

INTERACT is part of the Community Initiative INTERREG. The programme seeks to build on the experience and lessons of INTERREG I and INTERREG II, and to increase the effectiveness of INTERREG III during the current programming period.

INTERACT capitalises on the vast pools of expertise in the fields of regional development, cross-border cooperation, transnational cooperation and interregional cooperation developed through INTERREG in all Member States of the EU. It also addresses the weaknesses observed in these areas with a view to increasing the impact of INTERREG III on economic and social cohesion and cooperation throughout the EU and with neighbouring countries.

This programme was originally submitted by the Federal Chancellery of the Republic of Austria on behalf of all the Member States and subsequently approved on 16 December 2002. It is the result of an extensive process of consultation and discussion with all relevant national authorities and institutions. This revised version of the programme is intended to take into account the implications for the programme of the accession of the new Member States to the European Union. It also incorporates the changes in the financial tables of the programme as a result of the indexation of funds agreed with the European Commission.

#### **The INTERACT Programme – Background and Rationale**

At the European Council in Berlin in 1999 the Member States emphasised the **particular contribution that the INTERREG Programme makes to cohesion** in the Community by promoting cross-border, transnational and interregional cooperation and balanced development of the Community territory. Because of this, the Council increased substantially **the commitment appropriations** for the new phase of INTERREG and almost half of the budget for the Community Initiatives Programmes was earmarked for INTERREG III.

The INTERREG guidelines from the European Commission translated this political commitment into a mandate to build on the positive experience gained from INTERREG II and to expand it in such a way as to intensify cooperation between border areas, Member States and neighbouring countries. It is intended that INTERREG III should overcome the obstacles to genuine cooperation that stem from a lack of appropriate structures and procedures, experience, institutional capacity or availability of specific know-how. With the

consolidation of its transnational strand and the integration of the interregional activities formerly implemented under the innovative actions, the **geographical and thematic scope of INTERREG was widened** considerably.

The INTERREG guidelines have introduced a set of **new and challenging principles** that will assist in ensuring significant progress beyond the present situation:

- Joint development of strategies and programmes: all measures and operations must be based on this joint programming
- Operations selected for INTERREG must be clearly cross-border/transnational in nature
- Adoption of a project leader approach in all project application and implementation
- Development of a wide partnership approach, from the elaboration of the joint strategy to the implementation of the operations
- Coherence and synchronisation of INTERREG III implementation programmes with other financial instruments, especially in view of enlargement.

**Joint structures for cooperation** have been introduced to implement these principles, namely the managing and the paying authority, the joint technical secretariat, the single bank account, the joint steering committee for selection of projects and systems for joint monitoring and evaluation. **Specific arrangements and procedures** have been developed for monitoring, implementing and evaluating interventions aimed at enhancing efficiency and transparency.

The **enlargement of the Community** which becomes effective during 2004, increases the number of its internal borders and shifts the Community's external borders eastwards. INTERREG III has contributed to the preparation of the border regions for enlargement and to the management of the transition phase.

The determination of the European Union to improve the cost-effectiveness of structural funds has given rise to **new and extensive European legislation on financial management and control**. For INTERREG III a new challenge has emerged: how to translate requirements designed for individual Member States into a transnational context.

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### Added Value of INTERACT

Against this background all the institutions, stakeholders and project leaders involved in the implementation of INTERREG III programmes and projects face considerable (and very often comparable) challenges which shall be addressed by INTERACT:

- As far as cross-border cooperation under Strand A of INTERREG III is concerned, a pool of experience has already emerged, which is dispersed among various stakeholders all over Europe. Incentives have to be offered to make this special know-how available outside the individual programmes or areas of cooperation. However, as the framework conditions and the degree of institution building differ widely throughout the Union, the new approach of INTERREG III will also challenge existing institutional settings, procedures and standards.
- INTERACT promotes the exchange of experience, makes best practise accessible to interested stakeholders in the European Union through an active programme of dissemination. INTERACT provides support to upgrade all aspects of INTERREG programme management, for example the financial management and the project implementation. INTERACT also provides tools and know-how for managing institutional change and readjusting to new quality-control standards.
- In view of the enlargement of the European Union, improved coordination of the pre-accession instrument PHARE with INTERREG programmes and successful management of the transition from external to internal border programmes presents INTERACT with a particular challenge. Other external policy instruments of the Community such as TACIS and MEDA also suffer from significant differences in their operational rules. INTERACT encourages, facilitates and strengthens the coordination at the external border and develops tools and options for the management of the transition phase.
- The implementation of INTERREG III requires specific, transnational know-how which is rarely available at national or regional level. This holds especially true for the transnational and interregional programmes under strands B and C of INTERREG. Although a series of new transnational structures and stakeholders is now emerging, resources devoted to building up this specific know-how are still very limited. INTERACT is designed to meet this demand and to develop and offer decentralised training

interventions and workshops for implementing bodies and project leaders aimed at enhancing their management skills.

