

The INTERREG III Community Initiative

How to prepare programmes



A practical guide for preparing new, and amending existing,
INTERREG III Community Initiative Programmes
as a result of Enlargement

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0 INTRODUCTION TO THE GUIDE

0.1 Purpose of the guide

After accession, the new Member States will participate in programmes under the 3 strands of the Community Initiative INTERREG III and the horizontal programmes ESPON and INTERACT. The 3 strands are cross-border (strand A), transnational (strand B), and interregional (strand C) co-operation. Where the new Member States already participate in INTERREG programmes (e.g. with the use of PHARE funding), these programmes will need to be amended to take account of enlargement. On borders between the new Member States, and on their external borders, where INTERREG has not operated before, new strand A programmes will be required.

The Commission proposes to minimise the need for amendments to existing programmes and to continue as many existing structures as possible. Therefore, Managing Authorities of existing strand B and C programmes as well as of strand A programmes on borders between old and new Member States will retain responsibility for these programmes after enlargement. They will also be responsible for the amendment of these programmes. For the new programmes, the participating Member States will have to decide on which country will adopt the Managing Authority responsibility.

The main purpose of this Guide is to help the new Member States that will take up responsibility for the new strand A programmes to draft these programmes in accordance with Structural Funds rules and the INTERREG guidelines. Chapter 1 sets out the information which must be included in a new INTERREG programme. Chapters 2 and 3 provide on the ex-ante evaluation and programme complement. Chapter 4 gives specific information about the amendment of existing programmes and offers advice regarding programmes on external borders.

In order to keep this document practical, references to appropriate Community regulations are given in footnotes (references to the INTERREG Guidelines are given only in specific cases). Relevant documents are listed in annex 1. For some chapters of the programmes, examples will be provided in the other annexes.

0.2 Programming exercise

For all INTERREG programmes (both new and those to be amended), joint Task Forces should be established at the beginning of 2003. These task forces will be composed of representatives of all present and future Member States concerned, as well as, where possible, representatives of third countries. Each participating Member State is responsible for nominating their representatives to a programme task force. Representatives from third countries should be invited by the participating Member States.

The Commission recommends that membership of these task forces should not exceed 10 members in order to be able to work efficiently while still representing the national, regional and local level of the partners from all participating countries. Representatives of the Managing and Paying Authorities and the Joint Technical Secretariat of the programme should also form part of the task force, particularly for existing programmes.

The task force will draft the new programme, or the programme amendments, as appropriate, based on this Guide, and on the appropriate Community legislation. The Commission expects that regional and local authorities in the border areas and regional-

level cross-border structures will take the lead in the preparation of the programmes, working in partnership with national authorities where appropriate.

At specific milestones (e.g. 1st full draft), documents could be presented to a larger body (e.g. the existing Monitoring Committee on the present external borders). The exact arrangements for the consultation of the wider partnership are the responsibility of the Member States concerned.

Costs for the programming exercise in the acceding countries before accession may be covered by the relevant INTERREG preparation projects under national PHARE programmes. The Commission recommends external experts or twinning projects be used for this process. It will be important to integrate the work of such twinning projects with the work of the task forces.

0.3 Timetable

Draft versions of the new programmes as well as draft versions of the amended programmes should be submitted to the Commission by **end of September 2003** (see model timetables below).

Table 1: Model timetable for new programmes

Date	Tasks	Comments
January-March 2003	Creation of Task Force	(2-4 people per country)
February-March 2003	First meeting of Task Force	Preparation of work plan, and main needs
March-September 2003	Chapters of new INTERREG programme drafted	Drafts submitted informally to Commission for comments
September 2003	Transmission of full draft of INTERREG programmes to the Commission	Transmitted by future Member State which will be the managing authority (with support letters from other Member States involved)
March-November 2003	In parallel, preparations for implementation agreements between Member States (e.g. memoranda of understanding)	
March-November 2003	In parallel, drafting of new complements, and the description of the programme's monitoring and financial control systems	
September-December 2003	Final drafting of INTERREG programmes	
December 2003	Transmission of final draft version of INTERREG programmes to the Commission	Transmitted by future Member State which will be the managing authority (with support letters from other Member States involved)
January 2004	Signature of memoranda of understanding	
December 2003-February 2004	Transmission of draft programme complements and the draft description of the programme's monitoring and financial control systems as well as of memoranda of understanding	Transmitted by future Member State which will be the managing authority (with support letters from other Member States involved)
2 May 2004	Formal letter from new Member State(s) confirming that the draft programme already submitted constitutes their official programme	Official submission letter for a Structural Funds programme is required from a Member State

Table 2: Model timetable for amended programmes

Date	Tasks	Comments
January-March 2003	Creation of Task Force	(2-4 people per country)
February-March 2003	First meeting of Task Force	Preparation of work plan, and main needs
March-September 2003	Modifications drafted for INTERREG programmes to be amended	
September 2003	Transmission of full draft of amended INTERREG programmes to the Commission	Transmitted by programme Managing Authority
March-November 2003	In parallel, preparations for implementation agreements between Member States (memoranda of understanding etc)	
March-November 2003	In parallel, drafting of new and amended programme complements, and the description of the programme's monitoring and financial control systems	
September-December 2003	Final drafting of INTERREG programmes	To take account of mid-term evaluation results
December 2003	Transmission of final draft version of INTERREG programmes to the Commission	Transmitted by programme Managing Authority <u>after</u> agreement of Monitoring Committee (with support letters from other Member States involved)
January 2004	Signature of memoranda of understanding	
December 2003 -February 2004	Transmission of draft programme complements and the draft description of the programme's monitoring and financial control systems as well as of memoranda of understanding	Transmitted by programme Managing Authority <u>after</u> agreement of Monitoring Committee (for programme complements)
2 May 2004	Formal letter from new Member State(s) confirming that the draft programme already submitted constitutes their official programme	Official submission letter for a Structural Funds programme is required from a Member State

1 CONTENT OF A NEW INTERREG PROGRAMME

This chapter provides an outline description of the content required for a new INTERREG cross-border programme. Each section sets out the type and amount of information required, along with examples in some cases. If relevant, references are given to articles in regulations or guidelines.

In addition, each section gives a suggested number of pages which could be used for that part of the programme. These figures are only an indication. The actual length of each section, and of each programme, will depend on the particular programme, and the participating countries. However, it is important to bear in mind the principle of proportionality. The Commission proposes that any **new** INTERREG programme should normally not be longer than 30 pages, and programmes with small funding allocations (and the special case of cross-border priorities within transnational programmes) should be proportionately shorter.

1.1 Description, Objectives and Priorities

1.1.1 Summary including a description of the joint programming process (1 page)

This chapter should summarise the main chapters of the programme. The partners should declare their willingness to co-operate and refer to bi-/multilateral agreements or Memoranda of Understanding.

The process of joint programming should be summarised here as well (e.g. composition of the task force, dates of milestones, arrangements made to consult the wider partnership).

1.1.2 Eligible areas (1/2 page)

Annexes 1 and 3 of the INTERREG Guidelines, and Annex A of the INTERREG IIIC Guidelines will be amended before enlargement in order to insert the eligible areas of the new Member States. Eligible areas for strand A are likely to be all areas along the internal and external land (and certain maritime) borders of the Community at administrative level III of the nomenclature of territorial statistical units (NUTS III). Eligible areas for strands B and C will be NUTS II regions. These areas will be listed in the programmes (see draft list of eligible areas in annex 2).

In strand A programmes, Member States can decide to concentrate funding on smaller areas within the eligible NUTS III areas. If this is done, it must be indicated in the programme.

According to the INTERREG Guidelines funding may be used in NUTS III areas adjoining eligible NUTS III areas, provided that no more than 20% of the total expenditure of the programme is concerned¹. Areas where this flexibility is to be used must be indicated and justified in the programme.

¹ INTERREG Guidelines, point 10, paragraph 2

1.1.3 Description and analysis of the border region, including SWOT analysis (3-4 pages)

The programme shall include a description and analysis of the border region by theme. Preferably the description should cover the co-operation area as a whole and not separately per country, although the latter approach is possible provided conclusions are drawn for the co-operation area as a whole. The description should include the following topics:

- area (km² and main landscape features), inhabitants, population density and demography;
- history;
- economic structure (GDP/inhabitant, employment by sectors, competitiveness and innovation, SMEs);
- labour market (employment and unemployment);
- infrastructure (transport, public utilities, energy, telecommunications);
- education, research and development;
- environment and nature (pollution, nature and countryside protection, NATURA 2000 areas).

