception rather than the rule.

On operation level Non Member States can participate throughout all zones. Financing for partners from third countries can nonetheless not be provided under this programme, but needs to be taken from their own resources or relevant European Union funding sources (e.g. Phare, Tacis, Meda, CARDS etc.) in line with the funding rules for each source. Although the difficulties of joint financing with this sources are well known, it can be expected that the development of the next years, as described e.g. in the Phare Review will allow for a better co-ordination even before the candidates formally join the EU.

To ease the co-operation as much as possible, travel and subsistence expenses of partners or participants from third countries outside the EU can be eligible costs for an operation when the meeting or seminar takes place in the EU and is part of an approved operation.

The travel and subsistence expenses by partners or participants from EU Member States on parts of operations that take place in a third country and are vital for the success of the operation as a whole are also eligible for ERDF assistance.

In order to be considered as partner in the understanding of the partnership requirements set out in the eligibility criteria, the partners from candidate countries have to contribute financially to the operation. This contribution, however, can be of a minimum amount or can be exclusively in kind. These contributions from candidate countries are not eligible for ERDF funding.

In accordance with EU public procurement law, services or equipment used for implementing an INTERREG IIIC operation in the EU can also come from the "partner country" or third countries in question, according to general national, EU or international legislation on public procurement.

In the North zone Norwegian partners can be lead partners and thus final beneficiaries on equal terms as lead partners from Member States. ERDF-funding and Norwegian funding in principle remains with the lead partner. The lead partner using ERDF-funds or Norwegian funds allocated to the particular project will remunerate services and tasks provided to the lead partner by other transnational partners including EU-partners and Norwegian partners for such services and tasks. Total support going to Norwegian partners from Member State lead partners shall at no stage exceed the Norwegian contribution to the programme.

### 1.5 Strand C - co-ordination actions

On the initiative of the European Commission the East zone INTERREG IIC programme includes a special priority on co-ordination between the four INTERREG IIC zones, especially for the initial implementation phase and until the INTERACT programme has come into operation.

Activities under this priority will be concentrated in 2001 and 2002. On a Commission proposal the activities will be co-financed at 90% and the resources from the ERDF will be allocated to the programme from the allocation under par.53 of the INTERREG guidelines.

### 1.6 Operations on border regions with the candidates countries

On 25 July 2001 the Commission adopted a communication [COM (2001) 437 final] on the external border regions and the probable effects of enlargement. As the communication proposes a series of actions based on a better co-ordination of existing policies and the creation of new measures, this programme includes a special priority on operations linking European Union border regions indicated in the communication with the candidate countries. These actions are intended to encourage and facilitate co-operation in the external border regions indicated in the communication.

The operations foreseen under this priority include:

- Networks and
- Individual Co-operation Projects.

These operations should aim to encourage and facilitate co-operation in the border regions, in order to strengthen their economic competitiveness.

Lead partners of these operations must obligatorily be located in the border regions with the candidate countries as defined in the Commission's communication mentioned above. Co-operation with partners located in the candidate countries should be encouraged.

The normal rules on the implementation of the INTERREG IIC programmes apply, except for rules detailed below:

- number of partners in each operation:
  - an *Individual Co-operation Project* must have at least three partners from at least two countries;
  - a *Network* must have at least five partners from at least three countries;
- financial size of the operations: the total ERDF contribution for each operation may be less than the € 200.000 indicated in point 26 of the INTERREG IIC Communication; in addition, more than 40% can go to the lead partner of an Individual Co-operation Project;

- the provisions of point 28 of the INTERREG IIIC Communication do not apply: the operations financed under this priority are excluded from the 75% ERDF allocation quoted in point 28;
- modification of the percentage of financing to be allocated to each type of operation (point 26 of INTERREG IIIC Communication): the operations financed under this priority are excluded from the calculation of the total funding under each INTERREG IIIC programme which should be allocated to the three types of operation.

### **1.7 Technical Assistance (TA)**

TA will be spent on activities necessary for the effective and smooth management and implementation of the programme. An important element for this is a competent and efficient day-to-day work that holds together the flow of information between the bodies involved, prepares the decision making properly, oversees the information collected and its use in the programme management. To fulfil these tasks, a highly skilled and professional secretariat is required.

As INTERREG IIIC introduces a new approach, special emphasis will be given to the assistance and advice in the development of operations. TA will be invested in the promotion of the programme, awareness rising, proactive search and interactive development of operations. The strategy will be built on broad involvement of multiple actors on national and European level and is aiming in activating them.

Besides the information and advice given to potential applicants, a broader dissemination of the achievement of this programme is foreseen under the publicity plan (cp. chapter 7). Activities necessary to do so are also part of TA.

External advice may be needed to assist gathering and processing of data, implementing a computerised management system, and so on. Additional advice may be necessary on specific questions of managing a programme to assist international co-operation, concerning e.g. the development of operations and drafting of the legal documents that form the basis for the organisational framework of the co-operation projects.

Another element that will need spending of TA is the tasks of evaluation.

According to rule 11 of the Annex to Commission Regulation (EC) No 1685/2000, TA is calculated separately for the expenditure directly related to administration, implementation, monitoring, and control of the programme on the one hand, and other expenditure (e.g. studies, evaluations, information, seminars, etc.) on the other. The TA under this programme will only fund activities directly related to the programme, whereas the Strand C co-ordination activities (cp. chapter 1.5) will be designed to co-ordinate the activities of all four zones. All activities falling under Strand C co-ordination activities will be excluded from the TA budget of this programme and funded from the budget for the Strand C co-ordination activities. In relation to these tasks, the TA budget will only cover the adaptation and specification for this zones needs, if necessary.



The ERDF contribution to this programme's TA budget will be 50%. Additional information on the financial calculation of the TA budget is given in chapter 5 on the financing plan. The TA under this programme will be supplemented by the activities under the INTERACT programme.

### **1.8 Quantified objectives**

According to Annex B of the INTERREG IIC Communication, quantified monitoring indicators are not yet needed at this stage. Due to the innovative character of the initiative, the quantification of objectives is quite difficult for INTERREG IIC. The quantification of objectives will be developed by the Monitoring Committee when a sufficient number of applications have been approved. The annual reports will inform about the status of quantification of objectives.

## **2. Indicators for Monitoring and Evaluation**

To monitor and evaluate the results and effects of the INTERREG IIC activities, a number of indicators can be applied. The following is giving an overview over some of the core criteria and concepts, the monitoring and evaluation will use. According to Working Paper 3 of the Commission (Indicators for Monitoring and Evaluation), we distinguish output indicators on the one and result/impact indicators on the other hand:

Output indicators relate to activity. They are measured in physical or monetary units.

Result indicators relate to the direct and immediate effect brought about by a programme. Such indicators can be of a physical (reduction in journey times, number of successful trainees, number of roads accidents, etc.) or financial (leverage of private sector resources, decrease in transportation cost) nature. Impact indicators refer to the consequences of the programme beyond the immediate effects on its direct beneficiaries. Two concepts of impact can be defined. Specific impacts are those effects occurring after a certain lapse of time but which are, nonetheless, directly linked to the action taken. Global impacts are longer-term effects affecting a wider population. Clearly, measuring this type of impact is complex and clear causal relationships often difficult to establish.

## 2.1 Output Indicators

The basis for both monitoring and evaluation is a sound overview of what is really going on in the programme and of how implementation is working. Information on these issues is part of the monitoring indicators – which despite their naming certainly form also the basis for evaluation purposes. The monitoring indicators are based on the Annex IV of Commission Regulation (EC) No 438/2001<sup>2</sup>, with some additional indicators for INTERREG IIIC specific issues.

**Table 1: Output Indicators**

Output indicators for INTERREG IIIC
Data for these indicators should be <b>available at the level of the single operation</b> . This allows to aggregate data on the level of topics for co-operation or types of operation.
For every single operation, data will be provided for:
1) Overall indicative figures for approved operations, and 2) Expenditure declared so far: <ul style="list-style-type: none"> <li>- Total cost of approved operation,</li> <li>- Total eligible cost of approved operation,</li> <li>- Total public contribution (% and €), including:               <ul style="list-style-type: none"> <li>- ERDF Contribution (% and €)</li> <li>- National Contribution (% and €)                   <ul style="list-style-type: none"> <li>- national (% and €)</li> <li>- regional (% and €)</li> <li>- local (% and €)</li> <li>- other (% and €)</li> </ul> </li> <li>- Private Contribution (% and €)</li> </ul> </li> <li>- topic for co-operation</li> <li>- type of operation</li> <li>- Classification of intervention accord. to Annex IV of Comm. Regulation (EC) 438/2001 (cp. chapter 6)</li> <li>- Location: Region (according to Annex C of the CIP INTERREG IIIC East zone) in which the project lead partner and other partners are located</li> <li>- Effect on social and economic cohesion</li> <li>- Effect on the environment</li> <li>- Effect on equal opportunities</li> <li>- Effect on sustainable development</li> <li>- Number of partner (in case of RFO also at project level: number of projects, number of participants, budget, classification)</li> </ul>

<sup>2</sup> Please note that the following table is not listing the full range of information necessary to meet the requirements of the Control Regulation, which is certainly to be held available for the Commission for the purposes of this Regulation.

## 2.2 Result and impact indicators

The evaluation of the INTERREG IIIC programme is a demanding task as it poses the problem of grasping a newly designed approach. This is the reason why in the case of INTERREG IIIC one can hardly define a chain of effect in the way it is possible for established measures of regional development policies. So the evaluation in the case of this programme can not be limited to measuring and assessing given indicators, but has to work on identifying the mechanisms by which effects are reached. This Programme Complement will therefore not give a detailed list of indicators, but rather list the categories the evaluation has to deal with. A first task of the evaluation will consist in research on the processes of forming the partnerships of the operations and of working within the partnerships. Crucial categories in this respect are:

- Type of operation: RFO, Network or Individual Co-operation Project
- Intensity of co-operation is a category allowing to analyse the co-operation processes in the networks by distinguishing exchange and dissemination of experience from transfer of instruments or projects as well as development of new approaches and joint development of new approaches. The four categories mentioned cover a continuum from rather separated acting partners to close co-operation. The evaluation will keep in mind that the three eligible types of operations differ in terms of intensity. Whilst Networks may be limited to exchange and dissemination, although the aim should be to reach the level of transfer, the RFOs and Individual Co-operation Projects should at least have the level of transferring instruments or projects.
- Products of Co-operation consist of the tangible outcome. A product may for instance be a new political instrument applied in one region, but also a written concept for the transfer and adoption of a project approach. The first step in evaluation is to document the products achieved. It should not be sufficient for a project to claim its success; instead it should be able to document the output by products.
- Quality of products. Innovation is one aspect of the quality of products as the programme aims at improving the existing instruments and policies. This can only be achieved by changing the status quo and thus introducing an innovation – compared to the regional status quo ante.

For the purposes of the INTERREG IIIC Programme, innovation is defined on regional level: the product that derives from the co-operation should be something new compared to the already existing instruments and projects in the region. Innovation under this programme may be achieved in different ways:

- by developing new methods, instruments and concepts or improving existing ones (process-oriented innovation). In this context, the improvement of implementation of regional development policies is dominant. This may include for instance the adoption of new financial or advisory instruments by the use of information technology.
- by formulating new goals for regional policies and instruments of regional development and cohesion(goal oriented innovation), e.g. by orientation to the potentials for regional learning and innovation, by exploiting the potentials of social capital in the region, by making use of the potentials offered by technical progress or by continuing to integrate aspects like e.g. sustainability or equal opportunities more fully into regional development policies and instruments.

- by developing political and institutional structures and systems related to regional policy (context-oriented innovation). Context-oriented innovation relates to structural improvements like e.g. networking, development partnerships, etc. This changes the overall setting in the regional policy system, e.g. by adding new aspects to the role of politicians and officials, who are becoming enablers and moderators, and by changing the role of enterprises and other regional organisations, who are becoming involved in the process of goal-definition.

One can expect that the implementation of INTERREG IIIC will bring a number of complex, integrated operations, combining two or all three of the innovation types. Specifically the RFOs present a complex approach combining a range of different projects. Most operations therefore will all contain process-oriented, goal-oriented and context-oriented innovations in different mixing ratios.

On the basis of the analysis of processes, the second task of the evaluation is to grasp the effects of the programme:

- The evaluation will assess whether the INTERREG IIIC activities initiated co-operation activities linking and exchanging experiences and best practice from the type of activity supported under Objective 1 and 2 programmes, the INTERREG Community initiative, the URBAN Community Initiative and urban development, future regional innovative actions programmes, and other subjects appropriate for interregional co-operation.
- The evaluation will assess the effects of the programme on the social and economic cohesion, environment, equal opportunities and sustainable development.
- The evaluation will finally assess the improvement of effectiveness of policies and instruments for regional development and cohesion achieved by INTERREG IIIC.

### **3. Eligibility and Selection Criteria for Operations**

This Programme Complement is giving information on the criteria to be applied when selecting operations. Two sets of criteria – eligibility criteria and selection criteria – will be applied.

Eligibility criteria are minimum requirements, each of which has to be met for an operation to be declared eligible. Selection criteria will be applied to assess the respective merits of eligible operations. For the eligibility criteria, a distinction can be made between core criteria (applying for all operations) and specific criteria (applying for specific topics for co-operation or types of operation).

The Joint Technical Secretariat makes use of the eligibility criteria to check the applications. To do so it takes the relevant core and specific eligibility criteria and tests, if the application contains the relevant elements. The answer of such a test must be a clear yes or no. As a result it drafts two lists: one listing the eligible applications, and another listing the ones assessed as not eligible giving the reason for this assessment.

Eligible applications will be subject to a ranking by the Joint Technical Secretariat applying the selection criteria given in table 5. An external pool of experts may assist the secretariat. Based on the ranking list the Steering Committee is taking the decision on selection of operations. The selection will be done in several steps:

1. The ranking will be done for each type of operation (RFO, Individual Co-operation Project and Network) separately. The assessment of every single operation will include a short explanation for the scoring chosen. The results of this step are three type-specific ranking lists of eligible applications. For information, the Steering Committee will also be provided with a list of the non-eligible operations giving the reasons for this.
2. The Steering Committee decides on operations to be selected. The applications to be approved by the Steering Committee are taken from the three type-specific lists. As a rule, only applications fulfilling the eligibility criteria and reaching a high score with the selection criteria could be proposed for approval to the Steering Committee. The reasons for acceptance or rejection of applications will be clearly set out in the Steering Committees' decisions.
3. The list of all applications to be proposed for approval is checked against the indicative financial share of the programme funding given per type of operation. (50% to 80% for RFOs, 10% to 30% for Individual Co-operation Projects, and 10% to 20% for Networks).
4. In the last step the list is checked against the financial quota that 75% of ERDF contribution goes to operations involving partner outside the programming zone. If the list of operations foreseen to be approved so far does not fulfil the 75% criterion, the lowest ranking operations not including partners from outside the programming zone are replaced by the next highest ranking operations of the same type doing so.

The procedure for doing the ranking will be managed by the Joint Technical Secretariat. Having provided the list of eligible applications, the Joint Technical Secretariat is distributing to each member of the Steering Committee a ranking list of applications based on the criteria given in table 5 in due time before the meeting. On this basis, the Steering Committee will then take its decisions on applications.

**Table 2 Core Eligibility Criteria**

<b>Eligibility Criteria</b>	
1.	Application form has been submitted in due time in original and electronic version. It is completely and properly filled in according to the instructions, and includes <ul style="list-style-type: none"><li>- Description of rationale (problem and objectives) and expected effects (impact, results and outputs)</li><li>- Description of expected <i>contribution to</i> ERDF policies and sustainable development of the participating regions</li><li>- Description of the work programme</li><li>- Description of management and implementation arrangements, including division of roles and responsibilities among the partners</li><li>- Complete financial table</li><li>- Description of the partners</li><li>- Co-financing statements that are in line with requested funding and financial tables are attached from all partners / participants duly stamped and signed by a legal responsible</li><li>- Partnership statement for each regional partner in case of RFO</li></ul>
2.	When requested, national authority statements for public equivalent partners
3.	Lead Partner is located in the zone, where the Application has been submitted
4.	The general ERDF co-financing rates of maximum 50% (75% for Objective 1 regions) have been observed
5.	The indicative costs applied for consider the regulation (EC) No 1685/2000 of 28 July 2000 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards eligibility of expenditure of operations co-financed by the Structural Funds and the INTERREG IIIC Programme Complement
6.	Duration of the operation is clearly indicated. Operation will be finalised before end 2008
7.	Proposed operation is in line with relevant national and EU legislation and policies
8.	Proposed operation provides added value and excludes double financing from other EU and / or national sources

**Table 3: Specific eligibility criteria by topic for co-operation**

	<b>Eligibility Criteria</b>
<b>a) Exchange Objective 1 and 2</b>	- link to activities supported under previous or current Objective 1 or 2 programmes
<b>b) Exchange on INTERREG</b>	- link to activities supported under previous or current INTERREG A or INTERREG B programmes - partners are involved in cooperation on cross-border or transnational activities - At least one partner is involved in current or previous INTERREG , Phare CBC or Tacis-CBC programme
<b>c) Exchange on Urban development</b>	- link to urban development issues - partners are cities, and urban areas, including small and medium-sized towns
<b>d) Exchange on Innovative Action</b>	- link to one or several of the three themes of Innovative Actions: (1) regional economy based on knowledge and technological innovation, (2) EuroRegio: the information society and regional development, and (3) regional integrity and sustainable development - type of operations is not Networks
<b>e) Exchange on other subjects</b>	- link to other regional development activities such as maritime and coastal co-operation, spatial planning issues, co-operation on insular and ultra-peripheral issues, on solutions to natural or man-made catastrophes, on alleviating the economic effects of handicaps such as very low population density or mountainous conditions, cooperation in the areas of research, technological development and SMEs, the information society, tourism, culture and employment, entrepreneurship, environment, etc.
<b>f) Operations on border regions</b>	- type of operations is not RFO - lead partner is located in one of the border regions with candidate countries according to C(2001)437 final

**Table 4 Specific Eligibility Criteria by Type of Operation**

	<b>Eligibility Criteria</b>
<b>a) Regional Framework Operation</b>	- partners from a minimum of three Countries, of which at least two are Member States - - not more than 40% of ERDF contribution is foreseen for the lead partner - partners of the operation are regional authorities or equivalent regional bodies from regions as defined in Annex C of the CIP INTERREG IIIC East zone or – if needed – regional authorities at a geographically lower level on behalf of these regions - each partner is supported by a regional partnership
<b>b) Individual Co-operation Project</b>	- partners from a minimum of three countries, at least two of which are Member States (for operations in border regions, topic f. at least three partners from at least two countries) - partners of the operation are public authorities or equivalent bodies - not more than 40% of ERDF contribution is foreseen for the lead partner (for operations in border regions, topic f, more than 40% may go to the lead partner) - operation addresses only one topic of the programme
<b>c) Network</b>	- partners are from at least five countries, at least three of which are from Member States (for operations in border regions, topic f. at least five partners from at least three countries) - partners of the operation are public authorities or equivalent bodies - operation addresses only one topic of the Programme

Table 5 Selection Criteria

Selection Criteria
<p><u>Coherence / Consistency of Proposal</u></p> <ul style="list-style-type: none"> <li>- Clear statement of problem and relevance of the defined problem in the Programme context, clear definition of objectives and relevance of the defined objectives to the Programme objectives, clear definition of planned effects (outputs, results, impacts)</li> <li>- Coherence between problem, objectives and planned effects</li> <li>- Coherence between planned effects and financial resources</li> <li>- Intensity of co-operation (exchange and dissemination of experience, transfer of instruments and projects, development of new approaches)</li> </ul>
<p><u>Quality of Approach and Management</u></p> <ul style="list-style-type: none"> <li>- Coherence between the planned project effects and proposed approach and methodology</li> <li>- Clear division of tasks and responsibilities, realistic and transparent work-plan and time-table</li> <li>- Experience of the Lead Partner in project management and financial management</li> <li>- Experience of partners in similar programmes and projects</li> </ul>
<p><u>Quality of Partnership</u></p> <ul style="list-style-type: none"> <li>- Coherence between the project objectives and partnership</li> <li>- Level of involvement of all partners in developing project idea, preparing application, implementing and co-financing operation</li> <li>- One or more partners from third countries or of the islands and outermost regions involved in developing idea of operation, preparing application, implementing and co-financing operation. Also, in case of topic a: one or more current or previous Objective regions are involved in the operation, in case of topic c: one or more urban area receiving or having received funding from Structural funds involved in the operation, in case of topic d: one or more regions involved in current or previous Innovative Actions programmes.</li> </ul>
<p><u>Quality of Results</u></p> <ul style="list-style-type: none"> <li>- Expected results are concrete (visible and measurable) and will be seen in public</li> <li>- Expected influence on other structural fund programmes co-financed by the ERDF</li> <li>- Degree of innovation to be achieved (new methods, new goals for regional policies, development of political structures and systems)</li> <li>- Expected influence on the development of participating regions</li> </ul>
<p><u>Sustainability and Durability of Project Results</u></p> <ul style="list-style-type: none"> <li>- Provisions to ensure the durability of the project effects (e.g. strategy to ensure financing, strategy for further co-operation, actors responsible for continuation of activities, etc.)</li> <li>- Expected results promote sustainable development of the participating regions, in the meaning of combining economic growth, social cohesion and protecting the environment</li> </ul>



#### **4. Final beneficiaries**

The INTERREG III guidelines, laid down by the European Commission on 28 April 2000, define the term “final beneficiary” as follows (cf. No. 31 sentences 4 and 5):

“In the case of operations involving partners in different Member States, the final beneficiary will be the partner in charge of the operation which will undertake financial management and co-ordinate the various partners in the operation. This partner in charge will bear financial and legal responsibility to the managing authority. The partner in charge will establish with these partners, possibly in the form of an agreement, the division of the mutual responsibilities.”

According to this definition, to be seen in the special context of financial and legal responsibility, the final beneficiary is only the lead partner of an operation. (In case of functional lead partners from Non Member States, the financial lead partner is the final beneficiary). Only the lead partner, representing the various partners in the operation, will conclude a subsidy contract (awarding a grant to the operation) with the managing authority and may, on the basis of this contract, request payments from the paying authority; only this partner will be liable for the total amount of subsidy awarded to the specific operation. As a result the other partners in the operation do not bear financial and legal responsibility to the managing authority directly.

Taking these principles into consideration, the following categories of lead partners are admissible:

##### **1. Lead partners of regional framework operations (RFO)**

In the INTERREG IIIC East/South/West zone lead partners of RFOs can be

- all territorial units forming a region as defined in Annex C Table C.1 of the CIP INTERREG IIIC East/South West zone. (resp. for the North zone: “all territorial units forming a region as marked in Annex B of the CIP INTERREG IIIC North zone.”)

Regional authorities at a geographically lower level can be lead partner in a RFO on behalf of a region defined.

- public equivalent bodies on the level of regions described above.

##### **2. Lead partners of individual interregional cooperation projects and networks**

Lead partners of individual interregional cooperation projects and networks can be

- public authorities;
- public equivalent bodies.

**Public equivalent body** means any legal body governed by public or private law

- (1) established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character<sup>3</sup>, and
- (2) having legal personality, and
- (3) \* either financed, for the most part, by the State, or regional or local authorities, or other bodies governed by public law,
  - \* or subject to management supervision by those bodies,
  - \* or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities or by other bodies governed by public law.

Concerning admissible partners and participants of operations it is referred to chapter 2.6 (for South zone: "chapter 2.7") of the CIP (Target groups).

Partners in an operation funded under INTERREG IIIC should consider the benefit of concluding an agreement concerning their mutual financial and legal responsibilities, including the functions and responsibilities of the lead partner.

To guarantee similar conditions for all partners, these rules apply to all INTERREG IIIC programmes.

## **5. Financing Plan**

Each Member State is contributing its share of INTERREG IIIC money to its programme. In the case of Germany, Greece, France and Italy, which are participating in more than one INTERREG IIIC zone, those Member States decided themselves how to distribute the money to the programmes. The sum of all single national shares of ERDF money is the overall ERDF contribution available under this programme.

Due to the opportunity offered to give partner from objective 1 regions an assistance rate of 75%, the national contribution is somewhat difficult to calculate. The reason for the difficulties is that one cannot know in advance how many projects will involve partners or participants from objective 1 regions. It depends on the project applications to show how frequently a co-operation with objective 1 partners is planned. So to calculate the financial tables, one can only assume an effective average rate of assistance, which is in case of this programme expected to be 60% for the North, East and West zones, and 63,29% for the South zone.

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<sup>3</sup> This definition does not exclude bodies partly having an industrial or commercial character.

The contribution from the ERDF is calculated in relation to the total eligible cost.

As concerns the private participation, one has to keep in mind that INTERREG IIIC is mainly oriented to public actors. The opportunities for private contribution are therefore very limited and the financial calculation is assuming a 5% share of financial contribution from private actors, except for the South zone (0%).

For TA purposes, a share has been foreseen as follows: 4,27% for the North zone, 5,00% for the South zone, 4,76% for the East zone and 4,88% for the West zone. The following table gives the indicative breakdown of the TA-budget according to rule 11 of Commission Regulation (EC) No 1685/2000.

#### Eligibility of preparation costs

The date from which programme's expenditure shall be eligible, has been decided by the European Commission as follows:

INTERREG IIIC North:	05.10.2001
INTERREG IIIC East:	05.11.2001
INTERREG IIIC South:	06.12.2001
INTERREG IIIC West:	12.10.2001

As a rule, preparation costs of operations are eligible costs, as the preparation of interregional operations may consume more resources, both in time and finance, than other ERDF supported projects. To avoid preparation costs becoming a large indefinable part of the operation's budget, the following core conditions must be met:

- Preparation costs forming a part of the total eligible budget of an operation have to comply with Commission Regulation (EC) No 1685/2000 regarding the eligibility of expenditure;
- Only operations approved by the Steering Committee (Monitoring and Steering Committee for the North Zone) qualify for co-financing from ERDF;
- Only costs that show a direct demonstrable connection to the development of the operation based on verified audited invoices are eligible;
- Total eligible preparation costs are subject to a ceiling of 50,000 Euro for RFOs and 25,000 Euro for individual interregional cooperation projects and networks.<sup>4</sup>

Before the approval of an operation by the Steering Committee no other costs than these preparation costs are eligible for ERDF funding.

More details on preparation cost will be provided in the application documents.

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<sup>4</sup> In exceptional and justified cases preparation costs can be higher. Decisions on higher preparation costs will be made by the Steering Committee

**Table 5 Breakdown of TA budget****North zone**

	<b>% ERDF</b>	<b>ERDF</b>	<b>National</b>	<b>Total</b>
<b>TOTAL TA budget</b>	<b>4,27%</b>	<b>1.222.550</b>	<b>1.222.550</b>	<b>2.445.100</b>
Expenditure for Management, Implementation, Monitoring and Control (rule 11, 2)	4,06	1,162,550	1,162,550	2,325,100
Other Expenditure, including seminars, studies, evaluation, information, etc (rule 11, 3)	0,21	60,000	60,000	120,000

**South zone**

	<b>% ERDF</b>	<b>ERDF</b>	<b>National</b>	<b>Total</b>
<b>TOTAL TA budget</b>	<b>5,00%</b>	<b>6.918.400</b>	<b>4.013.417</b>	<b>10.931.817</b>
Expenditure for Management, Implementation, Monitoring and Control (rule 11, 2)	4,50%	6.226.560	3.612.075	9.838.635
Other Expenditure, including seminars, studies, evaluation, information, etc (rule 11, 3)	0,50%	691.840	401.342	1.093.182

**East zone**

	<b>% ERDF</b>	<b>ERDF</b>	<b>National</b>	<b>Total</b>
<b>TOTAL TA budget</b>	<b>4,76%</b>	<b>2.214.388</b>	<b>2.214.388</b>	<b>4.428.776</b>
Expenditure for Management, Implementation, Monitoring and Control (rule 11, 2)	4,50%	2.092.994	2.092.994	4.185.988
Other Expenditure, including seminars, studies, evaluation, information, etc (rule 11, 3)	0,26%	121.394	121.394	242.788

**West zone**

	<b>% ERDF</b>	<b>ERDF</b>	<b>National</b>	<b>Total</b>
<b>TOTAL TA budget</b>	<b>4,88%</b>	<b>4.587.688</b>	<b>4.587.688</b>	<b>9.175.376</b>
Expenditure for Management, Implementation, Monitoring and Control (rule 11, 2)	4,50%	4.230.450	4.230.450	8.460.900
Other Expenditure, including seminars, studies, evaluation, information, etc (rule 11, 3)	0,38%	357.238	357.238	714.476

Table 6: Financial Table – INTERREG IIIC

North zone

Priority	Total eligible expenditure						Third countries (not decided yet)
	Total costs	Public expenditure			Private <sup>b</sup>	Norway	
		Total public elig. cost	ERDF <sup>a</sup>	National, regional or local			
1	2=3+6	3=4+5	4	5	6	7	8
<b>Operations</b>	<b>45,645,750</b>	<b>44,732,835</b>	<b>27,387,450</b>	<b>17,345,385</b>	<b>912,915</b>	<b>5,700,000</b>	
2000	0	0	0	0	0	0	
2001	6,752,123	6,617,081	4,051,274	2,565,807	135,042	950,000	
2002	7,790,932	7,635,113	4,674,559	2,960,554	155,819	950,000	
2003	7,727,113	7,572,571	4,636,268	2,936,303	154,542	950,000	
2004	7,800,302	7,644,296	4,680,181	2,964,115	156,006	950,000	
2005	7,800,302	7,644,296	4,680,181	2,964,115	156,006	950,000	
2006	7,774,978	7,619,478	4,664,987	2,954,491	155,500	950,000	
<b>Technical assistance</b>	<b>2,445,100</b>	<b>2,445,100</b>	<b>1,222,550</b>	<b>1,222,550</b>	<b>0</b>	<b>300,000</b>	
2000	0	0	0	0	0	0	
2001	361,690	361,690	180,845	180,845	0	50,000	
2002	417,336	417,336	208,668	208,668	0	50,000	
2003	413,918	413,918	206,959	206,959	0	50,000	
2004	417,838	417,838	208,919	208,919	0	50,000	
2005	417,838	417,838	208,919	208,919	0	50,000	
2006	416,480	416,480	208,240	208,240	0	50,000	
<b>Total</b>	<b>48,090,850</b>	<b>47,177,935</b>	<b>28,610,000</b>	<b>18,567,935</b>	<b>912,915</b>	<b>6,000,000</b>	
2000	0	0	0	0	0	0	
2001	7,113,813	6,978,771	4,232,119	2,746,652	135,042	1,000,000	
2002	8,208,268	8,052,449	4,883,227	3,169,222	155,819	1,000,000	
2003	8,141,031	7,986,489	4,843,227	3,143,262	154,542	1,000,000	
2004	8,218,140	8,062,134	4,889,100	3,173,034	156,006	1,000,000	
2005	8,218,140	8,062,134	4,889,100	3,173,034	156,006	1,000,000	
2006	8,191,458	8,035,958	4,873,227	3,162,731	155,500	1,000,000	

<sup>a</sup> The indicative financial contribution from private actors is difficult to estimate in advance. If the indicative 5 % private contribution is not realised, the Member States will guarantee the total national co-financing from public resources.

<sup>b</sup> The average co-financing rate for operations in INTERREG IIIC North Zone is calculated with 60 % since partners and participants in Objective 1 areas can apply for ERDF co-funding rates of up to a maximum of 75 %.

Priority	Total eligible expenditure						Third countries (not decided yet)	
	Total costs	Public expenditure				Private		Norway
		Total public elig. cost	ERDF <sup>7</sup>	National, regional or local				
1	2=3+6	3=4+5	4	5	6	7	8	
<b>Other priorities</b>								
<b>Strand C Co-operation (see chapter 1.5 of this Programme Complement)</b>								
	2,222,222	2,222,222	2,000,000	222,222				
2001	555,555	555,555	500,000	55,555				
2002	1,666,667	1,666,667	1,500,000	166,667				
<b>Border regions (see chapter 1.6 of this Programme Complement)</b>								
<b>Operations</b>	<b>2,985,714</b>	<b>2,940,930</b>	<b>2,090,000</b>	<b>850,930</b>	<b>44,784</b>	<b>0</b>		
2000	0	0	0	0	0	0		
2001	0	0	0	0	0	0		
2002	597,142	588,186	418,000	170,186	8,956	0		
2003	597,143	588,186	418,000	170,186	8,957	0		
2004	597,143	588,186	418,000	170,186	8,957	0		
2005	597,143	588,186	418,000	170,186	8,957	0		
2006	597,143	588,186	418,000	170,186	8,957	0		
<b>Technical assistance</b>	<b>220,000</b>	<b>220,000</b>	<b>110,000</b>	<b>110,000</b>	<b>0</b>	<b>0</b>		
2000	0	0	0	0	0	0		
2001	0	0	0	0	0	0		
2002	44,000	44,000	22,000	22,000	0	0		
2003	44,000	44,000	22,000	22,000	0	0		
2004	44,000	44,000	22,000	22,000	0	0		
2005	44,000	44,000	22,000	22,000	0	0		
2006	44,000	44,000	22,000	22,000	0	0		
<b>Total</b>	<b>3,205,714</b>	<b>3,160,930</b>	<b>2,200,000</b>	<b>960,930</b>	<b>44,784</b>	<b>0</b>		
2000	0	0	0	0	0	0		
2001	0	0	0	0	0	0		
2002	641,142	632,186	440,000	192,186	8,956	0		
2003	641,143	632,186	440,000	192,186	8,957	0		
2004	641,143	632,186	440,000	192,186	8,957	0		
2005	641,143	632,186	440,000	192,186	8,957	0		
2006	641,143	632,186	440,000	192,186	8,957	0		

<sup>7</sup> The indicative financial contribution from private actors is difficult to estimate in advance. If the indicative 5 % private contribution is not realised, the Member States will guarantee the total national co-financing from public resources.

<sup>8</sup> The average co-financing rate for the priority border regions is calculated with 70 % since partners in Objective 1 areas can apply for ERDF co-funding rates of up to a maximum of 75 %.

South zone

	Total eligible expenditure					Third countries
	Public expenditure				Private*	
	Total costs	Total public	ERDF	National		
<b>Opérations</b>	<b>207 704 523</b>	<b>207 704 523</b>	<b>131 449 599</b>	<b>76 254 924</b>	<b>0</b>	
2001	26 832 903	26 832 903	16 489 969	10 342 934	0	**
2002	34 996 633	34 996 633	22 123 680	12 872 953	0	**
2003	35 993 358	35 993 358	22 873 325	13 120 033	0	**
2004	36 419 425	36 419 425	23 170 921	13 248 505	0	**
2005	36 748 058	36 748 058	23 406 321	13 341 736	0	**
2006	36 714 145	36 714 145	23 385 383	13 328 762	0	**
<b>Technical assistance</b>	<b>10 931 817</b>	<b>10 931 817</b>	<b>6 918 400</b>	<b>4 013 417</b>	<b>0</b>	<b>0</b>
2001	1 412 258	1 412 258	867 893	544 365	0	0
2002	1 841 928	1 841 928	1 164 404	677 524	0	0
2003	1 894 387	1 894 387	1 203 859	690 528	0	0
2004	1 916 812	1 916 812	1 219 522	697 290	0	0
2005	1 934 108	1 934 108	1 231 912	702 197	0	0
2006	1 932 323	1 932 323	1 230 810	701 514	0	0
<b>Total</b>	<b>218 636 340</b>	<b>218 636 340</b>	<b>138 367 999</b>	<b>80 268 341</b>	<b>0</b>	
2001	28 245 161	28 245 161	17 357 862	10 887 299	0	**
2002	36 838 561	36 838 561	23 288 084	13 550 477	0	**
2003	37 887 745	37 887 745	24 077 184	13 810 561	0	**
2004	38 336 237	38 336 237	24 390 443	13 945 794	0	**
2005	38 682 166	38 682 166	24 638 233	14 043 933	0	**
2006	38 646 468	38 646 468	24 616 193	14 030 275	0	**
Additional priority (2.2.6), ERDF-Contribution financed under Art.53 of the INTERREG guidelines						
<b>Strand C Co-ordination actions **</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2001	0	0	0	0	0	0
2002	0	0	0	0	0	0

\*\* Although the participation of private actors under this programme is warmly welcome, their indicative financial contribution is hard to estimate in advance. However, the financial plan doesn't integrate the financial contribution of the private sector

\*\* The participation of third countries, however warmly welcome, is difficult to estimate to this day. It will be accounted for in the course of the programme's development.

**East zone**

Financial Table – Zone East INTERREG IIC						
	Public Expenditure					Third Countries (not decided yet)
	Total Costs	Total public	ERDF	National	Private*	
<b>Operations</b>	<b>73.826.020</b>	<b>72.349.498</b>	<b>44.295.612</b>	<b>28.053.886</b>	<b>1.476.522</b>	<b>0</b>
2001	7.738.077	7.583.315	4.842.846	2.940.489	154.762	0
2002	12.448.138	12.197.215	7.467.683	4.729.532	248.923	0
2003	12.745.833	12.490.916	7.847.500	4.843.416	254.917	0
2004	13.138.500	12.875.730	7.883.100	4.992.630	262.770	0
2005	13.142.092	12.879.250	7.885.255	4.993.995	262.842	0
2006	14.615.380	14.323.072	8.769.228	5.553.844	292.308	0
<b>Technical Assistance</b>	<b>4.428.776</b>	<b>4.428.776</b>	<b>2.214.388</b>	<b>2.214.388</b>	<b>0</b>	<b>0</b>
2001	430.240	430.240	215.120	215.120	0	0
2002	610.634	610.634	305.317	305.317	0	0
2003	805.000	805.000	402.500	402.500	0	0
2004	829.800	829.800	414.900	414.900	0	0
2005	830.026	830.026	415.013	415.013	0	0
2006	923.076	923.076	461.538	461.538	0	0
<b>Total</b>	<b>78.254.796</b>	<b>76.778.274</b>	<b>46.510.000</b>	<b>30.268.274</b>	<b>1.476.522</b>	<b>0</b>
2001	8.168.317	8.013.555	4.857.986	3.155.589	154.762	0
2002	13.056.772	12.807.849	7.773.000	5.034.849	248.923	0
2003	13.550.833	13.295.916	8.050.000	5.245.916	254.917	0
2004	13.968.300	13.705.530	8.298.000	5.407.530	262.770	0
2005	13.972.118	13.709.276	8.300.268	5.409.008	262.842	0
2006	15.538.456	15.248.148	9.230.766	6.015.382	292.308	0
Additional priority (2.2.6), ERDF-Contribution financed under Art.53 of the INTERREG guidelines						
<b>Strand C Co-ordination actions **</b>	<b>1.111.111</b>	<b>1.111.111</b>	<b>1.000.000</b>	<b>111.111</b>	<b>0</b>	<b>0</b>
2001	277.778	277.778	250.000	27.778	0	0
2002	833.333	833.333	750.000	83.333	0	0

\* Although the participation of private actors under this programme is warmly welcome, their indicative financial contribution is hard to estimate in advance. If the indicative private contribution is not realised, the Member States can replace this contribution from public resources without a change of a programme.

\*\* The national contribution for these activities is calculated by a share of 10%.



Additional priority (2.2.7), ERDF-Contribution financed under Art.53 of the INTERREG guidelines						
<b>Border regions operations</b>	<b>17.976.925</b>	<b>17.662.330</b>	<b>11.685.000</b>	<b>5.977.330</b>	<b>314.595</b>	<b>0</b>
2001	0	0	0	0	0	0
2002	3.595.385	3.532.468	2.337.000	1.195.466	62.919	0
2003	3.595.385	3.532.468	2.337.000	1.195.466	62.919	0
2004	3.595.385	3.532.468	2.337.000	1.195.466	62.919	0
2005	3.595.385	3.532.468	2.337.000	1.195.466	62.919	0
2006	3.595.385	3.532.468	2.337.000	1.195.466	62.919	0
<b>Technical Assistance</b>	<b>1.230.000</b>	<b>1.230.000</b>	<b>615.000</b>	<b>615.000</b>	<b>0</b>	<b>0</b>
2001	0	0	0	0	0	0
2002	246.000	246.000	123.000	123.000	0	0
2003	246.000	246.000	123.000	123.000	0	0
2004	246.000	246.000	123.000	123.000	0	0
2005	246.000	246.000	123.000	123.000	0	0
2006	246.000	246.000	123.000	123.000	0	0
<b>Total***</b>	<b>19.206.925</b>	<b>18.892.330</b>	<b>12.300.000</b>	<b>6.592.330</b>	<b>314.595</b>	<b>0</b>
2001	0	0	0	0	0	0
2002	3.841.385	3.778.468	2.460.000	1.318.466	62.919	0
2003	3.841.385	3.778.468	2.460.000	1.318.466	62.919	0
2004	3.841.385	3.778.468	2.460.000	1.318.466	62.919	0
2005	3.841.385	3.778.468	2.460.000	1.318.466	62.919	0
2006	3.841.385	3.778.468	2.460.000	1.318.466	62.919	0

\*\*\* Indicative Figures include a share of 5% for Technical Assistance for Operations on border regions. The national plus private contribution to operations is calculated by a share of 65% to 35% with respect of partners in objective 1 border regions.

West zone

Financial Table – West zone INTERREG IIIC						
	Public Expenditure					Third Countries
	Total Costs	Total public	ERDF	National	Private*	
<b>Operations</b>	<b>149.037.190</b>	<b>146.056.446</b>	<b>89.422.314</b>	<b>56.634.132</b>	<b>2.980.744</b>	<b>7.434.067</b>
2001	22.428.427	21.979.858	13.457.058	8.522.802	448.569	1.119.100
2002	25.451.318	24.942.282	15.270.791	9.671.501	509.028	1.269.596
2003	25.279.242	24.773.657	15.187.545	9.606.112	505.585	1.261.204
2004	25.332.085	24.825.443	15.189.251	9.626.192	506.642	1.264.054
2005	25.201.760	24.697.725	15.121.056	9.576.689	504.035	1.255.900
2006	25.344.358	24.837.471	15.208.615	9.630.656	506.887	1.264.213
<b>Technical Assistance</b>	<b>9.175.376</b>	<b>9.175.376</b>	<b>4.587.688</b>	<b>4.587.688</b>	<b>0</b>	<b>0</b>
2001	1.380.792	1.380.792	690.396	690.396	0	0
2002	1.566.894	1.566.894	783.447	783.447	0	0
2003	1.556.300	1.556.300	778.150	778.150	0	0
2004	1.559.552	1.559.552	779.776	779.776	0	0
2005	1.551.530	1.551.530	775.765	775.765	0	0
2006	1.560.308	1.560.308	780.154	780.154	0	0
<b>Total</b>	<b>158.212.566</b>	<b>155.231.822</b>	<b>94.010.002</b>	<b>61.221.820</b>	<b>2.980.744</b>	<b>7.434.067</b>
2001	23.809.219	23.380.650	14.147.452	9.213.198	448.569	1.119.100
2002	27.018.212	26.509.186	16.054.238	10.454.948	509.028	1.269.596
2003	26.835.542	26.329.957	15.945.695	10.384.282	505.585	1.261.204
2004	26.891.637	26.384.965	15.979.027	10.405.968	506.642	1.264.054
2005	26.753.290	26.249.255	15.896.821	10.352.434	504.035	1.255.900
2006	26.904.666	26.397.779	15.968.769	10.411.010	506.887	1.264.213
Additional priority (2.2.6), ERDF-Contribution financed under Art.53 of the INTERREG guidelines						
<b>Strand C Co-ordination</b>	<b>1.111.111</b>	<b>1.111.111</b>	<b>1.000.000</b>	<b>111.111</b>	<b>0</b>	<b>0</b>
2001	277.778	277.778	250.000	27.778	0	0
2002	833.333	833.333	750.000	83.333	0	0

\* Although the participation of private actors under this programme is warmly welcome, their indicative financial contribution is hard to estimate in advance. The programme aims to obtain 5% of the national funds normally expected from public bodies to match ERDF for projects to come from private sector contributions. If this % target is not met, then other national funding sources would be expected to make up the rest.