- In order to bridge the gap between nationally anchored responsibilities for financial control and transnational programme implementation, INTERACT promotes the development and the application of joint cooperation tools and procedures. This approach also helps to address the need to co-ordinate and align activities between the four INTERREG IIIC-zones. As legal matters require clarification, INTERACT contributes in finding sustainable legal solutions for cross-border as well as for transnational and inter-regional co-operative structures.
- The implementation of INTERREG III is divided into three different strands. With its cross-strand perspective, INTERACT contributes to the internal coherence of this Community Initiative as a whole and enhances the use of synergies.
- INTERACT therefore improves substantially the efficiency and quality of programme implementation within INTERREG.

### Objectives of INTERACT

The INTERREG Community Initiative comprises three strands and a large number of individual projects. Thus accompanying actions are of high importance in order to safeguard the added value of cross-border, inter-regional and trans-national cooperation. With this in mind, the INTERACT Programme is designed to achieve the following objectives (the hierarchy of objectives is shown in Section 2, Figure 1):

- To contribute to the quality of the INTERREG Community Initiative and provide support to the programme implementation for all 3 strands of the INTERREG Programme
  - To enable and encourage transfer of experiences and good practice between institutions and players in different geographical areas, programmes and INTERREG strands
  - To provide a joint platform for INTERREG and establish common standards and procedures for the implementation of INTERREG programmes (especially for inter-regional and transnational cooperation and for cooperation with neighbouring countries)
  - To enhance the know-how, the technical and organisational capacity of institutions,
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organisations and persons directly involved in the realisation of INTERREG programmes and projects and improve the link between regional and national instruments and INTERREG

- To develop common tools for the realisation of INTERREG programmes
- To prepare the ground for improving the legal conditions for cooperation in the context of INTERREG
- To encourage and strengthen cooperation in regions along external borders, especially those with Accession Countries and other neighbouring countries<sup>1</sup>
- To support new Member States in their preparations for participation in and co-ordination with INTERREG programmes and to support the programme partners after accession in managing transition to the new programming period
- To enlarge the group of project applicants for all strands of INTERREG through broad information activities and support for project development and implementation
- To act as a platform for the transfer of data and information between related initiatives like ESPON, URBACT and the INTERREG-programmes in both directions.

Based on these objectives, four Priorities have been identified for the INTERACT Programme:

- INTERREG management support
- INTERREG development: local and regional initiatives
- Management of transition and external cooperation
- Technical Assistance

### Programme management

The main entities and bodies involved in the programme management are the Monitoring and Steering Committee, the Managing Authority, the INTERACT Secretariat and the INTERACT Points. The **Managing Authority (MA)** is responsible for

the overall coherence of the programme, the co-ordination of the programme and the drafting of proposals of the annual work programmes. The Managing Authority and the Monitoring and Steering Committee are supported by the **INTERACT Secretariat**, which provides technical management support and is in charge of implementing parts of the programme. **INTERACT Points** may be designated for **the implementation** of specific projects financed from priority 1 and measure 1 of priority 3 according to the annual work programme. INTERACT Points are Joint Technical Secretariats, Managing or Paying Authorities of INTERREG programmes and are selected by the Monitoring and Steering Committee. The **Monitoring and Steering Committee** supervises the activities of these institutions and also acts as a Steering Committee for selection of INTERACT Points and projects.

The legal relations are defined by

- arrangements between all Member States and the Managing Authority, that in particular will define the task division in the financial management and control of the programme
- agreements between the INTERACT-Managing Authority and the Managing Authorities of INTERREG programmes selected to provide INTERACT Points.

There are two different types of projects within the INTERACT programme (see also the diagram below)

- In priority 1 and priority 3 measure 1 projects (operations) are defined on the basis of the annual work plans. These projects are developed by the Managing Authority with assistance of the INTERACT Secretariat and the INTERACT Points. They are approved by the Monitoring and Steering Committee. Projects under priority 1 and priority 3 measure 1 are usually complex and large (in principal: minimum amount of total costs: EUR 500 000, minimum duration: 2 years). The projects have to demonstrate that continuous development efforts are needed in the respective field. These projects receive national co-finance raised at an ex-ante basis.
- In priority 2 and priority 3 measure 2 projects (operations) are developed by a wider group of applicants (national and regional authorities or equivalent regional bodies as well as public equivalent bodies). Based upon a call for proposals the Monitoring and Steering Committee selects the projects to be carried out under these priorities. In compliance with the

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<sup>1</sup> Neighbouring countries are not only contiguous countries but also countries in the wider neighbourhood of the EU. This concept also includes countries associated with the INTERACT Programme, i.e. those neighbouring countries who have entered into a formal agreement of cooperation with the Programme and have paid the relevant ex-ante contribution.