This description should reflect the priorities and measures chosen: if the programme will not fund large infrastructure projects or the reduction of air pollution, these items should be covered only briefly. On the other hand, all priorities and measures should be reflected in the description. Where appropriate, maps and graphics (covering the whole area) could be used. The description should, point by point, be combined with an analysis of the strengths and weaknesses, opportunities and threats (SWOT). The main findings should be summarised in a SWOT table (see model in annex 6).

1.1.4 Joint development strategy and coherence with other programmes (3-4 pages)

Firstly, experiences with cross-border activities should be described under this heading. Based on these experiences and lessons learned from the past, as well as on the description and analysis of the co-operation area, the joint cross-border development strategy and the general programme objectives should be described.

Then the indicators on programme level have to be defined and quantified² where they lend themselves to quantification. The indicators will be crucial to assessing the success of the programme, and must be chosen carefully.

Finally the programme should link the INTERREG programme strategy and objectives to wider regional development policies and, in particular, should explain co-ordination with the following instruments:

- mainstream programmes (objectives 1, 2 and 3) and Cohesion Fund ;
- rural development programmes;
- National Employment Action Plans and EQUAL;
- pre-accession and other relevant European Union external instruments (including PHARE, PHARE-CBC, ISPA, SAPARD, Tacis, CARDS);
- economic competitiveness, sustainability and gender mainstreaming.

² Methodological working papers No 3: Indicators for Monitoring and Evaluation: An indicative methodology (http://europa.eu.int/comm/regional_policy/sources/docoffic/working/sf2000c_en.htm)

1.1.5 Priorities and summary description of the measures (5-10 pages)

This chapter should describe the priorities and, within each priority, provide a summary description of the measures planned. The financial resources should be concentrated on a limited number of priorities and measures. The number of priorities will depend on the level of funding available, but, in general, the Commission recommends that programmes contain no more than 2 priorities and, in addition, a priority for technical assistance.

Under INTERREG, ERDF funding can be used to fund actions normally carried out under ESF, EAGGF and FIFG. Where this is the case, a reference to the appropriate regulations should be included.

The formal concept of “Joint Small Project Funds”, as known under PHARE-CBC, is normally not used under INTERREG, as the flexibility of INTERREG means that there is no upper or lower funding limit for projects. However, measures covering this type of co-operation are eligible, especially the creation of funds with limited resources (micro project facility) to implement small projects promoting cross-border integration of local populations (people-to-people actions) whose management could be directly to the programme Secretariat, cross-border initiatives (e.g. Euroregions) or specific Steering Committees. Small-scale infrastructure, (previously co-financed by the Joint Small Project Funds under PHARE-CBC), will be integrated into the appropriate measures of the programme (see annex 4 as model).

Technical Assistance required to prepare, manage, implement, monitor, control and evaluate the programme will be an additional priority and will cover 2 measures: one for management, implementation, monitoring and control of the programme³ and one for other tasks (e.g. studies, seminars, information and publicity measures, evaluation)⁴.

A table should include the information needed to check compliance of the measures with aid schemes under Article 87 of the Treaty⁵. Another possibility is to include a general clause if no state aids are used (or only within the limits of “*de minimis*” (see examples in annex 4).

1.1.6 Indicators (2-3 pages)

Indicators are essential for the monitoring and evaluation of a programme. The indicators should follow the structure of the programme and its “intervention logic”, i.e. there should be indicators corresponding to different levels:

- Measure level (operational objectives)
- Priority level (specific objectives)
- Programme level (global objectives).

As priorities can cover different types of measures, it might be difficult to find common indicators at the priority level. In this case, an indicator for the priority could be the number of projects. For each measure, 1 indicator should be given in the programme. More measure level indicators should be provided in the programme complement.

³ Rule No 11, point 2 of Commission Regulation (EC) No 1685/2000.

⁴ Rule No 11, point 3 of Commission Regulation (EC) No 1685/2000.

⁵ INTERREG Guidelines, point 25, bullet point 4.

It must be underlined that there is no uniform set of indicators that could be used for all cross-border co-operation programmes throughout Europe. The most appropriate indicators for the context of the particular cross-border region and the types of actions included in the programme should be selected. Both quantitative and qualitative indicators will be needed. Working paper n° 7 for INTERREG IIIA programmes provides examples of INTERREG indicators for each of the main fields of action.

Three types of achievement indicators can be distinguished:

- Outputs (e.g. number of cross-border networks created, number of people learning neighbouring language)
- Results (e.g. improved qualifications, increased business activity across the border)
- Impacts (e.g. improved traffic flow at borders, increased awareness of cross-border issues).

Estimation of expected impact will in most cases not be possible or appropriate to aim to measure in simple “final impact” terms, such as GDP and jobs, as for mainstream programmes – a more complex and subtle set of “measurements” will be required to reflect the impact achieved by the programme, including intermediate impacts and qualitative elements.

Finally a 1-page table should summarise some **context** indicators (taken from the description of the border region): area, inhabitants, population density, number of border crossing points etc. As opposed to achievement indicators, these context indicators will not necessarily be changed by the programme; instead they give a picture of the co-operation area at a given moment.

1.1.7 Indicative financing plan (1 page and table)

A joint indicative financing plan in euro shall be included. It will specify, for each priority and each year, the financial allocation of the European Regional Development Fund, as well as the total amount of eligible public or equivalent funding and estimated private funding (and of EIB, where appropriate) (see example in annex 7). Separate financing plans (i.e. split up per member state) will not be accepted. (Estimates of non-Member State funding should, however, be shown separately.) The total contribution of the ERDF planned for each year should be compatible with the relevant financial perspective (Copenhagen profile).

Under the financing plan, the programme shall indicate whether co-financing is calculated on the basis of total public or total eligible (i.e. including private funding as well) costs.

1.2 Designation of the Competent Authorities (3-5 pages)

1.2.1 Joint structures

The joint management of the programme through genuine cross-border mechanisms is a key condition for the acceptance of INTERREG programmes by the European Commission. Therefore the description of the provisions for implementing the

programme⁶ should be based on agreements or Memoranda of Understanding signed before the submission of the draft programme proposals to the Commission.

As stated above, in existing INTERREG programmes the present co-operation structures will continue. However, in the Member States not hosting the managing and paying authority, a responsible body must be identified which will be the national counterpart of the managing and paying authority. Therefore a presentation in table format is highly recommended (see example in annex 5).

Concerning new strand A programmes the tasks of the new Member State hosting the managing or paying authority and the tasks to be fulfilled by the partner country should be presented in table format as well. The same applies for programmes on the future external borders (INTERREG structures on the one side; programme implementing authorities under PHARE-CBC, TACIS or CARDS on the other side).

1.2.2 Managing Authority

The general Regulation⁷ requires the designation of a Managing Authority with overall responsibility for managing the programme, in particular for:

- setting up a system to gather reliable **financial and statistical information on implementation**, for the monitoring indicators and for evaluation and forwarding this data in accordance with arrangements agreed between the Member State and the Commission;
- adjustment and the implementation of the **programme complement**;
- drawing up and, after obtaining the approval of the Programme Monitoring Committee, submitting to the Commission the **annual implementation report**;
- 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;
- ensuring **compliance with Community policies**;
- compliance with the obligations concerning **information and publicity**;
- acting in full **compliance with the institutional, legal and financial systems of the Member State concerned**.

If necessary, according to national law, this chapter may make reference to possible intermediary bodies. These bodies may assume responsibility for the operative management of certain tasks on **project level** and may especially be competent for the legal assessment of project proposals (e.g. does a planned building fulfil the national legal requirements for buildings) or for the establishment of the legally binding act of the ERDF and/or national co-financing grant.

The INTERREG Guidelines⁸ add the following tasks for the Managing Authority (in practice, this work is often carried out by the joint technical secretariat):

⁶ INTERREG Guidelines, point 25, bullet point 6.

⁷ Article 9(n) and 34 of the general Regulation.

- organising of the **preparation of the decisions** to be taken by the Monitoring and Steering committees;
- **accepting, considering and pre-assessing of operations** proposed for financing or co-ordinate such tasks;
- **co-ordinating the work of authorities** or bodies designated to implement sub-programmes and measures.