As already mentioned in the chapter on eligibility and selection criteria (cp. chapter 3), the financial share of the three types of operations is not fixed in advanced. According to the INTERREG IIIC Programme, the share of RFOs may vary between 50% and 80%, Individual Cooperation Projects may be funded by 10% to 30% of the programmes budget, for the Networks, a range of 10% to 20% is foreseen. The fact that the share of the different types of operations is not fixed leads to the consequence, that a financial breakdown per type of operation is not easy to calculate.

Depending on the relative weight of the types of operations, the amount of ERDF grants may vary:

**Table 7: Budget – Breakdown of ERDF contribution per Type of Operation**

North zone

€ 27.387.450	RFO	Individual	Network
Maximum RFO	80% : 21.909.960	10% : 2.738.745	10% : 2.738.745
Average RFO	65% : 17.801.842	20% : 5.477.490	15% : 4.108.118
Minimum RFO	50% : 13.693.725	30% : 8.216.235	20% : 5.477.490

South zone

€ 131.449.599	RFO	Individual	Network
Maximum RFO	80% : 105.159.679	10% : 13.144.960	10% : 13.144.960
Average RFO	65% : 85.442.239	20% : 26.289.920	15% : 19.717.440
Minimum RFO	50% : 65.724.799	30% : 39.434.880	20% : 26.289.920

East zone

€ 44.295.611	RFO	Individual	Network
Maximum RFO	80% : 35.436.489	10% : 4.429.561	10% : 4.429.561
Average RFO	65% : 28.792.147	20% : 8.859.122	15% : 6.644.342
Minimum RFO	50% : 22.147.806	30% : 13.288.683	20% : 8.859.122

West zone

€ 89.422.314	RFO	Individual	Network
Maximum RFO	80% : 71.537.852	10% : 8.942.231	10% : 8.942.231
Average RFO	65% : 58.124.504	20% : 17.884.463	15% : 13.413.347
Minimum RFO	50% : 44.711.157	30% : 26.826.694	20% : 17.884.463

## 6. Codification

In Annex IV of Commission Regulation (EC) No 438/2001 of 2 March 2001, the European Commission is giving a classification of areas of intervention. This classification is introduced to contribute “to clear communication on the various Community policies” and shall be mainly used for the communication to the Commission. The list of 14 basic categories is drawn from the types of activity carried out in earlier Objective 1 programmes.

INTERREG IIIC does not fit directly into this classification. Operations under INTERREG IIIC aim at “linking and promoting exchanges of experience and best practice from the types of activity supported under Objective 1 and 2 programmes, the INTERREG Community Initiative, the Urban Community Initiative and urban development, and the future regional innovative actions programme” (INTERREG IIIC Communication, point 6). All Structural Funds related activities may be subject of INTERREG IIIC operations, but the Operations themselves can hardly be categorised in this way.

The essential core of IIIC measures is the “exchange of experience and best practice”. Operations of this kind can only fall under Category 4 “Miscellaneous” and code 414 “innovative actions” of Annex IV, Chapter 3, of the above-mentioned regulation.

For the information of the Commission and in order to relate INTERREG IIIC operations to the Structural Funds activities, the classification of operation will be supplemented by a classification of the subject of exchange, according to Annex IV of Commission Regulation (EC) No 438/2001. All operations of this programme will be classified as follows:

Classification of the operation	Classification of the subject of exchange	Additional Information
414 for all activities under INTERREG IIIC TA under rule 11,2: 411 TA under rule 11,3: 412, 413, 415	according to Annex IV of Commission Regulation (EC) No 438/2001	<ol style="list-style-type: none"> <li>1. location: (a) urban, (b) rural or (c) not geographically limited</li> <li>2. (a) environment as main focus (b) environment-friendly (c) environmentally neutral</li> <li>3. (a) equality as main focus (b) positive in terms of equality (c) neutral</li> </ol>

## **7. Publicity**

### **7.1 Strategic objectives of the publicity plan**

The overall aim of the publicity plan is to constantly provide different kinds of target groups with adequate and high-quality information about INTERREG IIIC. An efficient communication of information should both increase the public awareness about the programme as well as providing the stakeholders with accurate and reliable information and data on the programme. All information and publicity measures will take into account Article 46 of the Structural Fund Regulation (Council Regulation No. 1260/1999) and the Information and Publicity Measures Regulation (Commission Regulation No. 1159/2000).

Reflecting the specific nature of INTERREG III C with an administrative structure divided into four zones but interregional cooperation activities mainly going beyond the zone division it is especially important to assure consistent information on the programme throughout the eligible area. Therefore all information and publicity activities have to be closely coordinated between the four zones.

### **7.2 Responsibility**

The publicity plan will be jointly implemented by the Managing Authorities respectively Joint Technical Secretariats of the four INTERREG IIIC programme zones. All information and publicity will be carried out under supervision of the monitoring and steering committees of the four zones. National stakeholders including the regions involved will play an important role when it comes to information activities in the respective participating countries.

### **7.3 Target group**

The target group of the programme is compound and manifold. This implies that the information communicated to different stakeholders has to be adjusted to various needs.

Primarily information should be directed to potential as well as final beneficiaries becoming or being involved in operations within the programmes. Information should also be provided for on a regular basis to relevant public authorities on national, regional and local level, in order to e.g. achieve a full coverage when it comes to further dissemination of information in the participating countries. Economic and social partners as well as NGO's are parties that also should be included in frequent communication activities. By marketing the programme through different kinds of media the general public is also becoming aware of the role played by the European Union in co-operation with the Member States.

#### **7.4 Information sources and means of communication**

Information about the programme will be spread through a variety of channels in order to reach the different stakeholders and raise general awareness. A number of basic sources of information as well as some essential means of communicating this information serve as a basis for a constantly broad and a deep communication of programme-related information.

#### **7.5 Sources of INTERREG III C information:**

##### **(A) Core documents**

INTERREG IIIC Community Initiative Programmes (CIP): The work within the programme revolves around the Community Initiative Programmes of the four INTERREG IIIC zones, which are almost similar in content. All relevant information about the programme, e.g. topics for cooperation, types of operation as well as means of implementation are defined in these documents.

Programme Complements: The Programme Complements add more information to the programmes; especially final beneficiaries, criteria for project selection as well as for monitoring and evaluation are depicted.

##### **(B) The joint INTERREG IIIC Internet portal**

The four programme zones set up a joint Internet portal, which comprises a main section for general information on INTERREG IIIC and four sub-sections with special information for each programme zone. The Internet portal will be the main information source for the programme. It will be constantly updated and filled with all kinds of relevant information and data on e.g. ongoing activities and calls for proposals, as well as facts and figures about the programme and its implementation. Hyperlinks to other INTERREG programmes as well as to applicable sites of the EU and to relevant institutions and organisations will be also presented.

<p><u>Target group</u>: interested general public, potential final beneficiaries, Lead Partners and other partners working with the programme, stakeholders and programme owners.</p> <p><u>Output indicator</u>: number of visits to the website.</p> <p><u>Result indicators</u>: well informed potential and final beneficiaries, level of knowledge in the public on the programme, level of awareness of the general framework of the programme.</p>
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### (C) Publications

Flyers and brochures: Printed flyers and brochures giving general information about the programme and its objectives, implementation, activities and results will be constantly produced in order to inform the public about INTERREG IIIC. The aim is to market the programme and its funding opportunities, and to generally encourage interest and participation in the programme. There will be both printed information material valid for all four zones and zone specific flyers and brochures.

<p><u>Target group:</u> potential beneficiaries, potential project partners, general public.</p> <p><u>Output indicators:</u> number of flyers produced, numbers of copies requested and distributed.</p> <p><u>Result indicator:</u> broader and better awareness of the general framework of the programme.</p>
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The INTERREG IIIC application and operation pack: The INTERREG IIIC application and operation pack will be published on the joint INTERREG IIIC website. Main documents in this pack will be the application manual, the operation manual, the application form, a practical guide for filling in the application form and various model contracts. The INTERREG IIIC application and operation pack will apply to all four zones.

The application manual is to be seen as an applicants' handbook for the application phase, which will be regularly updated and completed with relevant information. The application manual contains e.g. information about eligibility and selection criteria, the application procedure, the involvement of partners from third countries and the establishment of the partnership.

The operation manual in turn is to be seen as a handbook for both applicants as well as Lead partners and partners in INTERREG IIIC operations. It will also be regularly updated and completed with relevant information. The operation manual contains e.g. information about management and administration of INTERREG IIIC operations, monitoring and reporting procedures as well as publicity and information activities.

<p><u>Target group:</u> potential beneficiaries, lead partners and partners in operations.</p> <p><u>Output indicator:</u> number of application and operation packs downloaded, number of visits to the relevant website pages.</p>
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<p><u>Result indicator:</u> better quality of project applications, well prepared activity and final reports, high cost-effectiveness between implementation and administration costs in relation to programme work and produced outputs.</p>
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Specific publications: In connection to e.g. seminars, conferences, speeches, exhibitions and fairs a wide range of specific information material will be produced by the Joint Technical Secretariats and Managing Authorities in order to meet the needs of information at each specific occasion. Information material and reports produced by the final beneficiaries in the framework of their work will also be collected and distributed at appropriate occasions.

<p><u>Target group:</u> specific thematic or sector related potential final beneficiaries, Lead Partners and other partners working in related sectors.</p> <p><u>Output indicator:</u> number of copies distributed on average at each occasion.</p> <p><u>Result indicator:</u> well informed potential and final beneficiaries related to specific sectors, synergy and networking of final beneficiaries.</p>
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**(D) The INTERREG IIIC Joint Technical Secretariats and Managing Authorities**

The INTERREG IIIC Joint Technical Secretariats and Managing Authorities of the four programme zones will provide continuously information about the programmes. They could be contacted by telephone, fax, e-mail, via web sites as well as visits.

**(E) Information- and partner-search forums**

Information- and partners-search forums marketing the programme to applicants and potential final beneficiaries are planned.

Target group: interested general public, potential final beneficiaries.  
Output indicator: number of participants.  
Result indicators: well informed potential and final beneficiaries, level of knowledge in the public on the programme, level of awareness of the general framework of the programme.

**(F) Lead partner seminars**

Seminars on management and administration of INTERREG IIIC operations will be organised for lead partners of approved operations. Information about e.g. reporting and monitoring procedures will be given, as well as information about administrative, legal and practical matters of relevance concerning project co-ordination and management.

Target group: Lead partners.  
Output indicator: number of Lead partners participating.  
Result indicator: well prepared activity and financial reports, high cost-effectiveness between implementation and administration costs in relation to programme work and produced outputs at project and programme level.

**(G) Participation in external events**

The programme will be marketed at several occasions like conferences, seminars, exhibitions and fairs organised by different organisations or networks active in the field of regional policy. At these occasions information will be given on e.g. funding opportunities and application procedures. On occasions of national relevance, information will be provided mainly by national stakeholders. At transnational events, the members of the Managing Authorities and Joint Technical Secretariat will promote the programme depending on staff resources and travel limitations.

Target group: international potential beneficiaries, all parties interested in INTERREG IIIC.  
Output indicator: number of events the Managing Authorities / Joint Technical Secretariats have participated in.  
Result indicator: well informed potential and final beneficiaries, level of knowledge in the public on the programme, level of awareness of the general framework of the programme.



**H) Media**

Press releases and other kind of information to the media will be provided for when issues of interest to the general public or to experts so arise.

Target group: press directed at regional and transnational issues, sector specific media.

Output indicator: number of articles published.

Result indicator: better knowledge and awareness of the programme and of the role played by the European Union's ERDF programmes.

## **8. Information System**

The INTERREG IIIC programmes will develop a common database for the administration of operations, which facilitates the generation of data files that support the requirements of the file interface of the Structural Funds common (SFC) database. The financial data in the project administration database will be organised by taking into account the 'Vademecum for the Programming Period 2000-2006'.

During the application phase the indicative budgets of applications will be compiled in financial tables. The total budget will be broken down by topics for cooperation and types of operation. During the selection process the tables can have the status 'proposed plans', 'programme complements' or 'decided plans'. It will be possible to generate PG-files from the database. The version-management will be taken into account.

During the reporting phase requests for payments from operations will be gathered for each reporting period. The operations will be assigned to topic for cooperation and types of operation. From this information DP-files can be generated.

The next step will be the payment phase when after checking the financial reports payments of EU funding will be carried out. All payments will be registered in the database. Also the initially agreed budgets of the operations will be kept in the database for comparison. All data will be related to topics for cooperation and types of operation. From it a RE-file will be produced for each payment. As there will be no advance payments under INTERREG IIIC FC-files are not foreseen.

Data concerning national co-financing will be gathered in the database and transferred to MO-files.

The database will allow a recording of all changes. Thus, it is possible to get information on the budgetary status for each single day. From it AR-files can be produced for the annual and final report.

The generation of interface files and the submission to the SFC-database will be recorded in the database.

When establishing the INTERREG IIIC administration databases for operations following conventions will be taken into account:

- Convention 1: "The internal reference codes for each operational level should have only numerical values. This would facilitate the data extraction in respect of the file interface specifications";
- Convention 2: "In all the cases the references (codes and description) which characterise the initial structure of the assistance have to remain unchanged in the revised financing plan";
- Convention 3: "Presentation of amounts into the financial reports. For reporting purposes, amounts will be in Euro. Financial reports should be internally consistent (for example amounts at priority level should equal the sum of the amounts at measure level)".

For creating the file names of interface files the rules of file interface 1.2 will be taken into account. The character code ISO 8859 will be applied. Language will be English.

Files generated from the database will be submitted via email.

The development of the administration databases for operations will take place during 2002. New requirements for the file interface can still be taken into account.



# Community Initiative Interreg IIIB (2000 – 2006)

for the



## Programme

**Joint Programming Committee:**

Austria, Germany, Greece, Italy  
Bosnia-Herzegovina, Croatia, Czech Republic, Hungary, Poland, Republic of Slovenia, Romania

*eligibility date:* 12<sup>th</sup> March 2001  
*approbation date:* 27<sup>th</sup> December 2001

**Abbreviations and initials***Structures and actors of the programme:*

MA = Managing Authority  
 PA = Paying Authority  
 SC = Steering Committee  
 MC = Monitoring Committee  
 JTS = Joint Technical Secretariat  
 TWG = Transnational Working Group  
 CCP = Cadses Contact Point  
 NC = National Committee  
 LP = Lead Partner  
 PP = Project Partner  
 MS = Member State  
 NM = Non-Member State  
 AC = Accession Country

*Further actors:*

EU = European Union  
 EC = European Commission  
 SMEs = Small and Medium sized Enterprises  
 NGO = Non-Governmental Organisation

*Policies, strategies, financial instruments and guidelines for spatial development:*

ESDP = European Spatial Development Perspective  
 ERDF = European Regional Development Fund  
 ESF = European Social Fund  
 PHARE = Poland and Hungary: Action for the Restructuring of the Economy  
 TACIS = Technical Assistance to Commonwealth of Independent States  
 CARDS = Community Assistance for Reconstruction Development Stabilisation  
 ISPA = Instrument for Structural Policies for pre-Accession  
 SAPARD = Special Accession Programme for Agriculture and Rural Development  
 TEN = Trans-European Networks  
 TINA = Transport Infrastructure Needs Assessment  
 RDP = Rural Development Plan

NPAA = National Programme for the Adoption of the Acquis

EIB = European Investment Bank

*Others:*

CIP = Community Initiative Programme  
 TA = Technical Assistance  
 IPP = Information and Publicity Plan  
 SWOT = Strength, Weaknesses, Opportunities and Threats  
 BSR = Baltic Sea Region  
 CEEC = Central and Eastern Europe Country  
 CBC = Cross-Border Cooperation  
 SMCs = Small and Medium sized Cities  
 IS = Information Society  
 ICT = Information and Communication-related Technologies  
 ITS = Intelligent Transport Systems  
 GIS = Geographic Information System  
 CEMAT = Conférence Européenne des Ministres responsable de l'Aménagement du Territoire (European Conference of Ministers responsible for Spatial Planning)  
 NIS = Newly Independent States  
 EIA = Environmental Impact Assessment  
 TIA = Territorial Impact Assessment  
 SEA = Strategic Environmental Impact Assessment

**Definitions:**

- *assistance*: means the forms of assistance provided by the Funds, i.e.:

- (i) Operational programmes or Single programming documents;
- (ii) Community initiative programmes;
- (iii) support for Technical assistance and Innovative measures;

- *priority*: means one of the priorities of the strategy adopted in a Community support framework or assistance; to it is assigned a contribution from the Funds and other financial instruments and the relevant financial resources of the Member States and a set of specified targets;

- *measure*: means the means by which a priority is implemented over several years which enable operations to be financed. Any aid scheme pursuant to Article 87 of the Treaty or any aid granted by bodies designated by the Member States, or any group of aid schemes or aid grants of this type or any combination thereof which have the same purpose and are defined as a measure;

- *operation*: means any project or action carried out by the final beneficiaries of assistance;

- *final beneficiaries*: means the bodies and public or private firms responsible for commissioning operations. In the case of aid schemes pursuant to Article 87 of the Treaty and in the case of aid granted by bodies designated by the Member States, the final beneficiaries are the bodies which grant the aid;

- *programme complement*: means the document implementing the assistance strategy and priorities and containing detailed elements at measure level, drawn up by the Member States or managing authority and revised as necessary. It is sent to the Commission for information;

- *Member State*: member of the European Union inside the CADSES cooperation area (Austria, Germany, Greece, Italy);

- *Non-Member State*: all the other States inside the CADSES cooperation area (Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic Federal Republic of Yugoslavia, Former Yugoslav Republic of Macedonia, Hungary, Poland, Republic of Moldova, Romania, Slovak Republic, Slovenia, Ukraine);

- *Accession Countries*: Non-Member States inside the cooperation area candidates to access at the European Union like Member States (Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovak Republic, Slovenia);

- *Third Countries*: Non-Member States inside the cooperation area but without Accession Status (Albania, Bosnia-Herzegovina, Croatia, Federal Republic of Yugoslavia, Former Yugoslav Republic of Macedonia, Republic of Moldova, Ukraine).



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## INTRODUCTION

Among the Interreg IIIB areas, the Central Adriatic Danubian South Eastern European space - CADSES - is the largest and most complex in Europe. It includes 18 countries, from the Baltic Sea - Poland and Germany - to the Mediterranean, through Austria, western Italy and the Balkans, down to Greece, touching the eastern countries from Ukraine to all the Accession Countries.

This geographical complexity is reflected in several aspects: the status related to the European Union – 4 Member States, nearly all the Accession Countries, the Balkans – the economic, social and political conditions, the environmental situation.

In facing such complexity, the CADSES programme adopts the spatial approach according to the mission of Interreg. Integration, in this particular space, means:

- establishment of a common understanding of the spatial policies;
- setting the basis for developing common rules and principles in the territorial planning;
- creating a unified vision of the transport and communication networks;
- supporting the best conditions of a sustainable growth;
- protecting natural heritage and preventing its degrade - including flood and disaster prevention;
- evaluating cultural and historical heritage, both establishing common rules for its regulation and using this as a strategic element of economic development.

These objectives are reflected in the four priorities of the CADSES programme.

In order to fulfilling these objectives, the mechanisms foreseen for their implementation become an important instrument of the co-operation between the states and all the actors involved. The rules and mechanisms of transnational co-operation already existing in the Interreg III Guidelines have been furtherly strengthened with the scope of deepening the European integration with a special regard to issues as enlargement and the Balkan area:

- a full membership for all countries is stated, without considering the status of Member or Non-Member State, but only based on the practical conditions;
- a maximum degree of integration of the community instruments that operate on the area (TACIS, PHARE, CARDS, ISPA, SAPARD, TINA) is pursued;
- partnership at the project level is strengthened.

The Programme is the result of a joint process, in which almost all the partner countries have taken directly part, through national and transnational seminars, conferences and dedicated meetings of the expert groups. Regions and other relevant actors – especially those related to environmental issues - have been involved since the first steps in the elaboration of this Programme.<sup>1</sup>

During the programming process, a special attention has been given to all the environmental aspects, as well as to other community policy objectives: suggestions by the relevant institutions have been considered.

---

<sup>1</sup> Among the non-member countries, Hungary, Poland, Tzech Republik, Slovenia and Romania have continuously participated.

## 1. DESCRIPTION OF THE PROGRAMME AREA AND SWOT ANALYSIS

### 1.1 The administrative boundaries

The co-operation space involves all the regions as for CADSES I, to which Ukraine and some regions in Germany, Austria and Italy have been added. This underlines the wish of all partners for geographical continuity.

Some of these regions also participate in other transnational co-operation areas: some German regions and Poland also belong to the Baltic Sea Region (BSR), some Italian regions also belong to MEDOCC (Lombardia, Emilia Romagna, Umbria), to the Alpine-Space (Lombardia, Trentino Alto Adige, Veneto, Friuli Venezia Giulia) and to ARCHIMED (Puglia), Austria, Slovenia and some German regions also belong to the Alpine-Space, Greece also participates in ARCHIMED. Spatial overlapping has not to be regarded as a negative aspect: European Interreg areas can not be rigidly divided, while flexible boundaries can provide a positive complementarity. The regions that belong to more than one transnational space can play this particular mission of linking the different transnational areas.

For Poland differentiation between CADSES and BSR has been specified in the following way: CADSES projects should have a clear CADSES dimension and orientation. (See also BSR Programme)

There is also a great number of Community Initiative programmes in the CADSES area. They are financially smaller than the objective programme, but in some aspects closer to the aims of the Interreg IIIB. This is, of course, particularly true of other Strands of Interreg. The programming of other Community Initiative programmes has run parallel to the preparation of the Interreg IIIB, but due attention has been paid to complementarity and co-ordination between them.

A particular challenge is co-ordination with other programmes under the Interreg Community Initiative. There are several programmes under Interreg IIIA in the CADSES area:

- Germany - Austria
- Germany - Poland
- Germany - Czech Republik
- Austria – Slovak Republic
- Austria - Czech Republic
- Austria - Slovenia
- Austria - Hungary
- Italy - Slovenia
- Adriatic Crossborder
- Italy - Albania
- Italy - Greece
- Greece - Albania
- Greece - Bulgaria
- Greece - FYROM

A basic division of work between these and the Interreg IIIB initiative is ensured through the minimum requirement for transnationality. While the programmes under Interreg IIIA focus on the development of their particular cross-border

region and are basically bilateral in character, Interreg IIIB is a transnational initiative where partners from two or more states can cooperate outside the border regions. In terms of content, the Interreg IIIA initiative to a large extent focus on business development and training, but also includes priorities similar to those in the Interreg IIIB initiative, particularly development of communications and improving the environment. Therefore, even if the geographical scope is different, special attention will be paid to the division of work and complementarity with Interreg IIIA in the implementation of the Interreg IIIB initiative.

According to the Interreg Guidelines, programming must be complementary to the measures promoted under Objectives 1, 2 and 3 of the Structural Funds, particularly as regards infrastructures, and the other Community Initiatives. This is a particular challenge for this programmes, as there is a great number of other Structural Funds programmes operating inside the CADSES co-operation space, all with the aim to support development in various parts and fields of the area.

It has been the clear intention of the partnership to take into account complementarity with other programmes both in the programming phase and in the implementation phase. This is facilitated by the fact that authorities responsible for programmes promoted under Structural Funds assistance have been either represented in the joint programming committee for CADSES programme or have been regularly informed, and will also be (partly) represented in the Monitoring Committee. On a general level, the division of work between this Community Initiative programme and other Structural Funds programmes in the CADSES area is assured by the basic project eligibility criteria. In the Interreg IIIB initiative the projects intend to involve more than two states in terms of content and involve at least two states with financial contribution<sup>2</sup>. It is also stated that the eligible project costs must exclude double financing by any other EU grant. The complementarity with other programmes will be set out in more detail in the Programme Complement.

The new assistance under the Objectives 1 and 2 were drawn up before the Interreg IIIB initiative and it has therefore been possible to take full account of them in the preparation of this Community Initiative. The budgets and scope of the assistance under an Objective are far bigger than that of the assistance under Interreg IIIB, but this Community Initiative can serve as a supplement to the national programmes by adding a transnational dimension to development work. On one hand Interreg IIIB initiative and its projects will thus provide a transnational framework in which regional development measures can be undertaken, on the other hand joint transnational projects can lead to more concrete and financially bigger follow-up projects to be financed through national programmes under Objectives. This is particularly true for the development of infrastructures. The Interreg IIIB initiative will not provide any finance for large infrastructure investments, but will fund investigations and small-scale investment as a requirement for larger investments. Other Structural Fund actions can therefore support the implementation of Interreg IIIB results in that respect.

Attention will be paid to similar complementarities with national programmes under Objective 3 and Rural Development Programmes in the Member States.

The countries involved in the CIP CADSES-Interreg IIC want to build upon their co-operation experience and therefore only small amendments in the co-operation space are intended. Hence continuity in the transnational framework for action is provided. The participating regions are (regions which have not been part within the frame of Interreg IIC are printed in bold letters):

---

<sup>2</sup> In case Non-Member States participates in projects, a contribution, even in kind, for technical assistance can eventually be asked.

## INTERREG III B CADSES - Programme area 2000 - 2006



CADSES regions in

- EU Member States
- Accession Countries
- Third Countries

\* Former Yugoslav Republic of Macedonia

Table 1: Countries and regions participation in the CIP CADES-Interreg IIIB

Albania	NM	The whole country
Austria	MS	The <b>whole country</b> (i.e. <b>Salzburg, Tirol, Vorarlberg</b> (all NUTS-II) have become part of the programme area)
Bosnia Herzegovina	NM	The whole country
Bulgaria	AC	The whole country
Croatia	NM	The whole country
Czech Republic	AC	The whole country
Federal Republic of Yugoslavia	NM	The whole country
Former Yugoslav Republic of Macedonia	NM	The whole country
Germany	MS	Baden-Württemberg , Bayern, <b>Mecklenburg-Vorpommern</b> , Sachsen, Sachsen-Anhalt, Berlin, Brandenburg, Thüringen (all NUTS-II)
Greece	MS	The whole country
Hungary	AC	The whole country
Italy	MS	Puglia, Molise, Abruzzi, Marche, Friuli-Venezia Giulia, Veneto, Emilia-Romagna, <b>Lombardia, Trentino-Alto Adige, Umbria</b> (all NUTS-II)
Poland	AC	The whole country
Republic of Moldova	NM	The whole country (northern part of the country has become part of the programme area)
Romania	AC	The whole country
Slovak Republic	AC	The whole country
Slovenia	AC	The whole country
Ukraine	NM	Odesa oblast, <b>Zakarpatska oblast, Lviv oblast, Ternopol oblast, Ivano-Frankovsk oblast, Cernovci oblast</b>

## 1.2 The view from the Member States

Regarding the length and former character of continental borders within CADES the objective of spatial integration is of particular significance for the programme space. The perception of the border regions as bridges in an enlarging Europe has been deepened, highlighting their economic and strategic importance. This applies to the participating Member States as well as to the countries which are on their way to accession and integration. All participating Member States are in specific positions in this respect:

- For Germany in part the regions bordering CEECs are the so-called "Neue Länder", which can be labelled also as regions in transition;
- Austria reveals, compared to the size of the country a rather long stretch of borders with CEECs, i.e. a high share of its territory are currently external border regions;
- Italy shares the Adriatic and Ionian coasts with Stability Pact Countries besides the land borders with Slovenia;
- Greece, which borders countries of the Stability Pact Area and shares a mountainous border area with Bulgaria; the country is also part of the Adriatic Space.

The delimitation of CADES demonstrates the interest of these Member States to exceed the boundaries of the immediate enlargement area, including countries which cannot be labelled as Accession Countries at present. To promote the integration of these countries is obviously in line with the aim of territorial integration for the whole CADES.



It is also important to note that the four Member States form an interesting North-South co-operation with regard to the present EU. Within this group of Member States a wide range of transnationally active institutions exists, nevertheless the CADSES provides the opportunity to extend existing co-operative structures and to spearhead into innovative approaches. On the one hand the heterogeneity of the participating Member States' regions might appear as an obstacle, but on the other hand it is in line with the major strength of the CADSES area as a whole: its rich and diverse structures and pre-conditions with regard to all areas of action in the forthcoming programme period.

### **1.3 SWOTanalysis: MemberStates**

The brief SWOT in this section points out the main topics which in general dominate the discussion in the context of forthcoming integration within CADSES from the Member States point of view. With regard to spatial development the perspective of enlargement offers specific opportunities but bears also the risk of specific threats for the Member States' regions. For Greece bordering countries whose accession perspective is yet not clear a number of additional specific concerns arise. In most cases it is hardly possible to make an exact distinction between enlargement-driven processes and 'normal' spatially relevant developments.

One has to bear in mind that over the past decade substantial progress has been achieved regarding the economic integration between the EU and the CEECs. In the remaining pre-accession phase regional economic impacts for the Member States will result from:

- Changing trade relations;
- Changing investment flows induced by shifts in location quality and in turn inducing further changes in location quality, e.g. by an increased accessibility;
- Sector specific effects, particularly in protected sectors such as agriculture or for industrial branches which are still subject to specific regulations such as food or steel.

Labour market impacts induced by migration or by capital flows.

Though closely related to the above mentioned impacts a second group of impacts may be distinguished concerning the spatial distribution (or organisation) of development. These spatial impacts have their origin in:

- Changing border regimes;
- The reorganisation of regional systems of production.

Several studies indicate that by and large, the impacts on the regions in the accession candidate countries will be stronger than on the Member States' regions. With visions and perspectives focusing on the future developments and perspectives between Member and Non-Member States one should not forget that the EU itself is in a process of deepening integration which will also foster large-scale European developments.

In the context of the enlargement fears of losing economically are being articulated in the Member States. These fears are most articulated on the regional level because there the impacts are felt most intensive, but the instruments to counteract unbalanced respectively adverse developments are very limited. Major concerns focus on the labour markets, pointing out the already given concentrations of foreign labour force in certain sectors and the fear of crowding-out effects due to in-commuting foreign labour force.

These considerations evidently stress the fact that even in a transnational context a certain emphasis has to be placed upon the border regions. This is due to the fact that comparatively large parts of these regions have suffered from the isolation caused by the Iron Curtain which led to significant distortions in regional economic patterns and infrastructural networks. Hence a considerable number of regions in the Member States has to be labelled as being weakly integrated. Obviously the most pressing threat for these regions in a long-term perspective is that the adjacent regions in Non-Member States are in a similar position hence leading to enlarged 'internal peripheries' within CADSES. In the past decade it has become evident that deepened economic relations will not necessarily improve the socio-economic position of these regions even in a long-term perspective. The positive impacts of liberalised trade regimes tend to concentrate in a limited number of regions. Hence in a short to mid-term perspective numerous additional concerns arise with regard to these 'cross-border peripheries'.

For the coastal areas of the Member States the situation is apparently different in some aspects: in particular the changing border regimes will not exert immediate effects. Whereas the reorganisation of regional systems of production and changing trade relations will certainly affect port towns.

Within the border regions a distinction between two types of regions has to be made:

- Agglomerations or economic centres in proximity of the border, further on called border agglomerations, the most prominent examples of such cities are Berlin, Dresden, Vienna, Trieste as 'landlocked examples', for Greece due to its specific position one has to highlight the role of Athens and Thessaloniki as kind of 'gateway city';
- Peripheral rural and insular border regions, for example north-eastern Austria, most parts of the eastern borderline of Germany, Italian mountainous border areas of Friuli-Venezia Giulia and Greek border areas with Albania, FYROM, Bulgaria and Turkey.

For these two types of border regions the challenges as well as the preconditions with regard to forthcoming integration differ substantially. The following considerations focus on the most pressing topics, i.e. economy, spatial development and labour markets, transport and environment.

With reference to environment issues, the main challenges that Member States' eligible regions have to face regard both the transnational and the internal dimension of environmental problems and risks.

On the first hand, periodically great damages still occur, due to natural hazards — as for example floods — or cross-border and trans-border pollution. This also depends on the lack of co-ordinated actions and rules, for instance within the field of management of cross-border river basins. On the second hand, in some eligible regions, border agglomerations — but also coastal areas — are exposed to typical environmental drawbacks, as urban sprawl leading to increased burdens, mainly caused by transport. In these regions, increasing environmental burdens along transport corridors also represent a specific risk for the future; moreover, in coastal zones, risky perspectives of encroachment are also created by unsuitable development and not sustainable settlement models.

Deforestation, soil pollution, threat for ground water reserves strongly affect some eligible regions, showing — most of all in peripheral areas — a severe contradictions between the economic and ecological functions in the primary sector. In rural peripheral areas, the absence of common spatial policies for integration and development may also cause a further retreat of agricultural cultivation and labour force, leading to a rapid degradation of environment.

Table 2: SWOT analysis from the perspective of the Member States focusing on eligible regions

Topic	Strength	Weakness
Economy	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Large number of regions with highly diversified economic structure, in particular:                             <ul style="list-style-type: none"> <li>- Competitive service sector</li> <li>- Significant role with regard to investment and trade relations with CADSES countries</li> </ul> </li> <li>- Broader range of comparative advantages over the CEECs</li> <li>- Considerable potential for the transfer of management skills and know-how in the fields of institution building, innovative productions and services</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Improved position due to enlarged markets</li> <li>- Concentration of innovative services and productions</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- In part small-scale economic patterns of considerable flexibility; local or micro-regional networks</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Vulnerable regional economic structures e.g. considerable agricultural share of value added in certain regions</li> <li>- Significant spatial disparities</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Certain weak spots in the economic structure due to the isolated position under the former Iron Curtain regime (e.g. comparatively late international orientation of local productions and services)</li> <li>- In certain regions slow process of structural adjustment</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Hardly diversified economic structures</li> <li>- In part mountainous character, aggravating the conditions for agriculture and forestry and imposing in part the need for cost-intensive protection measures</li> </ul>
Spatial development	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Networks of small and medium sized cities (SMCs) as well as of seaside and harbour towns with an important role for their rural hinterlands</li> <li>- Richness and variety of settlement forms</li> <li>- In part strong position respectively weight of the local level in the political and administrative system supporting more balanced developments</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Migratory push and pull factors and increasing economic weight of agglomerations has led to unbalanced spatial development</li> <li>- Large old-industrialised and former mining areas in several countries. The role of the small cities has been weakened due to the loss of certain functions (e.g. various agro-services) Incompatibilities in technical and institutional infrastructure in a cross-border perspective</li> </ul>
Labour market	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Comparatively stable situation though marked differences between the participating Member States as well as between macro-regions within the Member States have to be stated - especially for Italy (North-South) and Germany (Alte and Neue Länder)</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- In part favourable developments in the recent past, e.g. in certain branches of the service sector</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Tendencies towards uncoupling of economic growth and employment increase</li> <li>- Rising trend towards long-distance in-commuting to the agglomerations</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Specific adverse characteristics of unemployment (rising long-term unemployment, increasing numbers of elderly unemployed)</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Sectoral employment reflects structural imbalances</li> <li>- Severe problems for less mobile strata</li> <li>- In part strong weight of the public sector for the higher qualified labour force</li> </ul>

(follows) Table 2: SWOT analysis from the perspective of the Member States focusing on eligible regions

Topic	Strength	Weakness
Transport	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Comparatively high standards in the transport networks though marked differences on national as well as on regional level have to be stated</li> <li>- Constant investment in important transnational links (rail and road networks) but also in shipping (inland waterways, sea shipping)</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- In most cases important hub in international and transnational transport networks</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- In part significant bottlenecks deficits in the networks since the links to CEECs did not have an investment priority for about 40 years</li> <li>- Environmentally friendly means of transport have kept losing importance over the past decades, private motorised transport has had enormous growth rates</li> <li>- Hence the economic position of certain transport modes such as rail and ship (inland waterways, sea shipping) is rather weak</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Acute bottlenecks in road transport imposing considerable burden on the urban environment as well as the living quality</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Opening of road border crossing points has led to considerable transport volumes on roads which need to be adapted; e.g. constructions of by-passes etc.</li> </ul>
Environment, cultural heritage	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Increasing awareness for the protection of natural endowments</li> <li>- Rich and varied cultural landscape</li> <li>- Rich natural heritage in the immediate border zones Adriatic Sea as a rich common resource</li> <li>- Reduced cross-border pollution (closure of polluting industries)</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Increasing public awareness for natural heritage has induced examples of sustainable tourism</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Periodically great damages caused by natural hazards as for example by floods</li> <li>- Lack of co-ordinated action, especially for the management of cross-border river basins</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Urban sprawl leading to increased burdens mainly caused by transport (border agglomerations, but also along coastal areas)</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Contradictions between economic and ecological functions in the primary sector (deforestation and reforestation, soil pollution, threat for ground water reserves)</li> </ul>

(follows) Table 2: SWOT analysis from the perspective of the Member States focusing on eligible regions

Topic	Opportunities	Threats
Economy	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- New trade and production networks</li> <li>- Accelerated catch-up process of formerly less dynamic regions</li> <li>- Improve the quality of products</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Investment target, e.g. for specific branches of the service sector, development of new head quarter functions</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Spill-over effects from dynamic agglomerations</li> <li>- Improved position in certain branches of the producing sector (those with high inputs of services) through creation of cross-border production networks and enlarged radius of spill-over effects from agglomerations</li> <li>- Development of tourism and recreational business</li> <li>- Development of innovative service functions (including e-business)</li> <li>- Development of 'services of scale' in urban-rural and inter-rural networks</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Increasing spatial disparities within the Member States as well as between different types of regions</li> <li>- Increasing pressure on labour-intensive services</li> <li>- Retarded structural adjustment due to easy access to new and still undeveloped markets as well as the availability of cheap foreign labour force</li> <li>- Competition on the basis of cheap labour force and exploitation of natural resources</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Distortions in the structural adjustment due to the availability of cheap foreign labour force</li> <li>- Loss of attractiveness as investment target due to uncertain developments in neighbouring countries</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Disruption of sensitive economic structures due to increasing attractiveness of adjacent regions</li> <li>- Adverse effects of an intermediate geography of borders without cross-border co-operative frameworks</li> <li>- Further retreat of service functions in the peripheries, concentration in the SMCs (basic services for the daily need, social services)</li> </ul>
Spatial development	<p><b>Co-ordinated spatial development based on cross-border co-operation including:</b></p> <ul style="list-style-type: none"> <li>- Strengthening co-operative and complementary functions between border agglomerations and gateway cities and SMCs</li> <li>- Deliberate optimisation of regional transport links to international corridors</li> <li>- Development of specific bridge functions within the cross-border regions</li> <li>- Preservation and careful development of existing compact city structures</li> <li>- Extension and deepening of existing network structures between regions and cities</li> <li>- Development of interconnected 'open-space systems' especially in urban agglomerations</li> </ul>	<ul style="list-style-type: none"> <li>- Centralisation tendencies further weakening the position of SMCs</li> <li>- Urban sprawl and rapid suburbanisation of border agglomerations and gateway cities</li> <li>- Fostered competition between SMCs within the domestic as well as within the cross-border region leading to crowding-out effects with regard to certain urban functions respectively services</li> <li>- Bottleneck-oriented improvement of capacities in road transport neglecting regional links</li> <li>- Intensification of land-use conflicts (e.g. agriculture versus recreation)</li> </ul>

(follows) Table 2: SWOT analysis from the perspective of the Member States focusing on eligible regions

Topic	Opportunities	Threats
Labour market	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Increasing employment due to the effects of integration and enlargement</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Inflow of highly qualified foreign labour force</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Improved position through the availability of skilled workforce</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Social tensions/conflicts due to structural unemployment resulting from accelerated structural adjustment</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Crowding-out effects due to in-commuting/in-migrating foreign labour force</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Emigration and brain drain, in consequence ageing population</li> </ul>
Transport	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Strengthening the role of environmentally friendly means of transport due to expectable bottlenecks in road transport also through co-operative and transnational transport planning</li> <li>- Fostering innovative technologies in rail and ship transport</li> </ul> <p><b>Border agglomerations:</b></p> <ul style="list-style-type: none"> <li>- Uncoordinated competition for hub-functions (e.g. of neighbouring port cities or in intermodal transport)</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Persisting trend towards road transport</li> <li>- Neglect of the rail networks in the neighbouring countries hence contributing to the shift of cross-border transport on the road</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Further de-investment in public transport</li> </ul>
Environment, cultural heritage	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Natural endowments and cultural heritage as pioneer activities for the strengthening of cross-border and transnational co-operation, in particular common water resources</li> <li>- Improved preservation strategies through cross-border and transnational co-operation</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Development of niches in tourism supporting the preservation and revitalisation of cultural assets</li> <li>- Development of sustainable technologies e.g. in the field of energy</li> </ul>	<p><b>In general:</b></p> <ul style="list-style-type: none"> <li>- Remaining risk of certain cross- or trans-border pollution (e.g. water pollution, ...)</li> <li>- Increasing environmental burdens along transport corridors</li> <li>- Risk of flooding due to insufficient transnational co-ordination</li> <li>- Coastal zone encroachment by unsuitable development</li> </ul> <p><b>Peripheries:</b></p> <ul style="list-style-type: none"> <li>- Losses/decay of specific cultural heritage due to out-migration of most active population</li> <li>- Degradation of cultural landscape (retreat of agricultural cultivation)</li> </ul>

1.4. SWOT analysis: Countries in transition

Table 3: SWOT from the perspective of countries in transition

POLYCENTRAL DEVELOPMENT AND TOWN/CENTRE RELATION	
Strengths	Weaknesses
<ul style="list-style-type: none"> <li>Increasing volumes of trade and investment between the four Member States and the co-operating countries in transition, which offer the potential for a more balanced spatial distribution of economic benefits</li> <li>Fulfillment of industrial restructuring processes and start of industrial recovery in some countries</li> <li>Remarkable success stories in the course of transition for the service sectors</li> <li>Favourable spatial structures assets, as far as comparatively compact urban structures or the basic public transport infrastructure are concerned</li> <li>Emerging of new regional structures, in part significantly changing the positions of regions in the institutional system, and increasing number of spatially relevant national or even regional programme/strategies under various headings</li> <li>Greater availability of regionalised information</li> <li>Emerging new kind of networks, as a basis of transnational know-how for the forthcoming period</li> </ul>	<ul style="list-style-type: none"> <li>Increasing spatial imbalances between "winners" (capital cities, coastal regions, western border regions, successful MSCs) and "losers" (peripheral rural regions, old industrial areas, etc) on a territory level, as far as transition processes proceed</li> <li>Socio-economic uncoupling and increasing disparities in certain peripheral part of CADSES, where economic crisis might persist and vicious circle of de-investment and emigration might intensify or emerge</li> <li>Large interregional migratory movements from rural and old industrial areas to cities, as an effect of unbalanced economic restructuring</li> <li>Marked and increasing contrast between urban and rural areas</li> <li>Uncontrolled urban sprawl, causing congestion and social segregation</li> <li>Lack of urban planning and co-ordinated development strategies on the local level, which aggravates the adverse impact of existing and potential bottlenecks</li> <li>Structural problems in the agricultural sector: persistence of state owned farms, insufficient scale farming, lack of investment, emigration, high unemployment, weak role of cities, etc.</li> <li>Adverse demographic dynamics: emigration, ageing population, provision/maintenance of basic infrastructure)</li> <li>Small cities rarely drive the development of rural areas; their role is restricted to local or regional market places, offering basic services and a rather narrow profile of enterprises in the production sector</li> <li>The institutional framework for regional policy on national and regional level is still weak in most of the countries in transition</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>Creation of agglomeration poles, due to the transformation of trade and internationalisation patterns</li> <li>Implementation of support schemes under PHARE, ISPA, and SAPARD, which will give a new impetus to major fields of spatial development in the eastern Countries, contributing to favourable impacts in infrastructures, environment, agricultural and rural development</li> </ul>	<ul style="list-style-type: none"> <li>For several regions, augmented risk of being pushed into a peripheral position, because of changes in the external border regimes (i.e. negative spatial impact of the "intermediate geography of borders"), with regard to capital attractiveness, trade flows, aid schemes, rising pressure on the labour markets.</li> </ul>

(follows) Table 3: SWOT from the perspective of countries in transition

ACCESS TO INFRASTRUCTURE AND KNOW -HOW	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Remarkable catch-up process as far as extension and use of communication and information technologies are concerned</li> <li>• Existence of various centres of excellence as a consequence of industrial tradition of countries in transition</li> <li>• Existence of new kinds of networks, contributing to a new perception of an enlarged European territory, will have in turn positive impacts on the next generation projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Shortage of public spending, leading to a stronger difficulty to adapt the transport network as rapidly as the reorientation of trade flows</li> <li>• Excessive concentration of large scale investment on the major corridors and bottlenecks in urban areas, neglect of the improvement of links from regional centres to the high-grade road networks</li> <li>• Rapid pace of motorization, which might lead to the persistence of bottlenecks in road transports</li> <li>• Persisting shift from rail to road, producing two different effects: increasing the role of private transport endangers the future position of the railway transport; then the extended railway network reduces its maintenance</li> <li>• Ongoing restructuring of the energy sector, which has to tackle severe investment gaps</li> <li>• Necessity to restructure the coal mining sector, which is a large-scale employers</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Development of communication technologies and service and telecommunication infrastructure in the State Members, which will be a competitive advantage for the countries in transition</li> <li>• New co-operation about research and development, implemented by countries in transition</li> </ul>	<ul style="list-style-type: none"> <li>• Adverse effects for peripheral countries and regions, deriving by agglomeration effects in RS&amp;T and technological innovation</li> </ul>
ENVIRONMENT AND CULTURAL HERITAGE	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Substantial improvement of the environmental situation, due to the decrease of most pollutants, as a consequence of restructuring and environmental measures, but even as an effect of declining productions</li> <li>• The rich and diversified natural endowments, which offer a wide range of possibilities for transnational actions</li> <li>• Richness and diversity of cultural heritage, whose enhancement might play a crucial role to develop sustainable tourism and to reinforce cultural activities and services</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing flows of motorised traffic, increasing number of bottlenecks in urban areas</li> <li>• Negative industrial heritage: deteriorating assets, lack of attractiveness for investment, huge financial burdens</li> <li>• Difficult applicability of the "polluter pays" principle" for large parts of the most severely polluting industries</li> <li>• Severe gaps in energy efficiency</li> <li>• High exposure to natural / man made disasters (like floods, earthquakes, avalanches, nuclear fallout accidental pollution, poisoning and eutrophication of water)</li> <li>• Persistence of nuclear energy production</li> <li>• Threatened water reserves</li> <li>• Deforestation and soil erosion, due to unsuitable forms of agricultural exploitation</li> <li>• Insufficient supply and disposal infrastructure with regard to water and waste</li> <li>• Fragmentation of protected areas, which rarely form ecological corridors</li> <li>• Lack of co-ordinated forms of natural heritage regulation and maintenance, especially in border areas, where the most valuable ecosystems are placed</li> <li>• Lack of investment perspective for enhancing large parts of cultural heritage</li> <li>• Insufficient extent of interventions to preserve and enhance cultural heritage</li> <li>• Insufficient awareness about risk-control, prevention of further degradation and recovery of impaired heritage, through safeguard and innovation and through the involvement of private actors</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Community's increased efforts towards common standards in the management of protected sites (Natura 2000), which will open a comparatively new field of co-operation</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental policies in countries in transition focused just on urban contamination, without considering other severe environmental threats</li> <li>• Destruction of cultural symbols caused by the armed conflicts in former Yugoslavia</li> </ul>



#### **1.4.1 Weaknesses and threats for future development**

The brief SWOT-analysis focuses on the co-operating countries. A more detailed picture of the four Member States in the context of accession would also be interesting but the main objective of this programme is the intensification of existing and the creation of new bridges to the future enlargement and integration area. Hence it seems justified to focus on the dynamics of transition. The common or differing perception of these dynamics and their spatial outcomes in the participating countries offers challenging fields of transnational co-operation. Assisting the socio-economic catch-up process is even more important facing the deepening socio-economic integration within the EU. Without deliberate and effective action the development gaps between Members and Non-Members might even become larger.