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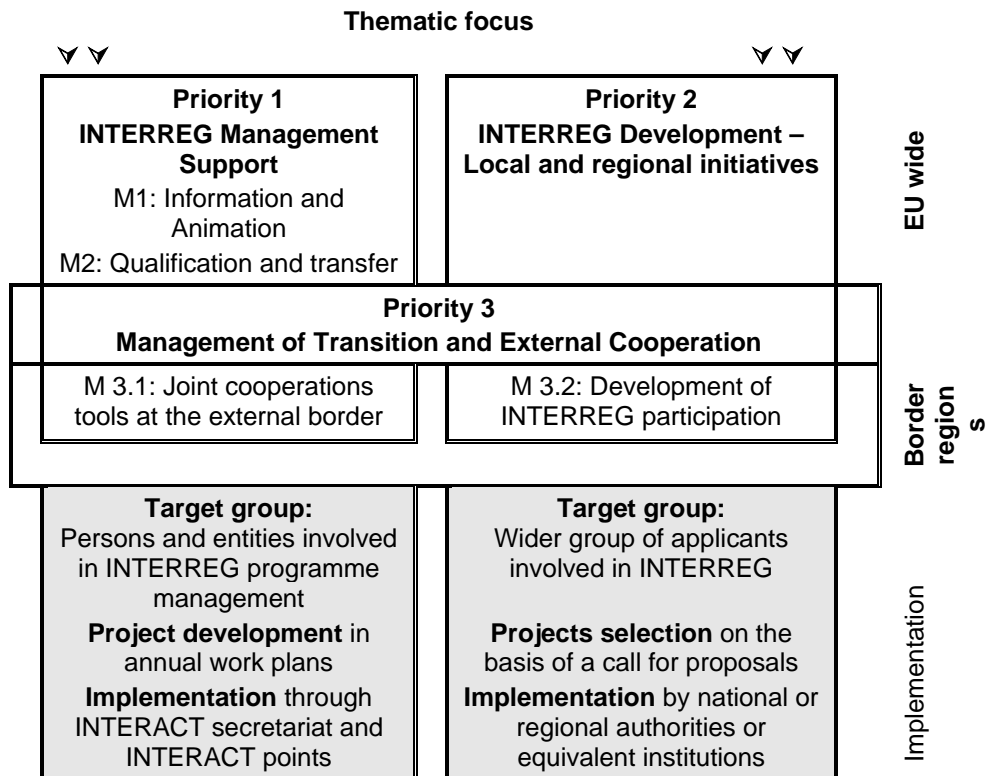
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INTERREG III Guidelines a joint project assessment and selection procedure will be put in place. Thus, national and regional authorities or equivalent bodies as well as public equivalent bodies with the capacity to take the full responsibility for the administration and spending of public funds are eligible.

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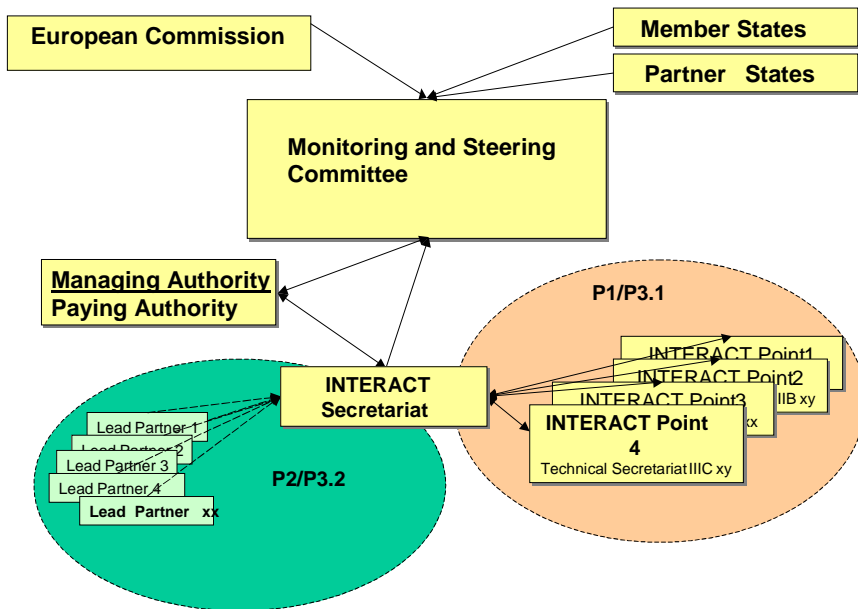
Figure 1



## CIP SUMMARY

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Chart 1:  
INTERACT Management Structure





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Figure 1: Hierarchy of Objectives