Each participating Member State should sign an agreement or Memorandum of Understanding determining all the modalities of their relationship with the Managing Authority and of the latter's relationship with the Commission in order to put the Managing Authority in a position to assume joint overall responsibility for the INTERREG programme. All correspondence from the Commission will be addressed to the Managing Authority.

1.2.3 Paying Authority and single bank account

The general Regulation⁹ requires the designation of a Paying Authority for financial administration. The function of a Paying Authority shall be carried out under the ultimate responsibility of the Managing Authority. The Paying Authority will be charged in particular with:

- the **financial management of the ERDF** (and national co-financing);
- the **drawing up and submitting of payment applications** and receiving payments from the Commission;
- ensuring the **execution of payments** to the final beneficiaries;
- the **application for reimbursements**; and
- the **booking of incoming and outgoing payments to the accounts**, including the establishment of the settlement system.

Again, the modalities of the relationship between the Member States and the Paying Authority shall be determined in a specific agreement signed before submitting the programme proposal to the Commission.

The Managing and Paying Authority may be the same body, but the relevant services should be functionally independent of the authorising services of the Managing Authority (not the same organisational unit or directorate).

The transfer of all ERDF funds (and preferably national matching funds) will be made to a single bank account¹⁰, without splitting the ERDF funds by Member State.

For both new programmes and those being amended, an intermediary body (in effect, a subsidiary Paying Authority) in a new Member State is possible. Nevertheless, the Commission will forward funding to and receive declarations from one Paying Authority for each programme.

⁸ INTERREG Guidelines, point 30.

⁹ Article 9(o) and 32 of the general Regulation.

¹⁰ INTERREG Guidelines, point 31.

1.2.4 Joint Technical Secretariat

The INTERREG Guidelines envisage a Joint Technical Secretariat¹¹ to assist the Managing and Paying Authority with the operational management of their respective responsibilities (see above 2.2 and 2.3), especially in programmes where the Managing Authority does not assume the secretariat function itself.

The Joint Secretariat can be a Unit within the Managing Authority, or it can be set up as a separate body. In either case, the employees of the Secretariat should come from all Member States involved in the programme, and all languages in the programme area should be covered.

The Joint Technical Secretariat shall in particular be responsible for the following operational day-to-day tasks:

- secretariat function for the Monitoring Committee and the Steering Committee including the preparation and mailing of the documentation before and the minutes after the meetings;
- drawing up reports on the programme implementation;
- preparation of project documentation, examination of applications as to whether they are complete and meet the selection criteria defined in the programme or in the programme complement, especially those related to the cross-border nature of the projects;
- preparation and making available of standardised forms for project applications and for project assessments for the projects co-ordinated with the Managing Authority;
- administrative management of external tasks and services, e.g. interpreting and translation services.

The costs of the tasks of the Joint Technical Secretariat may be co-financed under the programme's Technical Assistance budget provided they comply with the list of tasks eligible for co-financing in the relevant EU regulations¹² governing the Structural Funds. There is only one Joint Technical Secretariat per programme.

For cross-border programmes, **Info Points** may be established in the border region of a Member State which is not hosting the Joint Technical Secretariat. Their main task will be to give assistance to the potential project applicants in the border region in order to develop projects. Only limited Technical Assistance can be granted to these Info Points (in general 1 desk officer and 1 secretary). A national Info Point can also be established for transnational co-operation programmes.

1.2.5 Monitoring Committee

Overall monitoring of the programme will be carried out by the Monitoring Committee¹³. The Monitoring Committee shall be set up by the Member States, in agreement with the Managing Authority after consultation with the partners. The Monitoring Committee shall be set up no more than three months after the decision on the contribution of the Funds.

¹¹ INTERREG Guidelines, points 25 and 30.

¹² Rule No 11, points 2 and 3 of Commission Regulation (EC) No 1685/2000.

¹³ Article 35 of the general Regulation and point 28 of the INTERREG Guidelines.

The Monitoring Committee shall act and draw up its own rules of procedure under the authority and within the legal jurisdiction of the Member States (if necessary, the Commission can provide best practice examples).

The Monitoring Committee consists of representatives of the regional and local authorities and the national authorities. The participation of the economic and social partners and of non-governmental organisations is desirable. A representative of the Commission (and the European Investment Bank) will participate in the work of the Monitoring Committee in an advisory capacity. The Monitoring Committee shall be chaired by a representative of one of the Member States or of the Managing Authority. The Chairmanship often rotates between the participating Member States on a yearly basis. Except for minor modifications nothing should be changed for the existing strand A programmes. In the programmes only categories of members should be indicated.

The main responsibilities of the Monitoring Committee are:

- to **confirm or adjust the programme complement**;
- to **consider and approve the criteria to be used for the selection of projects** with the aim of determining the cross-border or transnational character of the operations within six months of approval of the programme (in reality, this will have to be done much quicker, preferably before accession);
- to **review periodically progress made towards achieving the specific (and quantified) objectives of the programme** and to examine the results of implementation (achievement of the targets set for the different measures);
- 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 contents of the Commission decision** on the contribution of the Funds, especially in order to improve the programme administrative and financial management ;
- to **approve the terms of reference of calls for proposals** (if appropriate);
- to **approve the framework for the Joint Technical Secretariat's tasks**;
- to **approve operations under the Technical Assistance budget** (if not done by the steering committee).

1.2.6 Steering Committee

Whereas the Monitoring Committee can be considered the strategic body of the programme, the Steering Committee¹⁴ is rather the operational body, and is overseen by the Monitoring Committee. The Monitoring Committee can carry out the functions of the Steering Committee (i.e. a single committee system). The Commission considers that the use of the single committee system would help simplify implementation during the 2004-2006 period.

The Steering Committee is constituted on the same principles of co-operation and partnership as the Monitoring Committee, although it is often the case that national authorities are less involved in Steering Committees. A representative of the Commission may attend as an observer. Its rules of procedure may be adopted by the Monitoring Committee or by the Steering Committee itself (endorsed by the Monitoring Committee). If required, best practice examples for rules of procedure can be given.

¹⁴ INTERREG Guidelines, point 29.

The main responsibility of the Steering Committee is the joint selection and approval of projects and the monitoring of their implementation. The projects shall be selected by agreement of all members entitled to vote. If no agreement can be reached among the voting members, the project shall be considered rejected. Projects shall be selected in compliance with the selection procedure and criteria set out in the programme and programme complement.

A programme may have one or more Steering Committees (e.g. for each sub-programme or for each cross-border priority within a strand B programme). In particular, there may be a specific Steering Committee for small project selection. However, for small programmes, more than one Steering Committee is not recommended.

1.3 *Programme Implementation* (2-3 pages)

The programmes will then describe the programme implementation system. The programme should clearly distinguish between implementation at programme level and project level. Administrative and financial implementation, however, could be described jointly. A presentation in table format is recommended. Control paths and cash flows should preferably be described by graphics or flow-charts. For each task the competent authority has to be designated. Whenever possible, different bodies shall not be responsible for the same tasks.

1.3.1 Programme monitoring system

The monitoring system, the information and/or electronic data flow should be described in global terms (with details in the programme complement). This system will be based on the physical and financial indicators specified in the programme and/or programme complement¹⁵. These are developed taking into account the indicative methodology and list of indicators published by the Commission in its Working Papers n° 3 and n° 7. A graphic could illustrate who is responsible for which task.

The monitoring system is also important in the framework of ensuring an appropriate audit trail for the programme¹⁶.

1.3.2 Information, publicity and consulting

The Managing Authority shall be responsible for information and publicity measures carried out on behalf of the programme in the first instance and shall organise publicity to ensure the widest possible participation by public and private organisations¹⁷. A detailed information and publicity plan will be included in the programme complement.

1.3.3 Programme evaluation system

Each programme should only define the responsible body and the procedures for evaluations. For the new programmes, no mid-term evaluation is required.

1.3.4 Compliance with other Community policies

This chapter shall describe the system to ensure compliance with other Community policies (competition, award of public contracts, environmental protection and improvement, elimination of inequalities and promotion of equality between men and

¹⁵ Article 36 of the general Regulation.

¹⁶ Annexes I and IV of Commission Regulation (EC) No 438/2001.

¹⁷ Article 46 of the general Regulation and Commission Regulation (EC) No 1159/2000.

women)¹⁸ and programmes (e.g. Rural Development programmes). The programme should identify which body will check compliance and how double financing will be prevented.