Generally spoken it is not always easy to give a clear notion of weaknesses and strengths. Any commonly perceived weakness is the first step towards an improvement. This process already bears the nucleus for future innovative actions and hence of new strengths.

##### *Spatial structures – spatial imbalances*

The picture of regions being either winners or losers in the course of transition has become more precise in the recent past – in almost all states involved in the programme regions belonging to these categories have been identified. One can see rapidly developing urban agglomerations, economic hot spots linked to international transport corridors versus peripheral regions, additionally burdened with considerable restrictions as far as the levels of mobility are concerned. The winners apart from the capital cities are for example coastal regions, western border regions, successful groups of medium-sized cities, etc. The losers: peripheral rural regions, mountainous rural regions, old industrial areas, additional adverse effects can be expected if these are regions along borders which will remain external EU-borders in a long-term perspective.

##### *Certain regions under the threat of uncoupling*

Referring to those parts of CADSES which currently have to be labelled as losers one has to be aware of the threat of the socio-economic uncoupling of regions and even whole states. In certain parts of CADSES the threat of persisting economic crisis is obvious. Vicious circles of de-investment and emigration might intensify or emerge which might lead to harmful socio-economic developments involving adjacent regions in neighbouring countries.

Despite severe impediments for migratory movements (shortage and costs of housing in the economic centres, comparatively high costs of transportation) further interregional migration, i.e. between certain types of regions within the CADSES countries can be expected: in the recent past rural and old industrial areas have been the source of major migratory flows to the cities. In certain countries and regions these adverse dynamics can be expected to continue, whereas in other countries more stable regional economic patterns have emerged in the second half of the nineties. In particular the in part still ongoing process of industrial restructuring is a driver in this process which does not only affect industrial but also rural regions due to reflows of dismissed workers and the closure of lately decentralised supply industries. Whereas in certain countries industrial restructuring is far from being completed, for other countries an industrial recovery has to be stated.

##### *Spatial impacts of an intermediate geography of borders*

Any consideration of spatial structures within CADSES has also to deal with the spatial impacts of the forthcoming accession process. Since accession will not take place for all Accession Countries within a short time span, an

intermediate geography of borders is bound to come. The change in the border regimes of an acceding country both in respect to the old Member States and to remaining Non-Members exerts the strongest spatial impact. Whereas on one side the barrier function of the border vanishes, on the other side, these functions become more pronounced. The new internal border regions will gain attractiveness due to enlarging market sizes and better prospects for infrastructural investment. For external border regions the risk of being pushed into a peripheral position is augmented. For the border regions in the Member States adverse impacts might stem from the then new geography of business aid schemes and rising pressure on the labour markets. The risk for the misallocation of public money in the course of these processes could be reduced only by co-ordinated cross-border and transnational approaches. Decision-making process on spatial development priorities should take due account of the complex and dynamic mosaic of an intermediate geography of borders.

#### *Spatially differing pace of transformation, in particular marked contrasts between urban and rural areas*

Urban structures are undergoing comparatively rapid transformation. The function of downtown districts, of the urban-rural fringe and of large housing estates is changing rapidly. Several cities are unprepared for these unexpected and uncontrolled developments. The dangers of uncontrolled urban sprawl, congestion and social segregation are imminent. New types and instruments of urban management and planning and new initiatives in housing policy are needed to meet these new challenges.

One of the problem is the in part lacking legal/regulatory framework. Urban planning and co-ordinated development strategies on the local level are often missing which aggravates the adverse impacts of existing and potential bottlenecks. The financial capacities of municipalities are often insufficient to tackle with the modernisation of infrastructure. Uncoordinated processes of suburbanisation will even increase the burden on public budgets.

The pace of transitory developments in the rural areas with a mono structured economic base exhibits cumulating problems. The agricultural sector in the countries of transition is marked by various structural problems: large state owned farms respectively agricultural co-operatives or their transformed remainders on the one hand, small-scale, even subsistence farming on the other hand. The emergence of competitive structures in the agricultural sector is impeded by the lack of investment capital. Emigration and ageing population, rising concern about the provision/maintenance of basic infrastructure in these regions, shrinking employment opportunities and increasing numbers of small-scale self-employed farmers are the adverse dynamics to be stated for the emerging internal peripheries. At present an active role of small cities for the development of rural areas is rather the exception than the rule. In most cases the role of these cities is restricted to local or regional market places, offering basic services and a rather narrow profile of enterprises in the production sector.

In general the notion of rural regions in the Accession Countries varies to a large extent. Even regions with similar basic indicators such as population density and percentages of the employed in agriculture may differ substantially.

#### *Environment– recovery and new burdens*

The environmental situation in CADSES has improved substantially over the last decade. Emission of most pollutants decreased due to a decline in production but also due to restructuring and environmental measures. Currently the most severe environmental threats derive from:

- Increasing flows of motorised traffic, increasing number of bottlenecks in urban areas;
- Industrial heritage: vicious circles of deteriorating assets due to a lack of revenues/attractiveness for investment,

huge future financial burdens due to the revitalisation of derelict, contaminated areas; the 'polluter-pays'-principle is no realistic option for large parts of the most severely polluting industries;

- Severe gaps in energy efficiency;
- Risks of natural/man made disasters (like floods, landslides, earthquakes, avalanches, nuclear fallout accidental pollution, poisoning and eutrophication of water);
- Nuclear energy production;
- Threatened water reserves;
- Deforestation, soil erosion, due to past and current forms of agricultural cultivation;
- Insufficient supply and disposal infrastructure with regard to water and waste.

Major environment-related investments require substantial public investment efforts. Facing the huge total investment needs required all countries have to select priorities. Major investments in the near future will be driven by national environmental programmes with external support, i.e. the EU pre-accession instruments. These investments will focus on major polluters, for example the modernisation of waste water treatment plants or sanitary landfills for larger cities. Hence the solution of environmental problems being geographically more widespread will be postponed. This is aggravated by the fact that in general the smaller the municipalities are, the lower is their public budget.

In part these environmental burdens might appear as local or regional problems. This is evidently misleading in particular with regard to topics such as the protection of water resources, common maritime resources, flood and drought prevention, air pollution or nuclear safety.

#### *Natural and Cultural heritage – large parts still lack a perspective*

The diversity of the natural heritage is one of the biggest assets of the region with a view to sustainable development. Biodiversity and natural heritage, in general, are subject to a variety of adverse impacts from industrialisation, intensive agriculture, traffic and urbanisation and intensive tourism. Protection strategies have to be adopted. Protected areas however are fragmented, they consist usually of isolated smaller spots, and rarely form ecological corridors. Furthermore most valuable natural ecosystems are to be found in border areas where a co-ordinated form of regulation and maintenance is needed.

In general the richness of the cultural heritage in the programme region is endangered since for large parts of the heritage the investment perspective is lacking. Efforts for the restoration and revitalisation of cultural sights concentrates on those areas, where the economic perspective including the positive impact on the employment (especially for women) is clearly visible. Compared to the programme region as a whole the number and size of these zones is limited. In general there is an urgent need for intensified awareness with regard to risk-control, the prevention of further degradation and the recovery of impaired heritage, through safeguard and innovation and through the involvement of private actors. Another drawback have been the destruction's caused by the armed conflicts in former Yugoslavia which resulted in the deliberate destruction of cultural symbols.

#### *Transport – shift from rail to road, from public to private, from east to west*

In general the transport networks cannot expected to be adapted in a similarly rapid manner as the reorientation of trade flows has happened. This is even more unlikely due to the shortage of public spending in most countries. Large-scale investment will concentrate on the major corridors and bottlenecks in urban areas. From the present point of view the

improvement of links from regional centres to the high-grade road networks is a long-term perspective.

In parallel a rapid pace of motorization makes the persistence of bottlenecks in road transport highly probable. The ongoing shift from rail to road transport has a couple of adverse impacts with regard to environmental quality in the broadest sense.

The increasing role of private transport endangers the future position of the railway transport. Extended railway networks in the Accession Countries run the risk to deteriorate due to lacking investment for modernisation and maintenance; the same applies to the partly highly developed public transport networks. These problems cumulate in the rural regions.

#### *Energy networks – differing perspectives for international versus local networks*

Energy is a crucial factor with regard to economy but it is also one of the key aspects with regard to sustainability. The energy sector of the Accession Countries is marked by an ongoing restructuring hence imposing new challenges on the transnational networks. For the high-grade networks sufficient investment interest can be assumed whereas on the regional and local level the improvement of systems and thus the overall energy efficiency will have to tackle severe investment gaps. One of the frequently quoted examples are the large number of district heating systems which would require modernisation. Another crucial aspect is the importance of domestic energy resources as large-scale employers. In particular the restructuring of the coal mining sector is one of the short- to mid-term transitory burdens which will have to be solved by many countries.

#### *Spatial development policies – weak position of the regional and local level*

Confronted with the current trend towards polarisation in economic development and the growth of regional disparities contradictory tendencies on the general policy level appear: on the one hand the visible consequences of the trend have strengthened the insight that counterbalancing measures are necessary, on the other hand, growing forces, strongly rejecting regulating policies exist. The clear notion of structural aid within the Community Policies assists in part the reform of spatial policies. This applies in particular to the field of regional policies: most Accession Countries are on the way to develop institutional frameworks which are in line with the basic requirements of the regional economic policy conception of the EU. But similar dynamic developments cannot be stated for all regulative frameworks of spatial development policies. In particular spatial planning is challenged by changed ownership structures, as well as legal and market conditions. In many cases administrative capacities on the local level are missing which could counterbalance the adverse effects of rapid and uncoordinated spatial transformation.

The institutional framework for regional policy on national and regional level is still weak in most of the Accession Countries. Despite the accession-perspective which is a driver in this respect, mid- to long-term tasks such as an administrative reform are partly impeded by the political pre-conditions in the Accession Countries.

### **1.4.2 Potentials and Opportunities for future development**

#### *Economic cohesion – rapid development of trade relations*

One of the most remarkable developments of the past decade was the rapid intensification of trade relations between the four Member States and the co-operating countries in transition. Even in former times - despite the fact that the countries belonged to different economic systems - the trade relations never ceased entirely. Since the beginning of the nineties developments rapidly gained momentum. The impacts of increasing economic cohesion on spatial integration are one of

the crucial elements for a dynamic scenario of CADSES.

### *Economic transformation – dynamics in the service and the production sector*

On a transnational scale the main economic developments contributing to economic recovery and hence cohesion have to be highlighted. After the initial transition shocks the service sector and later on the production sector were crucial elements for the stable and peaceful path of transition which most of the countries have achieved. Looking at economic sectors initially the most remarkable success stories in the course of transition have to be stated for the service sector. For a couple of countries and with a certain time-lag also an industrial recovery has started. Future developments in these sectors will shape the pace and the spatial implications of transformation in a mid- to long-term perspective.

### *Spatial structures*

It is a fact that spatial development is shaped by driving forces on regional and local level. Bridging the gap between lagging regions and successful economic centres means also to promote initiatives based upon local and regionally specific resources.

The co-ordination between spatial and economic policies is a precondition in order to achieve economic growth and sustainable development. Regional economic survey focused on the endogenous resources of the territory will result in an improved assessment of potentials and constraints of regions and communities, hence providing a better basis for targeted and effective top-down policies which stimulate local and regional entrepreneurship. Strengthening endogenous economic development has to be based upon harmonised policy approaches integrating and promoting broadly based socio-cultural partnerships of private and public actors. There are various options to support the development of local structures which assist evolving innovative milieus. Due emphasis should be placed upon socio-cultural factors since these are an essential prerequisite for sustainable endogenous development on regional and local level.

The specific heritage of former periods in the Accession Countries has left in part favourable structures as far as for example comparatively compact urban structures or the basic public transport infrastructure are concerned. These in part favourable spatial assets are confronted with rapid developments driven by economic integration. This encompasses e.g. the rapid growth of business sites on the fringes of dynamic cities or the spread of second-home dwelling, the downgrading of public transport due to massive financial shortages.

Empirical evidence hints at the fact that in the pre-accession and accession stage, the development path will be marked by centralisation tendencies. However, the increasing volumes of trade and investment offer the potential for a more balanced spatial distribution of economic benefits.

Accession will be accompanied by a considerable change in trade relations. The volume of trade will increase but also the kind of goods traded will shift thus replacing the inter-industrial trade, i.e. the trade flows between different industries gradually by an intra-industrial trade, i.e. trade flows within one branch of industries. By and large the expected change in trade patterns will primarily lead to an enhancement of the prevailing patterns in regional economies favouring the more advanced, more flexible regions on both sides, i.e. the agglomerations. In the pre-accession phase it is expected that infrastructure investment will be going primarily to the most favoured regions in order to resolve the most pressing development bottlenecks. But with the accession, rising public investment due to structural funding will enable the implementation of more complex and substantial support schemes targeting towards the needs of other regions. Roughly the same mechanisms apply to foreign direct investment (FDI). The prevailing trend in strategic market-oriented investment targeting economic centres will continue. But there is some evidence that large and stable investment flows

start to improve the position of selected medium-sized cities significantly, hence leading to the emergence of a secondary pattern of dynamic regions.

### *Transnational development areas for future actions – a vivid picture of CADSES*

Within the Vision Planet project a challenging identification of transnational areas has been elaborated. These areas provide a vivid picture of CADSES:

<b>Transnational development areas</b>	<b>Characteristics</b>
The Central European Interaction Area:	Parts of the territory, following the present central European external border of the EU – these parts are most directly affected by accession (comparatively dense economic relationships, respectively dense exchange patterns).
The Danubian Co-operation Zone	Two areas with common characteristics, partly overlapping with the other areas; marked by common or similar preconditions with regard to transportation issues, environmental problems, natural and cultural heritage, tourism, economic potential. Common waterways resp. maritime resources lend themselves to international co-operation.
The Black Sea Co-operation Area	
The Adriatic – Ionian Sea Region	With the start of the European Community's CARDS programme, the five western Balkan countries bordering the Adriatic and Ionian Sea have created a platform to formulate and promote their common interests and possibilities for co-operation with initiatives under CADSES must be developed. The EU Member states in the region are beneficiaries under INTERREG.
The Stability Pact (for South-eastern Europe) Area	The Pact Area links the region which was subject to armed conflicts to its neighbouring regions. Under the mediating function of the international community and the neighbouring states new developments will take place. Transnational co-operation could contribute to a spatially coherent approach.
The Carpathian Development Region	Comprising those areas in the eastern part of CADSES which will be the frontier regions of the EU for a longer time, less developed regions of both, Accession Countries and third countries are situated there. Large parts of this region are endangered to remain in a peripheral position.

This subdivision of CADSES in transnational development areas does not reflect any preference for the geographical scope of transnational co-operation. But such rough 'sketches' of CADSES can be seen as starting point for the development of dynamic scenarios in various fields of action.

### *Natural endowments – rich and diverse*

The rich and diversified natural endowments offer a wide range of possibilities for transnational actions. Many of these natural endowments cross borders thus highlighting the need for cross-border and transnational co-operation. But also the Community's efforts towards common standards in the management of protected sites (Natura 2000) opens a comparatively new field of co-operation. The basic idea of common management standards should be enlarged gradually to other categories of natural endowments, i.e. for example forests or landscapes shaped by traditional forms of cultivation. The natural endowments should be seen as the main parameters in the definition and design of integrated strategies and projects in the field of sustainable development. It is important to link different approaches, e.g. protection and management of natural endowments with research initiatives and economic strategies such as alternative forms of tourism.

### *Cultural heritage – bridge function*

The cultural heritage provides opportunities for actions promoting the protection and up-grading of the cultural heritage –

with regard to the development of tourist destinations, requalifying landscapes of cultural value and cultural sites. A major field for innovative actions can be found in the improvement of the management and service provision.

Promoting transnational systems of cultural itineraries, developing co-operation between maritime and insular areas, will contribute to the preservation, re-organisation and creative development of the bridge function of cultural assets.

#### Telecommunication– spear head and driver

The Accession Countries have experienced a remarkable catch-up process as far as extension and use of telecommunication and information technologies are concerned. But it has also become clearly visible that the diffusion of these technologies into the more remote parts of a country requires a bundle of supporting strategies ranging from the provision of infrastructural facilities to adequate training offers. The promotion of these technologies is an important prerequisite for innovative developments in the service sector, but its contribution to balanced development requires co-ordinated development efforts.

#### Research and development– centres of excellence and new niches

The industrial tradition of the Accession Countries has led to various centres of excellence. International and transnational co-operation could contribute to intensified exchange of know-how and the development of technologies tailored to regional needs. Among the participating Member States rich experience has been collected with regard to the stepwise implementation of regionally-based institutions which support the diffusion of new approaches.

Regarding research and development restructuring is underway in most countries of the eastern part of CADSES to make it compatible with the new social and economic situation. Important progress is attained with the help of intensive international co-operation with research centres of the EU and more recently with the renewing co-operation among the central European research centres.

### **1.4.3 Spatial development policies**

#### Regional planning and policies

The position of regions as actors within the political and administrative system is subject to intensive discussion in most of the Accession Countries. A process which has started from rather heterogeneous country specific levels. A couple of countries have implemented new regional structures, in part significantly changing the position of regions in the institutional system. The process was accompanied by an increasing number of spatially relevant national or even regional programmes/strategies under various headings. In this altering institutional setting various regional initiatives have emerged, networks of regional institutions in part paired with business-oriented infrastructure have extended their coverage significantly.

Similarly positive developments have to be stated for the availability of regionalised information. The scope and geographical coverage of regionalised, spatially relevant information's have improved significantly in the last five years. One of the major achievements is the enhanced availability of transnationally comparable information with regard to macro-economic indicators and labour markets. Nevertheless in particular for the environment transnationally comparable data on regional level are still hard to be found.

### *Pre-Accession instruments – sectoral approaches*

Major fields of spatial development in the Accession Countries will gain a new impetus with the implementation of the support schemes under CARDS, PHARE, PHARE-CBC, ISPA and SAPARD. These instruments will lead to increasing efforts in cross-border co-operation, improvement of infrastructure, environment as well as agricultural adjustment and rural development. As it has been stated for the community territory the impacts of different sectoral policies on balanced spatial development might be uncoordinated or even contradictory in some cases. Hence the pre-accession instruments are a potential incentive to reinforce or develop new mechanisms concerning more coherent spatial developments; i.e. to develop spatial policy guidelines on national level as a common frame of reference for the specific sectoral developments supported by these instruments. This appears as a challenging task since the pre-accession instruments are in part programme-based in part project-based and the range of competencies within the horizontal approach of spatial policy institutions is in most cases rather limited.

### *Transnational co-operative network of actors*

The previous programme period has strengthened a rather new kind of networks. Institutions in various sectors have broadened the view of partners and have contributed to a new perception of an enlarged European territory. Hence for the forthcoming period an important basis of transnational know-how has been collected which will have in turn positive impacts on the next generation of projects.



## **2. THE PAST EXPERIENCES IN THE CADSES AREA**

### **2.1 The ESDP process**

After consultations with Member States and other relevant European institutions the European Commission started the first Community Initiative Interreg IIC for transnational co-operation in spatial development in July 1996. This Community Initiative could be seen as a first interim result of the ESDP process. Seven transnational programme spaces were identified, two of them co-operating with countries outside the EU (CADSES and Baltic Sea Regions).

The value added of CADSES-Interreg IIIB is that this is the only programme in the area focusing on the spatial integration of all the policy issues and developments with a view to balanced and sustainable development. The most relevant reference documents that form the strategic background for this programme are the ESDP, the Guiding Principles for sustainable spatial development of CEMAT, the results of the CADSES-Interreg IIC projects Vision Planet (Guidelines and Policy Proposals) and ESTIA.

The awareness regarding the challenge and the need for transnational co-operation in the field of spatial development policies emerged in the 1990s. In 1994 the Ministers responsible for Spatial Planning in the Member States of the European Union adopted the Leipzig Principles which became the starting point for the development of the European Spatial Development Perspective (ESDP), the main political document in the field of European spatial development which has been adopted in Potsdam by the Ministers responsible for Spatial Planning in the Member States of the European Union in May 1999.

Another strategic framework are the "Guiding Principles for Sustainable Spatial Development of the European Continent" adopted at the CEMAT conference in Hanover in September 2000. It is of particular importance to the CADSES because it was developed jointly by EU Member States and Non-Member States.

### **2.2 Interreg IIC and Cadses I**

The CIP CADSES-Interreg IIC (1997 - 1999) was a tool for the implementation of the ESDP and gave the Member States the possibility to co-operate on a transnational scale in the field of spatial development policies for the first time. The programme was used to initiate networks of actors and to develop joint strategies with partners across the external border of the EU.

In the meantime the effects of the transition process in CEEC Countries can be observed more clearly. EU enlargement has become a much clearer perspective and a number of sectoral or national pre-accession instruments and strategies have been developed or adopted.

### **2.3. Strategic documents of Cadses I as basis for Cadses II**

For the application of Interreg IIIB Guidelines and ESDP in the Central, Adriatic, Danubian and South-eastern European Space (CADSES) the overall objectives of these documents had to be specified. A major step into this direction has been done as part of the Interreg IIC projects "Vision Planet" and "ESTIA".

One of the aims of Vision Planet was to formulate guidelines for strategies and policies for an integrated spatial development of the CADSES. As one tangible result, the project has published the "Vision Planet: Guidelines and Policy Proposals (Vision Planet GPP)" in January 2000. Its foundations and explanations are summarized in the "Vision Planet: Background Report". The Vision Planet GPP was elaborated by a Working Team with key experts from 12 countries (all 4 Member States, all 7 Accession Countries and an academic expert from Yugoslavia). Together with ESTIA it is the only strategic document for transnational spatial development policy in CADSES. Its results are therefore of key importance for the CADSES-Interreg IIIB programme.

While Vision Planet is mainly concerned with the Central European, Adriatic and Danubian space, ESTIA is considering the South-eastern European space. The "Spatial development strategies and policy integration in South-eastern Europe" as well as the "Spatial planning priorities in South-eastern Europe – preparing for action" have recently been published and can be found under the ESTIA web-site.

Special reference has been given to the conditions and prospects for spatial integration in South-eastern Europe with respect to basic orientation scenarios of a long term co-operation which constitutes the central core of the common integration framework for spatial development policies in the ESTIA space.

The Guidelines for Interreg III, the ESDP, the CEMAT Guiding Principles and Vision Planet GPP and ESTIA are the main reference documents for the understanding of this programme.

#### **2.4 Pre-Accession strategy up to 1999**

The Pre-Accession strategy targets support towards the specific needs of each Candidate Country as it prepares for accession. In this way the EU is focusing support towards the precise problems identified in the Commission's Opinions on the candidates applications for membership.

As part of the reinforced Pre-Accession strategy, all the different forms of support available (including PHARE) have been brought together within a single framework, called an Accession Partnership. There is an Accession Partnership with each Accession Country, and each Accession Partnership is complemented by a National Programme for the Adoption of the Acquis (NPAA).

Between 1997 and 1999 PHARE was the main channel for EU's financial support to CEECs. This will remain until each country's date of accession.

Relations between Interreg IIIB Initiative and PHARE instrument in general can be considered rather unsatisfactory, since the programming structures have not yet been aligned to each other.

### **3. STRATEGIC CONCEPT FOR INTERREG III**

#### **3.1 Agenda 2000 and Interreg III Guidelines**

After the successful implementation of this structural funds intervention between 1997 and 1999 the Commission published the Community Guideline for Interreg III (2000/C 143/08) on 28<sup>th</sup> April 2000. This new initiative is dedicated to transnational co-operation in the period 2000-2006. Its strand A is focussing on cross-border co-operation, strand B is focussing on transnational co-operation in the field of spatial planning and strand C is dedicated to inter-regional co-operation. Transnational co-operation between national, regional and local authorities in the framework of Interreg IIIB aims to promote a higher degree of territorial integration across large groupings of European regions, with the target to achieve a sustainable, harmonious and balanced development in the Community and a better territorial integration with Accession Countries and other neighbouring Countries. This understanding of transnational co-operation quoted from the Community Guideline for Interreg III (2000/C 143/08) is described in detail in the ESDP.

#### **3.2 Agenda 2000 and Pre-Accessionstrategy**

The new CADSES programme should comply with other external EU-policies in particular with a view to enlargement. In the case of Interreg IIIB the aspect of enlargement should encompass due consideration of initiatives launched under Strand A, PHARE 2000 and the strategic frameworks of ISPA and SAPARD. Referring to Strand A it has to be pointed out, that enlargement from the viewpoint of the Member States inevitably means to place due attention upon their external border regions. Nevertheless the responsible authorities will ensure in the coming period – as they did in the previous period – a clear distinction between the transnational approach under Strand B and the bilateral regional focus to be pursued under Strand A.

PHARE 2000 with its split focus upon institution building and investment will further strengthen the institutional actors involved in this programme. In particular the continuous efforts in the elaboration of National Development Plans and their step-by-step transformation into operational programmes on regional level will tighten and focus the national strategic policy frame and integrated development strategies hence opening the opportunity of various synergies as well as new strategic links for the implementation of this assistance instrument. The same applies to the strategic frameworks for the implementation of ISPA and SAPARD. So one can expect a high extent of mutual cross-fertilisation between the more specific approaches under Strand A and the pre-accession instruments on the one hand and the more umbrella-type focus of Strand B.

New pre-accession instruments have been established in the Agenda 2000 which concentrate on crucial issues of the *acquis communautaire* like agriculture, environment and transport. After accession those countries will be eligible for Community assistance, notably from Structural Funds.

Another issue of the pre-accession strategy is the opening of European Community programmes and agencies as proposed in the Agenda 2000.

### PHARE (Poland and Hungary: Action for the Restructuring of the Economy)<sup>3</sup>

PHARE support is thus focused on the weaknesses and priority areas identified in the Commission's Opinions. The timetable for accession depends primarily on the progress made by each individual country in adopting, implementing and enforcing the *acquis communautaire*. Contrary to the Interreg IIIB Baltic Sea Region programme, PHARE-CBC instrument is not – yet – applicable for the CADSES area. Therefore, co-financing can only stem from the relevant PHARE national programmes.

However, the communication "PHARE 2000 Review - Strengthening Preparation for Membership" (from Commissioner Verheugen of 27 October 2000) as well as the "Communication from the Commission on the impact of enlargement on regions bordering Candidate Countries" (of 25 July 2001) set out aspects on improved co-ordination between the Structural Funds and PHARE, which also concern procedural matters. This communication maps out the way to further alignment between PHARE and the Structural Funds. It includes an explicit proposal with regard to Interreg IIIB in the CADSES area and stipulates that "for other transnational areas where Interreg IIIB programmes exist or could be developed (CADSES and, in future, areas covered by the CARDS programming instrument), support may come from the PHARE national programmes, on a case by case basis".

Waiting for further improvements in aligning PHARE-CBC instrument and Interreg Community Initiative with the change of the PHARE-CBC regulation, a special attention is given to the specific priorities of the Accession Countries, as provided for their accession partnership.

PHARE's activities in support of the above mentioned objectives concentrate on two main areas:

- institution-building (around 30 per cent of the budget);
- investment support (around 70 per cent of the budget).

The annual budget of PHARE from the year 2000 on is about 1'500 million Euro. The programme is managed under the responsibility of DG Enlargement.

For further information on PHARE instrument see also: [www.europa.eu.int/comm/enlargement/pas/phare](http://www.europa.eu.int/comm/enlargement/pas/phare)

### SAPARD (Special Accession Programme for Agriculture and Rural Development)

The programme will assist in the implementation of the Community *Acquis* under the responsibility of the DG Agriculture (cfr Article 2 of Regulation 1268/1999). The programme will have a budget of 520 million Euro per year until 2006. It will support measures to enhance:

- efficiency and competitiveness in farming and the food industry and
- create employment and sustainable economic development in rural areas.

For further information on SAPARD instrument see also: [www.europa.eu.int/comm/enlargement/pas/sapard.htm](http://www.europa.eu.int/comm/enlargement/pas/sapard.htm)

### ISPA (Instrument for Structural Policies for Pre-Accession)

Structural aid for the Accession Countries amounting to some 1000 million Euro per year for the period 2000-2006 under the responsibility of the DG Regio. This aid would be directed mainly towards aligning the Accession Countries on

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<sup>3</sup> At the beginning the PHARE instrument was created for Poland and Hungary, actually it involve furthers Countries.

Community infrastructure standards, particularly – and by analogy with the Cohesion Fund – in the transport and environmental spheres. ISPA environmental investments will concentrate on directives that are costly to implement and deal with the worst environmental problems like drinking water supply, treatment of waste water, solid-waste management and air pollution.

ISPA transport infrastructure investment will concentrate on the extension of Trans-European Networks (TEN) and the link to the national networks and in between them. So far (June 2000) for the seven Accession Countries of CADSES, 54 environment and 33 transport infrastructure project have been collected in the project pipeline of the Commission. The total cost of each project shall not be less than 5 million Euro.

For further information on ISPA instrument see also: [www.europa.eu.int/comm/enlargement/pas/ispa.htm](http://www.europa.eu.int/comm/enlargement/pas/ispa.htm)

### *TINA (Transport Infrastructure Needs Assessment)*

Around 2010, when the priority projects for the Trans-European Transport Network (TEN-T) should be completed, we may have a far larger European Union which has expanded eastwards. The European Commission has long recognised the imperative of improving transport infrastructure between the Union and Central Europe after five decades of neglect. There will not really be open borders and free movement of persons and goods unless the roads, railways, airports and ports in these countries are modernised.

In 1996 the Commission set up a process of Transport Infrastructure Needs Assessment (TINA) to oversee and co-ordinate the development of an integrated transport network in eleven Accession Countries. The idea is to co-ordinate infrastructure projects in these countries with those implemented in the EU, with a view to extending the Trans-European Transport Network to the new Member States in future.

In June 1998 the TINA assisted by a secretariat based in Vienna, agreed an outline network and approved this in its final report a year later in June 1999. This network comprises 8'030 kilometres of roads, 20'290 kilometres of railways, 38 airports, thirteen sea ports and 49 river ports. The costs of the work will be about 90'000 million Euro between now and 2015.

The Commission is already giving assistance to the countries of Central and Eastern Europe under the PHARE, 1000 million Euro to date for transport projects in those countries. The European Union's Instrument for Pre-Accession Aid (ISPA) was created to help these countries to bring up their systems to EU standards before they join will give them about 500 million Euro a year to develop their transport infrastructure. The European Investment Bank will also increase the loans it provides to that aim.

### *The Stability Pact for South-eastern Europe and CARDS (Community Assistance for Reconstruction, Development and Stabilisation)*

The Stability Pact is an initiative of the European Community to reach stability and economic development in the regions and open up a perspective for long term membership in the EU. It was adopted on June 10<sup>th</sup> 1999 in Cologne. The Stability Pact is being implemented by three so-called Working Tables among them Working Table II (economic reconstruction, development and co-operation) that has the strongest relation to the aims of the CADSES-Interreg IIIB programme. Priority topics of this working table are regional infrastructure, private sector development, intra-regional trade, vocational education and training, human resource development and environmental issues.

A regional development strategy for the stability pact area concerning the above mentioned issues was developed by the World Bank.<sup>4</sup>

A mayor step toward implementation of infrastructure projects was taken at the Regional Funding Conference in Brussels in March 2000. A Quick Start Package<sup>5</sup> was agreed that includes 208 projects with a total amount of 384 million Euro.

In addition, further community instruments and programmes providing assistance to South-eastern Europe which may be put in place by the Union in the future, most notably the CARDS assistance, will be taken into account when considering funding for those countries and regions in South-eastern Europe participating in CADSES.

On 5 December 2000, the Council of the European Union adopted the Regulation EC 2066/2000 on assistance to Albania, Bosnia and Herzegovina, Croatia, Federal Republic of Yugoslavia, and Former Yugoslav Republic of Macedonia as a new instrument of technical and financial assistance to the Stabilisation and Association Process countries. The CARDS assistance shall be used for the following:

- reconstruction, aid for the return of refugees and displaced persons, and stabilisation of the region;
- the creation of an institutional and legislative framework to underpin democracy, the rule of law and human and minority rights, reconciliation and the consolidation of civil society, the independence of the media and the strengthening of legality and of measures to combat organised crime;
- sustainable economic development and market-economy-orientated economic reform;
- social development, with particular reference to poverty reduction, gender equality, education, teaching and training, and environmental rehabilitation;
- the development of closer relations among recipient countries, between them and the European Union and between them and countries which are candidates for accession to the European Union, in coordination with other instruments for cross-border, transnational and regional cooperation with non-member countries;
- fostering regional, transnational, cross-border and interregional cooperation among the recipient countries, between them and the European Union and between the recipient countries and other countries of the region.

CARDS assistance, which is managed by DG External Relations, shall be provided following the preparation of the strategic framework document for each individual beneficiary country for the period 2000-2006 (country strategy papers), multi-annual indicative programmes and annual action programmes. The projects prepared along the lines of the programming documents will be implemented jointly by the European Commission and national bodies of the beneficiary country.

The Stability Pact for South-eastern Europe, CARDS assistance and further Community instruments and programmes providing assistance to South-eastern Europe which may be put in place by the Union in the future, will be taken into account when considering funding for those countries and regions in South-eastern Europe participating in CADSES.

#### TACIS (Technical Assistance to Commonwealth of Independent States)

The European Union supports the transition in the Newly Independent States through the TACIS assistance instrument

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<sup>4</sup> The World Bank, Europe and Central Asia Region: *The road to stability and prosperity in South-eastern Europe: a regional strategy paper*, (March 2000).

<sup>5</sup> Special Co-ordinator for the Stability Pact for South-eastern Europe: *Progress report on the implementation of Quick start package of project*, (July 2000).

under the responsibility of the DG External Relations. For the period 2000-2006 the new priorities of assistance are a greater concentration of the assistance to achieve maximum impact and support for the objectives of the Partnership and Co-operation Agreements.

These objectives will be promoted through improved implementation of the assistance, notably a move from 'demand-driven' to 'dialogue-driven' programming, increased promotion of investment, an increase in the number of assistance instruments available, including an increased use of twinning between EU and NIS institutions and industrial co-operation and by improving the quality of the assistance, notably through the creation of an 'incentive' scheme.

In order to facilitate participation of these countries in the programme, guidelines for improved co-ordination between Interreg and TACIS are required.

In its 'Guide to bringing Interreg and TACIS funding together', published at the Luxembourg Council in April 2001, the Commission has made practical proposals of how to use both funding instruments in a more efficient way. The TACIS assistance instrument does not support accession to the EU but offers support to partner states in Eastern Europe and Central Asia undergoing transition. For TACIS-CBC, objectives and criteria for project selection equally differ from Interreg. It is expected that even in the long run, the TACIS assistance will be governed by different regulations.

The Commission will introduce certain practical steps to overcome these difficulties. The TACIS-CBC Small Project Facility seems most appropriate to match Interreg IIB. It is directed at regional and local authorities and funds projects between 50'000 and 200'000 Euro. From 2002 onwards, the TACIS-CBC Small Project Facility will have regular calls for proposals. One of the criteria for the selection of TACIS-CBC projects according to the new guidelines should be that a complementary Interreg project exists on the other side of the border. In addition, the TACIS-CBC Micro Project Facility exists to which applications can be submitted at any time followed by a relatively easier approval procedure. In addition, there is clearly a need for Interreg to better reflect on the objectives of the TACIS instrument.

Despite practical improvements there is a need to simplify co-ordination between Interreg and TACIS, and further reduce procedural differences. As in PHARE, decision-making on funds should be closely co-ordinated by presenting joint project proposals to both, the Interreg IIB Steering Committee, and the respective Commission's representatives awarding final approval for TACIS funded proposals. Active participation of TACIS representatives in the Interreg initiative's work is also required.

For further information on TACIS instrument see also: [www.europa.eu.int/comm/external\\_relations/ceec/tacis](http://www.europa.eu.int/comm/external_relations/ceec/tacis)

### **3.3 From Cadses I to Cadses II**

Overall the mutual information basis has improved considerably, the previous programme period has led to awareness raising for transnational development issues. The number of transnational partnerships and co-operations has risen. Transnational co-operation documents as elaborated in the frame of Vision Planet (Guidelines and Policy Proposals, Background Report) are important pioneer activities for a broader dissemination of the basic principles and ideas of the European Spatial Development Perspective (ESDP).

The previous period has also shown that CADSES itself is among the most challenging areas for transnational co-operations since it includes:

- Four Member States respectively Member States' regions which reveal considerable differences in their spatial and economic structures;
- Fourteen co-operating Non-member States , respectively co-operating regions which on the one hand comprise areas which are undergoing rapid changes due to an intensified process of integration in a socio-economic as well as in a spatial dimension and on the other hand it comprises areas and countries which are in utmost need of these processes.

These differing positions imply that the CADSES area is marked by rather large disparities on national as well as on regional level. Within the previous programme period the view and perception of disparities and spatial imbalances has been deepened, but also the range of possibilities for concerted and country-specific action has been enlarged due to increased common understanding and continuous exchange of information.

An important and common characteristic of the transition process has become more obvious in the previous period: these are conflicts between major objectives, in particular between the objectives of equivalence and cohesion on the one hand, and efficiency and national growth on the other hand. Under the conditions of transition economies the spatial implications of these conflicting goals are even more significant.

Considering more in detail some CADSES I projects, it is interesting to underline that VISION PLANET activities and papers have contributed to increase the perception of the need for a greater *transnational vision* of European space. The "Guidelines and Policy Proposals (GPP)" adoption imply that the term "trans-nationality" is no longer employed in the trivial meaning of comprising areas of several countries: strategies and actions are now referred to the common features of spatial development and to the common challenges for spatial development policy. This also means that a more structured and thematically focussed dialogue between the actors from countries is now being developed, i.e. a central role to partnership is given. The relevance of common spatial development policy has also been emphasised — among other projects — by PREPARITY project, which has developed tools, scientific analyses and strategic outline concept aiming at preparing political decision-makers for Eastern enlargement of EU and helping them to cope with regional structural and cohesion problems in economic policy.

The common space dimension of European policies has been promoted by CADSES I projects considering both physical and immaterial connections. For instance, SUSTRAIN PROJECT has contributed to the definition and enhancement of the regional development potential, stemming from adequate investments into the modal and intermodal transportation networks to optimise the passenger and cargo transportation services in the CADSES corridor. Project area has been the transport corridor Berlin - Budapest, its main branches and some extra branches including one heading south towards Slovenia. The CO-OPERATIVE NETWORKS project has developed general prospects and special examples of co-operative networks among medium-sized cities in Central and South-eastern Europe securing competitiveness, social balance and sustainable development. With reference to the social dimension of common space policies, INTE-MIGRA project has developed actions for the creation of a co-operative network to manage social and economic imbalances due to migration processes and promote integrated planning for settlement, employment and production. The project has promoted the development of a co-operative network among the main border towns and regions of the European Union, where the phenomenon of legal and illegal migration has reached a remarkable scale.