1.4 *Implementation at project level* (2-3 pages)

1.4.1 Submitting of project applications

The programme should define whether a rolling project application system or a call for proposals' system with closing dates will be used. Formal applications for co-financing from ERDF funds shall be submitted by the lead partner for a project to the Joint Technical Secretariat. The Joint Technical Secretariat shall immediately encode the applications into the monitoring system. The type of information to be included in the applications will be described in broad terms (details in the programme complement).

1.4.2 Selection of project applications

The programme should describe the system of project selection and indicate the core project selection criteria (details, as well as the complete set of project selection criteria, are to be provided in the programme complement).

1.4.3 Co-financing decisions

After the project selection by the Steering Committee, the formal decision on the granting of funds shall take place according to the specific provisions that apply to the Structural Funds in the different Member States. The programme shall describe the system of co-financing (including who is responsible and, for example, whether a grant letter approach or a subsidy contract under private law will be used.)

1.4.4 Project monitoring system

This chapter will explain the system (e.g. progress reports, including quantification of project indicators) that allows the Managing Authority to authorise the Paying Authority to make payments to the project partners.

1.5 *Financial implementation and control* (2-3 pages)

1.5.1 Single bank account

If not already indicated under the chapter concerning the Paying Authority, the details of the single bank account should be indicated.

1.5.2 Payment claims and forecasts

If not already indicated under the chapter concerning the Paying Authority, the responsible body for payment claims, certificates of statements of interim and final expenditure¹⁹ as well as for the payment forecasts²⁰ towards the Commission will be defined in this section.

1.5.3 Financial implementation on project level

This chapter should describe the cash flow and control system (from the single bank account to the project partners) and the distribution of tasks within this system (preferably

¹⁸ Articles 34 (1)(g) and 12 of the general Regulation.

¹⁹ Article 9 of Commission Regulation (EC) No 438/2001.

²⁰ Article 32 (7) of the general Regulation : by 30 April of each year.

by a graphic). Details can be set out in the programme complement. Payment claims must be certified either by an internal public accountant or by an external auditor. An independent auditor must audit the final claim. Specific guidance for financial management at project level shall be provided in the programme complement.

1.5.4 Financial control

The programme shall describe the responsibilities, specific arrangements and procedures for finance and financial control²¹. As more detailed information is required within three months of the approval of the programme²², the Commission recommends that this description be included in the programme or that it be submitted simultaneously. In the latter case, only a short reference in the programme is required.

A description of the control system, preferably in graphic form (flow-charts), will be provided. This will define who will be responsible for carrying out the checks of management and control systems and the sample checks of projects, for providing the winding-up certificate, and for the accounting information to be held and communicated to the Commission²³.

Finally the responsible bodies for reporting irregularities²⁴ to the European Anti-Fraud Office (OLAF) and correcting irregularities²⁵ have to be indicated.

²¹ INTERREG Guidelines, point 25, and Articles 38 and 39 of the general Regulation.

²² Article 5 of Commission Regulation (EC) No 438/2001.

²³ Articles 10-12, 15, 18 and Annex IV of Commission Regulation (EC) No 438/2001.

²⁴ Regulation 1681/94 and Article 8 of Commission Regulation (EC) No 438/2001.

²⁵ Commission Regulation (EC) No 448/2001.

2 EX-ANTE EVALUATION

The ex-ante evaluation should form an annex to the programme and should preferably be carried out by independent evaluators. In addition, the programme should set out how the conclusions and recommendations of the ex-ante evaluation have been taken into account in the programme.

The ex-ante evaluation will:

- analyse in particular the **strengths and weaknesses** as regards co-operation of the area concerned, identifying separately problems associated with the border and common potential for development;
- assess the consistency of the **strategy and general targets** selected and the expected impact of the planned priorities for action including their relevance and internal consistency, and particularly their coherence with relevant mainstream programmes and policies (taking into account the two dimensions of cross-border programmes: regional development and cross-border regional integration);
- **quantify** their **specific targets** in relation to the starting situation, where they lend themselves thereto;
- including the impact on the **environment** (local, global); and
- where appropriate, **equal opportunities** for men and women.

Furthermore the evaluation shall

- verify the relevance of the proposed **implementing and monitoring arrangements** (i.e. assessment of fulfilment of the requirements of EU regulations and guidelines, e.g. improvements made to co-operation structures²⁶ and partnership in the preparation of the programme, common structures for the management of its implementation, common monitoring and evaluation framework) and
- give some recommendations on the basis of **past experience** (including evaluation studies of predecessor programmes).

Specific guidance on the evaluation of INTERREG III A programmes²⁷ has been issued in addition to the general methodological advice concerning the evaluation of Structural Funds programmes²⁸.

In the case of simultaneous submission of the programme and the programme complement²⁹, the ex-ante evaluation will cover the quantified measures, where they lend themselves to quantification³⁰.

²⁶ INTERREG Guidelines, point 25, bullet point 1, and Article 41(2) of the general Regulation.

²⁷ Methodological working papers No 7.

²⁸ Methodological working papers No 2 and No 3.

²⁹ See below point 6.

³⁰ Article 18(3)(a) of the general Regulation.

3 PROGRAMME COMPLEMENT

The implementing of the programme's strategy and priorities as well as detailed elements on measure levels shall be presented in a programme complement³¹. As for the description of the management and financial control system the programme complement shall be transmitted to the Commission no later than three months after the approval of the programme. However, the Commission recommends that the future Member States should transmit the programme complement simultaneously with the programme. However, it should be transmitted as a separate document in order to be easier to adjust later. In this case, the programme complement will be prepared by the Task Force for the programme. It would be formally confirmed, or adjusted by, the Monitoring Committee, once that body has been formally created³².

The programme complement shall contain a detailed **description of the measures** implementing the corresponding priorities (including the relevant quantified indicators). Within the description of each measure the following points will be covered:

- strategy of the measure;
- fields of eligible actions;
- definition of the types of final beneficiaries (if possible, a wide range of actors from the public, private and wider economic and social sectors);
- eligible costs;
- description of the co-financing system (aid schemes);
- responsible authorities, etc.

If not provided in the programme, the programme complement will give the details of the **project selection criteria** and the **project selection process**.

Project selection criteria should allow the programme partnership to assess the respective merits of each project deemed eligible. For both eligibility and selection criteria, a distinction can be made between core criteria (applying to all projects) and detailed criteria (applying at measure level). Concerning the project selection process, flow charts should illustrate the different actors involved and specify their respective tasks.

A specific chapter containing the **information and publicity plan**³³ shall be presented in a structured form, clearly setting out the aims and target groups, the content and strategy of the measures and an indicative budget funded under the Technical Assistance budget (e.g. a certain percentage of the second technical assistance measure). Potential project lead partners shall be adequately informed by the Managing Authority and the Joint Technical Secretariat of the objectives of the programme, the prerequisites for obtaining ERDF funds and the individual procedures to be followed. Active public relations should be implemented in agreement with the Managing Authority and the Joint Technical Secretariat, and also with the participation of any existing regional and project management bodies and the co-financing national assistance authorities. The Managing Authority shall ensure that an appropriate report on information/publicity is included in the annual (and final) reports on implementation³⁴.

³¹ Articles 9(m) and 18(3) of the general Regulation.

³² Article 35(2)(a) of the general Regulation.

³³ Articles 18(3)(d) and 46 of the general Regulation; Commission Regulation (EC) No 1159/2000.

³⁴ Article 37(2)(d)(iv) of the general Regulation.

The programme complement shall also describe arrangements agreed between the Commission and the Member States concerning **computerised data exchange**³⁵.

Finally the programme complement shall contain the **financing plan for each measure**³⁶ for the whole programme period, not by year (see model in annex 8).

³⁵ Article 18(3)(e) of the general Regulation.

³⁶ Article 18(3)(c) of the general Regulation.

4 SPECIAL CASES

The first three chapters of this guide are principally concerned with the preparation of a new INTERREG programme. However, many points are also relevant for the 20 or so existing INTERREG programmes which will need to be amended to take account of the involvement of the new Member States. Cross-border, transnational, interregional and horizontal INTERREG programmes are all affected, and sections 4-1 – 4.3 below describe the amendments that will be required.

Section 4.4 describes some specific issues relating to new programmes on the enlarged European Union's external border, particularly in relation to co-ordination with other financing instruments.

Finally, section 4.5 describes the specific case of a new cross-border priority being introduced inside an existing transnational programme.

4.1 Amending existing INTERREG IIIA programmes

The content of the existing cross-border programmes, which are to be converted from INTERREG-PHARE CBC programmes to full INTERREG programmes, should remain broadly unchanged. The objectives, priorities, measures and indicators were all agreed between the participating countries at the start of the programming period, and should not be changed because of enlargement. There may, however, be a need to amend parts of the programme as a result of the mid-term evaluation. Any such amendments will be co-ordinated, to ensure that one new decision is taken, rather than several consecutive decisions.

The following points should be noted.

Chapter 1.1.2: The eligible areas for the new Member State should be added to this section of the programme. Areas included under the 20% flexibility clause must also be identified.

Chapter 1.1.5: The amended programmes should keep the present priorities and measures. However, the new Member States can allocate different percentages to the different measures than the present Member States.

Chapter 1.1.7: The financial tables will be amended to include the new Member States' allocations. The programmes will keep the PHARE-CBC financing plans for 2000–2003 for information.

Chapter 1.2: In existing INTERREG programmes the present co-operation structures will continue. However, in the countries not hosting the responsible structures as managing or paying authority, bodies to take up responsibility for their respective tasks will have to be designated in order to contribute to the managing or paying authorities' tasks and functions. Therefore a presentation in table format is recommended (see example in annex 5).

Chapter 1.2.3: For the amended programmes, a subsidiary Paying Authority in the new Member States is possible. Nevertheless, wherever possible, the ERDF contribution should be transferred to the single bank account already used by the programme.

Chapter 1.2.4: Concerning existing INTERREG programmes, the Joint Technical Secretariat established in the present Member States should receive additional staff from the new Member States, to ensure better knowledge of the legal and administrative structures of the new Member States and for the necessary language capacity. However, programme information points (max. 1.5 full-time equivalents) in the eligible area of the new Member States may be eligible under the programme's technical assistance.

Chapter 1.3.3: The mid-term evaluation will be updated before 31 December 2005³⁷.

Chapter 1.5.4 : Except for minor modifications (e.g. due to newly established bodies on regional level) nothing should be changed for the existing programmes.

Chapter 2: An ex-ante evaluation is not required.

Chapter 3: The programme complement will need to be amended to take account of changes in the programme (especially relating to the financial table).

4.2 Amending existing INTERREG IIIB and IIIC programmes

As the programming part of INTERREG IIIB and IIIC programmes already covers the regions of the acceding and other third countries, the changes to these programmes should be minimal, with editing changes (e.g. references to "candidate countries") being the principle reason for amendments. As for the existing INTERREG IIIA programmes, there may, however, be a need to amend parts of the programme as a result of the mid-term evaluation. Any such amendments will be co-ordinated, to ensure that one new decision is taken, rather than several consecutive decisions.

Chapter 1.1.2: The eligible areas for the new Member State should be added to this section of the programme.

Chapter 1.1.5: The amended programmes should keep the present priorities and measures. However, for the INTERREG IIIB programmes, the new Member States can allocate different percentages to the different measures than the present Member States.

Chapter 1.1.7: The financial tables will be amended to include the new Member States' allocations.

Chapter 1.2.4: Concerning existing INTERREG programmes, the Joint Technical Secretariat established in the present Member States should receive additional staff from the new Member States, to ensure better knowledge of the legal and administrative structures of the new Member States and for the necessary language capacity. However, an national information point (1 full-time equivalent) in each participating new Member State may be eligible under each programme's technical assistance.

Chapter 1.3.3: The mid-term evaluation will be updated before 31 December 2005³⁸.

Chapter 2: An ex-ante evaluation is not required.

Chapter 3: The programme complement will need to be amended to take account of changes in the programme (especially relating to the financial table).

³⁷ Article 37 (4) of the general Regulation.

³⁸ Article 37 (4) of the general Regulation.

4.3 ESPON and INTERACT

The European Spatial Planning Observatory Network (ESPON) and the INTERREG – *animation, coordination et transfert d'expérience* (INTERACT) programmes are two horizontal co-operation programmes co-financed through the INTERREG Community Initiative and involving all Member States.

ESPON deals with spatial planning issues, while INTERACT is aimed at providing assistance to authorities and organisations involved in INTERREG programmes, as well as providing information on activities funded by INTERREG to a wider audience.

Both programmes will need to be amended to incorporate the full participation of all 10 acceding countries. However, as the content is already fully developed for both programmes, minimal editing changes will be required, along with a revision of the financial table.

4.4 New INTERREG IIIA programmes on future external borders

Chapters 1 to 3 apply to cross-border programmes along the future external borders of the European Union. The following points should also be taken into account:

Chapter 1.1.2: Eligible areas in third countries will be determined in accordance with the relevant regulations (PHARE, TACIS, CARDS) and should be described in the programme. Where the regulation is not specific, the eligible area should be decided by the third country in co-operation with the participating Member States.

Chapter 1.1.3: This chapter may be drafted country by country, especially when statistical data is only available in one country. However, all items have to be addressed for all countries involved.

Chapter 1.1.4: Experiences may cover pilot actions under the national PHARE programmes, combined with TACIS-CBC, PHARE-CBC and CARDS.

Chapter 1.1.6: Indicators may only cover the future Member State, if quantification is not possible for the third country.

Chapter 1.1.5: The programmes should take account of EU policy with regard to the external borders, especially those in the field of Justice and Home Affairs (immigration, border security).

Chapter 1.1.6: Indicators may only cover the future Member State, if quantification is not possible for the third country.

Chapter 1.1.7: The programmes will have separate financing plans, INTERREG on the one hand and the PHARE-CBC/TACIS-CBC/CARDS financing plan on the other hand.

Chapter 1.2.4: Where possible, the Joint Technical Secretariat should include at least 1 employee who can speak the language of the participating non-Member State. Ideally, depending on labour laws, a citizen of the non-Member State could be employed.

Chapters 1.2.5 & 1.2.6: The Commission attaches great importance to the involvement of the non-Member States in the implementation of INTERREG. The Member States involved in a programme should invite the non-Member State to participate in the Monitoring and Steering Committee of the programme. The Commission strongly recommends that the non-Member State representatives be made full members of the Committees, with the same rights as Member State representatives. In order to ensure an active participation, the travel and accommodation costs of the non-Member State representatives can be funded from the technical assistance priority of the INTERREG programme.

4.5 Cross-border priority within an INTERREG IIIB Programme

This specific case concerns the inclusion of a cross-border co-operation priority inside an existing INTERREG IIIB Programme. The programmes concerned are the “Baltic Sea Region” programme for cross-border co-operation between Estonia, Latvia, Lithuania, Belarus and Russia (2 cross-border priorities), and the “Western Mediterranean” programme for cross-border co-operation between Italy and Malta (1 cross-border priority).

The cross-border priority should be presented as a separate section within the INTERREG IIIB programme.

The advantage of this approach is that the programme structure is already in place, and the partners can focus on the content of the co-operation. The preparation of the cross-border priority must be closely co-ordinated with the amendment of the transnational part of the INTERREG IIIB programme. The Managing Authority and the Joint Technical Secretariat will need to ensure this co-ordination.

The following remarks should be taken into account:

Chapters 1.1.1 – 1.1.6: These sections should be provided as for a normal programme, with the exception that only one priority (and no technical assistance) will be described under chapter 1.1.5. In the case of the Baltic Sea cross-border priorities, the Commission recommends that measures within the priorities should be thematic, rather than one measure per border.

Chapter 1.1.7: A separate financial table for each cross-border priority is not required. Instead the existing programme financial table will be amended to include the cross-border priority.

Chapter 1.2: Most of this section will be covered by the existing arrangements for the INTERREG IIIB programme. The exceptions are:

- Chapter 1.2.4, where the arrangements for how the Joint Technical Secretariat will operate in relation to the cross-border priority(ies) should be described. Exceptionally, a sub-office of the secretariat could be set up in the cross-border priority area.
- Chapter 1.2.6, where a separate Steering Committee should be set up for each cross-border priority. Only those countries involved in the cross-border priority will be involved in the Steering Committee.

Chapters 1.3-1.5: Specific information should be provided for these chapters only where arrangements for the cross-border priorities differ from those already described for the transnational part of the INTERREG IIIB programme

Chapter 2: An ex-ante evaluation is required for each cross-border priority. However, its length and detail should be proportional to the length of the priority itself. It should be presented as an annex to the priority.

Chapter 3: There will be a single programme complement for the INTERREG IIIB programme, with measure level detail and indicators provided for each cross-border priority in the normal way. Other information should only be provided for each cross-border priority where it differs from the approach already described for the transnational part of the INTERREG IIIB programme.