Environment and sustainable development issues have been emphasised by many CADSES I projects. For instance — and among other projects — the LET'S CARE METHOD initiative — within Measure E, referring to prudent development and management of natural and cultural heritage — has given a substantial contribution to the achievement of a joint strategy on European level, not only for identifying potential natural sites but also for the protection and preservation of the



environment, the revitalisation and enhancement of the architectural heritage and the long-term development of cultural landscape. Thus the project has contributed to the development and identification of cultural landscapes for purposes of inter-regional and transnational co-operation. The NATURAL RESOURCES project — within Measure E — has contributed to the transnational safeguard and improvement of the sustainability of natural resources in the field of agriculture, forestry and water management by using common spatial planning focusing on underforested areas of the lowlands and hills of Central and Southeast Europe. Moreover, the WETLANDS project has defined new strategies of integrated management of wetlands (lakes, river banks, coastal lines, lagoons, marshlands, etc). By integrated management, the project has meant the co-ordination of the whole administrative process related to a wetland, by combining the various phases of spatial planning and management and by setting as objectives the environmental protection and the sustainable economic use.

### **3.4 Common problems**

All phenomena of transition influence spatial structures: parts of the existing structures will be subject to relatively rapid changes due to centralisation tendencies, some parts have to face the threat of persisting weak structures with regard to low standards in infrastructure, unfavourable industrial heritage respectively settlement structures stemming from the past decades. It underlines the fact that co-ordinated and planned development of spatial structures is needed in order to prevent adverse consequences: on the one hand promoting the necessary mechanisms to prevent unbalanced development of economic hot spots, on the other hand prevent regions from remaining in a peripheral status.

#### **Cities – driver and spearheads in transformation**

Obviously the current economic developments impose a new role and a new position on urban settlements. Agglomerations will keep their leading role in terms of the most rapid economic transformation which in particular includes an increasing role as backbones and strongholds in the development of Small and Medium Sized Enterprises (SMEs). For the agglomerations a broad range of transnational bridging functions should be stimulated and developed under the new programme. Among the most challenging vision is the development and extension of several layers of specialised transnational networks with focal points in the CADSES agglomerations.

Balanced development means to a certain extent to intervene in the interurban hierarchies which at present show the agglomerations in a dominant position. Deliberately strengthening the role of Small and Medium Sized Cities (SMCs) is among the major challenges to contribute to balanced spatial development hence broadening the basis of social and economic cohesion within CADSES.

Urban development cannot be seen separate from the transformation and changes in the surrounding regions. For most of the CADSES countries the strengthening of urban-regional management is a challenge which is vital for the sustainable growth of urban spaces.

#### **Territories of CADSES – predominantly rural regions**

A mere focus on urban settlements would mean to neglect the utmost largest territories of CADSES, i.e. the rural regions. At present totally different opportunities and threats arise for these regions ranging from suburbanisation to depopulation, from careful and sustainable use of unique natural heritages to the continuation of ecologically harmful practices in cultivation. Shaping a new notion of rurality is a core issue with regard to sustainable development. Tertiarisation and the increasing role of information society change the position and function of the rural space. As a priority common to all rural regions careful resource management and environmental protection have to be highlighted. In

the recent past natural disasters and environmentally harmful accidents have led to increasing awareness for transnational risk management and efficient mechanism in prevention.

#### *Transport– backbone of spatial integration, source of increasing environmental burden*

One of the main immediate and increasing impacts of further integration within CADSES are increasing transport flows. The rapidly increasing transport volumes indicate one of the most obvious new burdens on CADSES' environment and sustainable transport. Uncoordinated development of transport networks will have adverse impacts on living quality and natural resources in all regions of CADSES. On the other hand transport networks will determine future development options, in particular for SMCs and rural regions. The role of cities as drivers in economic development bears the tendency to neglect the impacts of infrastructure on rural regions. Strategies to overcome peripherality inevitably have to focus on the transport networks.

#### *Information society– spatial diffusion and skill transfer*

Information society exhibits at least to some extent the same characteristics of other infrastructure. IT-based developments concentrate in the agglomerations, contributing to and fostering tertiarisation and centralisation. Deliberate development strategies, i.e. deliberate decentralisation efforts integrating human resources development might enable IT to contribute to more balanced development. But it is obvious that the positive impacts of IT require as a basis that other infrastructure, in particular education and training, is provided at certain standards.

#### *Harmonious territorial integration – sustainable spatial development and environmental protection*

Finally one should not forget the main objective of this initiative, which is to contribute to territorial integration hence emphasising a balance between various, in many cases even conflicting spatial developments. Two specific objectives have to be highlighted in this respect:

- An emphasis on transnational issues of environmental protection
- To place due emphasis upon the balance of spatial interests.

### **3.5 General objectives and strategies**

The community initiative Interreg is addressed to transeuropean co-operation intended to encourage harmonious and balanced development of European territory, as a mean to economical growth and a stronger European competitiveness: this is the general reference for all the Interreg co-operation areas. But, for the CADSES region, this objective represents a specific challenge, due to the deepest internal differences of this space.

Therefore, the general objectives, which are to:

- contribute to spatial integration in the area;
- contribute to competitiveness, efficiency and growth in the respective regions;
- contribute to economic and social cohesion within the countries and regions and between the countries;
- ensure the conservation of the natural and cultural heritage, the protection of the environment and the sustainability of development;

- contribute to the promotion of equal opportunities between women and men,

take here a particular complexity and importance. They must facilitate and support the enlargement and integration process. The awareness of such a mission turns the general objectives in a real challenge.

The implementation of these objectives is to be carried out, in fact, under specific conditions: During the process of transformation, there are more conflicts between the objectives than in a more consolidated situation, especially between objectives of equity and cohesion, on the one hand, and efficiency and national growth on the other hand.

European integration, and particularly the enlargement of the Union is expected to involve mainly CADSES countries in the short and mid-term perspective. Hence the priorities of the PHARE and the CARDS assistance should be seen as general objectives of the CADSES-Interreg IIIB programme as well:

- Co-ordination of investment and investment to strengthen economic and social cohesion following ERDF and ESF measures;
- Contribute to a smooth enlargement process, prepare the regions, administration, research institutes etc. for the future direct participation in the Community Initiatives (Institution building in CADSES in line with the implementation of the ESDP);
- Support co-ordination between the different instruments (Interreg, PHARE, ISPA, SAPARD, CARDS, etc.) and support the integrated preparation of common projects in CADSES between Member States and Non-Member States.

The following specific strategies for the Community Initiative Programme have been identified:

- Support advanced transnational networking for the exchange of know-how and co-operative strategy making of key actors in different fields of spatial development policies in CADSES;
- Provide compatible co-operation tools (databases, decision support systems, GIS, interfaces between systems, etc.) and soft co-operation infrastructure in CADSES;
- Provide transnational integrated expertise in the form of applied research for key questions of spatial development in CADSES;
- Demonstrate results of large scale transnational co-operation in small scale or thematically focused pilot projects (small investment, feasibility studies, key studies, pilot projects, etc.).

### *Quantification*

Quantification is not intended to cover the whole substance of the objectives and strategies listed above but a measurable part. It has to be complemented through qualitative assessment. Both will serve a pro-active approach on steering the programme towards meeting its objectives. The following quantitative objectives are to be measured at programme level:

- Enhancing cross-sectoral approach in spatial planning - at least 2/3 of the projects should have a mixed partnership involving different sectors;
- European integration of Non-Member States - at least 2/3 of projects should involve partners from Non-Member States;

- Participation of all institutional levels - at least half of the projects should involve local or regional authorities;
- Participation of all institutional levels - at least half of the projects should involve partners from three or more countries;
- Encourage investment and improve durable results - at least half of the projects should deal with preparation of public and/or private investment, regional planning measures or legislative plans or programmes;
- Efficiency of programme management - between 40% and 60% of projects should have a total budget of above 1,5 M€, between 30% and 40% of projects should have a total budget under 1 M€.

### **3.6 Compliance with EU-policies and programmes**

The objective of the new phase of Interreg is to promote economic and social cohesion. The main objective for the Strand B is to contribute to harmonious territorial integration across EU. With limited financial resources and the vastness of the territories involved a strong focus should be sought.

With regard to the thematic focus of Interreg IIIB all activities and further steps built upon the ESDP will be an important frame. The previous period has shown that the existence of a European Document promoted and stimulated the formation of networks and their extension to Accession Countries and other Non-Member States. In the period coming this basis will be used to select and further develop certain priorities of spatial development within CADSES.

The Community Initiative Programmes will contribute to the following principles of the EU (these principles will be taken into consideration when defining the selection and monitoring criteria in the Programme Complement):

- Economic competitiveness as a pre-condition for economic growth and employment;
- Technology and innovation as a particularly important aspect of economic competitiveness;
- Sustainable development policies;
- Promotion of equal opportunities.

Nevertheless facing these objectives one should not forget that Strand B of Interreg has been designed for a specific purpose which is complementary to other parts of Interreg as well as to other Community Initiatives, and to mainstream programmes (Objective 1 and 2 within the EU and pre-accession instruments for the candidate countries). Territorial integration and spatial development have to be considered as issues which aim at a balance between various interests hence one cannot compare this initiative to other 'mainstream' structural funds interventions. One has clearly to see that in contrast to Strand A no significant direct employment impacts can be expected, as well as the programme's immediate economic effects hardly can be quantified.

This programme should be seen more as a programme to prepare investments and concrete regional planning policies. Derived from the programme's main objectives, the most significant contributions can be expected to sustainable development policies as well as to economic competitiveness through various indirect effects. This should not be misunderstood, i.e. that the Community Initiative programme has a limited scope of action but it should be seen as a clear indication that the programme bridges a gap on transnational level in certain fields of action where a mere consideration on national level is insufficient with regard to sustainable development.

In any case, to be eligible for funding, projects under this programme must take into account equal opportunities for men and women and must contribute towards sustainable development. The Steering Committee is responsible for ensuring that this requirement is fulfilled. The Monitoring and Steering Committees shall strive for a balanced representation of men and women.

All measures included in the Programme clearly indicate the value added of the transnational scope of action which supplements and even deepens national strategies, including the objectives of the mainstream programmes. The Programme Complement will show in more detail this relationship between the different funds and initiatives.

Contributions to competitiveness and sustainable development will be achieved through:

- Awareness raising for territorial integration beyond the current borders of the EU;
- Spear heading into new fields of co-operation as a basis which will be further developed probably under completely changed preconditions after accession;
- Identification of economic options in several fields;
- Additional opportunity to overcome certain weaknesses of the pre-accession instruments with regard to their strategic frameworks: further steps from a project-oriented to a programme-based approach.

In principle the programme strategy is co-ordinated with other EU programmes which can use the results of Interreg IIIB for own investment projects (Structural Fund Programmes, TEN/TINA, 5th Framework Programme on research and development, EU-programmes Socrates and Leonardo, EU pre-accession instruments, CARDS, etc.) and national programmes. In order to ensure consistency and compliance in the implementation phase all project applications will undergo a thorough screening with regard to the above mentioned regulations.

### Enlargement and integration

As far as this aspect is concerned, see § 3.2. It is to be underlined that projects concerning the fields of transport infrastructure and environmental investment, as well as those of agriculture and rural development, have to respect the national strategies and priorities fixed in detail by the SAPARD and ISPA instruments and have to complement, if possible, the support given under these instruments. In the case of promoting agricultural projects the limits set by the SAPARD programmes may not be exceeded.

### Environment

CADSES explicitly integrates the environmental sustainability issues, within the third priority, dedicated to the promotion of the protection of the environment and good management of natural and cultural heritage. Specifically, measures have provided for protecting and developing natural and cultural heritage, promoting environmental protection and resource management, promoting risk management and prevention of disasters. These interventions appear to be consistent with the SWOT system regarding the environment, both from the perspective of Member States and the Eastern countries.

In particular, to verify such a consistency, as part of *ex-ante evaluation*, a table has been elaborated where the intended contribution of CADSES to environmental sustainability principle is shown. One axis of the matrix presents the various fields of intervention (measures); the other axis presents the principal weaknesses in the environment sector, recognised by the Programme.

The principle of the environmental protection is one of the fundamental points, on which the Programme is based. The programme indications formulated in terms of measures, therefore, are verified in relation to the principle of the ecological sustainability.

Baseline environmental indicators, environmental targets and indicators that will facilitate the measurement of the environmental impact will be also taken into consideration in the Programme Complement, such as the number of high polluted areas interested by projects, the number of actions addressed to measure, evaluate or improve the environmental conditions, especially the ones related to air, ground and water pollution.

The Member States must have fulfilled their obligations under the Community policies and schemes for protecting and improving the environment, in particular the "Natura 2000" network (following the Council Directives 92/43/EEC and 79/409/EEC concerning conservation of natural habitats, fauna and flora or wild birds respectively). They also give a formal guarantee that they will not allow sites protected under Natura 2000 to deteriorate during operations part-financed by the Structural Fund. At meetings of the Monitoring Committee, responsible for an assistance package, the Commission representative will pay close attention to any measure or project likely to affect sites protected under Natura 2000 and will make any necessary recommendations to the Managing Authority concerned. (cf. EC letter, 14 March 2000: Annex "The Structural Funds and the environment").

### Transport

Important sections of CADSES are devoted to transport networks and accessibility issues, in the perspective of a larger, integrated and economically stronger Union. This issue is of primary relevance, considering how important an improved accessibility with reference to the principal objectives of spatial development policy in Eastern area is.

Specifically, the Programme provides for a measure (2.1 - Developing efficient transport networks with regard to sustainable development) which contribute to the development and implementation of projects, focusing upon co-operation in the fields of improvement of accessibility as priority task of economic and social policy. Projects financed under CADSES will have the objective to: i) develop transnational concepts, co-operation mechanism, institutions and pilot projects for an efficient and sustainable transport system; ii) promote a balanced development between the transnational, national and regional networks; iii) promote a balanced development of rail, road and inland waterways; iv) promote transnational co-ordination and development of transport infrastructure in CADSES area that is linked to spatial development objectives.

In this context, objectives and interventions selected by CADSES programmers are largely consistent with Trans-European corridors policies (TEN and TINA). Specifically, it may be useful to recall here the TEN objectives, as they were defined by the Decision No 1692/96/EC of 23 July 1996, on Community guidelines for the development of the trans-European transport network. During the implementation of the programme, the White Paper "European transport policy for 2010 : time to decide"<sup>6</sup>, adopted on 12/9/2001 will be taken into account.

### State aids

As is requested in article 12 of the general Regulation and in point 7 of the Interreg Guidelines, in the framework of this assistance, community rules in terms of state aid will be respected and aid granted by Member States will be notified to the Commission according to article 87 and 88 of the EC Treaty. None the less all subsidies for Interreg IIIB will fall under the *de-minimis* rule, according to the following regulations: Commission regulation n° 68/2001 (of 12 January 2001) on

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<sup>6</sup> ([http://europa.eu.int/comm/energy\\_transport/en/lb\\_en.html](http://europa.eu.int/comm/energy_transport/en/lb_en.html)).

the application of articles 87 and 88 of the EC Treaty to training aid, Commission Regulation n° 69/2001 (of 12 January 2001) on the application of articles 87 and 88 of the EC Treaty to the *de-minimis* aid, Commission Regulation n° 70/2001 (of 12 January 2001) on the application of articles 87 and 88 of the EC Treaty to State aid to small and medium sized enterprises (OJ L10 of 13.1.2001). The Programming Complement will specify for each individual measure, which of the block exemption will be applicable. A table showing in a summary way the measure number, the title of the measure and the title of the applicable block exemption will equally be inserted into the Programming Complement.

This regulation does not apply to production, transformation and commercialisation of agriculture products nor to the transport sector, among others.

In particular with regard to measure 2.1 of the programme proposal, it is to be underlined that aid to transport infrastructure could in some cases fall under Article 87(1) Treaty establishing the European Community ('Treaty'), and in particular when the infrastructure management is handled by enterprises, whether public or private, acting as economic undertakings. In principle, such aid needs to be notified, according to Article 88(3) of the Treaty and is usually considered to be compatible with the Treaty, if it is necessary to realise the project and proportionate to the project costs.

In order to enable the Commission services to assess the relevance of the State aid relevance of the measures in the field of transport, more details will be given in the Programming Complement.

Furthermore, the financing of transport infrastructure for construction or extension purposes is considered not to constitute State aid only as long as such financing is carried out in compliance with EC rules on public procurement.

### *Agriculture*

CADSES programme has no own priority or measure focusing agriculture but the EU area covered by this programme is also eligible for support under the Rural Development Plans (RDP) of the partner Member States. Similarly, the Accession Country area is governed by Council Regulation (EC) N° 1268/1999 of 21 June 1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period (SAPARD). Therefore a co-ordination with agricultural programmes is necessary, so that possible synergies can be properly taken into account and duplication of efforts be avoided. Since agriculture is no priority of the programme the co-ordination can be carried out mainly as part of the assessment of applications and project reports.

As some measures could also be eligible under the Rural Development or LEADER+ programmes, a clear demarcation line to distinguish the character of measures under CADSES, RDP and LEADER+ has been found at each national level. Either the national co-ordinators of CADSES also participate as members in the Leader's committees, or an information exchange will take place between the responsible institutions.

In particular, as far as the rural development scheme is concerned, to avoid double funding of measures, which could be eligible under the Interreg as well as under the Rural Development scheme, the same institutions should be involved for advising and approving project applications. For measures falling in the scope of chapter 1 to 9 of Regulation (EC) n° 1257/1999, the eligible criteria and aid intensities of this regulation as well as the Community Guidelines for State Aid in the Agricultural Sector (2000/C28/02) should be respected.

Again, in order to avoid double funding of measures, in case of transnational projects, first the criteria for Interreg III-support and if Interreg does not fit, then the criteria for LEADER+ support should be checked. For measures falling in the

scope of chapter 1 to 9 of Regulation no 1257/1999, the eligible criteria and aid intensities of this regulation as well as the Community Guidelines for state Aid in the Agricultural Sector (2000/C28/02) should be respected.

In case of any support of projects falling in the scope of agriculture the Common Agriculture Policy, in particular the Regulation n°.1257/1999 has to be respected. Also the Community Guidelines for State Aid in the Agricultural sector (2000/C28/02) do apply, meaning that only projects in the frame of approved state aids could be supported. New state aids have to be notified and approved by the Commission.

The above mentioned Community Guidelines do not apply for projects concerning diversification of agricultural activities pursuant to article 33 of Regulation n°.1257/1999, which are not related to "Annex 1 of the Treaty", like projects concerning rural tourism or creation of craft activities. These projects are supported only in the frame of the *de-minimis* rule block exemption regulation.

### Research and development and Information Society

Although the 5<sup>th</sup> Framework Programme for RTD covers a wide range of activities and although like CADSES it is open for co-operation with Accession Country there are only a few key areas of the 5<sup>th</sup> Framework Programme where a close co-ordination is necessary, among them the key areas 'Cities of tomorrow' and 'Sustainable management and quality of water'. Most CADSES projects won't be primarily research oriented and where they have a research orientation and where it even overlaps with subjects of the 5<sup>th</sup> Framework Programme it is still very much likely that they have a different character. The link to an integrated spatial development of the programme area according to the ESDP which is a minimum requirement for all CADSES projects and which is not prerequisite of the RTD programme will ease the coordination of the two programmes. Efforts will be made to increase complementarity with Information Society initiatives and to take into account objectives of the "e-europe" 2002 action plan, or the action plans of the following years.

A specific measure of the Programme (2.2 - Improving access to knowledge and the information society) is devoted to the development and implementation of projects focusing upon co-operation in the fields of improvement of the access to knowledge and the information society.

As the Commission orientations claim,<sup>7</sup> the information society has considerable potential for strengthening economic and social cohesion within the meaning of Art.158 by reinforcing regions' competitiveness. This is increasingly determined by the ability of regions to integrate the new technologies made available by the information society. These technologies can help regions to retain a larger share of total value added and attract and develop new activities. The information society could also help breakdown the barriers to location of business outside urban centres, attracting increased investment to rural areas and areas dependent on fisheries. It offers a great potential for the development of new forms of employment and high skilled jobs, especially by providing SMEs with the instruments to innovate and adapt to a rapidly changing economic environment.

In this context, modernisation and development of telecommunications infrastructures is a necessary precondition for investors and regional development which then offers big market opportunities and is quite attractive for foreign investors. As in most countries within the EU, "teledensity" in the CADSES is still lower outside the urban centres. Access to modern information and communication technologies and services in all parts of the CADSES is a prerequisite for economic and social development. Technical and economical (affordability) aspects are relevant fields of intervention to reduce the risk that economic and social disadvantages accumulate in sparser populated areas. The recent

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<sup>7</sup> European Commission (Bruxelles, 1999): *The New Programming period 2000-2006: technical papers by theme*; and *Technical Paper 2: Information society and regional development, ERDF Interventions 2000/2006. Criteria for programme assessment*.



achievements must be utilised as a competitive advantage in the future spatial development of the CADSES, e.g. for rural development or for attracting service industries. Spatial development policy should contribute to this aim by raising awareness of and by supporting regional actors in making use of these opportunities.

As selection criteria, it has to be recalled that the existence of high-quality information and telecommunications infrastructures is clearly one of these factors. Having the most advanced infrastructure is, however, irrelevant if the appropriate services and applications are not provided to the end users or if the end users lack the knowledge or ability to benefit from them. A relatively weak content base, a generally low level of awareness of information society benefits and opportunities and (relatively) high prices – common barriers in less favoured regions – are often compounded by a scarcity of Information and Communication-related Technologies (ICT) skills. In terms of the prior appraisal of Information Society related projects, and especially telecommunication infrastructure projects, criteria could even include: i) telecommunications traffic growth; ii) ratio of voice to data telecom traffic; iii) market accessibility for firms; iii) improvement in affordability of services; iv) estimated (direct) employment creation; v) diversification of the local economy into knowledge related activities.

### Accession strategies for the environment

Taking into account that specific role of environmental dimension for the accession process the European Commission (DG Environment) developed a strategy to support ten CEE Accession Countries in the environment Acquis.<sup>8</sup> The strategy focuses on issues like environmental law, environmental institution building, quality of air, waste management, pollution of water, industrial pollution control and risk management, nuclear safety and radiation protection. Its approach is the prioritisation of the environmental Acquis for every Accession Country by detailed assessments of the environmental situation in every country, the identification of administrative and legislative gaps that have to be filled and the economic implications of environmental infrastructure investments (water, waste). Special attention is given to the full compliance of all new investments with the Acquis of the nuclear safety.

The relevant instruments for Commission's assistance are pre-accession instruments like ISPA and SAPARD, the opening up of relevant Community programmes (LIFE, 5<sup>th</sup> Framework Programme for RTD, European Sustainable Cities Campaign, etc.) and institutions (European Environment Agency - EEA).

Moreover, CADSES II strategies and objectives fully reflect principles and perspectives set forth by the European Union's proposals for the *Sixth Environment Action Programme* — "Environment 2010: Our future, Our choice": see the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions, dated January 24<sup>th</sup>, 2001. This new Programme establishes environmental objectives for the next ten years and beyond and sets out the actions that need to be taken over the coming five to ten years to achieve these objectives. It focuses on the following priority issues: (i) tackling climate change; (ii) nature and bio-diversity – protecting a unique resource; (iii) environment and health; (iv) ensuring the sustainable management of natural resources and wastes.

### Tourism

Tourism has a great potential as regards contributing to the achievement of several major EU objectives, such as sustainable development, economic growth, employment and economic and social cohesion. The fact that many policies have a significant effect on the various activities of the tourism sector requires a co-operative and politically co-ordinated

<sup>8</sup> Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee, the Committee of the Regions and the Candidate Countries in Central and Eastern Europe on *Accession Strategy for the Environment: Meeting the Challenges of Enlargement with the Candidate Countries in Central and Eastern Europe*. COM (98) 294

approach. The Commission Communication "Working together for the future of European tourism" gives clear guidance how this can be achieved in the future.

Furthermore, three Commission publications on integrated quality management, notably in urban, coastal and rural tourist destinations, deal with this issue in detail and present concrete project examples:

*Towards quality rural tourism: Integrated quality management (IQM) of rural destinations* <sup>9</sup>,

*Towards quality coastal tourism: Integrated quality management (IQM) of coastal tourist destinations* <sup>10</sup>,

*Towards quality urban tourism: Integrated quality management (IQM) of urban tourist destinations* <sup>11</sup>

(see also <http://europa.eu.int/comm/enterprise/library/lib-tourism/index.htm>).

These publications should serve as an orientation for decision-makers dealing with tourism, in particular when implementing Measure 1.2 (Shaping urban development, promoting urban networks and co-operation), Measure 1.3 (Shaping rural development) and Priority 3 (Promotion and management of landscape, natural and cultural heritage)."

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<sup>9</sup> Luxembourg: Eur-Op, 2000 - 154 p. Eur-Op catalogue n° CT-24-99-041-\*\*-CEN, FR; *Summary*, Luxembourg: Eur-Op, 2000 - 14 p. Eur-Op catalogue n° CT-25-99-261-\*\*-C. All languages. The document is the result of a study carried out by THE TOURISM COMPANY (UK) in association with FUTOUR (Germany) and the ECOTRANS network for the European Commission.

<sup>10</sup> Luxembourg: Eur-Op, 2000 - 154 p. Eur-Op catalogue n° CT-24-99-057-\*\*-CEN, FR; *Summary*, Luxembourg: Eur-Op, 2000 - 14 p. Eur-Op catalogue n° CT-25-99-277-\*\*-C. All languages. The document is the result of a study carried out by ORGANISATION MARKETING (OGM; Belgium) for the European Commission.

<sup>11</sup> Luxembourg: Eur-Op, 2000 - 168 p. Eur-Op catalogue n° CT-24-99-049-\*\*-CEN, FR; *Summary*, Luxembourg: Eur-Op, 2000 - 14 p. Eur-Op catalogue n° CT-25-99-261-\*\*-C. All languages. The document is the result of a study carried out by ORGANISATION MARKETING (OGM; Belgium), for the European Commission.

## 4. PRIORITIES AND MEASURES

### General provisions

The Interreg IIIB initiative for CADSES builds upon experiences gained through Interreg IIC and further analytical evidence (SWOT analysis). The programme takes its guidance from the ESDP, the CEMAT Guidelines, the Vision Planet Guidelines and Policy Proposals and the results of ESTIA. It is one of the main instruments in this area to apply the respective visions, strategies and actions called for in these programmes.

The programme addresses primarily actors of spatial development policies. They are coming mainly from three policy areas with different forms of intervention in changes of spatial structure:

- spatial planning;
- regional (economic) policy and
- spatially relevant sectoral and functional policies.

These actors are addressed in different ways:

- At the programme level (programme management institution and national co-financing institutions) the Programme focuses on the co-operation of actors who develop and co-ordinate and spatial development policy (key experts of national and regional and local administrations).

- At the project level different groups of public and private actors should be addressed:

- spatial development policy implementing institutions and “developers” with a transnational view;
- national, regional and local administrations implementing policies in the fields of regional development, comprehensive urban and rural development policies, traffic and transport, technology and innovation, nature protection and environmental management;
- semi-public institutions like regional development associations and promoters, innovation and development agencies;
- private institutions such as economic and social partners, chambers of commerce, regional councils as well as private companies (e.g. infrastructure providing enterprises) and NGOs in the relevant fields;
- international organisations in relevant fields of action.

The current programme has a twice as long time horizon and six times more money than Interreg IIC. Therefore more concrete impact is expected from Interreg IIIB CADSES. Joint implementation activities will be preferred to networking and exchange of experience. Concrete actions preparing investment and small-scale infrastructure investment as part of projects will be paid more attention. The aim is to achieve a more integrated set of projects, where studies, assessments et cetera are part of broader activities which should also comprise implementation schemes.

The activities undertaken in the framework of this Programme are understood as system, comprising the following:

- transnational studies and planning activities like development concepts or project, programme and policy assessments (like EIA, TIA, SEA);

- establishment of new and extension and intensification of co-operation in existing transnational networks and associations of actors of spatial development policy, and network related activities (staff exchange – joint training facilities and programmes);
- pilot actions, pilot and demonstration projects with transnational dimension (if based on transnational concepts or strategies);
- exchange of know-how and experience between actors of spatial development policy (comparative analysis of instruments, methodologies, standards and concepts);
- feasibility studies for investments;
- financing of small scale complementary infrastructure investment (bottlenecks, interfaces), proposed by transnational strategic concepts;
- financing of small scale investment, (e.g. information and innovation centres of transnational importance, ICT networks, part of buildings), proposed by transnational strategic concepts;
- financing of implementation structures proposed by transnational strategic concepts;
- project management.

Pursuant to Article 21(2) of the general Regulation together with Article 3(2) of regulation (EC) No. 1783/1999 regarding measures co-financed by the ERDF, for operations which fall into the field of application of the EAGGF Guidance section and/or the ESF, the specific provisions of the relevant regulations governing these funds will be respected.

### *Description of priorities and measures*

The following figure gives an overview of priorities and measures:

<b>Priority 1</b> Promoting spatial development approaches and actions for social and economic cohesion	<b>Priority 2</b> Efficient and sustainable transport systems and access to the information society	<b>Priority 3</b> Promotion and management of landscape, natural and cultural heritage	<b>Priority 4</b> Environment protection, resource management and risk prevention
<b>Measure 1.1</b> Supporting joint strategies and actions for implementation	<b>Measure 2.1</b> Developing efficient transport systems with regard to sustainable development	<b>Measure 3.1</b> Protecting and developing cultural heritage	<b>Measure 4.1</b> Promoting environmental protection and resource management
<b>Measure 1.2</b> Shaping urban development, promoting urban networks and co-operation	<b>Measure 2.2</b> Improving access to knowledge and the information society	<b>Measure 3.2</b> Protecting and developing natural heritage	<b>Measure 4.2</b> Promoting risk management and prevention of disasters
<b>Measure 1.3</b> Shaping rural development		<b>Measure 3.3</b> Protecting and developing landscape	<b>Measure 4.3</b> Promoting integrated water management and prevention of floods
<b>Measure 1.4</b> Spatial impact of immigration			

A further specification of above-mentioned provisions and of the following description of measures will be provided in the Programme Complement and through active influence on project generation. Project selection criteria, as defined in the next chapter and further specified in the Programme Complement, will be applied to all measures. In the Programme

Complement, information on detailed measures and quantifying indicators, on impact for environment and for equal opportunities for men and women, on categories of final beneficiaries, on financing of each measure and financing instruments as well as on information and publicity will be provided.

**Priority 1: Promoting spatial development approaches and actions for social and economic cohesion**

The major aim of this priority is to further enhance co-operation and networking between key actors of spatial development policies on both sides of the external EU border as well as between Accession Countries and Third Countries. The addressees are coming from spatial planning, regional economic policy and spatially relevant sectoral and functional policies. All relevant levels of administration, from local to regional, national and European, should be represented in actions supported under this priority.

Four areas of intervention are foreseen: the first measure aims at intensifying transnational co-operation of actors defining spatial development policies at different levels in order to achieve a greater coherence among policies related to i.a. regional development, environment, transport, urban and rural development. The second measure is oriented towards urban development and a more polycentric settlement pattern. It aims at strengthening urban economies, promoting urban restructuring and the like. The third measure will support actions which aims at strengthening and restructuring rural areas, which is of particular importance not only for significant parts of the EU territory within CADSES, but for accession countries as well. Synergies with Rural Development Programs (RPD) in the EU Member States and possible co-financing from the SAPARD instrument should be considered. Finally, a fourth measure deals with spatial aspects of migration. Its aim is to develop joint spatial policy strategies for the countries of origin and of destination.

**Main objectives**

Enhance co-operation between key actors of spatial development policies in order to:

- Ensure competitiveness, efficiency and growth in CADSES
- Promote economic and social cohesion within and between the countries of CADSES
- Promote sustainability of development
- Promote spatial integration of CADSES
- Promote polycentric development
- Develop joint migration policy strategies in the context of spatial development.

**Quantification**

Priority 1 should contribute to further development and substantiation of the transnational co-operation between the actors of spatial development through implementation of common projects referring to the main objectives. Projects should have strong spatial development references and transnational character. High number of partners from Non-Member Countries belonging to the CADSES is expected to participate in the co-operation within the transnational networks. In particular, Priority 1 should deliver appropriate solutions for at least three subregions of CADSES and the respective number of permanent strategic management structures (networks) should be established. Co-operation of specific types of areas should be promoted in order to gain 4-5 examples of solving specific development problems such

as co-operation between cities and neighbouring communities or rural regions. The concrete outputs should be aggregated after finishing the projects.

At least six best practice examples should be developed and marketed. At least one third of projects should involve actors from regional urban centres.

### *Indicators*<sup>12</sup>

Number of projects by measure and thematic category number of best practice examples, number of projects between key actors of spatial development policies, number of projects concerning mitigation of disparities between urban and rural areas, number of projects promoting polycentric settlements, number of common transnational migration strategies

## **Measure 1.1: Supporting joint strategies for spatial development and actions for implementation**

### Aims and issues

A corner-stone of spatial development policies is that, taking into account the determining effect of existing structures, the decreasing population in most Accession Countries, and the limited availability of economic resources, development will take place largely within the present framework of spatial structures. Radical shifts in regional and settlement structures in CADSES are not to be expected, changes will take place rather within the internal structure of regions and settlements.

Improvement of existing spatial structures should include mitigation of emerging regional disparities. Special attention has to be paid to regions and areas lagging behind or in serious structural crisis, whilst at the same time the development of leading, dynamic regions as carriers of national growth and competitiveness has to be promoted.

Disadvantageous situation of specific peripheral areas needs improving. This aim may be achieved through the intensification of transnational co-operation and improvement of permeability of borders, establishment of new rural-urban relationships as well as facilitation of access to resources, knowledge and information.

Spatial development policy in CADSES region should contribute to diversification of the economic and employment structure of monosectoral areas and one-sided "company towns" in order to reduce the economic dependency by promoting small and medium sized enterprises (SMEs), by utilising endogenous resources and by combining different measures of economic policy to initiate innovation and structural change.

▫ The major objective for this measure is to intensify transnational co-operation of actors defining spatial development policies at transnational, national and regional level substantially influencing integrated spatial development in CADSES or in parts of it (especially regional development, environment, transport, urban and rural development, etc.) with a view to promote polycentric and sustainable development and economic and social cohesion.

<sup>12</sup> For a detailed list of indicators on Programme and priority level cf. Annex 4. Indicators will be further developed and finally defined during the implementation of the programme.

**Measure 1.2: Shaping urban development, promoting urban networks and co-operation****Aims and issues**

A dynamic urbanisation process took place in most countries of CADSES during the last decades. The percentage of the population living in larger cities is quite similar in the western and eastern parts of the area. The economic structure and development of eastern cities was, however, determined primarily by administrative functions and industrialisation, the service sector played a secondary role, whereas in western cities the tertiary sector is the dominant one. Furthermore, in several countries of the area, smaller centres are either non-existent or they are not sufficiently developed. Their development should be one of the priorities of the coming years. The overly hierarchical system of cities and settlements should become more flexible and differentiated. Multipolar or polycentric systems should develop focusing on specialisation and division of labour between cities within countries but even between countries (e.g. networks of harbour cities, university cities, finance, media, trade centres, etc.).

The internal structure of most cities is in the process of rapid transformation. The function of downtown districts, of the urban-rural fringe and of large housing estates is changing rapidly. Several cities are unprepared for these unexpected and uncontrolled economic and social developments. The dangers of uncontrolled urban sprawl, congestion and social segregation are imminent. New types and instruments of urban management and planning, new initiatives in housing and social policy are needed to meet these new challenges.

Currently the great majority of the people in the CADSES area live in cities. The future development of the cities themselves as their specific relationships with the surrounding rural areas represents one of the big challenge for the development of the CADSES area. Cities with their high commitment for a clean environment and for a high quality of life are key elements for an integrated development of the urban and rural space. The cities are to be supported within these efforts politically and administratively. In this respect the co-operation targeting at mutual assistance, transfer of information and know-how concerning issues such as urban policy, technology, society, economy, environment and culture should be strengthened. The integration of these different policies within urban development and the city-surrounding partnerships is essential.

È The major objective for this measure is the development and implementation of transnational projects focusing upon i.a. strengthening urban economies, infrastructure and social systems, promoting urban restructuring and development with a view to dynamic, attractive and competitive cities, improving co-operation between cities and surrounding communities and promoting transfer of knowledge regarding urban policies (other transnational projects of city networks could be eligible under all the measures of the programme according to the respective thematic focus).

**Measure 1.3: Shaping rural development****Aims and issues**

The extent and percentage of rural areas is more or less similar in the western and eastern parts of the CADSES area. The major difference lies in the importance of agricultural employment and in the level of development of the infrastructure in rural areas. Agricultural employment in some transition countries is high and has even increased in recent years. Rural employment restructuring is unavoidable but cannot be implemented without simultaneous internal restructuring of rural settlements, of rural land use, nor without developing rural infrastructure networks. It is one of the biggest challenges CADSES countries will face during the next decades. Comprehensive national rural development strategies should be drawn up and implemented, including economic, social, and environmental aspects. The first

generation of SAPARD strategies will provide a new impetus for the elaboration of rural development strategies. The development of best-practice models in multi-functional agriculture is another challenging aspect.

È The major objective of this measure is to develop and implement transnational projects that enhance endogenous development, promote a diversified economic structure and a stable social development, taking into account the specific typology of rural areas (mountainous, coastal, landlocked, areas undergoing major economic restructuring, out-migration and severe social changes), assess the spatial impacts and horizontal coordination of projects carried out through the different pre-accession instruments, strengthen the partnership and interrelationships between rural areas and regional urban centers, develop models for improved demographic and social stability and further enhance the exchange of information on rural development.

#### **Measure 1.4: Spatial impact of immigration**

##### Aims and issues

###### *The development of spatial security policies*

Special attention has to be paid to the consequences of the phenomena of immigration on the spatial development and more generally on the social and economic cohesion of the interested regions; the nature of immigration flows and experiences of CADSES I demonstrate that only an approach based on the transnational co-operation is able to achieve tangible goals in these fields.

Any notion of immigration policies should clearly distinguish between immigration and social security. These two phenomena tend to be in some cases interdependent, nevertheless a constructive approach should draw a clear distinction between them. The first is immigration: it should be considered as a positive phenomenon which bears the opportunity to enrich the society of the receiving nation in political, economical and cultural terms. The second phenomenon is disorder, criminality and the feeling of insecurity developing in some gateway cities. Urban safety, considered in its twofold dimension of objective safety and its subjective perception, covers a much wider field than safety and security in a formal sense: in fact it refers to the control of illegality and the suppression of crime. Security requirements in respect of its "objective" dimension as well as of its subjective perception strongly differ among social groups respectively strata. The security needs of immigrants on the one hand and the inhabitants on the other hand will be in most cases different. The expectations and perceptions might be even conflicting, i.e. that security for one group might be considered as a source of insecurity by another group. Any approach which tries to bridge these gaps in perception by mere police action will not be successful in a mid- to long-term perspective: integrated strategies are needed which comprise interventions in the fields of infrastructure, social, economic and cultural actions. Community Initiatives such as this Programme offer a favourable opportunity to create proactive, integrated strategies.

###### *The development of immigration/ emigration policy strategies*

There was a marked convergence of immigration policies among the EU Member States at the beginning of the 1990s. Migration policies were in most cases based on two main objectives: a greater integration of the former immigrant groups already present and in parallel a rather restrictive policy towards new immigrant flows. From the viewpoint of an integrated approach such policies tend to be inconsistent and substantially ineffective in their attempts to restrict further immigration flows. These overall less effective mechanisms tend to prevail if the strategies adopted fail in developing an approach which focuses also on the regions of origin. In fact for the countries of origin the loss of human resources leads to specific problems exerting spatial impact in terms of brain drain in particular for rural regions, unfavourable changes in



the social and territorial balance and finally the loss of cultural heritage.

### *Social inclusion and opportunities*

The implementation of social inclusion policies should be based on two principles: The identification of actions which contribute to the improvement of living standards in the countries of origin; the promotion of positive action for social inclusion in target regions respectively countries. It is strategically important to start working with those social groups from the immigrant community which tend to be considered as being harmful for social stability, since they are perceived as being – or actually are involved - in vicious circles of exploitation and organised crime. The measures to be adopted should have the following objectives: the prevention of social exclusion of immigrants with a particular focus on immigrant women; the facilitation of social inclusion which means to integrate them in the official labour market including appropriate training programmes. Due emphasis should be placed upon specific work skills, hence promoting the social status in particular in terms of financial independence.

È The major objective of this measure is to develop transnational initiatives of a wider scope, including joint spatial policy strategies for the countries of origin and of destination and of social inclusion strategies in particular for female immigrants.

## **Priority 2: Efficient and sustainable transport systems and access to the information society**

Transport in most parts of the CADSES has dramatically changed in several ways during the last decade: geographically there was a shift from an eastward to a westward orientation; in terms of modal split, a shift from rail to road; and in economic terms, a shift from public to private transport. The expansion and improvement of infrastructure which links the eastern with the western parts of CADSES as well as internal connections constitute one of the largest challenges for all CADSES countries. The challenge is to meet rapidly growing demand in the growing market economies and correspondingly provide an appropriate infrastructure which will enable a balanced development at the different spatial levels and to introduce new financing and management methods.

The CADSES programme will contribute to these aims by supporting i.a. territorial impact assessments or strategic environmental assessments for projects and programmes, by initiating feasibility studies and, where appropriate, small-scale investments. One of the tasks of the programme is to prioritise spatial development measures for specific axes or transportation zones (including important links to other European territories) and to define priority issues for linking transnational networks (TEN, TINA) to "secondary" networks in order to increase accessibility for a larger part of the population. The programme will also contribute to a more thorough co-ordination of the separate projects of TEN and TINA networks.

As elsewhere, telecommunication is one of the most dynamic economic sectors in CADSES countries. Central and south-east European countries have the advantage of being late starters in applying the most up-to-date technologies in their telecommunication systems. As in most countries within the EU, "teledensity" in the CADSES area is still lower outside the urban centres. It is important that governments address this territorial aspect of the development of infrastructures and of the transition to the "Information Society". The CADSES programme will contribute to this aim by raising awareness and by supporting local, regional and national actors in making use of these opportunities. Training measures and small-scale investments as well as modernisation of administrative processes are all playing an important role in this respect.

### Main objectives

- Promotion of an efficient, multimodal and sustainable transportation systems in CADSES
- Development of the potentials offered by the information society for spatial development in CADSES

### Quantification

Transnational strategies, studies and concepts concerning development of transport systems should lead to a harmonisation of networks between CADSES countries (especially EU Member and Non-member States) and within them (national and regional level). New co-operation mechanisms are to be developed within this priority. At least three best practice examples should be developed and marketed. At least half of the projects should prepare public or private investment, regional planning measures or legislative plans or programmes. A significant number of projects should seek to improve the access to the information society in lagging regions and to improve the efficiency of administrative procedures. Lists of quantified targets for each measure will be provided in the programme complement. The concrete outputs should be aggregated after finishing the projects.