4.6 New trilateral INTERREG IIIA programmes

A trilateral cross-border programme should be prepared in exactly the same way as any new programme. Therefore, the steps in this guide in chapters 1, 2 and 3 should be followed as for any new programme. In addition, the comments in chapter 4.4 also apply where non-Member States are involved.

While the co-operation structures put in place for the management of the programme must involve all countries, it is clear that the majority of projects funded under a trilateral programme are likely to be bilateral. Trilateral projects should not, of course, be excluded.

Annex 1 : List of EU documents

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;

OJ C 143, 23.5.2000, p. 6.

Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds ¹ (referred to as ‘general Regulation’);

Official Journal of the European Communities (OJ) L 161, 26.6.1999, p. 1.

(www.europa.eu.int/comm/regional_policy/sources/docoffic/official/regulation/regul_en.htm)

Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations;

OJ L 160, 26.6.1999, p. 80.

Council Regulation (EC) No 1263/1999 of 21 June 1999 on the Financial Instrument for Fisheries Guidance;

OJ L 161, 26.6.1999, p. 54.

Regulation (EC) No 1783/1999 of the European Parliament and of the Council of 12 July 1999 on the European Regional Development Fund;

OJ L 213, 13.8.1999, p. 1.

(www.europa.eu.int/comm/regional_policy/sources/docoffic/official/regulation/regul_en.htm)

Regulation (EC) No 1784/1999 of the European Parliament and of the Council of 12 July 1999 on the European Social Fund;

OJ L 213, 13.8.1999, p. 5.

Commission Regulation (EC) No 1681/94 of 11 July 1994 concerning irregularities and the recovery of sums wrongly paid in connection with the financing of the structural policies and the organisation of an information system in this field;

OJ L 178, 12.7.1994, p. 43.

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;

OJ L 78, 29.3.2000, p. 4.

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;

OJ L 130, 31.5.2000, p. 30.

Commission 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 operations co-financed by the Structural Funds;

OJ L 193, 29.7.2000, p. 39.

Commission Regulation (EC) No 438/2001 of 2 March 2000 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the management and control system for assistance granted under the Structural Funds;
OJ L 63, 3.3.2001, p. 21.

Commission Regulation (EC) No 448/2001 of 2 March 2000 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;
OJ L 64, 6.3.2001, p. 13.

Council Regulation (EEC) No 3906/89 of 18 December 1989 on economic aid to certain countries of central and eastern Europe, as last amended by Council Regulation (EC) No 2500/2001;
(PHARE–Regulation)
OJ L 375, 23.12.1989, p. 11.
OJ L 342, 27.12.2001, p.1.

Commission Regulation (EC) No 2760/98 of 18 December 1998 concerning the implementation for cross-border co-operation in the framework of the PHARE programme, as amended by Commission Regulation (EC) No 1596/2002;
OJ L 345, 19.12.1998, p. 49.
OJ L 240, 7.9.2002, p. 33.
(PHARE–CBC–Regulation)

Council Regulation (EC, EURATOM) No 99/2000 of 29 December 1999 concerning the provision of assistance to the partner States in Eastern Europe and Central Asia;
OJ L 12, 18.1.2000, p. 1.
(TACIS–Regulation)

Council Regulation (EC) No 2666/2000 of 5 December 2000 on assistance for Albania, Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia, as last amended by Council Regulation (EC) No 2415/2001;
OJ L 306, 7.12.2000, p. 1.
OJ L 327, 12.12.2001, p. 3.
(CARDS–Regulation)

The New Programming period 2000-2006:.

Methodological working papers No 2:
The ex-ante evaluation of the 2000-2006 interventions Objectives 1,2 and 3.

Methodological working papers No 3:
Indicators for Monitoring and Evaluation: An indicative methodology

Methodological working papers No 7:
The ex-ante evaluation and indicators for INTERREG (Strand A and B).
(www.europa.int/comm/regional_policy/sources/docoffic/working/sf2000_en.htm)

Annex 2 : List of proposed eligible areas

INTERREG IIIA

Czech Republic: Jihočeský; Plzeňský; Karlovarský; Ústecký; Liberecký;
Královehradecký; Pardubický; Vysočina; Jihomoravský; Olomoucký; Zlínský;
Moravskoslezský

Estonia: Põhja-Eesti; Lääne-Eesti; Kesk-Eesti; Kirde-Eesti; Lõuna-Eesti

Hungary: Budapest; Pest; Komárom-Esztergom; Győr-Moson-Sopron; Vas; Zala;
Baranya; Somogy; Borsod-Abaúj-Zemplén; Heves; Nógrád; Hajdú-Bihar;
Szabolcs-Szatmár-Bereg; Bács-Kiskun; Békés; Csongrád

Lithuania: Alytaus; Klaipėdos; Marijampolės; Panevėžio; Šiaulių; Tauragės; Telšiai;
Utenos; Vilnius

Latvia: Rīga; Vidzeme; Kurzeme; Zemgale; Latgale

Poland: Jeleniogórsko-wałbrzyski; Białskopodlaski; Chełmsko-zamojski; Gorzowski;
Zielonogórski; Nowosądecki; Ostrolecko-siedlecki; Opolski; Krośnieńsko-przemyski;
Białostocko-suwałski; Łomżyński; Gdański; Gdańsk-Gdynia-Sopot;
Południowośląski; Elbląski; Olsztyński; Elcki; Szczeciński

Slovenia: Pomurska; Podravska; Koroška; Savinjska; Spodnjeposavska; Gorenjska;
Notranjsko-kraška; Goriška; Obalno- kraška; Jugovzhodna Slovenija;
Osrednjeslovenska

Slovakia: Bratislavský kraj; Trnavský kraj; Trenčanský kraj; Nitrianský kraj;
Žilinský kraj; Banskobystrický kraj; Prešovský kraj; Košický kraj

Malta: Malta, Gozo

Cyprus: Cyprus

INTERREG IIIB

Baltic Sea – to add Estonia, Latvia, Lithuania, Poland

CADSES – to add Czech Republic, Hungary, Poland, Slovakia, Slovenia

Alpine Space – to add Slovenia

Archimed – to add Cyprus, Malta

Western Mediterranean – to add Malta

INTERREG IIIC

South Zone – to add Cyprus, Malta

East Zone – Czech Republic, Hungary, Slovakia, Slovenia, (part of Poland –to be decided)

North Zone – to add Estonia, Latvia, Lithuania, (part of Poland – to be decided)

HORIZONTAL PROGRAMMES

ESPON, INTERACT – to add all acceding countries

Annex 3 : Example of a measure replacing Joint Small Project Funds

Priority X: Cross-border Organisational Structures and Networks

1. Objectives

- **Cross-border mobilisation of endogenous potentials**
- **Efficient development and implementation structures for cross-border co-operation**

2. Strategies

- **Establishment and further development of Euroregions, city-networking, regional management and regional agencies as well as regional and communal networking**

Professional preparation and co-ordination of proposals for projects is facilitated by institutionalised collaboration structures which may also initiate, operate and ensure the realisation of projects themselves. Furthermore, efficient cross-border regional development requires functioning networks and the joint preparation and making available of information, as well as professional information management. Therefore, the formation of networks to work on communal and cross-sectoral problems and key issues (such as permanent networks between local initiatives and organisations) needs to be supported. Among other things this is to promote joint regional development projects through administrative co-ordination and increased external activities, and to intensify cross-border communication with the help of EU funds.

- **Promoting the process of integration at the "micro" level by small pilots projects**

Cross-border co-operation at the "micro" level plays a crucial role in the integration process that impacts all areas of a cross-border region. Therefore, regional actors in the border region should have the opportunity to "learn" and intensify cross-border co-operation in a variety of integrated small projects, thus creating an economic, social and cultural interpersonal basis for the establishment of a common region. In this context the support of small pilot-projects will be very important, because with those small pilots the realisation of important and innovative ideas can be promoted.

Annex 4 : Aid schemes - example of a compliance table or of a general clause

1. Example of a compliance table for aid schemes

STATE AID REGIMES IN FORCE FOR MEMBER STATE 1

MEASURE	SCHEME OR AD HOC STATE AID	NUMBER	REFERENCE	DURATION
4	Regional Selective Assistance	Non Existent	SGC/16984	31/12/2006
1 to 9 (all)	Regional Development Agencies	N130/99	SG(00)D/103181	31/12/2006
1 to 9 (all)	Single Regeneration Budget	N130/99	SG(00)D/103181	31/12/2006
2,3,4,5,7,8	Rural Development Programme Economic Grants	N130/99	SG(00)D/103181	31/12/2006
4	Local Authorities Assistance for SMEs	N342/99	SG(00)D/101118	31/1/2005
1, 4,5,7	Business Links / SPS and LSC	N245/94	SG(94)D/12589	Indefinite duration
4 and 5	SMART (from 1997 including SPUR)	N129/97	SG(97)D/3149	Extended from 1 April 2000 by SMART renotification
4 and 5	SMART renotification	N280/99	SG(99)D/6087	21 March 2002

2. Example for a general clause

Any aid granted under this programme will be in conformity with the provisions laid down in one of the Commission regulations adopted under Council Regulation (EC) No 994/98 of 7 May 1998 on the application of Article 92 and 93 of the Treaty establishing the European Community to certain categories of horizontal State aid (OJ L 142, 14.5.1998, p.8). At present, the Commission has adopted four such block exemption regulations. These are:

- Commission Regulation (EC) No 68/2001 of 12.1.2001 on the application of Articles 87 and 88 of the EC Treaty to training aid (OJ L 10, 13.01.2001, p. 20) and
- Commission Regulation (EC) No 69/2001 of 12.1.2001 on the application of Articles 87 and 88 of the EC Treaty to de minimis aid (OJ L 10, 13.01.2001, p.30),
- Commission Regulation (EC) No 70/2001 of 12.1.2001 on the application of Articles 87 and 88 of the EC Treaty to State aid to small and medium-sized enterprises (OJ L 10, 13.01.2001, p. 33),
- Commission Regulation (EC) No 2204/2002 of 12.12.2002 on the application of Articles 87 and 88 of the EC Treaty to State aid for employment (OJ L 337, 13.12.2002, p. 3).

For the following sectors, special rules may apply: Steel, coal, shipbuilding and repair, synthetic fibres, motor vehicle industry, transport, the production, processing and marketing of agriculture and fisheries products.

Assistance going beyond this within the framework of competition related assistance guidelines or programmes is generally not envisaged. In such cases individual notification, approval and registration is required.

Assistance pursuant to Article 87, 88 of the EC Treaty is subject to the specific restrictions regarding the transportation sector.

The Monitoring Committee may enter new or modified assistance regulations requiring notification into the list of the admissible legal basis for national co-financing, but only after they have undergone the regular notification procedure and have been approved by the Commission under EU assistance regulations.

Within the context of examining the project applications and settlement accounts, the competent Programme Authority makes sure that the applicable assistance regulation or “*de minimis*” assistance regulations have been observed and that the pertinent upper limits for assistance under the applicable regulations will be observed even in the case of an accumulation of assistance from several schemes.

Annex 5 : Example of a presentation in table form of the tasks of the Managing and Paying Authority

■ Managing Authority and responsible authority in the partner Member state

In accordance with point 38 subpar. 2 of the INTERREG guidelines, the overall responsibility for the programme shall lie with the xyw in Member state 1 within the meaning of Article 9 lit. n and Article 34 Council Regulation 1260/99 in co-operation with the responsible authority in Member state 2:

Member state 1	Member state 2
Managing authority: XYW Body Abc Department Direction	Responsible body: XYW Body Abc Department Direction
Telephone: ++	Telephone: ++
Fax: ++	Fax: ++
e-mail: abc@abc	e-mail: abc@abc

■ Paying Authority and subsidiary paying authority

Member state hosting the paying authority	Member state hosting the subsidiary paying authority
<p>The function of a paying authority charged with the financial management of the ERDF funds within the meaning of Article 9, lit. o and Article 32 Council Regulation 1260/99 – in particular ensuring the execution of payments to the final beneficiaries, etc.</p> <p>The Paying authority will submit the forecasts of applications for payment for the current year and the forecasts for the following year according of Article 32/7 Council Regulation 1260/99 to the Commission. The forecasts are based on the analysis of single project data and at the aggregation of data from the monitoring system.</p> <p>The costs arising within the context of tasks carried out by the paying authority shall be borne by the respective managing authority and shall be co-financed from ERDF funds in accordance with the EU regulations governing the Structural Funds .</p> <p>Managing authority, paying authority and other national bodies shall co-operate to ensure efficient fund management and to warrant that the budget of funds advanced by the ERDF will not be exceeded nor ERDF funds forfeited. The final 5% tranche of the ERDF funds, which according to Article 32 (3), last sentence Council Regulation 1260/99 fall due for transfer from the EC only after final settlement of the programme accounts shall be pre-financed by ... on a pro-rata basis of</p>	<p>Respective text for this Member state</p>

Annex 6 : Example of a SWOT analysis table

FIELD	STRENGTHS	OPPORTUNITIES
Population / Culture / Society	<ul style="list-style-type: none"> • Cultural influence of regional cities (Amiens, Lille, Rouen, Brighton & Hove etc) • Variety of cultural heritage • A relatively young French population 	<ul style="list-style-type: none"> • Enhancing cultural assets.
Economy	<ul style="list-style-type: none"> • Strong industrial specialisation • Concentration of commercial and business services • Presence of international ports • Presence of cross-border business networks • Presence of logistics centres 	<ul style="list-style-type: none"> • Development of activities linked to information, multimedia and telematics • Increase and promotion of agricultural and industrial know-how • Develop tourism related to the sea, the cultural heritage and nature areas • Extend business services and increase cooperation
Employment / Equal opportunities	<ul style="list-style-type: none"> • Low unemployment rates in the British eligible areas • Increasing levels of qualification of the workforce • A highly adaptable workforce (demonstrated by the construction of the Channel Tunnel) • Increase in the female activity rate 	<ul style="list-style-type: none"> • High employment potential of the tourism sector • Increased cooperation in the most deprived urban areas where unemployment is high and educational levels are low (develop cross-border activities in the field of urban regeneration)
Education / Health	<ul style="list-style-type: none"> • Presence of higher and further education institutions in both academic and vocational training • Good quality education and training provision • Presence of large research centres and technopoles 	<ul style="list-style-type: none"> • Increase cooperation in the field of R&D • Increase private-public partnerships to promote innovation
Infrastructure	<ul style="list-style-type: none"> • Strong logistic capacity • High output telecommunication network • National airports and Lille international airport • Stations served by high-speed trains with Eurostar, Thalys and TGV line connections at Lille. • Channel Tunnel access • Maritime links • Effective motorway network in France • World class freight ports 	<ul style="list-style-type: none"> • A major cross-over point of exchange • Exchanges of know-how in the field of telematics and multimedia • Improve access to major transport interchanges
Environment	<ul style="list-style-type: none"> • Beautiful coastlines and ecosystems • Abundant agricultural area • High quality natural sites 	<ul style="list-style-type: none"> • Exchanges of experiences on integrated management of coastal areas • Launch water conservation and flood prevention measures • Improvement of bathing water quality • Development of eco-tourism and promotion of 'industrial tourism' • Develop eco-industries and promote clean technologies