### Indicators <sup>13</sup>

Number of projects by thematic category, number of best practice examples, number of projects to improve access to knowledge and information society, number of projects promoting multimodal transportation systems.

## **Measure 2.1: Developing efficient transport systems with regard to sustainable development**

### Aims and issues

Increasing efforts to develop international transportation networks are common characteristics in all CADSES countries. Priority has been given everywhere to the development of multimodal transport corridors along the main Trans-European corridors (TEN and TINA), to a better connection of national transport networks and network planning with those of neighbouring countries and to better compliance with environmental standards in transport development. Development of these networks should be carried out in accordance with the principal objectives and processes of spatial development. The primary task is to improve transport connections between the eastern and western halves of the CADSES which were neglected until now. At the same time, however, existing transport infrastructures within the eastern part of the CADSES should be improved, where recovering economic relations might require efficient rail, road, maritime, inland waterways or telecommunication connections. A more thorough co-ordination of the separate projects of TEN and TINA networks is needed, as well as the extension of the assessing and planning works to those countries which are at present excluded from TEN and TINA processes. Accessibility for the majority of the population of the respective countries is to be ensured by improving or developing transportation facilities within smaller regions (secondary networks). Maintaining or improving public transport systems plays an important role here. Transversal connections should transform the overly hierarchical and centralised system of transport networks.

Multimodal transport is – for different reasons – particularly important in the CADSES area (low density of transport networks in some countries, different railway gauges, inadequate use of waterways and air transportation etc.). A network of logistic centres serving multimodal transport should be established. Border crossings and ports (both sea and inland waterways) are important nodal points of this network. An integral approach should be applied in planning the new

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<sup>13</sup> cf. Annex 4.

transportation system elements, considering their economic, social and environmental impacts and interdependencies. Sustainable transport systems as railways, public passenger transport, footpaths and cycle tracks should be stressed. Economic instruments should promote the use of multimodal transport to increase the use of environmentally friendly modes of transport.

With regard to freight transport, ongoing changes in market sizes and business management practices, and ICT applications open challenging new fields for transport planning. In future transport planning will have to focus even more intensively on multi-modal networks and related services as an integrated logistic system: additionally such system need to be integrated into goods production and distribution processes. Due emphasis should be placed upon the settlement systems and related city logistics as well as to the local SME systems (industrial districts): developing these interdependent systems is crucial since they determine a broad range of territorial phenomena. The assumption of the mentioned systems as key-elements for the projects is primarily important to assure a balanced access to main corridors and networks as well as a balanced development of the transport systems.

Transports and IT technologies are still growing together with the so-called ITS (intelligent transport systems), that aim at the best use of the infrastructural systems, with special regard to safety and user information. These practices have to be further promoted and spread, favouring dialogue, standardisation and co-operation between different urban and regional systems, also in a transnational perspective.

▫ The overall objective for this measure is the development and implementation of transnational projects focusing upon improvement of accessibility as priority task of economic and social policy. Improved accessibility should serve all principle objectives of spatial development policy. Projects financed under this measure should serve the purpose of developing transnational concepts, co-operation mechanisms, institutions and pilot projects for an efficient and sustainable transport system that is linked to spatial development objectives; promotion of a balanced development between the transnational, national and regional networks; promotion of a balanced development of rail, road and waterways; promotion of inter modality and modal shift towards environmentally sustainable transport modes; promotion of dialogue and co-operation to deepen the understanding of actual processes and the set-up of management and policies solutions.

The measure will finance projects referring to preparation of transnational studies and planning activities concerning spatially integrated development and improvement of the transport connections, multimodal transport, public transport systems etc.; exchange of experiences on the implementation of ISPA programme, exchange of information between investors to support a harmonised development in large-scale transport infrastructure; assessment of territorial impact of trans-nationally relevant projects, programmes and policies (e.g. ISPA); preparation of feasibility studies for investments; financing of small scale investments proposed by transnational strategic concept; transnational project management with organisational structure and costs; financing of implementation structures proposed by transnational strategic concept; etc.

## **Measure 2.2: Improving access to knowledge and the information society**

### *Aims and issues*

At present, one of the most dynamic economic sectors is telecommunication. Central and South-eastern European countries have the "advantage" of being late starters in applying the most up-to-date technologies in their telecommunication systems. Therefore modernisation and development of telecommunications infrastructures is a

necessary precondition for investors and regional development which then offers big market opportunities and is quite attractive for foreign investors. As in most countries within the EU, "teledensity" in the CADSES is still lower outside the urban centres. It is important that governments address this territorial aspect of the development of telecommunication infrastructures and of the transition to the "Information Society". Access to modern information and communication technologies and services in all parts of the CADSES is a prerequisite for economic and social development. As an important secondary effect these efforts might promote equal opportunities between women and men in IT qualifications and employment. Technical and economical (affordability) aspects are relevant fields of intervention to reduce the risk of accumulating economic and social disadvantages in sparser populated areas. The recent achievements must be utilised as a competitive advantage in the future spatial development of the CADSES e. g. for rural development or for attracting service industries. Spatial development policy should contribute to this aim by raising awareness for IT-applications and by supporting local, regional and national actors in making use of these opportunities.

The promotion of content based services which incorporate local resources is another important task. Information and content based services should be developed simultaneously. Modern communication technologies facilitate the development of socially and culturally relevant services which are crucial for the value of local commerce allowing CADSES countries to link into the global economy. The integration of locally available human resources into the broader European and global economy ought to be another important factor.

È The major objective for this measure is the development and implementation of transnational projects focusing upon improvement of the access to knowledge and the information society, on promotion of the use of state-of-the-art technologies as competitive advantage in CADSES countries and on modernisation and improvement of administrative processes.

### **Priority 3: Promotion and management of landscape, natural and cultural heritage**

The countries in CADSES possess a rich cultural heritage and are blessed with a variety of cultural landscapes. Monuments of most European cultural and art epochs can be found here. Nowhere in Europe is there such a richness of folkloric arts and rural architecture. The protection of this heritage should be based both on cultural and economic considerations. In all countries of the area, legal and professional arrangements are needed to preserve respect for and the memory of all nations and nationalities, ethnic and religious groups.

This priority is especially oriented towards the valorisation of spatial values, both natural and cultural. According to the ESDP principles, economic growth and social cohesion are here based on the promotion and the responsible management of spatial heritages. Local authorities as well as sectoral competences are involved in this priority. With respect to this aim, co-ordinated transnational interventions aimed at creating "cultural (touristic) routes" and other activities will be supported. Common management methods to improve the level of knowledge on cultural heritage conditions, protection level and risk exposure will be developed.

Natural heritage is an essential component of the environmental situation and living environment of each country. Natural heritage and natural landscapes in CADSES fulfil important ecological functions for the whole region and beyond. Their maintenance and enrichment has to be seen also as an economic factor. Investigations carried out under Interreg IIC have shown how nature can be preserved and at the same time used for socio-economic development without damaging ecological functions. These functions are, however, threatened through delimitation of natural landscapes to even smaller spots. On a larger scale therefore, the establishment of green networks and transnational green corridors might

be supported by this programme as well as actions oriented towards a better implementation of common interregional and transnational policies addressed at preserving high bio-diversity and landscape quality.

Cultural and natural heritage of importance to the whole area should be identified and networking and marketing of natural and cultural landscapes will be promoted. The programme aims also at a better integration of cultural and natural heritage protection and enhancement issues into relevant sectoral policies. Synergy with similar other activities and programmes will be ensured as well as conformity with the European Landscape Convention and with Council Directives 92/43/EEC and 79/409/EEC (Habitat Directive / Natura 2000).

### Main Objective

- Promote the enhancement of natural and cultural heritage and landscape.

### Quantification

Under priority 3, exemplary solutions should be developed, on how the issues as defined above can be tackled. Seven to ten best practice examples on the respective themes listed under each measure (specified in the Programme Complement) should be produced. At least four politically approved concepts should be developed which are accompanied by a list of concrete investments to be carried out. The concrete outputs should be aggregated after finishing the projects.

### Indicators <sup>14</sup>

Number of projects by measure and thematic category, number of pilot projects which allow to evaluate the effects of human activities on conservation of landscape, of natural and of cultural heritage, number of best practice projects.

## **Measure 3.1: Protecting and developing cultural heritage**

### Aims and issues

Cultural heritage is a concept which goes beyond architectural heritage, and should not be dominated solely by the past. It is the cornerstone of regional, national and European identity. Accordingly, spatial planning should approach this issue in a comprehensive manner. The view of different cultures and the culture of differences in CADSES as an opportunity and not as threat for future development appears as a precondition for any co-operative regional development approach in the region. Hence cultural heritage in a broader sense includes also issues like contemporary art, education, youth projects and projects promoting the development of civil society.

The development and protection of the historical, architectural, archaeological and monumental heritage should be based both on cultural and economic considerations. This protection requires adequate juridical instruments and its goals should be integrated in spatial planning at various levels.

Sound research and administrative criteria are to be set for the identification and recognition of the items forming the historical, archaeological and artistic heritage. Legal regulation should gradually move from the protection of single monuments to that of cultural ensembles and landscapes. In addition education and more efficient diffusion of relevant information should contribute to a better understanding and to the promotion of respect for natural and cultural values.

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<sup>14</sup> Cf. Annex 4.

The protection and enhancement of the cultural heritage will become an important resource for sustainable tourist use of cultural and environmental exemplary goods, considering also the compatibility between the conservation – preservation of those sites and their economic development, shown by the growing interest in tourist networks and tourist packages that include visit to historic towns and centres of architectural and historical interest.

To strengthen regional identities and to protect cultural heritage of minorities their co-operation should be promoted as a task which obviously exceeds mere tourist development.

È The major objective for this measure is the development and implementation of transnational projects focusing upon cultural heritage as a regional development asset and at developing mechanisms and tools which improve the effectiveness of cultural heritage protection policy against every kind of risk through the adoption of common methodologies.

### **Measure 3.2: Protecting and developing natural heritage**

#### ***Aims and issues***

Natural heritage is an essential component of the environmental situation and living environment of each country. Biodiversity in the CADSES area is enormous. Appropriate management of environmentally sensitive areas of high biodiversity like coastal zones, mountainous areas and wetlands must be promoted. The Ramsar Convention on wetlands (1971) forms an important basis for international co-operation in this field. The institutional conditions for the conservation of the most valuable part of the natural heritage has already been ensured. The European Union has established a network of protected areas, i.e. the "Natura 2000"-areas: the approach emphasises standardised management. Most of the Accession Countries have already joined this network. The next task is to fully enforce these protective measures and – in longer term – to integrate all countries in this network.

National parks have started networking. Improvement is necessary, however, with regard to protect them and to enforce the regulations. Less developed, however, is the network of protected areas in the eastern CADSES countries. Protected areas are fragmented, they consist usually of isolated smaller spots, and rarely form ecological corridors. Furthermore, the most valuable natural ecosystems are to be found in border areas where a common – or at least co-ordinated – form of regulation and maintenance would be highly desirable.

È The major objective for this measure is development and implementation of transnational projects focusing upon natural heritage as a regional development asset.

### **Measure 3.3: Protecting and developing landscape**

#### ***Aims and issues***

According to the European landscape convention, that has been adopted on 20 October 2000 in co-operation with the Council of Europe, landscape contributes to the formation of local culture and is a basic component of the European natural and cultural heritage, promoting the consolidation of the European identity. Landscape is an important part of the quality of life in different areas of the European continent. Development on all sectors of activities accelerate the transformation of landscapes. The main objective is to promote awareness for the quality of landscapes and the development of socio-cultural thematic strategies. The quality and diversity of the European landscape constitute a common resource to be protected, managed and planned. It's important to increase the awareness among the civil

society, private organisations and public authorities for the value of landscapes and their role.

→ The major objective for this measure is development and implementation of transnational projects aimed at integrated landscape issues in spatial planning policies and territorial actions.

#### **Priority 4: Environment protection, resource management and risk prevention**

The aim of this priority is to set up a common understanding of the importance of natural resources such as water, and to set up common parameters, indicators and rules for protection and prevention. It is addressed to spatial planning as well as water management authorities or civil protection and subjects able to provide a common approach to technical rules.

Environmental quality is a fundamental aspect of national and regional development. The degradation of structures and systems of the natural environment threatens forestry and fishery, the management of drinking water, recreation and even agricultural activities. Air, water and soil pollution threaten to impair the quality of human dwellings and living environments. Although the environmental situation in CADSES has improved substantially over the last decade, there is still the legacy of the past to tackle with.

Large areas with serious problems of pollution and management of natural resources are often trans-border regions demanding multilateral co-operation. Transnational co-operation for maintaining the quality of the natural environment and a transnational environmental policy-making are indispensable. Polluting emissions largely move with western winds to the east, polluted waters flow from upstream countries to downstream countries, and coastal environments are interdependent. These basic geographical facts make environmental situations in the countries concerned highly interconnected at transnational level. In this respect, capacity strengthening and a modernisation of administrative structures could be supported.

Large parts of the CADSES have faced a number of natural and man made disasters with transnational dimension over the last decades. The nuclear fallout of Tschernobyl nuclear power plant, flooding and poisoning of several rivers like the Danube, Oder (Odra) and the Theiss (Thisa) and the eutrophication of the upper Adriatic sea have received high transnational public attention. For these events, short-term plans for action are needed on a transnational basis. Water management, on the other hand, needs also a long-term perspective which takes into account the necessary area management for larger functional or whole catchments areas.

#### **Main objective**

- Promote functionally integrated management of strategic environmental resources in CADSES including the protection of environmental goods, of natural resources and the prevention from risk of environmental disasters.

#### **Quantification**

Under priority 4, exemplary solutions should be developed, on how the issues as defined in the measures (specified in the Programme Complement) can be tackled. At least nine best practice examples should be produced. Territorial impact assessments should be developed for at least three larger transnational projects. The concrete outputs should be aggregated after finishing the projects. Five coherent and comprehensive strategies for risk management and flood prevention should be elaborated and politically approved for whole transnational functional areas, accompanied by

concrete investments to be proposed or (respecting the limited financial resources of the programme) even carried out.

#### *Indicators*<sup>15</sup>

Number of projects by thematic category, number of environmental plans or concepts, number of projects promoting integrated water management, number of projects promoting the prevention of floods.

### **Measure 4.1: Promoting environmental protection and resource management**

#### *Aims and issues*

The environmental situation in eastern CADSES has improved substantially over the last decade. Emission of most pollutants decreased due to a decline in production but also due to restructuring and environmental measures. There is, however, the legacy of the past to tackle the accumulated damage to the environment, to clean up derelict open-cast mines, industrial sites, rubbish dumps. Additionally, new dangers have emerged, especially in rural areas. The conditions for the protection of newly privatised forests and nature conservation areas are not yet fully clarified, the maintenance of large scale water supply and sewage networks is not adequately ensured. Environmental authorities have to cope with the task of monitoring the increased number of – smaller but more dispersed - pollution sources. National environmental plans of action should be drawn up, setting qualitative as well as quantitative targets and providing a framework for new types of regulations and procedures. Environmental impact assessments should be made compulsory for larger development projects.

Large areas with serious problems of pollution and management of environmental resources are often cross-border regions demanding transnational co-operation. Functionally integrated co-operation for maintaining the quality of the environment and transnational environmental policy-making are indispensable.

The capacities of national, regional and local administrations and self-governments have to be strengthened in order to implement the demanding EU environmental policies and standards. Considerable modernisation of administrative structures is necessary to be able to cope with the assistance offered by the EU and others to local and regional administrations and self-governments.

Environmental rehabilitation of degraded areas should be given priority. The largest sources of pollution have to be eliminated also by the use of alternative energy sources. Transnational co-operation is particularly required concerning large scale water reserves, common resources and environmental-natural-cultural assets like the Danube, the Adriatic and Black Seas, the Alps and the Carpathians.

È The major objective for this measure is the development and implementation of transnational projects focusing upon functionally integrated environmental protection and resource management.

### **Measure 4.2: Promoting risk management and prevention of disasters**

#### *Aims and issues*

CADSES has faced a number of natural and man made disasters with transnational dimension over the last decades. The nuclear fallout of Tschernobyl nuclear power plant, flooding and poisoning of several rivers like the Danube, Oder

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<sup>15</sup> Cf. Annex 4.



(Odra) and the Theiss (Thisa) and the eutrophication of the upper Adriatic sea have received high transnational public attention.

To a large extent concepts for the prevention of disasters (like floods, landslides, earthquakes, avalanches, nuclear accidents, industrial accidental pollution, poisoning and eutrophication of water, civic protection plans, risk management's tools are focused) at the national level.

Those disasters causing great deal of damage and loss of human life demonstrate that measures for risk prevention are transnational tasks. If similar catastrophes are to be prevented in future, long-term area management for whole functional areas are necessary. Plans of action are to be drawn up on a transnational and regional basis for risk management in areas threatened by disasters.

Existing risks should be reduced by specific regional development policies and land use measures (e.g. agriculture, forestry, urban planning, recreation and water supply). Coherent and comprehensive transnational strategies and programmes should be elaborated for the whole functional area, (e.g. river catchment areas, integrated coast areas, etc.) defining the instruments required for and the costs arising from the implementation of the proposed measures.

→ The major objective for this measure is the development and implementation of transnational projects focusing upon prevention of natural and man made disasters and upon risk management.

#### **Measure 4.3: Promoting integrated water management and prevention of floods**

##### Aims and issues

The water cycle and the integrated management of water resources linked with environmental protection and risk prevention are the main issues of this measure. Particular attention has to be paid to the implementation of integrated strategies and actions for the prevention of flooding in transnational river-catchment areas. Meteorological and hydrological monitoring and forecasting are indispensable to provide adequate support for activities aimed at preventing hydraulic risk and civil protection. However, these measures form only a part of a long-term strategy against floods. Further activities are necessary to reduce the risks that a flood develops, e.g. by improving sustainable best practices for agricultural and forestry management and land use in flood risk areas or by developing solutions and feasibility studies for discharging rainwater from residential and urban industrial areas.

It will be necessary to enhance and to strengthen integrated strategies and actions relating to the transnational co-operation for the prevention of drought, by developing common monitoring systems and by setting up a network among international structures or reference centres, in order to promote the exchange of data, information, methods and procedures.

In the majority of countries of the CADSES area another problem are the "conflicting uses" of water, i.e. that often the quantity and quality of the water available is unsuitable for the uses required (drinking and domestic, industrial, irrigation).

Last but not least we consider the concerted management of coastal waters which includes the problem of coastal erosion and eutrophication phenomena, facing the fact that in these areas densely populated areas are located.

→ The major objective for this measure is the development and implementation of transnational projects focusing on integrated water management and the prevention of floods such as improved sustainable best practices for land use and

for agricultural and forestry management in flood risk areas, designation of threatened and sensitive flood areas, integration of infrastructures in an active development of passive barriers, development of retention areas, development of solutions and feasibility studies for discharging rainwater, planning dikes moved further back, development and further enhancement of common strategies for monitoring, warning and protection systems.

### Technical assistance

Technical assistance (TA) may be used to finance costs for the management, implementation, monitoring and control of the programme as well as some other activities linked to the general implementation of the programme. In accordance with Rule 11 of the Annex to Commission Regulation (EC) No 1685/2000, TA is divided in two categories. The first category refers to management implementation, monitoring and control expenditure (point 2 of rule No 11 of the Annex mentioned before. The second category deals with other costs like studies, information actions, evaluation etc (point 3 of rule No 11 of that same Annex). Based on these two categories the priority TA is split up into the following two measures:

Measure 1 : Technical Assistance for Management, Implementation, Monitoring and Control and

Measure 2 : Technical Assistance for other Expenditure.

#### Measure 1 : Technical Assistance for Management, Implementation, Monitoring and Control (point 2 of rule No 11)

This measure includes the setting up and financing of the eligible expenditure of the Managing Authority, Paying Authority and Joint Technical Secretariat. Additionally it might include the implementation of CadSES Contact Points. The division of tasks and costs shall be fixed at the beginning of the programme implementation in order to guarantee a smooth operation. As already mentioned in point 2.1 of rule No 11, this expenditure may also cover the costs of experts and other participants in the Monitoring and Steering committee, including third-country participants, as their presence can be considered as essential to the effective implementation of the CADSES programme.

#### Measure 2 : Technical Assistance for other Expenditure (point 3 of rule No 11)

In context of CADSES co-operation, Technical Assistance has to accomplish further important tasks. To ensure broadly based co-operation within such a large space the programme requires comparatively high extra costs to be covered. An intensive multi-level and multi-actor co-operation towards an integrated development of CADSES territory is rather cost-intensive. In the process of programme implementation committees shall be able to ask for specific information (evaluation and extra studies) as basis for their decisions on further development of the programme. In addition already under Interreg IIC it turned out to be indispensable to support co-operation and exchange of information between projects. Finally, the information about the Programme (promotion) in an area like CADSES needs additional activities like decentralised seminars on transnational project development and management outside the current EU territory.

Technical assistance budget (Euro):

total	ERDF	national	share of total CADSES budget	
11.980.897	6.612.496	5.368.401	5,0%	TA 1 (pt. 2/ rule 11)
4.792.359	2.644.998	2.147.361	2,0%	TA 2 (pt. 3/ rule 11)
16.314.341	9.010.152	7.304.189		

## 5. INDICATIVE FINANCING PLAN

Financial Table for Operational Programme by priority and year  
 Commission Reference No Programme: OC1 2001 RG 16 0 FC 008  
 Title: Community Initiative Interreg III, CADSES PROGRAMME

(in Euro)

Priority/Year	Eligible total cost					Third countries (not decided yet)
	Total	Public			Private ***	
		total public eligible expenditure	ERDF *	National **		
<b>Priority 1</b>						
2000	0	0	0	0	0	
2001	9.479.566	9.289.975	5.119.726	4.170.249	189.591	
2002	10.755.090	10.539.988	5.809.256	4.730.732	215.102	
2003	10.809.352	10.593.165	5.852.442	4.740.723	218.187	
2004	10.897.095	10.679.153	5.901.822	4.777.331	217.912	
2005	10.909.711	10.691.517	5.908.003	4.783.514	218.194	
2006	10.940.550	10.721.739	5.935.082	4.786.657	218.811	
<i>total</i>	<i>63.791.364</i>	<i>62.515.537</i>	<i>34.526.331</i>	<i>27.989.206</i>	<i>1.275.827</i>	
<b>Priority 2</b>						
2000	0	0	0	0	0	
2001	8.307.191	8.141.047	4.486.550	3.654.497	166.144	
2002	9.424.966	9.236.467	5.090.803	4.145.664	188.499	
2003	9.472.517	9.283.067	5.128.648	4.154.419	189.450	
2004	9.549.409	9.358.421	5.171.921	4.188.500	190.988	
2005	9.560.465	9.369.256	5.177.339	4.191.917	191.209	
2006	9.587.492	9.395.742	5.201.069	4.194.673	191.750	
<i>total</i>	<i>55.902.040</i>	<i>54.781.000</i>	<i>30.256.330</i>	<i>24.527.670</i>	<i>1.118.040</i>	
<b>Priority 3</b>						
2000	0	0	0	0	0	
2001	7.248.261	7.103.296	3.914.643	3.188.653	144.965	
2002	8.223.552	8.059.081	4.441.871	3.617.210	164.471	
2003	8.265.012	8.089.711	4.171.892	3.621.819	165.301	
2004	8.332.133	8.165.490	4.512.649	3.652.841	166.643	
2005	8.341.779	8.174.943	4.517.376	3.657.567	166.836	
2006	8.365.360	8.198.053	4.538.081	3.659.972	167.307	
<i>total</i>	<i>48.776.127</i>	<i>47.800.604</i>	<i>26.399.512</i>	<i>21.401.092</i>	<i>975.523</i>	
<b>Priority 4</b>						
2000	0	0	0	0	0	
2001	7.831.583	7.674.951	4.229.684	3.445.267	156.632	
2002	8.885.362	8.707.655	4.799.341	3.908.314	177.707	
2003	8.930.191	8.751.587	4.835.019	3.918.588	178.804	
2004	9.002.681	8.822.627	4.875.815	3.946.812	180.054	
2005	9.013.103	8.832.841	4.880.922	3.951.919	180.262	
2006	9.038.583	8.857.811	4.903.294	3.954.517	180.772	
<i>total</i>	<i>52.701.503</i>	<i>51.647.472</i>	<i>28.524.075</i>	<i>23.123.397</i>	<i>1.054.031</i>	
<b>Technical assistance (1)</b>						
2000	0	0	0	0		
2001	1.731.681	1.731.681	954.334	777.347		
2002	1.961.688	1.961.688	1.082.861	881.824		
2003	1.974.600	1.974.600	1.090.914	883.686		
2004	1.990.629	1.990.629	1.100.119	890.510		
2005	1.992.933	1.992.933	1.101.271	891.662		
2006	1.998.567	1.998.567	1.106.319	892.248		
<i>total</i>	<i>11.653.098</i>	<i>11.653.098</i>	<i>6.435.821</i>	<i>5.217.277</i>		

(Financial table follows)

Priority/Year	Eligible total cost					Third countries (not decided yet)
	Total	Public			Private ***	
		Total public eligible expenditure	ERDF *	National **		
<b>Technical assistance (2)</b>						
2000	0	0	0	0		
2001	692.673	692.673	381.734	310.939		
2002	785.878	785.878	433.148	352.730		
2003	789.841	789.841	436.366	353.475		
2004	796.252	796.252	440.048	356.204		
2005	797.174	797.174	440.509	358.665		
2006	799.427	799.427	442.528	356.899		
<i>total</i>	<b>4.881.243</b>	<b>4.881.243</b>	<b>2.574.331</b>	<b>2.088.912</b>		
<b>Total Technical assistance</b>						
2000	0	0	0	0		
2001	2.424.354	2.424.354	1.388.088	1.088.288		
2002	2.750.584	2.750.584	1.516.010	1.234.554		
2003	2.784.441	2.784.441	1.527.280	1.237.161		
2004	2.786.881	2.786.881	1.540.167	1.246.714		
2005	2.790.107	2.790.107	1.541.780	1.248.327		
2006	2.797.994	2.797.994	1.548.847	1.249.147		
<i>total</i>	<b>16.314.341</b>	<b>16.314.341</b>	<b>9.010.152</b>	<b>7.304.189</b>		
<b>Total</b>						
2000	0	0	0	0	0	
2001	35.290.955	34.833.623	19.088.871	15.548.962	857.332	
2002	40.039.534	39.293.755	21.657.281	17.636.474	745.779	
2003	40.241.543	39.492.001	21.818.281	17.673.720	749.542	
2004	40.568.189	39.812.572	22.002.374	17.810.198	755.627	
2005	40.615.165	39.858.664	22.025.420	17.833.244	756.501	
2006	40.729.979	39.971.339	22.128.373	17.844.968	758.640	
<i>total</i>	<b>237.485.375</b>	<b>233.061.954</b>	<b>128.716.400</b>	<b>104.345.554</b>	<b>4.423.421</b>	

\* ERDF contribution refers to total costs

\*\* 'National' include central, regional, local, and other public funds

\*\*\* For private funds figures are indicative (2%), if not available, they will be replaced by public co-financing

Austria and Italy choose a ERDF co-financing rate of 50% for their whole territory regardless the Objective 1 status of some of their regions. Germany and Greece choose the option of 75% of ERDF co-financing for their Objective 1 regions (and 50% for the non Objective 1 regions). Taking the population Objective 1 region into account that leads to a co-financing rate for Greece of 75% and for Germany of 57%. For the whole CADSES the average ERDF co-financing rate is 55%.

The co-operation with funds from other EU Instruments, specifically pre accession Instruments like PHARE national programmes (and ISPA or other programmes if applicable) or other financial instruments as CARDS are of utmost importance for success of the CADSES-Interreg IIIB programme.

All Non-Member States participating in the CADSES partnership are expected to contribute to the programme by using national, PHARE or other resources. Contributions from PHARE will be specified based on the recommendations of 'PHARE 2000 Review' from Commissioner Verheugen. National sources are contributing to the programme as national co-financing sources to the PHARE or other EU financial instruments from the first Call for Proposal. Hungary and Poland have already decided to propose to the Commission that some funds from their national PHARE budgets are allocated to their participation in the CADSES programme.

## **6. PROGRAMME MANAGEMENT INSTITUTIONS: common structures for co-operation**

The Member States, in consultation with the Non-Member States of the Interreg IIIB CADSES partnership, have agreed to build on the experience of the implementation structures of the Interreg IIC CADSES under consideration of the rules of the General Regulation for the Structural Funds, Council Regulation (EC) n° 1260/1999, of Regulations n° 438/2001 and n° 448/2001 and the Guidelines for Interreg III, published on 23 May 2000 (OJ C 143), which set the framework for the management and control systems of the Interreg III programmes.

The implementation concept is based on the following overall principles:

- Compliance with the General Regulation for the Structural Funds, Regulations n° 438/2001 and n° 448/2001 as well as of the Interreg Guidelines;
- Efficient and effective programme management, clear functional separation of tasks and clear definition of responsibilities in order to minimise costs, also at the project level (lead partner principle);
- Balance between structures at transnational and national level, defining the respective responsibilities at the most adequate level;
- Involvement of Partner States (EU-Member and Non-Members) as full programme members.

The co-operating countries decided to sign a letter of intent on the joint implementation as stated in chapters 6 and 7 of this document.

According to the Guidelines for Interreg III the following structures for the government and the management of the programme will be created:

- a Monitoring Committee (MC)
- a Steering Committee (SC)
- a Managing Authority (MA)
- a Paying Authority (PA)
- a Joint Technical Secretariat (JTS)
- Cadses Contact Points (CCP)
- National Committees (NC)
- Transnational Working Groups (TWG)

### **6.1 Monitoring Committee(MC)**

A transnational Monitoring Committee is set up in accordance with Article 35 (3) (a) to (g) of Council Regulation (EC) n°1260/1999. The Monitoring Committee supervises the programme. Its overall task is to ensure the quality and effectiveness of implementation and accountability of the programme operations. It is responsible for the strategic adaptation of the Programme and the Programme Complement.

The main tasks of the Monitoring Committee are:

- to confirm and adjust the Programme Complement, including the physical and financial indicators to be used to monitor the assistance; its approval must be obtained before any further adjustment is made; it shall make later amendments to the Programme or the Programme Complement;
- to adopt a promotion and publicity plan as a part of the Programme Complement to be implemented by the Joint Technical Secretariat;
- be responsible for the publicity and information tasks mentioned in point 4 of the Annex to Commission Regulation (EC) n° 1159/2000;
- to consider and approve the project selection criteria within six months of the approval of the CIP;
- to periodically review progress made towards achieving the specific objectives of the assistance;
- to examine the results of implementation, particularly the achievement of the targets set for the different measures and the midterm evaluation (article 42 Council Regulation (EC) n° 1260/1999);
- to consider and approve the annual and final *implementation reports* before they are sent to the Commission;
- to consider and approve any proposal to amend the content of the Commission decision on the contribution of the Funds;
- be responsible for the use made of Technical Assistance Budget, within Rule 11 of the Annex to Commission Regulation (EC) n° 1685/2000;
- it may propose to the Managing Authority any adjustment or review of the assistance likely to aid the attainment of the Objectives or to improve the management of assistance ;
- to approve the rules of procedure as well as the yearly working plan of the Joint Technical Secretariat;
- to approve the Rules of procedure of the Steering Committee.

The Monitoring Committee is composed of up to 4 representatives of each partner state, from both national and regional level to ensure efficiency and broad representation.

Broader involvement of the regional and local level, as well as economic and social partners and non-governmental organisations e.g. for environment and equal opportunities will be secured through the National Committees to be established in all partner states. However, if appropriate, transnational organisations could be members of the MC.

The members of the Monitoring Committee shall be appointed by the respective governments within 30 days of the approval of the CIP. In case of the Non-Member States the proposed members of the Monitoring Committee should be appointed in the application for the full membership or in a letter of intent.

Representatives of the European Commission (DG Regio, DG Relex, DG Enlargement, etc.) will participate according to the respective legal framework. Details will be defined in the Rules of Procedure.

The Managing Authority will attend the Monitoring Committee meetings. One representative of the Joint Technical Secretariat participates at the Monitoring Committee meetings with a supportive function.

The chairman of the Monitoring Committee can invite others to attend the meetings as observers or advisors.

The Monitoring Committee shall have a chairman and a co-chairman, representing the national authorities. The chairman and co-chairman shall be nominated for a period to be defined in the Rules of Procedure and alternate between the Member States and the Partner States with full right member status.

The Monitoring Committee shall meet at least once a year. Decision-making in the Monitoring Committee will be by consensus among the national delegations (one vote per delegation). Decisions may be taken via written procedure. At its first meeting, the Monitoring Committee shall establish its own Rules of Procedure, including any appropriate organisational arrangements.

The Monitoring Committee will be assisted by the Joint Technical Secretariat. The JTS will be responsible for the preparation of all documentation relating to the meetings. In principle the documents required for the Monitoring Committee shall be available three weeks before the date of the meeting.

## **6.2 Steering Committee (SC)**

In accordance with point 29 and 40 of the Interreg Guidelines the primary task of the Steering Committee is to select projects for funding, applying the criteria for project selection agreed by the Monitoring Committee. The Steering Committee makes proposals to the Monitoring Committee concerning the strategic adaptation of the Programme and the Programme Complement.

The Steering Committee will be set up within three months of approval of the CIP.

The main tasks of the Steering Committee are:

- to approve individual project applications and the use of the Technical Assistance budget (including actions of the Communication Plan) on the basis of the assessment of projects and decisions of the Monitoring Committee and decide on the use of the available EU Structural Funds;
- to propose to the Monitoring Committee the project selection criteria in accordance with the Guidelines and the criteria laid down in the CIP;
- to propose to the Commission projects to be realised in the Non-Member States and to be financed by respective external financial instruments;
- to comment to the Monitoring Committee on regular monitoring, progress reports, annual reports and interim appraisals and to propose amendments to the Programme or Programme Complement;
- to contribute to the co-ordination with other Community programmes and policies;
- to establish Transnational Working Groups;
- to decide upon calls for proposals and to approve the terms of reference of them;
- to decide on the organisation of the monitoring and evaluation of the projects as a whole.

The Steering Committee is composed of up to 2 representatives of each Partner State, from both national and regional level, to ensure efficiency and broad representation.<sup>16</sup> Broader involvement of the regional and local level, as well as economic and social partners and non-governmental organisations will be secured through the National Committees to

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<sup>16</sup> In Germany the federal ministry responsible for spatial planning.

be established in all Partner States. The Managing Authority will attend the Steering Committee meetings. The Joint Technical Secretariat participates at the Steering Committee meetings with supportive function. Representatives of the European Commission may attend. The Rules of Procedure will define the status of different Commission services according to the respective legal framework. The chairman of the Steering Committee can invite others to attend the meetings as observers on behalf of the Steering Committee.

The members of the Steering Committee shall be appointed by the respective governments within 30 days of the approval of the CIP. In case of the Non-Member States the proposed members of the Steering Committee should be appointed in the application for the full membership or in the letter of intent.

The Steering Committee shall have a chairman and a co-chairman. The chairman and co-chairman shall be nominated for a period to be defined in the Rules of Procedure and alternate between the Partner States. The Steering Committee shall meet at least twice a year. Decision-making in the Steering Committee will be by consensus among the national delegations (one vote per delegation). Decisions may be taken via written procedure.

The Steering Committee shall establish its own Rules of Procedure, including any appropriate organisational arrangements, to be approved by the Monitoring Committee. The Steering Committee will be assisted by the Joint Technical Secretariat. The secretariat will be responsible for the preparation of all documentation relating to the meetings. In principle the documents required for the Steering Committee shall be available three weeks before the date of the meeting.

### **6.3 Managing Authority(MA)**

The Member States appoint the Italian Ministry of Infrastructures and Transports - DiCoTer (General Direction responsible for spatial co-ordination) as Managing Authority.

The Managing Authority will be represented by:

General Direction Responsible for Spatial Co-ordination (DiCoTer) – Div. IV  
Ministry of Infrastructures and Transports  
Via Nomentana 2  
I-00161 Roma

The Ministry of Infrastructures and Transports - DiCoTer - functions as legal body for the programme management structure. The legal body is the legal person in whose name contracts are concluded. The Ministry of Infrastructures and Transports - DiCoTer - concludes subsidy contracts with Lead Partners of projects in its own name, thus being liable for ERDF funds in the first place as contracting partner. The Ministry of Infrastructures and Transports - DiCoTer - administers employment of the Joint Technical Secretariat.

The Managing Authority fulfils the functions according to Art 9 (n) and 34 of Council Regulation (EC) n° 1260/1999 and it works under the guidance of the Member States represented in the Monitoring Committee (programme level and strategic aspects) and the Steering Committee (project level and operational aspects).

Each Member State shall nominate a representative of the national responsible authority to act as a contact person for matters relating to the programme. The Managing Authority politically represents the CIP towards the European



Commission and is responsible for the efficiency and correctness of management and implementation of the ERDF assistance, in particular:

- setting up a system to gather reliable financial and statistical information on implementation for the monitoring indicators and evaluation and for forwarding the data in accordance with the arrangements agreed between the Member States using where possible computer systems permitting the exchange of data with the Commission;
- adjusting and implementing the Programme Complement;
- drawing up and (after approval of the Monitoring Committee) submitting to the Commission the annual *implementation report*;
- organising, in co-operation with the Commission and Member States, the *mid-term evaluation*;
- ensuring that those bodies taking part in the management and implementation of the assistance maintain either a separate accounting system or an adequate accounting code for all transactions relating to the assistance;
- ensuring the correctness of operations financed under the assistance particularly by implementing internal controls in keeping with the principles of sound financial management and acting in response to any observations or requests for corrective measures adopted;
- ensuring compliance with Community policies;
- ensuring compliance with the obligations concerning information and publicity.
- contracting the Joint Technical Secretariat;
- signing contracts for ERDF financing with the ERDF lead partners as final beneficiaries.

The operational management and the day-to-day-work of the Managing Authority is carried out by the Joint Technical Secretariat in Dresden.

The functions of the Ministry of Infrastructures and Transports - DiCoTer - (Rules for the services, rights and duties of the Ministry) as Managing Authority shall be laid down in detail in the "Agreement between the EU-Member States and the Ministry of Infrastructures and Transports". The Agreement will be signed and enter into force upon approval of the Programme.

In case of every single Non-Member State an agreement will be signed between the Authority responsible for CADSES programme management in the concerned Non-Member State and the Managing Authority in order to lay down the common objectives, duties and responsibilities of all the partners related to the joint implementation of the CADSES programme. For the Non-Member States, the signing of this agreement is a pre-condition of receiving full membership within the programme.

#### **6.4 Paying Authority(PA)**

The function of the Paying Authority, according to Article 9 (o) and Article 32 of Council Regulation (EC) 1260/1999, point 25 and 31 of the Interreg Guidelines and Regulations n° 448/2001, will be carried out by the Italian Ministry of Infrastructures and Transports - DiCoTer – (General Direction responsible for spatial co-ordination).

Taking into account the responsibilities of DiCoTer as Managing Authority as well as Paying Authority a clear functional

separation of tasks between the Managing Authority and the Paying Authority will be secured. Considering Article 9 of Commission Regulation (EC) n° 438/2001, whereupon the certificates of statements of interim and final expenditure referred to in Article 32 (3) and (4) of Council regulation (EC) n° 1260/1999 shall be drawn up by a person or department that is functionally independent of any services that approve claims, the Paying Authority will be represented by:

General Direction Responsible for Spatial Co-ordination (DiCoTer) - section PA  
Ministry of Infrastructures and Transports  
Via Nomentana 2  
I-00161 Roma

The functions of the Ministry of Infrastructures and Transports - DiCoTer - acting as Paying Authority shall be laid down in detail in the "Agreement between the EU-Member States and the Ministry of Infrastructures and Transports – DiCoTer -". The Agreement will be signed and enter into force upon approval of the Programme.

The Paying Authority:

- draws up and submits ERDF payment applications;
- receives ERDF payments from the Commission;
- monitors commitments and payments of ERDF funds at programme level;
- monitors financial implementation of the projects (ERDF funds);
- pays out ERDF-funds to the final beneficiaries in accordance with Article 32 of Council Regulation (EC) n° 1260/1999.

Therefore it is responsible for:

- the management of ERDF funds;
- certification of total expenses, on the base of certification made by project lead partners;
- payments related to ERDF funds;
- activities related to Commission Regulation n° 448/2001 on financial corrections;
- repetition of eventual undue payments;
- financial monitoring;
- harmonisation of monitoring systems for all European funds involved in CADSES;
- virtual monitoring on the total project, in particular of all the funds involved;
- to verify that those bodies taking part in the management and implementation of the assistance maintain either a separate accounting system or an adequate accounting code for all transactions relating to the assistance.

The single bank account, of the Italian Ministry of Economy and Finances, for the ERDF contribution to the CADSES assistance is the following:

title: *Fondo di Rotazione per l'attuazione delle politiche comunitarie – Finanziamenti CEE*  
account n°: 23211  
bank: *Tesoreria Centrale dello Stato – Banca d'Italia*

These funds are used in full for the ERDF co-financing of the programme without any kind of additional cost. The ERDF contribution is paid to the single bank account and it is immediately available for the final beneficiaries at transnational level by request of Paying Authority.

The Ministry of Infrastructures and Transports - DiCoTer - is responsible for financial control of ERDF-funds. Taking into account that this authority has no competence to check the proper utilisation of the Community funds on the territory of the other partners, the partners shall take the necessary measures based on common Rules of Procedures to be agreed by partners to control the utilisation of the funds on their territory. The result of their actions shall be reported to the authority responsible for the overall financial control.

## **6.5 Joint Technical Secretariat (JTS)**

According to point 25 and 30 of Interreg Guidelines the programme shall have one Joint Technical Secretariat. The Joint Technical Secretariat gives technical support to the Monitoring Committee and to the Steering Committee as well as to the Managing Authority and to the Paying Authority.

The tasks of the Joint Technical Secretariat are:

- to support the Managing Authority in meeting its tasks, as defined in the agreement between the Member States and the Ministry of Infrastructures and Transports - DiCoTer (MA); in particular: a) elaboration of drafts of annual reports, b) to prepare and implement decisions of the Monitoring and the Steering Committee including running written procedures; c) to monitor commitments and payments of ERDF funds at programme level; d) to liaise with the implementing authorities and other Interreg IIIB co-operation areas;
- to support the Paying Authority in meeting its tasks as defined in the agreement between the Member States and the Ministry of Infrastructures and Transports - DiCoTer (PA);
- to fulfil the usual work of a secretariat, i.e. organisation of meetings, drafting of minutes etc.;
- to manage the project application process, including drafting the terms of reference for the calls for proposals, carrying out the calls for proposals, information and advice to applicants, checking and assessment of applications while taking into account the recommendations of the respective National Committees and advising partners of decisions;
- to provide advice and assistance to transnational projects regarding implementation of activities and financial administration;
- to monitor progress made by projects through collecting and checking project monitoring reports, monitoring outputs, results and financial implementation;
- to support transnational project development and implementation process in cooperation with all CadSES Contact Points and to support cooperation in its different aspects;
- dealing with information and publicity according to the information and publicity plan;
- to co-operate with CadSES Contact Points and national bodies, the latter through the respective CadSES Contact Points;
- to co-operate with Transnational Working Groups and other transnational structures which might be set up during the implementation phase;

- to co-operate with organisations, institutions and networks relevant for the objectives of the programme in the space.

The annual work plans of the Joint Technical Secretariat have to be approved by the Monitoring Committee.

The Joint Technical Secretariat shall have its seat in Dresden. It will be located at:

Rathaus (Town hall)  
Dr - Külz- Ring 19  
D- 01067 Dresden

The Joint Technical Secretariat shall have international staff, preferably from both Member States and Non-Member States. The number and qualification of staff shall correspond to the tasks defined above. Staff members shall be contracted on the basis of an international advertisement addressed to individual applicants. The terms of reference for the advertisement and the definitive contract with the Managing Authority have to be approved by the Monitoring Committee or, in case that the Monitoring Committee not yet has been set up, by the Member States.

The Joint Technical Secretariat shall be funded from the Technical Assistance budget.

## **6.6 Cadses Contact Points (CCP)**

Complexity of the programme and size of the Cadses space give rise to particular organisational arrangements to ensure a successful programme implementation. Therefore, the activities of the Joint Technical Secretariat shall be complemented by Cadses Contact Points.

The main task of the Cadses Contact Points are:

- to assist to the project application and implementation process for all projects;
- to contribute to information and publicity within the respective country;
- to support the National Committees in fulfilling their transnational tasks;
- to serve as a first contact point for project applicants.

Thus, the activities of the CCPs are important for project development and information about the programme within the Partner States. Furthermore, they are of high importance for a smooth operation of the multi-level interaction of the committees and of the related organisations of the European, national, regional and local level in the framework of the programme.

In addition to that, co-operation between EU and Non EU Member States - as well as between Non-Member States - at the programme and the project level under the geographic and political circumstances of the CADSES area requires particular support. To provide this support the CADSES Contact Points in Athens and in Vienna fulfil additional tasks. They offer to assist to the CCPs of the participating countries on general project development including facilitating Interreg/PHARE and Interreg/CARDS co-operation between for applicants of all participating countries and if needed to support thematic networking of projects in Transnational Working Groups during the implementation phase. Thus these activities should contribute to the quality of the programme.

These additional tasks are the following:

In Athens: support of transnational project development mainly in the Stability Pact area including information and publicity related to these activities according to the IPP.

in Vienna: support of co-operation between EU and Non EU partners mainly outside the Stability Pact Area as well as between Non EU countries in the fields of transnational project development, supporting efforts to improve the regulatory EU framework for the participation of Non EU partners; including information and publicity related to these activities according to the IPP.

The CADSES Contact Points, which will be set up in each Partner State, either might be a contact person within a national or regional public authority or a separate unit within a public or private institution.

The CCPs shall be funded from the Technical Assistance budget. The personal costs of the CCP shall be kept to a minimum. Therefore, normally one person per CCP shall be co-financed. However, as far as the above mentioned specific tasks to be fulfilled in Athens and Vienna are concerned, the staff of these CCPs shall be complemented accordingly. The CCP for Germany will be set up in close co-operation with the JTS.

## **6.7 National Committees(NC)**

The involvement of regional and local authorities and other relevant institutions, which are responsible for regional and local development and spatial planning on the regional and local level, both in the planning phase (mainly as providers of project ideas) and the implementation phase (as project developers and for co-financing) of the CIP as well as the involvement of the economic and social partners and non governmental organisations, e.g. for environment and equal opportunities, is of great importance, especially as a pre-condition of a sustainable, spatially and thematically proper and smooth programme implementation.

For this reason each Partner State should establish a National Committee in accordance with its institutional structure in order to involve the regional and local authorities as well as the relevant sectoral authorities and institutions and non governmental organisations. However, the National Committees will not benefit from the programme's Technical Assistance budget. National Committees in CEEC countries shall include representatives of national authorities responsible for EU funding. Each partner country shall inform the Management Authority about the setting up of the committee and provide information about its composition and rules of procedure. The National Committees as integrated part of the transnational programme implementation have advisory and supporting status. They are not entitled to pre-select project applications, as project selection is reserved for the SC, supported by the JTS. The National Committees meet before the meetings of the MC and SC in order to bring in their points of view into the meetings of the MC and SC, including recommendations concerning project proposals. They may decide themselves on their specific tasks. However, as they have an important role in carrying out the proactive approach, e.g. through information, support to project generation and development and to project assessment, close links will be established between the Joint Technical Secretariat and the respective CCPs that will transfer information or documents to the National Committees and vice-versa.

In the Non-Member States national authorities responsible for co-operation with Cadses programme will have to fulfil further tasks related to the specific criteria of the funding instrument they use co-financing the CADSES programme, such as providing the necessary publicity measures, launching the programme, assessing project proposals, contracting

the concerned project parts or approving payment claims. The monitoring of the implementation will be carried out in close co-operation with the Joint Technical Secretariat.

### **6.8 Transnational Working Groups (TWG)**

Transnational Working Groups might be established for a limited duration due to decisions of the Steering Committee (e.g. for environment or research and development). They are composed for certain fields of intervention by the lead project partners of the respective projects and external experts. Support is given by the Joint Technical Secretariat and the CCPs. The task of the Transnational Working Groups is to co-ordinate between similar projects and help to stimulate new projects in order to produce synergy effects and to support the development and implementation of the projects. The participation in Transnational Working Groups is financed within the project budget. The working groups inform the Monitoring and the Steering Committee about their activities and progress in the development and implementation of projects.

### **6.9 Co-operation of Member and Non-Member States in the programme**

The Central, Adriatic, Danubian and South-Eastern space covers 18 countries, most of them being Accession or other Non-Member States of the European Union. Although the ERDF is dedicated to Member States which causes limitations to equal participation of Non-Member States in the programme and in particular in the distribution of ERDF-funds all efforts need to be taken to co-operate within the programme on an equal basis with full participation of all countries in the programme implementation and its further development.

Based upon this principle, the forms of participation by the Non-Member States can be the following:

- either as full right member participating in the decision-making process with the same rights as Member States;
- or as an committee member with an status as observer.

Full membership will be granted on the basis of criteria which will be set up by the Monitoring Committee.

## **7. PROGRAMME MANAGEMENT PROCEDURES**

### **7.1. Programmeco-ordination**

#### **7.1.1 Co-ordinationat the programmelevel**

The co-ordination between the authorities named in above and involved in the implementation of the CADSES-Interreg IIIB programme shall be within the sphere of responsibility of the MA / PA and/or, as commissioned by the latter, the JTS. The MA / PA acts on basis of decisions of the SC and MC. The MA / PA stays in close contact with the National Committees through the Cadses Contact Points.

The following agreements shall be made complementary to the provisions of Council Regulation 1260/1999 with regard to the tasks of the MA and PA:

- Before become active with regard to the following issues of programme-strategic importance the MA / PA should take into account the proposals and statements of the SC:
  - i. preparation of proposals for MC decisions regarding programme amendments or programme planning supplements;
  - ii. preparation of, and (if required) participation in the annual meetings with the European Commission pursuant to Article 34 (2) Council Regulation 1260/1999;
  - iii. preparation of comments to the MC on regular monitoring, progress reports, annual reports and interim appraisals;
- The data regarding the implementation of the programme shall be made available by the MA / PA – in the most suitable form afforded by the available technical facilities – to the Cadses Contact Points as well as to the competent authorities of the European Commission.
- The Cadses Contact Points shall pass on the data to the relevant National bodies.
- The Cadses Contact Points shall be informed on a same-day basis about any and all assistance requests submitted by the PA / MA to the Commission. The PA / MA shall inform the Cadses Contact Points on a same-day basis on any incoming Structural Funds. In the case of a shortage of Structural Funds available on the programme account, the priorities of further out-payments shall be fixed by agreement between the PA / MA and SC. Moreover, the Cadses Contact Points and PA/MA shall inform each other and immediately with regard to any delay, implementation problems or irregularities occurring in the financial management of the programme, co-ordinate measures to eliminate such problems among each other and monitor their successful implementation.
- PA / MA shall summarise all information transmitted by the Member States about estimates of payment applications under the programme expected for the current and the following calendar year and shall transmit the estimate for the whole programme to DG Regio as well as (for information) to the Cadses Contact Points by the end of March of each year. This estimate shall relate to eligible expenditure as a whole as well as to ERDF funds.
- MA/PA shall summarise the financial audit reports according to the rules for the implementation of regulation n° 1260/1999 as regards the management and control systems for assistance granted under the Structural Funds

(Commission Regulations N° 438/2001 and N° 448/2001) provided by the Member States and shall transmit them to the European Commission.

### 7.1.2 Co-ordination of Interreg and Pre-Accession Instruments

The harmonisation of different financial sources is considered as a key issue for the successful development and implementation of the CADSES programme.

At the transnational level, spatial development programmes can only be implemented through really joint, transnational projects. Projects in the CADSES programme are transnational in character, their co-operative implementation can only be guaranteed and implemented if the participating Non-Member States or potential beneficiaries from these countries are given the opportunity to practically participate in the programme as full right members and in accordance with harmonised rules.

The minimum criteria of participation in Interreg IIIB projects shall reflect the financial support of PHARE, national, CARDS or other financial instruments in the framework of new joint projects in accordance with:

- ⊗ the programming procedures set down in the relevant regulations for European Community assistance to third countries including national PHARE, CARDS, ISPA or other EU initiatives and programmes of which Interreg IIIB/IIIC projects can be financed;
- ⊗ in principle the decision making process of projects should follow Interreg-CADSES rules provided that institutional requirements are fulfilled by the given Non-Member State. Project fund approach will apply;
- ⊗ Multi-annual programming and implementation should be introduced so that projects could be implemented in parallel with project parts of the Member States;
- ⊗ Implementation procedures (procurement, financial management, monitoring, etc.) will be harmonised to the maximum possible extent based upon Interreg rules applied in the framework of the CADSES programme. Extended decentralisation, and where it is possible ex-post control will be apply according to the Council Regulation (EC) n° 1266/1999.

Each country has to set up its own Guidelines stipulating the rules of programme management, project implementation and nominate the responsible institutions. The specific Guidelines will be based on the CADSES Programme and it takes into account the PHARE implementation rules as well. The national Guidelines to be approved by the National Committee and sent to the transnational Monitoring Committee for information.

With the consent of the European Commission, in order to ensure the participation of the Non-Member States, they can establish an Interreg IIIB/IIIC co-financing fund within the chapter *Social and Economic Cohesion* or other part of their PHARE national programmes. Other (other EU funds, national funds, etc) should be used also in programme level following a fund approach.

- ⊗ Non-Member State earmarks national PHARE or other funds to be used in programme level specifically for the CADSES programme;
- ⊗ a Non-Member State fulfils the criteria of full membership and thus is given full right status in the programme by the transnational Monitoring Committee;
- ⊗ the project selection procedure in case of the Non-Member State that are full members of the Interreg IIIB



CADSES programme follows in principle the procedures of the CADSES programme.

- After project selection, the projects are being implemented basically under the relevant PHARE, CARDS or other assistance procedures, while the European Commission guarantees the basic harmonisation criteria. The specific character of the Interreg initiatives and of the CADSES programme will be taken into account to the maximum possible extent.

### **7.1.3 Financialauditing**

With reference to Article 34 lit f and 38 of Council Regulation (EC) 1260/1999 and the rules for the implementation of regulation N° 1260/1999 as regards the management and control systems for assistance granted under the structural funds (Commission Regulations N° 438/2001 and N° 448/2001) the overall responsibility for co-ordination of financial auditing lies with the MA/PA in co-operation with the respective national auditing authorities nominated by the Member State (choosing of projects to be audited (on site), method/way of auditing procedure, drafting a financial auditing plan). However, since the MA/PA might not be allowed to audit public co-funding institutions in other Partner States, financial control has to be delegated to the national auditing authority nominated by each Member States. They shall ensure for all projects co-financed by ERDF funds under Interreg IIIB CADSES that compliance with the terms and conditions for assistance under the programme as well as the correctness of financial statements settled with regard to expenses eligible for assistance and assistance funds to be granted is continuously ensured both in factual and accounting terms and if necessary audited on site.

Binding agreements have to be signed between the MA / PA and the respective national Auditing Authority in each Member State to secure a complete financial audit of all parts co-financed by ERDF funds.

The respective national Auditing Authorities shall be obliged to make available at all times all relevant information at the project level for ERDF co-financed projects in agreement with the MA/PA to the European Commission.

In this context care shall be taken to ensure the proper separation (and if applicable, also the organisational and functional separation) of the personnel conducting the audit and auditing tasks from the project consulting activities and, in particular, from the project management in order to avoid conflicts of interests and to reduce the risk of irregularities. More details (i. a. flow-charts) will be inserted into the Programming Complement.

### **7.1.4 ProgrammeDatabase**

As stipulated in the Council Regulation (EC) 1260/1999, Art 23 c, for management, monitoring and evaluation of the programme, computerised systems have to be installed, operated and interconnected. This data base system has to meet special requirements. The database should be prepared for the input and the processing of the following data at project level as well as at project partner level:

- Project number, title, priority and measure;
- Result of application assessment;
- Approval date, contracting date, starting date and duration of the project;
- Eligible expenditure and ERDF co-financing for the project;
- Transferred advance payment;

- Address information of the lead partner and all other project partners including name and address of the institution and the contact person, telephone, fax, e-mail and objective area;
- Bank account information of the lead partner;
- Individual budget and budget lines of each project partner;

Furthermore the database must be prepared for the input and processing of information received by the lead partner's activity and financial reports:

- fields to monitor the deadlines for the delivering of reports;
- for each report an individual input sheet for the assessment of the reported activities and the reported expenditure in the individual budget lines;
- automatic calculation of the cumulated used budget and indication of exceeded budget lines;
- Information of transferred payments.

To support the JTS in meeting its monitoring and reporting duties, the database has to deliver the following data report sheets:

- Commitments and payments on programme level;
- Commitments and payments on project level (project by project and project by measure);
- Reporting status;
- Project budget overview;
- Activity and financial report overview;
- Financial status of project and project partner;
- Indicators and their quantification.

The database provides the form and content of accounting information as requested in Article 12 Commission regulation (EC) n° 438/2001 of 2 March 2001 [laying down detailed rules for the application of Council Regulation (EC) n° 1260/1999 regarding the management and control systems for assistance granted ...].

#### **7.1.5 Evaluation**

A mid-term evaluation will be carried out in accordance with Article 42 of Council Regulation (EC) no 1260/1999.

#### **7.1.6 Information and publicity**

With regards to Commission Regulation (EC) No 1159/2000 an information and publicity measures to be carried out by the Member States concerning assistance to the Structural Funds, an information and publicity plan will be adopted by the MC and implemented under the responsibility of SC. The plan will include the information and publicity measures to be carried out in the framework of the CIP covering the overall programme period.

Publicity measures in Member States, Accession Countries and Third Countries are directed at:

- ensuring transparency for potential and final beneficiaries including regional and local authorities, economic and social partners and NGOs, especially bodies promoting equality between men and women and bodies working to protect and improve the environment;
- making the general public more aware of the results and benefits achieved by transnational projects part-financed by the ERDF.

In particular, the information and publicity measures of the programme will be directed at:

- spreading information on the opportunities of this programme to potential applicants via the stakeholders of the programme such as national and regional authorities represented at programme level, national committees including sub-regional authorities and economic and social partners;
- informing relevant actors in CADSES;
- operating the website of the programme;
- printing leaflets and distributing them at public events of relevance to the programme.

The results of the evaluations shall be made available to the interested public in accordance with article 40(4) of the general Regulation.

A more detailed information and publicity plan will be adopted by the Monitoring Committee.

## **7.2. Project selection and implementation**

### **7.2.1 Administration of the programme at the project level**

The administrative work involved in the procedures for granting assistance to the individual projects under the CADSES-Interreg IIIB programme will be managed according to the following rules, which may be further specified by way of written agreement between the MA and the JTS and the rules of procedure of the JTS. More details (i. a. flow –charts) will be inserted into the Programming Complement.

An agreement will be signed by all Partner States to confirm the Implementation procedures set out below, especially to give a binding framework for the division of work between transnational and national level.

### **7.2.2 The Lead Partner principle**

The Lead Partner principle is the central principle behind the financial control of the CADSES programme. The Lead Partner (LP) who shall be nominated by the Project Partners will act as a link between the project (partnership) and the programme (Joint Technical Secretariat). The LP is the final beneficiary according to Council Regulation (EC) 1260/1999 and point 31 of the Interreg Guidelines. The LP takes the overall responsibility for the application and implementation of the entire project. This includes the financial management and full financial responsibility of all ERDF funds including all partners (one budget for the whole project).

The LP establishes legal relations with the project partners in order to legally define their co-operation and to safeguard himself against his partners by contract.

Regarding the programme co-operation across the external EU borders with Non-Member States partners from Non-Member States are given the same opportunities as from the Member States, as they can generate and initiate projects by themselves and choose their project partners by the same rules.

Thus, in a project partnership with partners from both Member States and Non-Member States a LP coming from a Non-Member State will act only as 'functional LP' as he cannot take financial responsibilities for ERDF-funds. In such projects a separate 'financial LP' from a Member State will be needed for the managing of ERDF-Funds. Then it is the 'financial LP' who is final beneficiary according to Council Regulation (EC) 1260/1999.

More detailed guidelines and rules of procedure (e.g. application procedure etc) of the above mentioned Lead Partner principle will be outlined in both the Programming Complement and the "Agreement between the EU-Member States and the Ministry of Infrastructure and Transports – DiCoTer".

### **7.2.3 Information and consulting**

Persons or institutions potentially interested in, or responsible for, projects located in a Partner State shall be adequately informed by the JTS in co-operation with the CADSES Contact Points of the respective Partner State of the objectives of the programme, the prerequisites for obtaining ERDF funds and the individual procedures to be followed.

Additionally, the CADSES Contact Points in the concerned Non-Member States will advise the LP and its interested partners in preparing a project application for PHARE, CARDS or other EU-co-financing.

### **7.2.4 New types of projects**

Different types of projects give a better opportunity to meet the specific challenges of transnational co-operation projects in the field of regional development policies. The basis of this differentiation are the experiences made with the implementation of Interreg IIC CADSES projects. However, experience from the previous period has shown that complex and comprehensive projects need significant input in project preparation in order to produce a feasible sustainable project implementation.

The exchange of know-how and information between projects need specifically dedicated resources. Up to now, this networking and co-ordination has been provided by the transnational working groups partly on a voluntary basis.

In order to improve project development and implementation on a true transnational basis the CADSES-Interreg IIIB programme is going to support additionally two new types of projects namely thematic networks and feasibility studies.

#### *Thematic networks*

They will be defined by the programme Steering Committee after the approval of the first round of projects and at one or two later stages. They have to focus around one or more specific issues and combine the issues of at least three or preferably more projects.

#### *Feasibility studies*

They help to prepare complex and large projects. They should be used for the preparation of projects which reflect key issues of the programme and enable broad participation. The Steering Committee decides about the issues that should

be investigated by feasibility studies. Feasibility studies need only a simplified application procedure in terms of partnership structure and definition of the contents. The size of feasibility studies should allow a finalisation within six months. The result of a feasibility study is the draft for a project application of an open call for projects.

### **7.2.5 Project selection criteria**

Project selection is based on two types of selection criteria: minimum requirements and priority criteria. All projects have to fulfil minimum requirements otherwise they are rejected. The priority criteria (focusing on aspects considering e.g. environment/sustainable development or equal opportunities) are then used for the ranking of the projects (short list). These criteria are mentioned in the Programme Complement and might be specified, completed and further developed by the Monitoring Committee during the implementation process.

In case of project proposals asking for support from PHARE or other EU sources as a general rule the same minimum requirement and priority criteria will be used with due consideration of the priorities/regulations of the concerned financing instruments.

Minimum requirements: To be eligible for funding projects must:

- be in accordance with European and national spatial development policy issues: Spatial development aims and issues of the ESDP, CEMAT Guiding Principles and national spatial development strategies;
- have effects to integrate development in CADSES: a project design that focused on generating development impulses towards a perspective of an economically and socially integrated space across EU borders;
- provide a transnational project partnership: have at least two financing project partners from different Partner States, wherein investment measures could take place in one or more of the financing partner states;
- demonstrate the value added of a spatial development approach (spatially integrating different sector approaches);
- respect relevant national and EU policies regarding structural funds policies, environment legislation, etc.;
- have project partners and especially a Lead Partner who safeguards a reliable project organisation and a competent project implementation;
- secure national co-financing;
- include the description of quantified outputs and / or clear attainable target to allow for appraisal and ex-post evaluation;
- be completed within the programme period (before September 2008);
- have an appropriate size which allows several projects per measure;
- not be founded by other EU programmes (except PHARE, ISPA, CARDS, SAPARD, TACIS and other instruments providing assistance to for Non-Member States) in order to avoid double work (parts of the project can be co-financed by other EU-programmes (e.g. 5th RDT, e-europe) if these parts are not calculated within the eligible project costs under CADSES);
- do not duplicate existing work.

### **7.2.6 Assessment of the co-financing application**

Assessment of project applications lies within the tasks of the JTS in order to secure a complete examination of the project application.

In order to support the JTS the CADSES Contact Points of the respective project partners shall give estimations concerning the following issues:

- economic and organisational capacity of the respective project partners;
- amount and appropriateness of the costs of the project.

PHARE applications will be also assessed according to specific national PHARE criteria by the relevant national institutions of the Non-Member States. Proposals for project parts financed by the PHARE assistance will be pre-selected by the concerned Evaluation Committee taking into account the size of the funds available.

Taking into account the estimations of the CCP as well as recommendations of respective national committees the JTS examines the following aspects:

- does the project meet the specific Interreg IIIB assistance requirements pursuant to the Programme and Programme Complement;
- does the project meet the ERDF assistance requirements pursuant to Council Regulation (EC) No 1260/1999 and Council Regulation (EC) n° 1685/2000 on the eligibility of assistance of measures;
- secured financing and appropriateness of the ratio between own funds and public assistance (taking into account the possible programme co-financing with ERDF funds as well as any other national public funds applied for, already granted or promised);
- compliance with other relevant provisions of EU law (subsidy laws, rules for the awarding of public contracts, environmental law, sustainable development, equal opportunities, etc.);
- whether the aim of project applied for is in line with sectoral policy objectives (if required, also including statements of other administrative bodies concerned).

The results of this examination are presented by the JTS to the SC for a decision in the standardised form of a report with an assistance recommendation at least three weeks before the meeting of the SC.

### **7.2.7 Single co-financing decision regarding ERDF-funds**

The SC takes the decision on EU funding on the basis of the results of the assessment process organised by the JTS. The co-financing of a project with Interreg IIIB funds shall be granted (according to availability) in specific amounts only if the results of the examination by the JTS are as follows:

- the assistance requirements are fulfilled as defined by the criteria of the CADSES-Interreg IIIB programme, the relevant assistance guidelines and other relevant national and Community legislation;
- the amount of the co-financing to be granted, taking into consideration the total amount of subsidies, is commensurate with the content of the project and the financial capacity and/or needs of the LP and – if applicable – complies with the provisions of EU competition legislation (assistance caps, accumulation rules,

notification rules);

- the amount of the ERDF co-financing funds can be covered within the scope of the available financial framework of the programme and does not exceed the respective upper co-funding limits (pursuant to Art. 29 of Regulation no. 1260/1999).

### **7.2.8 Project reporting and monitoring procedures**

Project monitoring is a task of the relevant programme implementing institution. The project activity reports as well as the financial reports submitted by the Lead partners will be the central source for the JTS/PA to monitor project implementation. JTS Project monitoring includes the contents and the finances of the whole transnational project. The finance monitoring is focused on ERDF and national co-financing, and takes other EU funds (PHARE, CARDS, TACIS, etc.) into account. The contents monitoring is based on quantified indicators and progress reports. National co-financing institutions and national pre-accession fund managing organisations are important partners for monitoring of Interreg IIIB CADSES.

Interreg IIIB CADSES projects should provide project homepages in the internet not only for dissemination of their results and internal communication but also for project reporting and monitoring purposes.

The project's progress monitoring focuses on a consistent reporting system. Basically the reporting system should consist of formal requirements for the project application, the project assessment, the project monitoring sheet, the interim and final report and the financial report.

The Lead Partners (LPs) will submit a project activity report and a financial report every six months, including quantified indicators. These reports will be the central source for the JTS to monitor project implementation. The LPs are responsible for co-ordinating the overall project including all partners.

The JTS will provide all relevant information to the MA and the Partner States to ensure a proper implementation of the programme:

- for monitoring of progress JTS provide a summary report on project progress to the Steering and Monitoring Committees on a regular basis;
- on quarterly basis, the PA have to report to the Monitoring and the Steering Committees on commitments and payments at programme level as well as at project level;
- furthermore, the JTS will draft the annual report to be submitted to the European Commission by the Managing Authority (Council Regulation (EC) 1620/1999, Art 37). The annual report is to be drawn up following the requirements set by the EC. The chairman of the Monitoring Committee will forward the final annual report to the EC.

The monitoring activity regarding to PHARE (and other EU-funded) project parts have to follow the respective regulations. This activity and the reporting system should be harmonised with the general CADSES procedures to the maximum possible extent.

### **7.2.9 Assessment of (interim and final) financial statements**

Only expenses actually paid and eligible for funding (or expenses recognised as equivalent under EU law) may be co-financed by ERDF funds. ERDF funds may therefore only be paid out on the basis of invoices, including all payment confirmations (or equivalent booking slips), that clearly relate to the recipients of the assistance, the assisted project and agree with the defined timeframe. To ensure this, the LP shall present financial statements with invoices for the pro-rated total costs and financing of the co-financed project including the list of all invoices and confirmations to the MA, which have been audited by the respective national co-funding authorities of all project partners as to their correctness with regard to the amounts calculated and the content, by checking the invoices and – depending on the type of project – also by conducting on-site audits or collections of the corresponding project reports and similar documentation.

In case of the PHARE, CARDS, TACIS, etc. project-parts, financial management and control will follow the relevant regulations.

### **7.2.10 Financial auditing**

With reference to Article 34 lit f and 38 of Council Regulation (EC) 1260/1999 and the rules for the implementation of regulation n° 1260/1999 as regards the management and control systems for assistance granted under the structural funds (Commission Regulations N° 438/2001 and n° 448/2001) the overall responsibility for co-ordination of financial auditing lies with the MA/PA in co-operation with the respective national auditing authorities nominated by the Member State (choosing of projects to be audited (on site), method/way of auditing procedure, drafting a financial auditing plan). However, since the MA/PA might not be allowed to audit public co-funding institutions in other Partner States, financial control could be delegated to the national auditing authority nominated by each Member States. They shall ensure for all projects co-financed by ERDF funds under Interreg IIIB CADSES that compliance with the terms and conditions for assistance under the programme as well as the correctness of financial statements settled with regard to expenses eligible for assistance and assistance funds to be granted is continuously ensured both in factual and accounting terms and if necessary audited on site.

Binding agreements have to be signed between the MA / PA and the respective national Auditing Authority in each Member State to secure a complete financial audit of all parts co-financed by ERDF funds.

The respective national Auditing Authorities shall be obliged to make available at all times all relevant information at the project level for ERDF co-financed projects in agreement with the MA/PA to the European Commission.

In this context care shall be taken to ensure the proper separation (and if applicable, also the organisational and functional separation) of the personnel conducting the audit and auditing tasks from the project consulting activities and, in particular, from the project management in order to avoid conflicts of interests and to reduce the risk of irregularities.



## **ANNEX 1: EX-ANTE EVALUATION**

### *Ex-ante evaluation conclusions*

The ex-ante evaluation results have to be integrated in the Programme document. The main conclusions drawn from the ex-ante evaluator report are therefore reported in this Annex.

### *CADSES logical framework is correctly grounded*

The CADSES Programme is correctly based on the identification of general objectives, strategies, priorities, specific objectives and measures, coherently with EC guidelines referring to programming methods and techniques. CADSES logical framework is correctly grounded, as they appear to be well identified and linked the various phases that lead from the analysis of the situation prevailing in the geographical area of transnational co-operation; from the identification of potentialities and structural weaknesses that characterise the intervention area; and from the individuation of "lessons" that can be drawn from the previous programming period: (i) to the determination of the strategy and general objectives of the programme; (ii) to the determination of specific objectives and interventions to be carried out, with the consequent identification of indicators (output, result and impact indicators) and global impacts of the programme.

### *CADSES Programme appears to be largely consistent with the ESPD recommendations, community policies (TEN and IS), and Interreg IIC achievements*

CADSES strategy and global objectives are worked out consistently with the ESPD (European Spatial Development Perspective) recommendations for territorial development (polycentric development and town/country relations, access to infrastructure and know-how, environment and cultural heritage), which constitute the strategic framework for programmes development. Moreover, CADSES is consistent with TEN (Trans-European Networks) objectives and strategies. Important sections of the Programme are indeed devoted to transport networks and accessibility issues, in the perspective of a larger, integrated and economically stronger Union. Specifically, the program provides for a measure (2.1 – Developing efficient transport systems with regard to sustainable development) which contribute to the development and implementation of projects, focusing upon co-operation in the fields of improvement of accessibility as priority task of economic and social policy. In an analogous way, a specific measure of the programme (2.2 – Improving access to knowledge and the information society) is devoted to the development and implementation of projects focusing upon co-operation for the improvement of the access to knowledge and the information society. Finally, CADSES strategies and objectives appear to take in due consideration Interreg II achievements. In particular, the Programme tries to extend and reinforce past experience. Moreover, it pays a specific attention to the management and procedural issues, highlighted by the *interim evaluation report*.

### *CADSES Programme is internally coherent (...)*

Internal coherence of the Programme has been explored considering the logical correspondences between SWOT points and specific objectives, as well as between specific objectives and measures. This elaboration demonstrates: a) the coherence of the specific objectives selection, with reference to the SWOT analysis, i.e. the capacity of specific objectives to overcome points of weakness and/or to reinforce or exploit points of weakness of the co-operation area; b) the ability of selected measures to satisfy specific objectives.

*(...) and externally coherent too*

CADSES external coherence has been tested verifying the logical correspondences among the Programme specific objectives and the main interventions provided by the pre-accession strategy and instruments for national and sectorial development (PHARE, SAPARD, ISPA and TACIS instruments), as well as by the Stability Pact for South-eastern Europe. CADSES objectives appear to be largely consistent with the strategic lines of these instruments and strategies. In fact, the programme will contribute to investment support and institution building in the co-operation area; to competitiveness, employment and sustainable development of regional economic systems; to infrastructure efficiency; to the strengthening of membership perspectives for South-eastern countries.

*Sustainable development and equal opportunities*

Ex ante evaluation has explored the environmental situation in State Members' eligible regions and in Non Member States, with reference to the main relevant issues (water, air quality, nature protection, urban environment, administrative capacity, etc.).

As the Operational Programme reports, the Member States' eligible regions have still to face both *transnational* and *internal* environmental problems and risks. Among the first ones, damages due to natural hazards — as for example floods — and cross-border and trans-border pollution are included. With reference to the other ones, it is recognised that border agglomerations and coastal areas suffer from urban sprawl leading to increased burdens, mainly caused by transport; these zones also run the risk of increasing environmental burdens along transport corridors and of encroachment. Moreover, some eligible regions are affected by deforestation, soil pollution, threat for ground water reserves, retreat of agricultural cultivation and labour force — which leads to a rapid degradation of environment.

On the other hand, countries in transition suffer — as the Programme reports — from negative industrial heritage, high exposure to natural disasters, threatened water resources, etc. In general, it is interesting to note that — in most of the Non Member States — although progresses have been made in transposing the EC environmental *acquis*, many problems remain to be solved. For instance, the administrative capacity to develop and promote policy and strategies in the environmental field is still weak. Progresses are also necessary in the field of waste, nature protection and industrial pollution. Implementation of legislation adopted remains a problem. Investments remain limited. The mechanism for data collection, analysis and reporting is also not well developed. This calls for a stronger co-operation effort in the CADSES areas and further demonstrate the validity of CADSES II objectives and strategies.

CADSES explicitly considers environmental sustainability as an "horizontal" policy field within all the programme priorities, with a particular reference to spatial development and transport issues. More specifically, the third and fourth priority have a direct influence on environmental issues, as they provide for measures devoted to protecting and developing natural heritage and landscape, promoting environmental protection, preventing risk and managing water. These interventions appear to be largely consistent with the SWOT points regarding the environment in the co-operation area, both from the perspective of Member States and the Eastern countries.

Even if CADSES will not presumably have a direct impact to equal opportunities, it may be of interest to underline that it will have a positive influence, with reference to the issues of participation to labour market, education and training, enterprise creation and growth, reconciliation of work and family life. In particular, positive or probably positive effects are likely to be produced by interventions directed to resources and productive activities, where an higher presence of female labour will be present.

### *CADSES financial plan*

The increased amount of financial resources allocated to CADSES, with respect to the past programming period, will have to permit financing of investment projects and not simply studies and exchange of experience. Resources have been fairly distributed to the four priorities. Technical assistance resources have been defined according to EC Regulation n° 1685 on eligibility of expenditure (Rule No 11: costs incurred in managing and implementing the Structural Funds). Finally, it has to be noted that a relevant engagement from Non-Member States is expected, based on co-operation with funds from other EU instruments (PHARE, ISPA, CARDS). A clear-cut framework for harmonising different financial sources and implementation rules will then have to be built or completed.

It has also to be remarked that among final beneficiaries, there presumably will be private institutions, like economic and social partners, chamber of commerce, regional councils as well as private companies (e.g. infrastructure providing enterprises) and NGO in relevant fields. Therefore, it may be assumed that financial private resources will be able to contribute to the programme execution. In particular, CADSES measures will probably finance researches and feasibility studies in the transportation, water management, cultural heritage, urban services and telecommunication sectors. These infrastructure are able to generate revenues and presumably will be co-financed by market resources. Therefore, it seems to be realistic the possibility to obtain private contributions to CADSES financing.

### *Impacts*

Ex-ante evaluation has tried to analyse CADSES impacts, considering the effects generated in the co-operation area through the achievement of the specific objectives that have been assumed. Specifically, for each specific objective a "context" key-indicator is assumed: this means that interventions will contribute to "improve" the key indicators, i.e. to generate positive effects on different economic, social, environmental and institutional variables. Obviously, CADSES interventions will just contribute — through the specific activities which are implemented by the programme — to the attainment of these goals. For example, CADSES will contribute (through small infrastructures, pilot projects, diffusion of best practices, etc) to reduce structural disparities in the co-operation space, accelerate the rate of growth of sustainable sectors and activities, increase the amount of economic and non economic flows and transactions between strong and weaker regions, etc. It has to be underlined that, at this moment, these indicators appear to be not quantifiable.

Finally, it has to be underlined that ex-ante evaluation has identified a list of indicators at a measure level, through which the effectiveness of the program will be estimated and the implementation will be monitored. Indicators have been selected according to the methodology traced out by European Commission.

### *Common structures, implementation and management*

A wide negotiation among the four CADSES Member States has been handled, to reach a satisfactory agreement — within the framework of EC rules for Interreg IIIC — about specific tasks, composition and location of common structures for co-operation. The multilevel programme management system that has been defined is undoubtedly complex. Moreover, as far as a strong and really transnational co-operation approach is not established, a conflict might arise between the management efficiency objectives (in terms of costs, information, support to non-member countries, quality of promoted, assessed and financed projects, homogeneity of procedures, respect of deadlines for payments) and the capacity to work of the agreed institutions settlement. Overlapping of functions and services of transnational and national technical units will also have to be avoided.

In the ex-ante evaluation, the analysis of pertinence and effectiveness of decisions on implementation and common structures has been worked out, by identifying some quality criteria and verifying how the programme choices about

procedures and management structures contribute to meet them. Moreover, appraisal of the procedures for selection criteria has been developed considering the conformity of such criteria with the framework of reference constituted by CADSES specific objectives, strategies and principles of co-operation, efficiency and effectiveness targets.

## ANNEX 2: MONITORING INDICATORS

Indicators relevant for this Interreg Community Initiative Programme are to be distinguished on four different levels:

- Programme- and Priority-level (in the Programme);
- Measure- and Project-level (both contained in the Programme Complement).

Impact / Result indicators - in order to adequately reflect the expected variety - had to be developed "bottom up", starting from the level of projects. Therefore, indicators on programme- and priority-level are based on aggregate information's derived from the project- and measure-levels. Such a set of consistent indicators will provide the basis for the qualitative evaluation of projects and of the programme-impact as a whole. Thus the monitoring procedure and the information about project impacts collected there, will form a solid basis for mid-term and ex-post evaluations of the programme. The description of the monitoring indicator at the project and measure level will be a part of the Programme Complement.

A basic set of context, programme structure, impact and result indicators to be used in the monitoring procedure, might contain the following information (indicative only, to be further developed during the implementation of the programme):

LIST OF POSSIBLE INDICATORS	POSSIBLE SOURCE*	FREQUENCY OF DATA COLLECTION
<b>CONTEXT INDICATORS</b>		
<b>GENERAL CONTEXT INDICATORS</b>		
• Population in CADSES area (in thousands)	external	ex-ante
• Strand B CADSES area in km <sup>2</sup>	external	ex-ante
<u>CONTEXT INDICATORS RELATED TO SOCIAL AND ECONOMIC COHESION</u>		
• GDP per Capita of the poorest three regions of EU-CADSES	external	per year
• GDP per Capita of the richest three regions of EU-CADSES	external	per year
• Average GDP per Capita in the EU	external	per year
• Average GDP per Capita by EU-members involved in CADSES	external	per year
• Average GDP per Capita by non-EU-members regions in CADSES	external	per year
• Unemployment rates (number of unemployed/labour force x 100) in EU-members involved in CADSES	external	ex-ante and ex-post
• Unemployment rates (number of unemployment/labour force x 100) in accession countries	external	ex-ante and ex-post
<b>CONTEXT INDICATORS RELATED TO SPATIAL DEVELOPMENT OF CITIES</b>		
• Population living in large cities out of the total population (in %)	external	ex-ante and ex-post
<b>CONTEXT INDICATORS RELATED TO TRANSPORTATION SYSTEMS</b>		
• Number and length of TEN/TINA-Routes crossing the area (by mode of transport)	external	ex-ante, mid-term and ex-post
<b>CONTEXT INDICATORS RELATED TO SUSTAINABLE NATURAL ENVIRONMENT AND RESSOURCE MANAGEMENT</b>		
• Protected areas (in % and km <sup>2</sup> )	internal / external	ex-ante and ex-post
• Renewable energy/total energy supply in CADSES	external	ex-ante and ex post
• Percentage of territories endangered by floods	external	ex-ante
<b>PROGRAMME STRUCTURE INDICATORS</b>		
• Projects by number, title, priority, measure, nationality of lead partner and budget (ERDF, total budget)	internal	Continuously
• Projects by date of approval, contracting, starting and duration	internal	Continuously
• Total budget, ERDF-commitments, payments and payment request by priorities and measure	internal	Continuously
• Number of lead partners by country and region	internal	Continuously
• Number of project partners by country and region	internal	Continuously
• Participation in projects by country	internal	Continuously
• ERDF-commitments by nationality of project partners	internal	Continuously

• Projects by total budget, share of large and share of small projects	internal	Continuously
<b>IMPACT INDICATORS AT PROGRAMME LEVEL</b>		
• Number of projects addressing the four strategic objectives	internal	Continuously
• Number of projects involving non-member states	internal	Continuously
• Number of projects co-financed from regional and local administrations	internal	Continuously
<b>RESULT INDICATORS AT PROGRAMME LEVEL</b>		
• Number of transnational studies	internal	Continuously
• Number of transnational networks	internal	Continuously
• Number of feasibility studies for investment	internal	Continuously
• Number of people involved in training measures	internal	Continuously
• Number of workshops	internal	Continuously
• Number of participants involved in transnational projects	internal	Continuously
• Number of pilot actions and demonstration projects	internal	Continuously
<b>IMPACT/RESULT INDICATORS AT PRIORITY LEVEL</b>		
• Number of best practice examples elaborated in each priority	survey	mid-term and ex-post
<b>PRIORITY 1: promoting spatial development approaches and actions for social and economic cohesion</b>		
• Number of co-operations between key actors of spatial development policies	internal	Continuously
• Number of projects concerning mitigation of disparities between urban and rural areas	internal	Continuously
• Number of projects promoting polycentric settlement	internal	Continuously
<b>PRIORITY 2: improvement of access to transportation, infrastructure and the information society</b>		
• Number of projects in access to knowledge and the information society	internal	Continuously
• Number of multimodal transportation systems	internal	Continuously
<b>PRIORITY 3: promotion of the protection of the environment and good management of natural and cultural heritage</b>		
• Number of pilot projects which allow to evaluate the effects of human economic activities on conservation on landscape, natural and cultural heritage in order to set up more efficient procedures and methodologies	survey	mid-term and ex-post
• Number of projects promoting integrated water management	internal	Continuously
• Number of projects promoting the prevention of floods	internal	Continuously
• Number of projects in access to information society, research and development	internal	Continuously
<b>PRIORITY 4: environment protection, resource management and risk prevention</b>		
• Number of projects in protecting environmental goods, natural heritage and risk prevention (e.g. river regions, coastal zones)	internal	Continuously
• Number of environmental plans/concepts/studies	internal	Continuously

"The notation "internal" means that projects are required to deliver the data. "External" are indicators which are consolidated from external sources, like statistical regional authorities or EUROSTAT. The term "survey" contains the data collected by interviews. The term "continuously" means that the data are collected on the basis of the project activity reports submitted every six months by the Lead Partners, that they will be aggregated within the annual reports and be taken into account by the mid-term and ex-post evaluation.

With particular reference to context indicators, a first set of them has been estimated for the regions of the CADSES Member States, using EUROSTAT regional statistical sources (year 1998). The indicators are reported in the following table :



### ANNEX 3: JOINT PROGRAMMING PROCESS

On the basis of the common experiences and co-operation structures of the programme period 1997-1999 in CADSES-Interreg IIC programme the preparation work for the Community Initiative Programme CADSES-Interreg IIIB started in winter 1999. National co-ordinators started the discussion about strategies for future transnational co-operation in the framework of the CIP CADSES-Interreg IIC Committees.

The most important national, regional and municipal authorities as well as other relevant national institutions responsible for funding have been involved in this discussion process as well as other intuitions and initiatives relevant for spatial development policies issues in CADSES.

This preparation work was the basis for the joint programming process, which started in January 2000 with a Start up meeting of national programme co-ordinator of the MS and AC in Vienna. At the 1<sup>st</sup> Joint Programming Committee (JPC) meeting in Budapest in April 2000 a Technical Working Group Programming (TWP) was appointed with a mandate to elaborate a draft for the Programme document. This TWP consisted of five members of the Common Secretariat (coming from AT, DE, HU, GR, IT) and four representatives national Secretariat in Non-Member States. (CZ, RO, SI, PL)

The joint work on the Programme has to be characterised as a continuous and committed joint discussion. The following table gives an overview of the most important meetings of this joint process.