FIELD	WEAKNESSES	THREATS
Population / Culture / Society	<ul style="list-style-type: none"> • Some areas with a high level of outward migration, especially of the young qualified workforce • Low level of qualification of population and income in some areas • Still a low proportion of bilingual people 	<ul style="list-style-type: none"> • A weakness of cultural understanding which slows down the co-operation development. • Little or no increase in bilingual abilities of the population
Economy	<ul style="list-style-type: none"> • Sectors and areas in need of restructuring • Some sectors in difficulty (farming, textile) • Relatively small share of the service sector (in the French area) • Dependency on external decision-making centres • High dependence of SMEs on insecure industries (France) • Pockets of urban deprivation 	<ul style="list-style-type: none"> • Industrial relocation • A highly dependent economy internationally (port activities) and nationally in relation to Paris and London • Continuing domination of the manufacturing sector • Low dynamism of the economy (France)
Employment / Equal opportunities	<ul style="list-style-type: none"> • High level of unemployment in urban and industrial areas (above national average) and in coastal areas • High long term and youth unemployment • Unemployment rate higher for women than for men in France • Some pockets of deprivation 	<ul style="list-style-type: none"> • Outward migration of qualified young workers • Difficulties for the service sector to compensate for job losses in the industrial sector • Little targeted action to increase employability of women • Reduced survival rate of SMEs
Education / Health	<ul style="list-style-type: none"> • Number of poorly qualified people • Poor upper secondary education attainment; Poor university enrolment rate (post graduate) and shortage of researchers • Some geographical imbalance in medical services infrastructure (hospitals and houses for the elderly notably) 	<ul style="list-style-type: none"> • Threat to the region's capacity to innovate and attract firms and investments on its territory
Transport / Infrastructure	<ul style="list-style-type: none"> • Inadequacy of south coast road and rail infrastructure in the British area • Length of travel-time between parts of the eligible area 	<ul style="list-style-type: none"> • Excessive concentration of the traffic between Calais and Dover and risk of discontinuation of maritime links such as Dieppe-Newhaven and Boulogne-Folkestone • Difficulties in promoting truly cross-border work/jobs • Lack of improvement to south coast road and rail infrastructure (UK)
Environment	<ul style="list-style-type: none"> • Improvement of bathing water quality although more improvements need to be done • Pressure from chemical industry and port activities onto water and air • Polluted soils and groundwater due to past mining and industrial activities and agriculture (nitrates); • Shortage and low quality of water supply (no river) from groundwater • Many industrial brown-field sites • Difficulties to re-use brownfields sites on mining plants • High levels of industrial waste 	<ul style="list-style-type: none"> • Continued soil and water pollution from industry and agriculture • Loss of non-renewable water reserves and areas of natural beauty • Loss of biodiversity • Coastal erosion • Decrease in tourism activities • Inadequate preparation for rise in sea level

Annex 7 : Example of an indicative financing plan in the programme

Interreg III Indicative financial Plan (2001-2006)

Franco-British Space INTERREG IIIA Programme											
CO: 2001 RG 16 D PC 007											
Structure	Total Eligible Cost	Public expenditure total public	Community participation	Public national participation					Eligible Private		Other resources non-eligible
			Total	ERDF	Total	Central	Regional	Local	Other		
1.	1-1-1	1-1-1	1	1	1	1	1	1	1	1	1
1.	43,268,768	36,841,890	21,634,400	21,634,400	17,387,508	17,387,508				4,326,892	
2000											
2001	8,468,132	5,821,319	3,234,896	3,234,896	2,587,253	2,587,253				846,813	
2002	7,332,962	6,599,576	3,696,431	3,696,431	2,933,145	2,933,145				733,396	
2003	7,332,962	6,599,576	3,696,431	3,696,431	2,933,145	2,933,145				733,396	
2004	7,374,406	6,836,563	3,697,213	3,697,213	2,949,758	2,949,758				737,443	
2005	7,399,973	6,851,876	3,695,487	3,695,487	2,956,389	2,956,389				739,697	
2006	7,369,545	6,832,590	3,694,772	3,694,772	2,947,818	2,947,818				736,955	
2.	83,603,308	67,896,640	33,533,320	33,533,320	33,533,320	33,533,320				16,766,660	
2000											
2001	12,532,007	10,825,696	5,012,803	5,012,803	5,012,803	5,012,803				2,596,491	
2002	16,287,428	11,395,836	5,682,968	5,682,968	5,682,968	5,682,968				2,841,484	
2003	16,287,428	11,395,836	5,682,968	5,682,968	5,682,968	5,682,968				2,841,484	
2004	16,287,947	11,430,398	5,715,179	5,715,179	5,715,179	5,715,179				2,857,589	
2005	16,529,019	11,456,898	5,728,804	5,728,804	5,728,804	5,728,804				2,864,882	
2006	16,278,486	11,422,796	5,711,398	5,711,398	5,711,398	5,711,398				2,855,793	
3.	180,969,535	158,816,455	45,432,261	45,432,261	40,384,214	40,384,214				15,144,890	
2000											
2001	15,082,311	12,826,484	6,791,540	6,791,540	6,036,934	6,036,934				2,363,847	
2002	17,118,012	14,543,511	7,896,506	7,896,506	6,844,005	6,844,005				2,596,581	
2003	17,118,012	14,543,511	7,896,506	7,896,506	6,844,005	6,844,005				2,596,581	
2004	17,286,961	14,825,942	7,743,146	7,743,146	6,882,798	6,882,798				2,591,849	
2005	17,245,664	14,858,783	7,768,521	7,768,521	6,898,242	6,898,242				2,596,841	
2006	17,195,685	14,816,284	7,738,822	7,738,822	6,878,242	6,878,242				2,579,341	
4.	15,144,088	15,803,504	7,572,840	7,572,840	7,511,464	7,511,464				68,576	
2000											
2001	2,283,844	2,254,291	1,131,823	1,131,823	1,122,868	1,122,868				9,655	
2002	2,586,562	2,556,236	1,283,251	1,283,251	1,272,985	1,272,985				10,286	
2003	2,586,562	2,556,236	1,283,251	1,283,251	1,272,985	1,272,985				10,286	
2004	2,581,048	2,576,724	1,298,524	1,298,524	1,289,208	1,289,208				10,324	
2005	2,586,842	2,576,495	1,293,421	1,293,421	1,283,074	1,283,074				10,347	
2006	2,579,348	2,569,822	1,288,670	1,288,670	1,279,352	1,279,352				10,318	
TOTALS by YEAR											
2000											
2001	36,356,258	30,336,183	16,178,332	16,178,332	14,759,848	14,759,848				5,426,116	
2002	41,218,798	35,865,259	18,332,156	18,332,156	16,733,163	16,733,163				6,151,537	
2003	41,218,798	35,865,259	18,332,156	18,332,156	16,733,163	16,733,163				6,151,537	
2004	41,459,362	35,243,987	18,436,862	18,436,862	16,827,925	16,827,925				6,196,495	
2005	41,543,429	35,343,142	18,477,433	18,477,433	16,865,708	16,865,708				6,330,287	
2006	41,422,968	35,248,672	18,423,862	18,423,862	16,816,818	16,816,818				6,182,314	
TOTAL	243,286,695	206,908,495	108,172,801	108,172,801	98,736,458	98,736,458				36,296,126	

Annex 8 : Example of an indicative financing plan in the programme complement

Financial table for Programme Complement													
Title: INTERREG III B Northern Periphery Programme													
CCI Number : 2001 CB 16 0 PC 003													
Structure	Field(s) of intervention (code + %)	Total Eligible cost	Public								Private Elig. Cost	Other Financial instruments	EIB Loans
			Total Public Elig. Cost	Community participation		National public participation							
				Total	ERDF	Total	Central	Regional	Local	Other			
		1=2+13	2=3+8	3	4	8=9+12	9	10	11	12	13	16	17
1. Communications		8.155.000	8.023.000	4.893.000	4.893.000	3.130.000	3.130.000	0	0	0	132.000	4.049.500	
Measure 1.1:	31 (100%)	4.077.500	4.011.500	2.446.500	2.446.500	1.565.000	1.565.000				66.000		
Measure 1.2:	32 (100%)	4.077.500	4.011.500	2.446.500	2.446.500	1.565.000	1.565.000				66.000		
2. Strengthen Sustainable Economic Development		14.183.000	13.787.000	8.510.000	8.510.000	5.277.000	5.277.000	0	0	0	396.000	6.881.550	
Measure 2.1	13,16,17 (33% each)	8.470.200	8.272.200	5.106.000	5.106.000	3.166.200	3.166.200				198.000		
Measure 2.2	13,16,18,24 (25% each)	5.712.800	5.514.800	3.404.000	3.404.000	2.110.800	2.110.800				198.000		
3. Community Development		10.638.000	10.506.000	6.383.000	6.383.000	4.123.000	4.123.000	0	0	0	132.000	5.322.400	
Measure 3.1	13,16 (50% each)	7.420.200	7.354.200	4.468.100	4.468.100	2.886.100	2.886.100				66.000		
Measure 3.2	13 (100%)	3.217.800	3.151.800	1.914.900	1.914.900	1.236.900	1.236.900				66.000		
20. TECHNICAL ASSISTANCE		2.978.000	2.978.000	1.489.000	1.489.000	1.489.000	1.489.000	0	0	0	0	939.000	
Measure 4.1	41 (100%)	2.535.804	2.535.804	1.267.902	1.267.902	1.267.902	1.267.902						
Measure 4.2	41 (100%)	442.196	442.196	221.098	221.098	221.098	221.098						
TOTAL		35.954.000	35.294.000	21.275.000	21.275.000	14.019.000	14.019.000	0	0	0	660.000	17.192.450	