22 <sup>nd</sup> January 2000	Transnational Start up meeting of national programme co-ordinators of MS and AC for Interreg IIIB CADSES programming in Vienna
6 <sup>th</sup> April 2000	1 <sup>st</sup> meeting of Joint Programming Committee (JPC) Interreg IIIB CADSES in Budapest
22 <sup>nd</sup> May 2000	Workshop of national programme co-ordinators of MS and AC for Interreg IIIB CADSES and Alpine-Space on "Joint programme management" in Vienna
23 <sup>rd</sup> May 2000	1 <sup>st</sup> meeting of the Technical Working group Programming (TWP) in Vienna
6+7 <sup>th</sup> June 2000	Seminar "Interreg IIIB CADSES and the European regions in Trieste" concerning priorities and measures of the programme
19 <sup>th</sup> June 2000	2 <sup>nd</sup> meeting of Joint Programming Committee (JPC) Interreg IIIB CADSES in Budapest
4 <sup>th</sup> September 2000	2 <sup>nd</sup> meeting of the Technical Working group Programming (TWP) in Krakow
5 <sup>th</sup> September 2000	Meeting of national programme co-ordinators of Interreg IIIB CADSES and Baltic Sea and national PHARE institutions about transnational co-ordination and financing of spatial development project in PHARE countries, in Krakow
11 <sup>th</sup> - 12 <sup>th</sup> September 2000	Meeting of national programme co-ordinators of Interreg IIIB CADSES about "Joint programme management structures" in Koper
28 <sup>th</sup> September 2000	3 <sup>rd</sup> meeting of Joint Programming Committee (JPC) Interreg IIIB CADSES in Berlin
30 <sup>th</sup> - 31 <sup>st</sup> October 2000	4 <sup>th</sup> meeting of Joint Programming Committee (JPC) Interreg IIIB CADSES in Athens, with participation of the Ex Ante Evaluator
7 <sup>th</sup> November 2000	Meeting of national Interreg IIIB CADSES programme co-ordinators of Member States in Rome, with participation of the Ex Ante Evaluator
30 <sup>th</sup> November - 1 <sup>st</sup> December 2000	Meeting of national Interreg IIIB CADSES programme co-ordinators of in Vienna, with participation of the Ex Ante Evaluator

Besides these workshops, seminars and meetings a lot of discussions have taken place on the level of experts and programme co-ordinators as well as information and co-ordination work on the inter-ministerial level.



# Interreg III C-Programme Zone East

According to Version 3.2 of the Draft programme for Zone West (by Oliver Schwab, Institut für Stadtforschung und Strukturpolitik GmbH)

Including results of second co-ordination meetng INTERREG IIIC Zone East in Vienna on 9<sup>th</sup> of November and comments of Commission (Ms. Helander, Mr. Peters, Mr. Lieske).

Vienna, 14.11.2001

European Regional Development Fund 2000 - 2006

Community Initiative Programme

INTERREG III C

# Zone East



September 2001

International Working Party - Zone East

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## 1. Introduction

The objective of the Community Initiative INTERREG is to strengthen economic and social cohesion in the Community by promoting cross-border, transnational and interregional co-operation and balanced development of the Community territory. It focuses, therefore on improving cohesion – economic, social and territorial – by reducing the negative impact of borders on economic development and territorial integration. Whilst transborder co-operation within Europe has, for some years, been encouraged and supported by means of cross-border (INTERREG III A) and transnational co-operation (INTERREG III B), the new funding period introduced a new strand of INTERREG aiming at interregional co-operation: INTERREG III C.

With this new strand, the Community Initiative INTERREG is extended to a new type of intervention. For the first time this instrument is used to assist interregional Co-operation beyond the scope of the A- and B-strand. INTERREG III C is built on the experience collected under other instruments and the structural funds. Mainly the innovative action of ERDF, like RIS/RITTS; RISI, Recite, Ecos-Ouverture, etc., but also actions under the 5<sup>th</sup> research framework programme allowed for important experiences, which can now be exploited by INTERREG III C. INTERREG III C takes the idea of interregional co-operation further by applying the first time a programme approach to this type of co-operation.

The main approach of INTERREG III C is to make use of the stock of experiences collected in the context of implementation of structural funds programmes as well as related to national policies. Thus INTERREG III C can help non contiguous regions to get in contact and to develop the already existing networks of co-operation in terms of inclusion of as many European regions as possible, as well as in terms of the types of actors included. This should help in intensifying the co-operation all over Europe.

This programme is giving the information necessary to implement INTERREG III C in the Zone East. The programme has been drafted on the legal basis given by:

The Communication from the Commission to the Member States of 7 May 2001 “Interregional Co-operation” Strand C of the INTERREG III Community Initiative - Commission Communication C(2001) 1188 final (2001/C 141/02) - (in the following “INTERREG III C-Communication”)

The Communication from the Commission to the Member States of 28 April 2000 laying down guidelines for a Community Initiative concerning trans-european co-operation intended to encourage harmonious and balanced development of the European territory - INTERREG III (in the following referred to as “INTERREG-Communication”)

The Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds - (in the following “Structural Funds Regulation”)

The European Parliament and Council Regulation (EC) Nr.1783/1999 of 12 July 1999 on the European Fund for Regional Development

A number of other legal provisions have also been taken into account:

Commission Regulation (EC) No 438/2001 of 2 March 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the management and control systems for assistance granted under the Structural Funds. (in the following "Control Regulation")

Commission Regulation (EC) No 1159/2000 of 30 May 2000 on information and publicity measures to be carried out by the Member States concerning assistance from the Structural Funds. (in the following "Publicity Regulation")

Commission Regulation (EC) No 1685/2000 of 28 July 2000 laying down detailed rules for the implementation of Council Regulation (EC) No 1260 as regards eligibility of expenditure of operations co-financed by the Structural Funds. (in the following "Eligibility Regulation")

Commission Regulation (EC) No 448/2001 of 2 March 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the procedure for making financial corrections to assistance granted under the Structural Funds

Commission Regulation (EC) No 643/2000 of 28 March 2000 on arrangements for using the Euro for the purposes of the budgetary management of the Structural Funds

Commission Communication [COM (2001) 437 final] on the external border regions and the probable effects of enlargement

Furthermore, the not legally binding working paper has proven to be very helpful:

Working Paper: INTERREG III B and III C Member States Responsibility: Management and Control System, 23 April 2001, DG REGIO/B1/GD D (2000)

## **2. Strategic Approach**

This INTERREG III C-programme forms a general framework for interregional co-operation and promotion of exchanges of experience and best practice. By doing so, it intends to contribute to the improvement of European and national policies for the welfare of the European people. The way to achieve this is to exploit the experiences collected with different policy instruments and project approaches and on that basis to learn from each other - and to do so jointly by interregional exchange and co-operation.

This approach is based on the notion that a number of problems and tasks are confronting European regions not only nationally, but across Europe in a similar way. This is true for regions like cities and urban areas, rural areas, border regions, or declining regions to give only a few examples. Where problems and tasks are similar, an exchange on solutions, on the policy instruments applied and the projects developed is promising. An important field to collect experiences in tackling the regional demands have been the Structural Funds Programmes. This is why they form an important basis for the exchange of experiences under INTERREG III C. But also national or regional policy are expected to built the substance to start the exchange of experiences from.

## 2.1 Main goal

The objective of the interregional co-operation is to improve the effectiveness of policies and instruments for regional development and cohesion.<sup>1</sup> The effects will materialise both at national or regional and European level:

The regional and other public authorities will gain a mean to enhance development through access to the experiences of others; this will enable them to better develop policies and projects to overcome problems and exploit potentials.

The European policies will be boosted by added value through expanding the effects from individual structural funds interventions to different regions across Europe. Learning effects can be multiplied by disseminating experience interregionally.

The goal of improving the effectiveness of policies and instruments for regional development and cohesion may be achieved by:

Changes on the level of projects by introducing new methods or approaches or by improving existing ones. The focus here is on improving the delivery of existing programmes and instruments of regional policy.

Changes on the level of policies imply a more far-reaching change of political and institutional structures related to regional policy. Changes at this level occur when a policy instrument, programme, etc. is readjusted or reoriented, or if a new instrument is added.

This programme wants to contribute to and is clearly in line with the aim of overcoming the barriers that national borders impose on balanced development and the integration of the European territory (INTERREG-Communication, item 3). As part of the Structural Funds, INTERREG III C is in line with the efforts to promote harmonious, balanced and sustainable development all over Europe. With this aim, INTERREG III C is also contributing to the cross sector orientation towards a process of balanced and sustainable territorial development in Europe, which is the core of the European Spatial Development Perspective. This programme will promote as wide as possible a participation of third countries, especially the candidate countries.

The eligible operations under this programme will built on one or – in the case of RFOs several of the five Topics for Co-operation and may take the form of one out of three Types of Co-operation. By choosing one of the five Topics every operation is defining the content or substance of co-operation. Each Topic is referring to a certain sector of Structural Funds Interventions:

**Table 1** Topics of Co-operation

Topic	refers to...
Topic a)	Objective 1 and 2
Topic b)	Interregional Co-operation related to Interreg-programmes
Topic c)	Interregional Co-operation related to Urban development
Topic d)	Interregional Co-operation related innovative actions
Topic e)	other appropriate subjects

<sup>1</sup> This is coherent with the objectives given in the III C-Communication, point 5, and the Interreg-Communication point 17.

By deciding on one out of three Types of Co-operation, an operation is deciding on the form of organising its work.

**Table 2 Types of Co-operation**

Type of Operation	Is organised as
Type a)	Regional Framework Operation
Type b)	Individual Co-operation Project
Type c)	Network

The following chapter(2.2) gives a description of the Topics and Types of Co-operation foreseen in accordance with the INTERREG III C guidelines. Furthermore this programme includes a special priority on the preparatory actions to be taken for the preparation of the Interact programme. Co-ordination activities for the benefit of all the four INTERREG III C programmes are planned to be carried out in co-operation between the secretariats of different zones, in agreement with the Interact programming group and the Interact Managing Authority as soon as it is responsible. This is in view of the urgency to ensure an efficient and co-ordinated implementation of these programmes before the INTERACT programme is approved.

Based on Commission communication [COM (2001) 437 final], this programme includes a special priority on operations linking existing European Union border regions with the candidate countries.

## **2.2 Topics for Co-operation**

The stock of experience with regional, national and European policies designed to promote regional development is too broad to be visible at a glance. It offers a rich potential for the exchange of experience but simultaneously makes it necessary to find a track along which the co-operation can be organised. As the system of Structural Funds policy is spread and well known all over Europe it can serve to give a structure to the exchange of experiences. Accordingly, INTERREG III C should be seen as a vehicle for promoting European interregional co-operation on the types of activities supported under the new regional and cohesion policies<sup>2</sup>, in Structural Funds Objective 1 and 2 and INTERREG programmes, as well as the URBAN Community Initiative and urban development activities and the Regional Innovative Actions programmes, thus contributing to their overall improvement and adding value to the European Union's regional policy as a whole.

Due to their importance, a number of other subjects could be addressed under INTERREG III C. These include maritime and coastal co-operation, spatial planning issues, co-operation on insular and ultra-peripheral issues, on solutions to natural or man-made catastrophes as well as on alleviating the economic effects of handicaps such as very low population density or mountainous conditions.

Based on the types of activities under the European regional and cohesion policy, the topics for interregional co-operation under this programme are as follows:

<sup>2</sup> See the Commission Communication "The Structural Funds and their Co-ordination with the Cohesion Fund - Guidelines For Programmes", COM 344 final, 1 July 1999.



### **2.2.1 Topic a) Exchange on Types of Activities supported under Objective 1 and 2 of the Structural Funds**

94% of Structural Fund expenditure is targeted through the mainstream Objective programmes. However, this expenditure tends to be focused on the regional level and there are currently limited opportunities to exchange information and experience with other regions in Europe. This topic is intended to address this issue by promoting direct co-operation between public authorities or equivalent bodies across Europe on the types of projects supported in Objective 1 and 2 programmes.

Partners would not need to be located in Objective 1 or 2 regions, but would have to be involved, or be interested in becoming involved, in the types of activities supported under Objective 1 and 2 programmes.

### **2.2.2 Topic b) Exchange on Interregional co-operation linking public authorities or equivalent bodies involved in other INTERREG programmes**

The aim of this topic is to enable exchanges of experience and networking among border areas and among transnational areas. Actions can cover co-operation on cross-border and transnational activities, where a wider degree of co-operation would be beneficial. Actions could also focus on the implementation dimension of INTERREG programmes (for example networking among several secretariats of INTERREG III A- or B-programmes to examine procedures and operational structures).

So, INTERREG III C is aiming at promoting exchange of experiences collected under INTERREG III A- and B-programmes. Given the improvement of policies by exchanging experiences as the main goal of INTERREG III C, the focus is to contribute to develop better project approaches or policies for cross-border and transnational co-operation. INTERREG III C will be built on exchange of experience with and co-operation on cross-border and transnational projects or programmes. INTERREG III C-projects take the experiences collected with cross-border and transnational co-operation as the starting point to work on development of project and policy approaches – as long as this element is missing, a project can not be assisted under INTERREG III C.

This topic is limited to public authorities or equivalent bodies involved in current or previous INTERREG programmes.

### **2.2.3 Topic c) Exchange on interregional co-operation in the field of urban development**

Urban development is currently one of the key regional policy issues in Europe. In addition to the targeted actions supported under the URBAN Community Initiative and the mainstream objective programmes, wider co-operation actions related to urban development issues should be encouraged.

This topic is open to all cities and urban areas, including small and medium-sized towns. Nevertheless, priority should be given to those proposals which contain at least one city or urban area receiving funding from Structural Funds programmes.

#### **2.2.4 Topic d) Exchange on interregional co-operation linking regions<sup>3</sup> involved under the three themes of the regional innovative actions for 2000-2006**

The three priorities of the innovative actions for 2000-2006 are:

- regional economy based on knowledge and technological innovation;
- e-EuropeRegio: the information society and regional development;

regional identity and sustainable development.

Each regional innovative actions programme will contain a strategy agreed between the different regional players for defining innovative measures. This strategy will constitute the framework for the implementation of individual projects, the transfer of results to programmes under Objectives 1 or 2 co-financed by the ERDF in the regions concerned and the exchange of experiences between regions. The strategy may be based on one of the three priorities, or on a combination of these priorities, in order to meet the needs of each region as fully as possible. Building on the contents of their individual innovative action programmes, regions may propose co-operation actions in order to transfer and implement successful project ideas to other regions.

As networking actions can be supported through the Regional Innovative Action programmes and through the programme "Promotion of innovation and encouragement of SME participation"<sup>4</sup>, INTERREG III C cannot support networking as described below under this topic.

#### **2.2.5 Topic e) Exchange on other subjects appropriate to interregional co-operation**

Due to their importance, a number of other subjects could be addressed under INTERREG III C. These include maritime and coastal co-operation, spatial planning issues, co-operation on insular and ultra-peripheral issues, on solutions to natural or man-made catastrophes as well as on alleviating the economic effects of handicaps such as very low population density or mountainous conditions.

#### **2.2.6 Preparatory actions for Interact**

On the initiative of the European Commission this programme includes a special priority on the preparatory actions to be taken for the preparation of the Interact programme.

A list of actions to co-ordinate the four III C zones has already been discussed with the Commission (Annex E). It is planned to have them carried out in co-operation between the secretariats of different zones, in agreement with the Interact programming group and the Interact Managing Authority as soon as it is responsible.

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<sup>3</sup> As defined in the draft Commission communication on Innovative Actions (SEC(2000)1870).

<sup>4</sup> The "Promotion of innovation and encouragement of SME participation" programme supports networking of regions which are developing regional innovation strategies. These activities are carried out in complementarity to INTERREG IIIC and the "Regional Innovative Actions for 2000-2006" programme.

The actions additionally foreseen under this priority in Zone East include:

- Development of the Interact programme
- Preparation of the Interact inception phase and the elaboration of an initial workplan
- Establishment of the Interact secretariat.

Other actions considered appropriate by the Interact programme preparation group for an efficient and co-ordinated start-up of the Interact programme and the co-ordination with the Interreg IIIC programmes may also be considered for co-financing after consultation with the Commission.

Activities under this priority will be concentrated in 2001 and 2002. On a Commission proposal the activities will be co-financed at 90% and the resources from the ERDF will be allocated to the programme from the allocation under par.53 of the INTERREG guidelines.

### **2.2.7 Operations on border regions with the candidates countries**

On 25 July 2001 the Commission adopted a communication [COM(2001) 437 final] on the external border regions and the probable effects of enlargement. As the communication proposes a series of actions based on a better co-ordination of existing policies and the creation of new measures, this programme includes a special priority on operations linking existing European Union border regions with the candidate countries. These actions are intended to encourage and facilitate co-operation in the external border regions indicated in the communication.

The operations foreseen under this priority include:

- networks;
- individual co-operation projects.

These operations should aim to encourage and facilitate co-operation in the border regions, in order to strengthen their economic competitiveness.

Lead partners of these operations must obligatorily be located in the border regions with the candidate countries (see list below). Co-operation with partners located in the candidate countries should be encouraged.

#### **Border regions in Zone East:**

Germany: Bayern (Niederbayern, Oberpfalz, Oberfranken), Brandenburg, Berlin, Sachsen (Chemnitz, Dresden)

Austria: Burgenland, Niederösterreich, Wien, Kärnten, Steiermark, Oberösterreich

Italy: Veneto, Friuli-Venezia Giulia

Greece: Anatoliki Makedonia-Thraki, Kentriki Makedonia

The normal rules on the implementation of the INTERREG IIC programmes apply, except for rules detailed below:

- number of partners in each operation:
  - an individual co-operation project must have at least three partners from at least two countries;
  - a network must have partners from at least three countries;
- financial size of the operations: the total ERDF contribution for each operation may be less than the EUR 200 000 indicated in point 26 of the INTERREG IIC communication; in addition, more than 40% can go to the lead partner of an individual co-operation project;
- the provisions of point 28 of the INTERREG IIC communication do not apply: the operations financed under this priority are excluded from the 75% ERDF allocation quoted in point 28;
- modification of the percentage of financing to be allocated to each type of operation (point 26 of INTERREG IIC communication): the operations financed under this priority are excluded from the calculation of the total funding under each INTERREG IIC programme which should be allocated to the three types of operation.

### **2.3 Types of Operations**

The co-operation under the five Topics may be organised along one of the following three types of operations. This chapter gives the definition and summary description of the three types. Important information on the definition of partners and the management processes for each of the types of operations is given later.

#### **2.3.1 Operation Type (a) Regional Framework Operations**

A regional framework operation (RFO) is aimed at exchanging experience on methodology and project-based activities among a group of regions. The goal is to produce a clear strategic approach to interregional co-operation for the participants, which will allow them to develop a process of exchange and learning, which can grow over the long-term.

The RFO is based on an interregional co-operation strategy covering the participating regions. Within the frame given with this programme, the RFO's strategy is forming a self-standing strategic framework which is kind of a "mini-programme". Each regional framework operation should address a limited range of subjects relevant to the regions participating, thus ensuring that interregional co-operation activity is better integrated into the economic and social development of the participating areas. In line with its strategy, a regional framework operation should cover a limited number of smaller projects.

The selection of RFO-internal projects is the responsibility of the regional partners co-operating in the RFO. They will form a "steering Committee" at RFO-level for the purpose of project selection. Each regional framework operation should be prepared by a group of regional authorities or equivalent regional bodies in a number of regions from a minimum of three countries of which at least two must be Member States. A regional framework operation under this programme can only be submitted by a lead partner that is located in the

programme area. The other partners need not to be located in the programme area. Each participating competent authority should be supported by a regional partnership. The regional partnership would consist of the authorities and organisations in each region with a role to play in the regional framework operation.

A Regional Framework Operation is based on a detailed interregional co-operation strategy which is focused on a limited number of subjects and includes a detailed work-plan and forms the basis for project development and selection. The Strategy needs to give sound information on the management and implementation structures of the RFO. The strategy will indicate the expected concrete results that can be evaluated and disseminated. A detailed list of requirements for a regional framework operation is set out in Annex A.

As the Regional Framework Operation is a new type of co-operation, no region should participate in more than 2 such operations under INTERREG III C until the mid term review of the programme has been completed.

The total ERDF contribution for a regional framework operation may normally be between € 500,000 and € 5 million. Regional framework operations can cover all the topics described in chapter 2.2. An indicative share of 50% to 80% of the funding under this programme should be allocated to RFOs.

Regions eligible to present a Regional Framework Operation are listed in Annex C. Of course a regional authority at a geographically lower level can present the Regional Framework Operation to the Managing Authority, as long as it is on behalf of the region defined in the Annex.

### **2.3.2 Operation Type (b) Individual interregional co-operation project:**

Individual interregional co-operation projects aim at exchanging experience on methodology and project-based activities. The goal is not merely a transfer of knowledge, but genuine co-operation on the realisation of various parts of the project, with a significant added value to the project participants. The implantation of project results from one region into another with a clear impact in the recipient region would be one concrete effect of such a project.

The Individual Co-operation Project is based on a detailed work programme, defining the expected outcome and concrete results and allowing for evaluation and dissemination of achievements.

Projects should involve partners from a minimum of three countries of which at least two must be Member States. Not more than 40% of the overall funding can go to the lead partner and the total ERDF contribution may normally be between € 200,000 and € 1,000,000.

Individual interregional co-operation projects can cover all the topics described in chapter 2.2. An indicative share of 10 to 30% of the funding under this programme should go to individual co-operation projects.

### **2.3.3 Operation Type (c) Networks:**

Networks aim to link the various regions inside and outside the European Union on project implementation methods and development.

Only costs related to actions such as seminars, study trips and exchange of staff, all in order to exchange experience and pass on expertise, might be considered. However, networking should lead to concrete results, which can be evaluated and disseminated. All networking actions should have detailed work programmes, indicating the tasks to be carried out and the expected outcomes.

A network must have partners from at least 5 countries of which at least three must be Member States. The ERDF contribution may normally be between € 200,000 and € 1 million. All the aid will be paid to and managed by the lead partner of the network.

Networking can cover all the topics described in chapter 2.2 above with the exception of those related to Topic (d) which, as indicated, can be covered elsewhere. An indicative share of 10% to 20% of the funding under this programme should go to networks.

## **2.4 The logic of Co-operation**

The three types of operations vary in the intensity of co-operation. Whilst a network is mainly organising the exchange of experience, the individual co-operation projects go further by co-operating in the realisation of a concrete project. The RFOs in turn add an element by integrating the co-operation into a self-standing strategic framework, which forms the basis for the selection of projects within the RFO. Whilst intensity of co-operation is focussing on the process of co-operation within an INTERREG III C-project, it is also the quality of tangible output of the co-operation which is characteristic for INTERREG III C. Aiming at development of project approaches or policies, a certain innovation is required.

### **2.4.1 Intensity of Co-operation**

The intensity of co-operation varies from exchange of experience, which is information and knowledge focused, to the development of concrete approaches, which emphasises the materialisation of ideas in tangible projects or new instruments. The different intensities of co-operation can be defined in relation to the overall goal of the intervention:

Exchange and dissemination of experience enhances the capacity of the partners involved, but do not lead directly to changes in policy instruments or to new projects.

Transfer of instruments or projects means the transfer of an existing element from one region to another. Under the overall aim of improving the effectiveness of policies and instruments for regional development, transfer may be located either at the level of projects or the level of policies.

Development of new approaches can be a result of co-operation if something new is developed that goes beyond the knowledge and policy previously available in the region. Again this can happen at the level of projects or the level of policies.

Joint Development of new approaches may it be at policy or at project level, involves a closer co-operation than the development of new approaches that can be done separately.

Depending on the Intensity of Co-operation the type of output that can be expected varies. In the case of exchange or dissemination of experience the gain in knowledge, the transfer of good ideas may be an output of the co-operation. A translation from the sphere of knowledge to action-oriented consequences, like e. g. a new type of project is not necessarily achieved. Therefore the most important product may be a document that proves the transfer of experience but rather has the status of a working document (e.g. a protocol, a report, a publication, etc.). In the case of transfer or development of instruments or projects, the drafting or implementation of the new element would be the product. That means that the product will materialise beyond the working and preparation stage. Changes on the level of a real project or a real programme or instrument are the output. The following table gives an overview of the intensities of co-operation their definition, and the output that can be expected.

**Table 3 Intensity of Co-operation**

Intensity	Definition	Output
1) Exchange and Dissemination of experience	The exchange of experiences enhances the capacity of the partner involved, but does not lead directly to changes in policy instruments or new projects	new Knowledge, Ability: learning
2) Transfer of instruments/projects	An instrument/project is transferred from one region to another	new Instrument, Project
3) development of new approaches (separately)	The co-operation results in the development of new approaches that are not only transferred within the operation, but create something new in at least one region involved	Innovative instrument, project
4) joint development of new approaches	The co-operation results in the joint development of a new instrument or approach. This is done by several regions involved together.	Innovative instrument, project

The three types of operations require different minimum levels concerning the intensity of co-operation:<sup>5</sup>

A regional framework operation should reach at least the level of transferring instruments or projects. This requires that under the joint strategic approach, the projects of the RFO are carefully targeted to be as productive as possible in working together.

Individual co-operation projects should reach the same intensity of co-operation. The difference to the RFOs is not only the size – in terms of partners involved and budget - , but rather the fact that individual co-operation projects are not embedded in a comparable strategic framework.

- As to networks, they do not need to work as intensively together to reach transfer or even the new development. It is sufficient to make clear that exchange and dissemination have been achieved.

<sup>5</sup> The following gives the minimum requirements that should be achieved as output of the project. As the effects of co-operation are not limited to the output level, the impact might reach a higher intensity.

### **2.4.2 Innovation**

By assisting interregional co-operation, this programme aims at producing a specific quality of products. By aiming at improvement of the effectiveness of policies, the programme points to the necessity of developing existing policies, programmes and projects, beyond the status quo for allowing to better meet the regional needs.

In the best case, the regions participating profit from the changes in projects and programmes by enhancing their ability to solve regional problems. This gain in effectiveness of regional policies is reached by a certain amount of “innovativeness” of the newly developed projects and instruments that allow for a development beyond the status quo. This is why innovation is a crucial category to grasp the core logic of the programme.

For the purposes of this programme, innovation is defined on regional level: the product that derives from the co-operation should be something new compared to the already existing instruments and projects in the region.

### **2.5 Eligible Area and rate of assistance**

Applications for projects can be submitted by the lead partners from the areas listed in Table C.1 in Annex C.

Non Member States can participate in Interreg III C programmes provided that they sign a corresponding letter of commitment specifying which zone they want to adhere to. In the case they want to participate in Zone East they are regarded as full Members of the Programme. They will have the option to act as “functional lead partner” in that zone. This means that they can perform the tasks of a lead partner for a project. However, as ERDF funds cannot be administered by a Non Member State, the functional lead partner will need a “financial lead partner” from a Member State of the same zone who will be responsible for the use of the ERDF funds. There has to be a close co-operation between the functional and the financial lead partner. As this makes the administration of the project rather difficult, functional lead partners should be the exception rather than the rule. This does not prevent Non Member States from participating as project partners throughout all zones. Financing for partners from third countries can nonetheless not be provided under this programme, but needs to be taken from their own resources or relevant European Union funding sources (e.g. Phare, Tacis, Meda, etc.) in line with the funding rules for each source. Although the difficulties of joint financing with this sources are well known, it can be expected that the development of the next years, as described e.g. in the Phare Review will allow for a better co-ordination even before the candidates formally join the EU. To ease the co-operation as much as possible, travel and subsistence expenses of partners from outside the EU can be eligible costs for an operation when the meeting takes place in the EU and is part of an approved operation.

Under this programme ERDF Funds will finance up to 50% (in the case of partners coming from objective 1-regions up to 75%) of total eligible cost. The rate of assistance of 75% can be used by partners from objective 1-regions. In the technical assistance, ERDF will finance 50%.

The applications will indicate the share of budget going to objective 1-partners. The Calculation of the budget of a Network or Individual Co-operation project will be indicating which partners of the overall operation will



fall under the 75%-assistance. In the case of RFOs, the application will have to include a detailed calculation, including binding figures giving the maximum amount of money to be used in objective 1-regions.

## **2.6 Target Groups**

For regional framework operations, the partners must be regional authorities or equivalent regional bodies with the capacity to take the full responsibility for the administration and spending of public funds within the RFO. Regional authorities include for example public administration on regional level or equivalent bodies. A definition of the territorial units understood as a region in this context is given in Annex C.

For individual co-operation projects, networks and projects funded within a regional framework operation, the partners must be public authorities or equivalent bodies with the requisite capacity for administration and financial management of public funds. Examples include regional and local authorities, city authorities, (particularly for the urban development topic) or regional development agencies competent to manage public funds. Private participants can also participate in projects funded within a regional framework operation where the public authority concerned provides the necessary guarantees to ensure the proper management of public funds. Private participants and the above-mentioned authorities equivalent bodies have to present a bank guarantee or a security of equivalent value showing the amount of funds from ERDF they are applying for. A fundamental condition for private resources to be part of national co-financing is that no conditions are linked to the funding.

As mentioned so far, each Type of Operation has to fulfil some specific criteria as summed up in the next table:

**Table 4 Criteria for Applications – per Type of Operation**

	OPERATIONS – Type of Application		
	Regional Framework Operations	Individual Projects	Networking
Minimum No of partner from Member States	regions from a minimum of three countries, of which at least 2 must be Member States	partners from a minimum of three countries, of which at least two must be Member States	partners from at least 5 countries, of which at least 3 must be Member States
Type of partners	Regional authorities or equivalent regional bodies, on project level: public authorities or equivalent participants, private participants with public guarantee	Public authorities or equivalent bodies	Public authorities or equivalent bodies
Minimum intensity of Co-operation	Transfer	Transfer	dissemination, Exchange
ERDF contribution	€ 500.000 to € 5 million	€ 200.000 to € 1.000.000	€ 200.000 to € 1.000.000

Furthermore, the description of the strategic approach of this programme introduced a number of important issues that need to be covered by applications:

Definition of a limited number of goals;

Description of a clear, transparent work plan, describing the intensity of co-operation, the operation is aiming at;

Description of the expected product of co-operation on level of project approaches or policy

Description of the expected influence on the regions involved

A comprehensive list of issues to be dealt with in the application can be taken from the Annex A for the RFOs. More detailed information for applications will be provided under the Strand C co-ordination actions.

### **3. Provisions for Implementing the programme**

The following sections describe the provisions for the implementation of the programme. Whilst chapter 3.1 gives the general information on the bodies involved in the management of the programme (tasks, list of members, etc.), chapter 3.2 gives a description of different processes that are necessary in the implementation.

### **3.1 The organisational Framework: Bodies for the implementation and management:**

The management of this programme follows the management structure applicable for a Structural Funds Programme and will thus comprise:

- a Managing Authority,
- a Paying Authority,
- a Monitoring Committee,
- a Steering Committee,

a Joint Technical Secretariat.

Chapter 3.1 is naming the bodies acting as Managing Authority, Paying Authority and Secretariats and defines the tasks of each of the bodies involved as well as of the Monitoring and Steering Committee. The next chapter 3.2 is describing the interplay between the different bodies in the different processes necessary for programme implementation.

#### **3.1.1 The Managing Authority**

Managing Authority of this programme is the

MA 27 EU-Förderungen  
Schlesingerplatz 2  
A-1080 Wien

According to Article 34 of the Structural Funds Regulation, the Managing Authority, assisted by the Joint Technical Secretariat will be responsible for efficient and correct management and implementation of the programme, in particular for:

- a) collection and transmission of reliable financial and statistical information on the implementation of the programme, including the monitoring and evaluation indicators defined in the Programme Complement;
- b) preparation of the Annual and Final Implementation Report, presentation of the report to the Monitoring Committee for approval before final submission to the European Commission;
- c) organisation of the Mid-term Evaluation in co-operation with the Commission and the Member States;
- d) adjusting the programme at the request of the Monitoring Committee without changing the total amount of the contribution from ERDF;
- e) ensuring that all bodies involved in the management and implementation will be installing a separate accounting system or adequate accounting code for all transactions relating to ERDF assistance;

- f) ensuring the correctness/legality of operational payments and Technical Assistance budget, including the implementation of internal controls and corrective measures in line with a sound financial management as described in chapter 3.2.4;
- g) ensuring compliance with Community regulations
- h) promotion and presentation of the programme within and outside the Zone East
- i) information and publicity relating to measures
- j) liaison with the implementing authorities and other interested partners, as appropriate
- k) liaison with the European Commission, including forwarding of financial and implementation data, annual meetings (examination of results of the previous year) and implementation of any Commission recommendations for changes in monitoring and management procedures

### **3.1.2 The Paying Authority**

The Paying Authority of this programme is

Magistrat der Stadt Wien  
A-1082 Wien, Rathaus

At the operative level the task will be performed by

Magistratsabteilung 5  
Finanzwirtschaft und Haushaltswesen  
Ebendorferstraße 2  
1082 Wien

In co-operation with ERP-Funds.

The Paying Authority is responsible for the payment of ERDF assistance, which includes in particular:

- a) drawing up and submitting payment applications to the European Commission;
- b) receiving payments from the Commission;
- c) payments to the beneficiaries;
- d) certifying the accuracy of declarations of expenditure presented to the Commission, in line with the procedures for the financial control as given in section 3.2.4
- e) receiving payments from the Member States for their share of the Technical Assistance budget

A single bank account held by the Paying Authority will be opened to receive and effect all necessary payments.

### **3.1.3 The Monitoring Committee**

Within three months of official approval of the CIP by the European Commission, a Programme Monitoring Committee will be set up to supervise the programme. The Monitoring Committee will draw up its own rules of procedure. The Monitoring Committee will supervise the programme and satisfy itself as to the effectiveness and quality of the implementation of the programme, and to this end it will:

- a) review annually the progress made towards achieving the specific objectives of the assistance;
- b) examine the results of implementation, particularly achievement of the targets set for the different measures and the mid-term evaluation;
- c) consider and approve the Annual and Final Implementation Report before they are sent to the Commission;
- d) consider and approve any proposal to amend the contents of the Commission decision on the contribution of the Funds;
- e) propose adjustments of the assistance to improve the goal-attainment or the management of the assistance, including in respect of financial management;
- f) approve of publicity measures, based on the outline of the publicity strategy in section 5;
- g) approve and if necessary adjust of the Terms of Reference for Calls for Project Proposals;
- h) re-orient of the project development process, if necessary to ensure that the strategic objectives are met;
- i) decide on the use of Technical Assistance.

The Monitoring Committee will be made of representatives of the National and Regional Authorities of the participating Member States. A representative of the European Commission, the Paying Authority, the European Investment Bank will participate in an advisory capacity.

### **3.1.4 The Steering Committee**

The Steering Committee will be set up by the Member States. It will draw up its own rules of procedure and agree them with the Monitoring Committee. The Steering Committee will take the following tasks:

- a) decision on selection of projects;

b) following of programme implementation.

The project selection will be in compliance with the selection procedure and criteria given in section 3.2.2 and Programme Complement.

The Steering Committee will be made of representatives of the National and Regional Authorities of the participating Member States. A representative of the European Commission and of the Paying Authority will participate in an advisory capacity.

### **3.1.5 The Programme Secretariat**

The Secretariat will undertake the day-to-day implementation of the programme. It will assist the Managing Authority, the Monitoring Committee and the Steering Committee in the implementation of their tasks and responsibilities. Its work-plan will be approved by the Monitoring Committee. The Secretariat of this zone will be contracted by Land Wien and located in Vienna.

In addition to the support to the tasks of the managing Authority (3.1.1) the Secretariat will be responsible for the following:

- a) organising the preparation of decisions to be taken by the Monitoring Committee and the Steering Committee
- b) implementation and follow-up of all decisions made by the Monitoring and Steering Committees;
- c) implementing the publicity strategy;
- d) facilitating and initiating the development of III C-projects by using the publicity strategy and advising potential applicants, including on financial and technical issues. this task includes to keep contact with the responsible bodies of interested third countries to invite them to participate where possible;
- e) providing application forms, information packages, manuals, model contracts, etc. for the purpose of assisting potential project application, as far as this is not done by Interact;
- f) ensure the reception, examination and assessment of application for financing
- g) assistance to lead partners during the course of project implementation;
- h) implementation of Technical Assistance measures adopted by the Monitoring Committee;
- i) keeping contact with the secretariats of the other three III C-programming zones and the activities under Interact and taking care of a proper exchange of experience;
- j) co-operation with the other secretariats on the tasks described in 3.4

- k) keeping the responsible bodies in third countries informed about the approved project applications as far as they demonstrated their interest.

Further tasks may be added by the Monitoring Committee.

### **3.2 Management Structures:**

Based on the experience with transnational co-operation in programme management collected under INTERREG II C and III B, a clear and transparent programme management system will be created. It consists of different distinct processes that are described in the following sections.

#### **3.2.1 Project Development**

As INTERREG III C opens the funding by ERDF to a new field of activity one can not rely to the same degree as in already established programmes on project promoters experience with the development of applications. Instead it is likely to be necessary to provide for assistance and support to those developing projects. The support under this programme comprises the following elements:<sup>6</sup>

All Member States participating in this programme are taking care of spreading the information on the funding to potential applicants. They already started doing this in the course of programming and will continue to do so. The secretariat will do the same as soon as it starts working. All activities of this kind will be integrated in the Plan for Information and Publicity (section 5)

Advice to lead partner on how to draft their project application will be given by the secretariat.

Member States as well as the Secretariat will take care of keeping the responsible authorities of interested third countries informed about project development and opportunities to join developing projects. Other assistance to project partners and secretariats will come from the Interact programme, this will include amongst others:

- organising exchange on information and application documents to guarantee that all potential applicants and project partner get the same information wherever they might be located.
- assisting the establishment of partnerships by helping to find interested actors, e.g. by means of a database or events.
- providing technical assistance to projects in form of model-contracts

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<sup>6</sup> Please note that some basic information can be taken from this programme.

### **3.2.2 Project Selection:**

The project application and selection process can be split up in the following steps:

1. The Monitoring Committee initiates a Call for proposal. The Call is drafted by the Management Authority assisted by the Secretariat in close co-ordination in terms of timing and selection criteria with the other three programming zones of INTERREG III C.

2. The project application is submitted by the lead partner to the Secretariat. Applications under this programme can only be submitted by lead partners located in the area of this zone - irrespective of the fact that projects may include partner from the whole eligible area. The application has to follow the rules concerning the Target Groups (2.6) Given the Topics for Co-operation and Types of Operations, each application has to indicate the Type of Operation and the Topic covered. As a rule, one application will cover exactly one topic and comprise one type of operation, only a RFO may cover more than one Topic as long as it deals with a limited range of subjects.

In the course of the next steps in the selection process, two different sets of criteria are applied to come to the decision of approving an application. A first set consists of the rather formal criteria for eligibility – it gives the minimum requirements that an application has to meet. In this step projects which do not fulfil the eligibility criteria are sorted out. The next filter consists of criteria for selection of applications. These criteria form the basis for an assessment of the application with the aim of bringing the projects in a certain order for selection. So the next steps are:

4. Having received an application, the Secretariat will check the eligibility according to the criteria set out in the Programme Complement. Each application will be checked against 1) the core-eligibility criteria that apply for all projects, 2) the topic-specific criteria and 3) the operation specific criteria. Applications that do not fulfil the eligibility criteria are sorted out on a separate list together with the written reasons for doing so. Both the list with eligible and the list with the not eligible applications are handed over to the steering committee.

5. In a next step the Secretariat will organise a ranking of eligible applications based on the selection criteria given in the Programme Complement. The ranking will be done by a point-system.

6. Based on the ranking provided by the Secretariat, the Steering Committee will finally decide at its sessions on the admission of the applications. It will give written reasons if it decides to deviate from the list prepared during the ranking process.



### **3.2.3 Description of the Monitoring and Evaluation-System**

#### **Monitoring**

The Monitoring of this programme will provide information on the implementation at any given time. It will cover financial issues as well as information on the achievement and goal-attainment at project level. The Monitoring will ensure the quality and effectiveness of implementation by assessing the progress of the projects against the goals of the programme. The Monitoring will make use of the regular reports from the lead partners of the projects. In terms of content, it will concentrate on the products that will be output of the co-operation and exchange and will aim at grasping the effects of the broader use of innovative ideas and instruments that has been achieved by disseminating the elements through interregional co-operation.

The monitoring system will provide the information as required in Annex IV of the Regulation on the Management and Control Systems (EC No.438/2001). It will include the classification of operations and the information. Furthermore and according to Annex B of the Interreg IIIC-Communication, as soon as a sufficient number of applications have been approved, the monitoring system will include additional quantified indicators to cover programme-specific aspects. The Programme Complement will give a minimum core for monitoring and evaluation indicators. These indicators form the basis for the monitoring system. They may be completed by the Monitoring Committee. The Managing Authority may take the initiative to propose additional indicators.

The lead partners of the projects will be obliged to report regularly on the effects achieved. The secretariat will collect and compile the data stemming from these reports in order to allow for conclusions on the programme level. The Managing Authority will use this documentation to draft – together with additional information on the financial implementation – the Annual and Final Implementation Reports and submit them to the Monitoring Committee. The Monitoring Committee will assess the Monitoring information on the basis of a yearly report on the status of the Monitoring System. The Monitoring information will form one important basis for the mid-term evaluation.

The information made available to the Commission will be presented in a database format in line with the Annex IV of the Regulation on Management and Control Systems. It will go beyond the scope of the monitoring by including, according to Annex B of the Interreg IIIC-Communication, also information on the additional quantified evaluation indicators. The Monitoring Committee will define, on the basis of a proposal of the Managing Authority, the concrete database structure and transfer specifications. The Managing Authority will take care to implement the system.

#### **Annual Implementation Report**

The Managing Authority will, by June 30 of each year following a full calendar year of implementation, submit to the Commission an annual implementation report. The annual reports will be drafted by the Secretariat and approved by the Monitoring Committee before they are sent to the Commission.

The yearly implementation report will be based on the information provided by the Monitoring system as outlined above. It will go beyond the scope of the monitoring by including also information on the additional evaluation indicators. Therefore the annual implementation reports will form an important basis for the evaluation of the programme.

Within six months after the final date of eligibility, a Final Implementation Report will be submitted to the Commission following the same rules like the Annual Implementation Reports.

### **Evaluation**

The programme will be subject of a mid-term evaluation in accordance with Article 42 of the Structural Funds Regulation. An independent expert will be appointed to examine the implementation of the programme against its rationale, relevance, effectiveness, efficiency and impact. The mid-term evaluation will start with taking stock of the initial results of the programme, their relevance and the extent to which these results are in line with the Programme objectives. It will assess the adequacy of the system for the financial management and administration. The evaluation will provide recommendations for the remainder of the programme.

The Secretariat will provide the evaluator with the required information and make sure that he can use all available information, e.g. from the monitoring and Annual Implementation Reports. The results of the evaluation will be forwarded to all members of the co-operation structure and the Commission. The Monitoring Committee will discuss and comment all recommendations of the evaluator. It will decide on the necessity of reprogramming, including reallocation of funding.

Having in mind the fact that the eligible area is the same for all four INTERREG III C-programmes, there is a strong argument that a good co-ordination of the evaluations makes sense. The Monitoring Committee will be responsible to try to co-ordinate its evaluation efforts, in terms of terms of reference, etc. as good as possible with the other zones. It will especially check the possibility to carry out the evaluations together for the four zones or at least to charge the same evaluator as in other zones.

In Compliance with Art.43 of the Structural Funds Regulation, the ex-post evaluation is the responsibility of the Commission together with the Member States and the Managing Authority. It will also be carried out by an independent evaluator.

#### **3.2.4 Description of the system for Payment, Financial Management and Control**

Concerning the financial flows, their administration and control, the programme has to provide for the management of the relation between the programme and the Commission on the one hand, and the programme and the beneficiaries on the other. The System for payment, financial management, and control has been designed in line with the Commissions Regulation on "detailed rules for the implementation of Council Regulation (EC) No.1260/1999 as regards the management and control systems for assistance granted under the Structural Funds". The system applied under this programme consists of the following elements:

a system ruling the conditions for payment of grants a) from the Commission to the Paying Authority and b) from the Paying Authority to the projects.

a system of financial control consisting of an independent certification of expenditure (according to Article 9 of the Management and Control Regulation) and sample checks on operations (Article 10 to 14 of the same regulation).

One of the central preconditions for a sound and transparent financial management is a clear-cut overview of the location of relevant information. This forms the basis for all payment and control purposes as well as the communication with the Commission. The information management has to make sure that the requirements of Article 18 of the Management and Control Regulation are met. The following should make transparent where the necessary information is located and how it is reported within the management system of the programme.

#### **3.2.4.1 Financial Management of the Programme in relation to the Operations**

The main difficulty in financial management of the programme stems from the fact that each project consists of partners from several Member States. This complicates the checking of eligibility of costs or defining the value of accounting documents due to the differences of national systems. A consequence is that this programme is strictly trying to locate the responsibility for systematic checks at the most appropriate level, which is in general:

the level of the managing authority to organise the detailed rules for the checks on the project level as regards the correctness, legality, and eligibility of expenditure, whilst the main responsibility lies with the lead partners;

the lead partners to check the reality of the service carried out and the expenditure declared. But the lead partner normally is not competent to fulfil a full check of the expenditure as far as the eligibility of costs (according to national provisions) and the value of documents submitted as proof of payment are concerned.

As a general rule the financial control system should involve checks done by external auditors where appropriate. This should be done at least always when a separated part of an operation is finished. So the external audit will be a rule when 1) a project within a RFO is finished, 2) when an individual co-operation project is finished, 3) when a Network operation is finished. Whether the auditing can be done by one auditor for the whole project or by several for the different national parts of it, is up to the responsible Lead Partner (regional lead partner in case of RFO).

Every single operation has to submit a report on the progress of its work, including information on the financial expenditure, a register of the supporting documents and their location, the functioning of the internal control and financial administration system, as well as information on the monitoring and evaluation indicators to the Paying Authority, the Managing Authority and the Secretariat at least every six months.

The three possible types of operation differ in the structure of financial management and control. Whilst for example the RFO grants are paid to the lead partner, but finally spent by the other partners, the network grants are spent by the lead partner directly. The financial management and control is described below separately for each type of operations.

a) Financial Management of a RFO

The Management Authority concludes a contract on the regional framework operation with the regional lead partner. The Managing Authority ensures the capacity of the management and control system put in place by the lead partner to ensure the reality of the work done and of declared expenditure, in particular on the basis of the information submitted before the signature of the contract. A description of the management and control system put in place at the lead partners office and his partners offices, including the control and checking procedures, should be included in the documents accompanying the contract. The activity reports submitted by the lead partner must provide regular updates on the operation of the system. The Managing Authority also ensures the consistency, legality and the eligibility of expenditure on the basis of the methods described below as well as the reports on project controls representing 5% of their expenditure.

The Paying Authority of the programme pays ERDF appropriations only directly to the lead partner. The agreements between the Member States concerned will reserve the Paying Authority the right to request all additional information and checking from the Managing Authority which would be necessary for the fulfilment of its responsibilities.

A RFO will consist of a lead partner and several regional partners, each of which is supported by a regional network of other actors involved. Within this RFO single projects will be implemented. The regional partners are responsible to the lead partner for all projects or parts of projects carried out in their regional network, this includes checking the realisation of activities and the expenditure and declaring the expenditure to the lead partner. On the level of the single project within a RFO in turn the responsibility for checking the realisation and expenditure lies with the project lead participant who reports to the regional partner. The system of payment and control of a RFO is cascade-like and stretches from the programme level to the single project:

**Table 5 Financial Management of a RFO**

<b>PAYMENT</b>	<b>CONTROL and REPORT</b>	
- pays directly to the Lead Partner	<p><b>Paying Authority</b></p>	<p>certifies the expenditure that it declares to the Commission on the basis of the information it receives:</p> <ul style="list-style-type: none"> <li>- from the managing authority on the functioning of the system</li> <li>- from the 5% control reports</li> <li>- from the reports of the lead partners on the expenditure of the RFO</li> </ul>
	<p><b>Managing Authority</b></p>	<ul style="list-style-type: none"> <li>- ensures the capacity of the management and control system put in place by the Lead Partner on the basis of the information submitted before contracting</li> <li>- ensures the consistency, legality and eligibility of expenditure on the basis of the information it gets by the methods described at the level of the Lead Partner, the regional Partner and the Project Lead Partner as well as on the basis of the 5% control</li> </ul>
	<p>Contract on the regional framework operation</p>	
Pays to each regional partner for the activities carried out in his region	<p><b>Lead Partner</b></p>	<ul style="list-style-type: none"> <li>- update MA and PA at least every 6 months on the operation of the system of management and control at RFO-level</li> <li>- declares expenditure to MA and PA on the basis of the information he gets from the regional partners</li> </ul>
Pays for all expenditure done by project participants	<p><b>Regional Partner</b></p> <ul style="list-style-type: none"> <li>- maintain the accounts for the activities of the RFO in their region</li> </ul>	<ul style="list-style-type: none"> <li>- check the realisation of activities of the project participants in their region</li> <li>- check the accuracy of expenditure of the project participants in their region</li> <li>- check the conformity of expenditure with national and Community rules</li> <li>- ensure archiving and availability of supporting documents</li> <li>- declare expenditure to the lead partner</li> <li>- collects all supporting documents (or at least copies) from project activities</li> <li>- takes care that every project is audited externally when finished</li> <li>- reports regularly to the Lead Partner (at least every six months)</li> </ul>
	<p><b>Project (Lead) participant</b></p> <ul style="list-style-type: none"> <li>- maintain all accounts for activities of the project in his region</li> </ul> <p><b>Project participant</b></p>	<ul style="list-style-type: none"> <li>- ensure implementation</li> <li>- check the expenditure of all participants involved in the project</li> <li>- submit a report on the activities and expenditures of each participant to the regional partner and each project participant</li> <li>- maintains all accounts for activities of the project in his region</li> <li>- ensures the implementation in his region</li> <li>- checks the expenditure of his associate participants</li> <li>- sends the list of his expenditures and those of his associate participants to the project lead participant and to his regional partner together with copies of all accounting documents</li> <li>- submits a report on the activities done in his area to the project lead participant.</li> </ul>



b) Financial Management of Individual Co-operation Projects

The Paying Authority is transferring payments only to the lead partner, who in turn is responsible for payments to the project partners. The Paying Authority is including the expenditure declared to it by the lead partner in the regular reports in its certified declarations of expenditure to the Commission.

The Managing Authority is concluding a contract with the lead partner, including a description of the management and control system for financial transfer and expenditure established in the project. The contract obliges the lead partner to ensure the expenditures are in accordance with national rules, which is if needed to be confirmed by an independent auditor. On the basis of the contract and on the basis of the activity reports, the MA is ensuring the reality of work carried out and expenditure.

The Lead Partner receives the funds and is responsible for the correct use within the project. The Lead Partner assures that the project is carried out in accordance with the contract. Each partner is submitting regularly his contribution to the activity report and the certificate of expenditure to the lead partner, who is compiling the regular report on activity and expenditure to the PA and MA.

**Table 6 Financial Management of Individual Co-operation Projects**

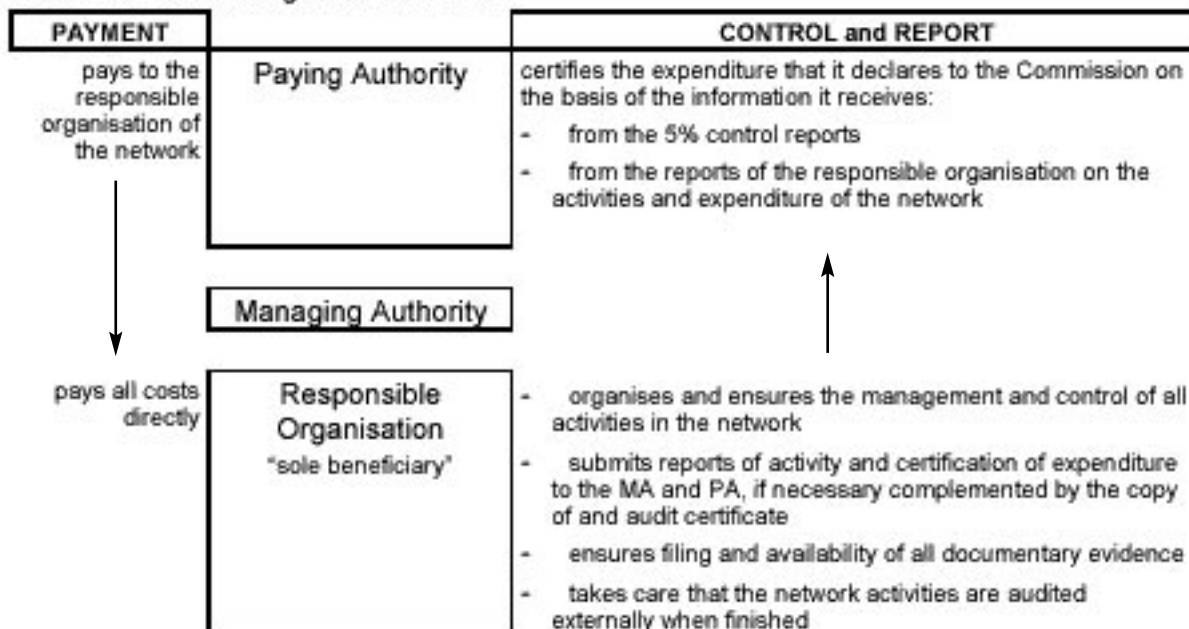
<b>PAYMENT</b>	<b>CONTROL and REPORT</b>	
<p>- pays directly to the Lead Partner</p> 	<p><b>Paying Authority</b></p>	<p>certifies the expenditure that it declares to the Commission on the basis of the information it receives:</p> <ul style="list-style-type: none"> <li>- from the managing authority on the functioning of the system</li> <li>- from the 5% control reports</li> <li>- from the reports of the lead partners on the expenditure of the individual co-operation project</li> </ul>
	<p><b>Managing Authority</b></p>	<ul style="list-style-type: none"> <li>- asks the lead partner to ensure that the expenditure declared has been in accordance with the national rules</li> <li>- ensures the capacity of the management and control system put in place by the Lead Partner on the basis of the information submitted before contracting</li> <li>- ensures the consistency, legality and eligibility of expenditure on the basis of the information it gets by the methods described at the level of the Lead Partner as well as on the basis of the 5% control</li> </ul>
<p>Pays to the partners for the activities carried out in their region.</p> 	<p>Contract on the regional individual co-operation project</p> <p><b>Lead Partner</b> keeps the accounts for the whole project</p>	<ul style="list-style-type: none"> <li>- ensures that the project is carried out as agreed by contract</li> <li>- ensures that all expenditure relates to the project and is correct</li> <li>- submits reports of activity and expenditure to the MA and PA every 6 months, including audit certificates from an independent auditor, if necessary</li> <li>- takes care that every partner's expenditure is audited externally when finished</li> <li>- collects at least copies of all supporting documents</li> </ul>
	<p><b>Partner</b></p> <ul style="list-style-type: none"> <li>- maintain the accounts for the activities individual co-operation project in their region</li> </ul>	<ul style="list-style-type: none"> <li>- keeps the accounts for all expenditure made by him and other participants in the project in his zone</li> <li>- assures archiving and availability of supporting documents</li> <li>- sends 6monthly his contribution to the activity report and the certificate of expenditure to the Lead partner</li> </ul>

c) Financial Management of Networks

All aid will be paid by the PA to the responsible organisation of the networks (in accordance with Paragraph 37 of the INTERREG III C guidelines). The responsible organisation of the network will pay the costs of the network directly to the participants. The responsible organisation of the network should be regarded as the sole beneficiary of the grant. It carries out all the payments in compliance with national rules. It organises and ensures the management and control of all activities of the network.

The responsible organisation is the only interlocutor to MA and PA. The checks on financial matters will be carried out according to the rules of the Member State where the responsible organisation is located. The Managing Authority may ask the responsible organisations to submit - together with the activity report, the certification of expenditure which is supported by copies of audit certificates from an independent body.

**Table 7 Financial Management of Networks**



**3.2.4.2 Financial management of the programme in relation to the Commission**

All payments by the Commission are transferred to the account of the Paying Authority. Once the payment on account according to Article 32 of the Structural Funds Regulation is done, all following payments (interim payments and final balance) are done on the basis of the expenditure actually paid out and work completed. It is the Paying Authority who undertakes it to draw and submit payment applications to the Commission. The Paying Authority will take care of organising the certification of expenditure according to Art.9 of the Management and Control Regulation and of giving the statement of expenditure. The basis for certifying the expenditure is different for the three types of operations:



**Table 8 Basis for certifying expenditure**

<b>Regional Framework Operations</b>	<b>Individual Co-operation Projects</b>	<b>Networks</b>
<ul style="list-style-type: none"> <li>- reports from the lead partner on the expenditure</li> <li>- information from the management authority on the functioning of the system for financial control at the level of the RFO</li> <li>- 5% project control reports (see beyond)</li> <li>- external audit on project level</li> </ul>	<ul style="list-style-type: none"> <li>- report from the lead partner on the expenditure</li> <li>- information from the management authority on the functioning of the systems for financial control at the level of ICP</li> <li>- 5% project control reports</li> <li>- external audit on project level</li> </ul>	<ul style="list-style-type: none"> <li>- reports of the responsible organisation on the activities and expenditure of the network</li> <li>- 5% project control reports</li> <li>- external audit on project level</li> </ul>

According to point 31 of the INTERREG III C-Communication, each Member state shall nominate a body responsible for the financial control of partners located in his country, who are participating in a III C-operation under any of the four III C-programmes. For the Member States of this programme, the bodies responsible for the financial control are given in Annex D. The Member States will take care that III C-projects are audited in line with the same standards as applicable in Single Programming Documents and Operational Programmes in the Member States. The Managing Authority of this programme will take care of informing all bodies responsible for financial control about the details of those partners financed under this programme that are located in their area.

The Member States responsible for this programme will ensure that sample checks covering at least 5% of the total eligible expenditure under this programme are carried out. The method for selecting projects for sample checks will be described in more detail in a special agreement between the 15 Member States. They will take care that the selection of this checks will be representative for the mix of types and sizes of operations under this programme. They will also take into account risk factors identified as well as concentration of operations under certain bodies when selecting the sample to be checked. The Member States will furthermore assure that the checks are distributed over the funding period. The reports on the checks and if necessary on the up-dating of the system for financial control will be submitted to the Commission by 30 June each year.

In the case that day-to-day management or 5%-checks discover serious errors, which lead to cancelling all or part of the Community contribution, the MA and PA will cancel or reallocate the funds and simultaneously account for the cancelled or recovered funds vis-à-vis the Commission. In the case the MA or PA are not able to recover the unjustified funding from the lead partner, the responsibility rests with the Member State concerned. In the case of a net correction by a Commission decision on the basis of Art.39, paragraph 3 of regulation 1260/1999, responsibility of the Member States is limited to the errors and expenditure irregularities committed by partners located on their national territory. Each Member States bears the possible financial consequences of irregularities committed by the partners and participants located on its national territory, even for the partners and participants of projects financed by Interreg III C programmes for which it has no responsibility<sup>7</sup>.

<sup>7</sup> Concerning financial liability, the Member States responsible for this programme favour the solution described here. They are aware that the precondition for this solution is that the other Zones adopt the same approach. At the time this programme is being submitted to the Commission, the other Zones did not yet confirm the solution proposed here.

The Member States are responsible to declare the programme closure vis-à-vis the Commission. The closure declaration is prepared by an independent person or service from the Member State where the MA or PA is located.

### **3.3 Technical Assistance**

The Technical Assistance will be spent on activities necessary for the effective and smooth management and implementation of the programme. An important element for this is a competent and efficient day-to-day work that holds together the flow of information between the bodies involved, prepares the decision making properly, oversees the information collected and its use in the programme management. To fulfil this tasks, a highly skilled and professional secretariat is inevitable.

As III C-introduces a new approach, special emphasis will be given to the assistance and advise in the development of projects. Technical assistance will be invested in the promotion of the programme, awareness rising, pro-active project search and interactive development. The strategy will be built on broad involvement of multiple actors on national and European level and is aiming in activating them.

Besides the information and advise given to potential applicants, a broader dissemination of the achievement of this programme is foreseen under the Plan for information and publicity. Activities necessary to do so are also part of TA.

External advise may be needed to assist gathering and processing of data, implementing a computerised management system, and so on. Additional advise may be necessary on specific questions of managing a programme to assist international co-operation, concerning e.g. the development or projects and drafting of the legal documents that form the basis for the organisational framework of the co-operation projects.

Another element that will need spending of TA is the tasks of evaluation.

According to rule 11 of the Annex of the Eligibility Regulation, TA is calculated separately for the expenditure directly related to administration, implementation, monitoring, and control of the programme on the one hand, and other expenditure (e.g. studies, evaluations, information, seminars, etc.) on the other. The TA under this programme will only fund activities directly related to the programme, whereas the preparatory actions for Interact activities (2.2.6) will be designed for the preparation of the Interact programme. All activities relating to preparation of the Interact programme will be excluded from the TA budget of this programme and funded from the budget for preparatory actions for Interact activities. In relation to activities listed in Annex E, the TA budget will only cover the adaptation and specification for this zones needs, if necessary.

The ERDF contribution to this programme's TA budget will be 50%. The technical assistance under this programme will be supplemented by the activities under the Interact-programme.

### **3.4 Interplay with other programme-zones**

The eligibility of projects with partners from all over Europe leads to projects that overlap different programming zones. A minimum co-ordination on programme level is inevitable and needs to be foreseen concerning selection criteria, financial control, rate of assistance, eligibility, monitoring and evaluation. For measures on coordination of financial responsibility control see section 3.2.4.2.

## **4. Coherence with EU policies**

The activities of INTERREG III C focus on issues being part of other structural fund programmes. This coherence with structural funds is a core element of this programme and guarantees that the activities are in line with EU-policies in content (as given in item 25 of the III C-communication). It will be one of the central tasks of the evaluations of this programme to analyse the value-added in terms of the EU-policies, including the horizontal policies like environment and equal opportunities.

Although the programme is mainly targeted to public authorities, private actors may form part, but this must clearly be the minority. Nonetheless, If the involvement of private actors includes enterprises, the rules of competition policy and the obligation for notification will certainly be respected. The Member States confirm that any state aid that might be provided under this programme will either be in conformity with the de minimis rule or with aid schemes implemented under one of the block exemption regulations or other exemption regulations or will be notified to the Commission in accordance with notification rules. Especially the following regulations will be observed: Commission regulation (EC) No.68/2001 of 12 January 2001 on the application of Art. 87 and 88 of the EC treaty to training aid, Commission regulation (EC) No. 69/2001 of 12 January 2001 on the application of Art. 87 and 88 of the EC treaty to de minimis aid, Commission regulation (EC) No. 70/2001 of 12 January 2001 on the application of Art. 87 and 88 of the EC treaty to aid to small and medium sized enterprises, all of them published in the Official Journal L 10, 13.1.2001.

## **5. Plan for information and publicity**

This programme and the results it produces will be subject to a comprehensive information and publicity strategy aiming at the widest possible degree of participation and information of public and private actors, as well as the dissemination of the results. The strategy will make use of all available channels of communication to disseminate the information. Specific emphasis will lie in the opportunities offered by electronic media: homepages, mailing lists, etc. will form integral part of the overall strategy. The overall strategy consists of two parts:

As far as the publicity activities are aiming at the potential involvement of actors in projects, they are described in chapter 3.2.1. In this field of informing and involving the public, this programme and the Interact-activities will mutually reinforce each other. The activities include the publication of the central approach of the programme, the distribution of documents for information, as well as the information on the progress of implementation. The Publication strategy will undertake efforts explicitly oriented at the information of potential project partners from third countries and will be co-ordinated with the responsible authorities of third countries interested in the programme.

Besides this a broader public will be informed about progress of the programme and its results. The distribution of the output of the programme contributes to the dissemination of newly developed approaches and allows for additional potential of effects of the programme.

The publication measures are part of the responsibility of the Managing Authority. The Managing authority will develop a detailed communication plan to implement this strategy and will submit the detailed plan within three months after the approval of the programme. As the co-ordination with Interact is crucial, the communication plan will be submitted with delay, in the case that the Interact programme is not yet finished. The co-ordination may lead to the need to revise this chapter of the programme.

## 6. Indicative Financial table

Each Member State is contributing its share of INTERREG III C money to this programme. In the case of Germany, Greece and Italy, which are participating in more than one INTERREG III C zone, those Member States decided themselves how to distribute the money to the programmes. The sum of all single national shares of ERDF money is the overall ERDF contribution available under this programme.

Due to the opportunity offered to give partner from objective 1-regions an assistance rate of 75%, the national contribution is somewhat difficult to calculate. The reason for the difficulties is that one can not know in advance how many projects will involve partner or participants from objective 1-regions. It depends on the project applications to show how frequently a co-operation with objective 1-partners is planned. So to calculate the financial tables, one can only assume an effective average rate of assistance, which is in case of this programme expected to be 60%.

The contribution from the ERDF is calculated in relation to the total eligible cost.

As concerns the private participation, one has to keep in mind that INTERREG III C is mainly oriented to public actors. The opportunities for private contribution are therefore very limited and the financial calculation is assuming a 5% share of financial contribution from private actors.

For TA purposes, a share of 4,768% has been foreseen. The following table gives the indicative breakdown of the TA-budget according to rule 11 of the Eligibility Regulation.

**Table 9 Breakdown of TA budget**

		Total	ERDF	National
<b>TOTAL TA budget</b>	<b>4,768%</b>	<b>4.567.782</b>	<b>2.283.891</b>	<b>2.283.891</b>
Expenditure for Management, Implementation, Monitoring and Control (rule 11, 2)	4,500%	4.311.036	2.155.518	2.155.518
other Expenditure, including seminars, studies, evaluation, information, etc (rule 11, 3)	0,268%	256.746	128.373	128.373

**Table 10 Financial Table – Zone East Interreg III C**  
*(DRAFT based on preliminary annual figures from Italy and Greece)*

Financial Table – Zone East INTERREG III C						
						Third Countries (not decided yet)
	Public Expenditure					
	Total Costs	Total public	ERDF	National	Private*	
<b>Operations</b>	<b>76.026.846</b>	<b>74.506.307</b>	<b>45.616.109</b>	<b>28.890.198</b>	<b>1.520.539</b>	<b>0</b>
2001	11.945.330	11.706.423	7.167.198	4.539.225	238.907	0
2002	12.915.575	12.857.283	7.749.345	4.907.918	258.312	0
2003	12.773.276	12.517.810	7.663.986	4.853.844	255.468	0
2004	12.803.359	12.547.292	7.682.016	4.885.276	258.067	0
2005	12.801.776	12.545.740	7.681.066	4.884.874	258.038	0
2006	12.787.530	12.531.779	7.672.518	4.859.261	255.751	0
<b>Technical Assistance</b>	<b>4.567.782</b>	<b>4.567.782</b>	<b>2.283.891</b>	<b>2.283.891</b>	<b>0</b>	<b>0</b>
2001	684.270	684.270	342.135	342.135	0	0
2002	651.976	651.976	325.988	325.988	0	0
2003	806.734	806.734	403.367	403.367	0	0
2004	808.634	808.634	404.317	404.317	0	0
2005	808.534	808.534	404.267	404.267	0	0
2006	807.634	807.634	403.817	403.817	0	0
<b>Total</b>	<b>80.594.628</b>	<b>79.074.089</b>	<b>47.900.000</b>	<b>31.174.089</b>	<b>1.520.539</b>	<b>0</b>
2001	12.629.600	12.390.693	7.509.333	4.881.360	238.907	0
2002	13.567.551	13.309.239	8.075.333	5.233.906	258.312	0
2003	13.580.010	13.324.544	8.067.333	5.257.211	255.468	0
2004	13.611.993	13.355.926	8.066.333	5.289.593	258.067	0
2005	13.610.310	13.354.274	8.065.333	5.286.941	258.038	0
2006	13.595.164	13.339.413	8.076.335	5.283.078	255.751	0
Additional priority (2.2.6) ERDF-Contribution financed under Art.53 of the INTERREG guidelines						
<b>INTERACT Preparatory activities**</b>	<b>1.111.111</b>	<b>1.111.111</b>	<b>1.000.000</b>	<b>111.111</b>	<b>0</b>	<b>0</b>
2001	333.333	333.333	300.000	33.333	0	0
2002	777.778	777.778	700.000	77.778	0	0

\* Although the participation of private actors under this programme is warmly welcome, their indicative financial contribution is hard to estimate in advance. If the indicative private contribution is not realised, the Member States can replace this contribution from public resources without a change of a programme.

\*\* The national contribution for these activities is calculated by a share of 10%.

Additional priority (2.2.7), ERDF-Contribution financed under Art.53 of the INTERREG guidelines						
Operations	<b>17.976.923</b>	<b>17.662.327</b>	<b>11.685.000</b>	<b>6.291.923</b>	<b>314596</b>	<b>0</b>
2001	2.815.384	2.768.114	1.830.000	985.384	49.270	0
2002	3.030.769	2.977.731	1.970.000	1.060.769	53.038	0
2003	3.027.692	2.974.707	1.968.000	1.059.692	52.965	0
2004	3.035.385	2.962.266	1.973.000	1.062.385	53.119	0
2005	3.035.385	2.962.266	1.973.000	1.062.385	53.119	0
2006	3.032.308	2.979.243	1.971.000	1.061.308	53.065	0
Technical Assistance	<b>1.230.000</b>	<b>1.230.000</b>	<b>615.000</b>	<b>615.000</b>	<b>0</b>	<b>0</b>
2001	192.800	192.800	96.400	96.400	0	0
2002	207.400	207.400	103.700	103.700	0	0
2003	207.200	207.200	103.600	103.600	0	0
2004	207.600	207.600	103.800	103.800	0	0
2005	207.600	207.600	103.800	103.800	0	0
2006	207.400	207.400	103.700	103.700	0	0
Total***	<b>19.206.923</b>	<b>18.892.327</b>	<b>11.685.000</b>	<b>5.977.327</b>	<b>314.596</b>	<b>0</b>
2001	3.008.184	2.958.914	1.830.000	936.114	49.270	0
2002	3.238.169	3.185.131	1.970.000	1.007.731	53.038	0
2003	3.234.892	3.181.907	1.968.000	1.006.707	52.965	0
2004	3.242.985	3.189.866	1.973.000	1.009.266	53.119	0
2005	3.242.985	3.189.866	1.973.000	1.009.266	53.119	0
2006	3.239.708	3.188.643	1.971.000	1.008.243	53.065	0

\*\*\* Indicative Figures include a share of 5% for Technical Assistance for Operations on border regions. The national plus private contribution to operations is calculated by a share of 65% to 35% with respect of partners in objective 1 border regions.

The co-operation with funds from other EU instruments, specifically pre accession instruments like PHARE national programmes (and ISPA or other programmes if applicable) or other financial instruments as CARDS are of utmost importance for success of the Interreg IIIC Zone East programme.

All Non-Member States participating in the Zone East are expected to contribute to the programme by using national, PHARE or other resources. Contributions from PHARE will be specified based on the recommendations of 'PHARE 2000 Review' from Commissioner Verheugen. National sources are contributing to the programme as national co-financing sources to the PHARE or other EU financial instruments from the first Call for Proposal.

**Annexes:**

- 7.    **A:    Information to be provided in proposals for a regional framework operation**
- 8.    **B:    Programming Area - Zone East**
- 9.    **C     Definition of Regions**
- 10.   **D:    Bodies responsible for the financial control of INTERREG III C-operations**
- E:    List of Tasks for the Interreg III C co-ordination actions (chapter 2.2.6)**

**11. Annex A: Information to be provided in proposals for a regional framework operation**

Regional framework operation proposals should contain the following information to help the Programme Steering Committee decide on a contribution from the ERDF budget for a regional framework operation. Proposals should not exceed 20-25 pages as a rule.

**Introduction**

A brief description of the regions, identifying their particular strengths and weaknesses and the opportunities and threats to development.

**Content**

A description of the proposed operation, its scope (including geographic coverage), its specific aims, its duration and the composition of the partnership involved in preparing the regional framework operation proposal.

Objectives and expected results (quantified if possible),

a description of the interregional strategy to promote co-operation targeting a limited number of subjects, the subjects for co-operation,

a description of the types of projects to be funded (studies, pilot projects, strategic planning, participation in networks, etc.),

the number of partners and other participants,

the division of financing among regions (not more than 40% for the lead partner) and the justification for the division and the total budget,

a detailed workplan and timetable for the implementation of the operation,

a description of the potential influence of the regional framework operation on other structural funds programmes co-financed by the ERDF,

compatibility and synergy with other Community policies,

indicative project selection criteria,

procedures and conditions for applications by potential beneficiaries,

- main target groups.



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**Management and implementation**

This section should include arrangements for co-operation between the regional authorities responsible for the preparation and implementation of the proposal and the managing authorities for other structural funds programmes co-financed by the ERDF.

Lead partner to be designated by the partners as the managing body for the operation,

the composition of the Steering Committee which oversees the implementation and monitoring of the operation, including the selection of projects,

a description of the implementation system,

a description of the financial system,

a description of the control system,

practical arrangements for exchange of information and co-operation between the partners,

- monitoring and evaluation provisions.

**Financing plan**

Total cost: the ERDF contribution and public and private contributions broken down by the subjects to be covered by the operation,

- rate(s) of assistance envisaged for actions (broken down by Objective 1, Objective 2 and non-objective areas where different rates of assistance are used).

**Partnership**

- Description of the consultation procedure at the operation drafting stage.

**Information and promotion**

- A description of publicity and information activities to promote the operation.

**12. Annex B: Programming Area - Zone East**

Member State	Eligible areas
Austria	Whole country
Germany	Bayern, Sachsen, Sachsen-Anhalt, Berlin, Brandenburg, Thüringen
Italy	Friuli-Venezia Giulia, Veneto, Trentino-Alto Adige, Emilia-Romagna, Puglia, Molise, Abruzzo, Marche
Greece	Anatoliki Makedonia, Thraki, Kentriki Makedonia, Dytiki Makedonia, Thessalia, Ipeiros

### 13. Annex C: Definition of Regions

The list given here comprises the definition of territorial units forming a region eligible to present a Regional Framework Operation under this programme. Of course regional authorities at a geographically lower level can present the Regional Framework Operation to the Managing Authority, as long it is on behalf of the region as defined here. This list includes not only the countries of this programme, but all Member States.<sup>8</sup>

**Table C.1 Definition of Regions participating in the Zone East**

Country	Name	NUTS level	Objective (including phasing out)
<b>AT</b>	<b>ÖSTERREICH</b>	<b>P000</b>	
AT11	BURGENLAND	0020	01
AT12	NIEDERÖSTERREICH	0020	02
AT13	WIEN	0023	02
AT21	KÄRNTEN	0020	02
AT22	STEIERMARK	0020	02
AT31	OBERÖSTERREICH	0020	02
AT32	SALZBURG	0020	02
AT33	TIROL	0020	02
AT34	VORARLBERG	0020	02
<b>DE</b>	<b>DEUTSCHLAND</b>	<b>P000</b>	
DE2	BAYERN	0100	02
DE3	BERLIN	0120	01 and 02
DE4	BRANDENBURG	0120	01
DED	SACHSEN	0100	01
DEE	SACHSEN-ANHALT	0100	01
DEG	THÜRINGEN	0120	01
<b>IT</b>	<b>ITALIA</b>	<b>P000</b>	
IT31	TRENTINO	0020	02
IT31	ALTO ADIGE	0020	02
IT32	VENETO	0020	02
IT33	FRIULI-VENEZIA GIULIA	0020	02
IT4	EMILIA-ROMAGNA	0120	02
IT53	MARCHE	0020	02
IT71	ABRUZZO	0020	02
IT72	MOLISE	0020	01
IT91	PUGLIA	0020	01
<b>GR</b>	<b>ELLADA</b>	<b>P000</b>	
GR11	ANATOLIKI MAKEDONIA, THRAKI	0020	01
GR12	KENTRIKI MAKEDONIA	0020	01
GR13	DYTIKI MAKEDONIA	0020	01
GR14	THESSALIA	0020	01
GR21	IPEIROS	0020	01

<sup>8</sup> For Denmark, Finland and Sweden also parts of the proposed regional unit (comprising more than one NUTS III area) can participate as a region in a RFO but no NUTS III area can participate in more than two RFOs before the midterm review.

Table C.2 Definition of Regions – Countries not participating in the Zone East

Country	Name	NUTS level	Objective (including phasing out)
<b>BE</b>	<b>BELGIQUE-BELGIË</b>	<b>P000</b>	
BE1	REG. BRUXELLES-CAP. / BRUSSELS HFDST. GEW.	0123	02
BE2	VLAAMS GEWEST	0100	02
BE3	RÉGION WALLONNE	0100	01 and 02
<b>DE</b>	<b>DEUTSCHLAND</b>	<b>P000</b>	
DE1	BADEN-WÜRTTEMBERG	0100	02
DE5	BREMEN	0120	02
DE6	HAMBURG	0123	02
DE7	HESSEN	0100	02
DE8	MECKLENBURG-VORPOMMERN	0120	01
DE9	NIEDERSACHSEN	0100	02
DEA	NORDRHEIN-WESTFALEN	0100	02
DEB	RHEINLAND-PFALZ	0100	02
DEC	SAARLAND	0120	02
DEF	SCHLESWIG-HOLSTEIN	0120	02
<b>DK</b>	<b>DANMARK</b>	<b>P120</b>	02
	a		
	b		
	c		
<b>GR</b>	<b>ELLADA</b>	<b>P000</b>	
GR11	ANATOLIKI MAKEDONIA, THRAKI	0020	01
GR12	KENTRIKI MAKEDONIA	0020	01
GR13	DYTIKI MAKEDONIA	0020	01
GR14	THESSALIA	0020	01
GR21	IPEIROS	0020	01
<b>ES</b>	<b>ESPAÑA</b>	<b>P000</b>	
ES11	GALICIA	0020	01
ES12	PRINCIPADO DE ASTURIAS	0023	01
ES13	CANTABRIA	0023	01
ES21	PAIS VASCO	0020	02
ES22	COMUNIDAD FORAL DE NAVARRA	0023	02
ES23	LA RIOJA	0023	02
ES24	ARAGÓN	0020	02
ES3	COMUNIDAD DE MADRID	0123	02
ES41	CASTILLA Y LEÓN	0020	01
ES42	CASTILLA-LA MANCHA	0020	01
ES43	EXTREMADURA	0020	01
ES51	CATALUÑA	0020	02
ES52	COMUNIDAD VALENCIANA	0020	01
ES53	ISLAS BALEARES	0023	02
ES61	ANDALUCÍA	0020	01
ES62	REGIÓN DE MURCIA	0023	01
ES63	CEUTA	0020	01
ES63	MELILLA	0020	01
ES7	CANARIAS	0120	01
<b>FR</b>	<b>FRANCE</b>	<b>P000</b>	
FR1	ÎLE DE FRANCE	0120	02
FR21	CHAMPAGNE-ARDENNE	0020	02
FR22	PICARDIE	0020	02
FR23	HAUTE-NORMANDIE	0020	02
FR24	CENTRE	0020	02
FR25	BASSE-NORMANDIE	0020	02

FR26	BOURGOGNE	0020	02
FR3	NORD - PAS-DE-CALAIS	0120	01 and 02
FR41	LORRAINE	0020	02
FR42	ALSACE	0020	02
FR43	FRANCHE-COMTÉ	0020	02
FR51	PAYS DE LA LOIRE	0020	02
FR52	BRETAGNE	0020	02
FR53	POITOU-CHARENTES	0020	02
FR61	AQUITAINE	0020	02
FR62	MIDI-PYRÉNÉES	0020	02
FR63	LIMOUSIN	0020	02
FR71	RHÔNE-ALPES	0020	02
FR72	AUVERGNE	0020	02
FR81	LANGUEDOC-ROUSSILLON	0020	02
FR82	PROVENCE-ALPES-CÔTE D'AZUR	0020	02
FR83	CORSE	0020	01
FR91	GUADELOUPE	0023	01
FR92	MARTINIQUE	0023	01
FR93	GUYANE	0023	01
FR94	RÉUNION	0023	01
IT	ITALIA	P000	
IT11	PIEMONTE	0020	02
IT12	VALLE D'AOSTA	0023	02
IT13	LIGURIA	0020	02
IT2	LOMBARDIA	0120	02
IT51	TOSCANA	0020	02
IT52	UMBRIA	0020	02
IT6	LAZIO	0120	02
IT8	CAMPANIA	0120	01
IT92	BASILICATA	0020	01
IT93	CALABRIA	0020	01
ITA	SICILIA	0120	01
ITB	SARDEGNA	0120	01
IE	IRLAND	P000	
IE01	BORDER, MIDLAND AND WESTERN	0020	01
IE02	SOUTHERN AND EASTERN	0020	01
LU	LUXEMBOURG (GRAND-DUCHÉ)	P123	02
NL	NEDERLAND	P000	
NL11	GRONINGEN	0020	02
NL12	FRIESLAND	0020	02
NL13	DRENTHE	0020	02
NL21	OVERIJSEL	0020	02
NL22	GELDERLAND	0020	02
NL23	FLEVOLAND	0023	01
NL31	UTRECHT	0023	02
NL32	NOORD-HOLLAND	0020	02
NL33	ZUID-HOLLAND	0020	02
NL34	ZEELAND	0020	02
NL41	NOORD-BRABANT	0020	02
NL42	LIMBURG (NL)	0020	02
PT	PORTUGAL	P000	
PT11	NORTE	0020	01
PT12	CENTRO (P)	0020	01
PT13	LISBOA E VALE DO TEJO	0020	01
PT14	ALENTEJO	0020	01

PT15	ALGARVE	0023	01
PT2	AÇORES	0123	01
PT3	MADEIRA	0123	01
FI	SUOMI/FINLAND	P000	
FI13	ITÄ-SUOMI	0020	01 and 02
FI14	LÄNSI-SUOMI	0020	01 and 02
FI15	POHJOIS-SUOMI	0020	01 and 02
FI17	ETELÄ-SUOMI	0020	02
FI2	AHVENANMAA/ÅLAND	0123	02
SE	SVERIGE	P100	
SE01	STOCKHOLM	0020	02
SE02	ÖSTRA MELLANSVERIGE	0020	02
SE04	SYDSVERIGE	0020	02
SE06	NORRA MELLANSVERIGE	0020	01 and 02
SE07	MELLERSTA NORRLAND	0020	01 and 02
SE08	ÖVRE NORRLAND	0020	01 and 02
SE09	SMÅLAND MED ÖARNA	0020	02
SE0A	VÄSTSVRIGE	0020	02
UK	UNITED KINGDOM	P000	
UKC	NORTH EAST	0100	02
UKD	NORTH WEST (INC. MERSEYSIDE)	0100	01 and 02
UKE	YORKSHIRE & THE HUMBER	0100	01 and 02
UKF	EAST MIDLANDS	0100	02
UKG	WEST MIDLANDS	0100	02
UKH	EASTERN	0100	02
UKI	LONDON	0100	02
UKJ	SOUTH EAST	0100	02
UKK	SOUTH WEST	0100	01 and 02
UKL	WALES	0100	01 and 02
UKM	SCOTLAND	0100	01 and 02
UKN	NORTHERN IRLAND	0120	01
UK	GIBRALTAR		02
PT	PORTUGAL	P000	
PT11	NORTE	0020	01
PT12	CENTRO (P)	0020	01
PT13	LISBOA E VALE DO TEJO	0020	01
PT14	ALENTEJO	0020	01
PT15	ALGARVE	0023	01
PT2	AÇORES	0123	01
PT3	MADEIRA	0123	01
FI	SUOMI/FINLAND	P000	
FI13	ITÄ-SUOMI	0020	01 and 02
FI14	LÄNSI-SUOMI	0020	01 and 02
FI15	POHJOIS-SUOMI	0020	01 and 02
FI17	ETELÄ-SUOMI	0020	02
FI2	AHVENANMAA/ÅLAND	0123	02
SE	SVERIGE	P100	
SE01	STOCKHOLM	0020	02
SE02	ÖSTRA MELLANSVERIGE	0020	02
SE04	SYDSVERIGE	0020	02
SE06	NORRA MELLANSVERIGE	0020	01 and 02
SE07	MELLERSTA NORRLAND	0020	01 and 02
SE08	ÖVRE NORRLAND	0020	01 and 02
SE09	SMÅLAND MED ÖARNA	0020	02
SE0A	VÄSTSVRIGE	0020	02

**14. Annex D: Bodies responsible for the financial control of INTERREG III Co-operations**

The following bodies are nominated as responsible for the financial control of all III C-operations in the territory of the member state:

France: to be submitted later

Belgium:

Belgium / Wallonia : Inspection des Finances, cellule audit-fonds européens

Belgium / Flanders : to be submitted later

Belgium / Brussels-Capital Region : to be submitted later Netherlands: to be submitted later

Luxembourg: Inspection Générale des Finances (IGF) – Ministère des Finances

Germany: Bundesamt für Wirtschaft und Ausfuhrkontrolle (to be confirmed)

United Kingdom: to be submitted later

Irland: to be submitted later

Denmark: Danish Agency for Trade and Industry

Finland: Ministry of Interior

Sweden: Swedish Business Development Agency

Austria: to be submitted later

Italy: to be submitted later

Greece: to be submitted later

Spain: to be submitted later

Portugal: to be submitted later

## 15. Annex E: List of Tasks for the Interreg III C co-ordination actions (chapter 2.2.6)

Cooperate Identity	Creating a common INTERREG III C logo / cooperate design with specific variations for each of the four zones; Development of a master design for letter paper, business cards, the website, PowerPoint-slides and other publications.	Till 4 quarter 01	North Zone JTS
Joint Internet portal	Set up of a joint Internet portal for all four zones comprising general programme information, the applicants' pack, a project list, ... Preparation of individual subordinated sites for each single zone for zone specific information on management structures (MC/SC/JTS), events, meetings, statistics, ...	4 quarter 01 – 1 quarter 02	North Zone JTS, will co-operate with those responsible for preparing the INTERACT programme
Information material	Drawing up leaflets with basic information on INTERREG III C.	Till 1 quarter 02	in co-operation between North and West Zones
Selection of operations	Further developing common project selection criteria and assessment procedure and handing it in as Programme Complement to the EU Commission; Drawing up the assessment form; Establishing a international pool of experts for the assessment of project applications.	Till 1 quarter 02	North Zone JTS
Applicants' pack	Preparing an Applicants' Pack consisting of: - Application form; - Practical guide; - Programme manual.	Till 2 quarter 02	North Zone JTS
Project database	Compiling a catalogue of requirements for a joint INTERREG III C project database accessible from all four JTS, (especially taking into account requirements of the Commission for data exchange); Programming the joint database.	Till 2 quarter 02	North Zone JTS, will co-operate with those responsible for preparing the INTERACT programme
Legal framework	Design and international agreement on standard subsidy contracts between M/PA and project lead partner applicable in all four zones; Other agreements if necessary.	Till 2 quarter 02	North Zone JTS
Audit and control	Agreements on Memorandums of Understanding between all EU member states concerning financial control and procedures for implementation; Agreement on joint check lists for sample checks.	Till 3 quarter 02	North Zone JTS
Monitoring and reporting	Agree on common monitoring procedures; Drawing up standard financial report; Drawing up standard progress report.	2- 3 quarter 02	North Zone JTS
Meetings and conferences	Organising co-ordination meetings between the Secretariats; Organising an INTERREG III C info-day; Organising a first Partner Search Forum.	4 quarter 01 – 3 quarter 02	will be managed by West Zone JTS