# Recite

## REGIONS & CITIES FOR EUROPE

## INTERREGIONAL COOPERATION PROJECTS

SECOND INTERIM REPORT ON THE PROGRESS OF

ARTICLE 10 INTERREGIONAL COOPERATION PROJECTS

FUNDED BY THE EUROPEAN REGIONAL DEVELOPMENT FUND

*February 1995*

RECITE Office, Directorate General for Regional Policies of the
Commission of the European Communities

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# ARTICLE 10 INTERREGIONAL COOPERATION PROJECTS

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***February 1995***


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## *1.0 INTRODUCTION*

### *1.1 Background*

As part of its policy to stimulate and benefit from interregional cooperation the Community has, under the aegis of Article 10 of the European Regional Development Fund, funded 36 interregional cooperation projects involving networks of regional and local authorities within the Community. These projects are complementary to the other programmes of interregional cooperation funded by the Commission; namely the Exchange of Experience programme, the Ouverture/Ecos programme and the cross border cooperation activities funded in the context of the Community Initiative INTERREG.

This is the second interim evaluation report and is based on the results of monitoring undertaken by the RECITE Office, on behalf of the Directorate General for Regional Policies, of the 31 projects in operation during the period August 1992 - December 1994. The first interim evaluation report prepared by the RECITE Office was published on behalf of the European Commission in early 1994. A further, final evaluation report on the interregional cooperation projects whose funding began before 1993 is planned for September 1995.

This report is structured as follows. Section 1.0 continues by reviewing aspects of the progress of the projects and achievements of programme objectives since the first interim evaluation report. Section 2.0 considers the progress of the projects from the perspectives of different actors involved in them. Section 3.0 describes the main achievements of six projects that have completed their funding period under Article 10 since the preparation of the first interim report. Finally, and in the light of the recently published proposed priorities for Article 10, Section 4.0 puts forward a number of future policy considerations stemming from the results of the monitoring and evaluation work.

## ARTICLE 10 ERDF REGULATIONS

According to regulations no. 2081/93 (amending reg. 2052/88) and no. 2083/93 (amending reg. 4254/88), the ERDF shall provide "support for studies or pilot schemes concerning regional development at Community level, especially where frontier regions of Member States are involved". It may contribute, up to a ceiling of 1% of its annual budget, to the financing at Community level of:

a) "studies on the Commission's initiative aiming to identify:
   - the spatial consequences of measures planned by the national authorities, particularly major infrastructures, when their effects go beyond national boundaries;
   - measures aiming to correct specific problems of the border regions within and outside the Community;
   - the elements necessary to establish a prospective outline of the utilisation of Community territory.

b) pilot schemes which:
   - constitute incentives to the creation of infrastructure, investment in enterprises and other specific measures having a marked Community interest, in particular in the border regions within and outside the Community;
   - **encourage the pooling of experience and development of cooperation between different Community regions and innovative measures."**

## THE RECITE OFFICE

The RECITE office was created by the Directorate General for Regional Policies of the European Commission in August 1992 to monitor, evaluate and provide technical assistance to 31 of the interregional cooperation network projects that had received funding under Article 10 of the ERDF regulations. Since August 1992 the RECITE office has, in addition to its monitoring and evaluation work: assisted the European Commission in the organisation and prepared proceedings of the International Conference on Interregional Cooperation held in Brussels in December 1992; organised a seminar of RECITE project managers hosted by the European Commission in March 1993; prepared and published a project management guide; published five editions of RECITE News - a newsletter primarily for Article 10 funded projects; and published four Bulletins on the achievements of interregional cooperation projects that have completed their funding periods. (The RECITE office is also responsible for following the progress of 32 Urban Pilot Projects which are also funded under the aegis of Article 10).

The RECITE office is managed by ECOTEC Research and Consulting Limited and benefits from a network of consultants across Europe which have helped trace the progress of, and have provided assistance to, particular projects.

## INTERREGIONAL COOPERATION ACTIVITIES SUPPORTED BY DIRECTORATE GENERAL FOR REGIONAL POLICIES

Exchange of Experience Programme. Approximately 390 projects have been funded under the Exchange of Experience programme. Projects costs are 100,000 - 150,000 Ecu per project and involve small groups of regional and local authorities. A wide range of themes is covered and there have been annual calls for tenders. The Programme began in 1989 and an evaluation was undertaken in 1994. The Exchange of Experience Programme has now been superseded by the PACTE Programme which has the same objective as its predecessor - to promote, through co-financing, the exchange of experience between local and regional authorities of the European Union.

Ouverture/Ecos - This programme aims to establish a network of cooperative links between regions and cities in the EU and Central and Eastern Europe. Approximately 250 projects have been funded involving more than 1000 regions and cities in the European Union and Central Europe. Projects costs are 100,000 - 150,000 Ecu per project and projects normally last 12 months. There are regular calls for proposal. The programme has recently extended its activities into the CIS, the Baltics and the Mediterranean and is cooperating with other EU Programmes including PHARE and TACIS. It addresses a range of themes including training, business links, access to experts, regional development plans and environment. The Ouverture/Ecos Programme is continuing to extend its network and to introduce new tools such as an implementation fund and a fund for permanent networks.

Article 10 funded Interregional Cooperation Projects. In 1990, 15 projects were launched which began in 1991. These were mainly led by umbrella organisations. Following a review of these networks, a formal open call for proposals was undertaken in late 1991 under the title RECITE, Regions and Cities for Europe. 229 proposals were received and 21 selected after advice from independent experts. These began in 1992 and had total ERDF resources of 34 MECU, an average of 1.6 Mecu per project. These, together with the 15 network projects launched in 1990, have given the Commission a basis on which to assess the forms of interregional cooperation that are most effective in contributing to the overall objectives of economic and social cohesion during the 1990's.

INTERREG Community Initiative INTERREG 1989-1993 is continuing as INTERREG II for the period 1994 - 1999. Interreg II combines the functions of Interreg I and Regen and has two key aims. The first is to develop cross-border cooperation to help regions in the Union's internal and external frontiers to overcome the specific problems arising from their relative isolation. The second is to fill gaps in energy networks and to provide inter-linkages with wider European networks.



(2)

## *1.2 Progress since the First Interim Evaluation Report*

### *1.2.1 Project Characteristics: Thematic Aspects and Sectoral Focus*

EXHIBIT 1 identifies the main thematic aspects and sectoral focus of the interregional cooperation projects. Several trends are evident. Firstly, overall the projects are concerned with a very wide range of issues and sectors. Indeed there are hardly any aspects of regional development that are not covered. Secondly, individual projects characteristically deal with several themes and sectors. This reflects differing interests and priorities amongst partners. Thirdly, there are evidently very strong links between the themes and sectors and other Community policies. *Bearing this in mind there would be advantage, when considering funding future interregional cooperation activities, in the Commission focusing on "gaps" or areas where interregional cooperation could be intensified.*

### *1.2.2 Modifications to Project Aims and Objectives*

As illustrated in EXHIBIT 2, overall, only a small number of projects have made significant formal modifications to their aims and objectives after entering into contracts with the Commission. However, several of the "early" projects (funded after negotiation with the European Commission, rather than through the selection process which followed the call for proposals in 1991) have objectives that are rather general in nature and circumstances have led to modifications in their activities compared with those originally envisaged. Such changes are consistent with the experimental and innovative character of the projects. Some have also been brought about by changing economic conditions.

For example, in the EUROGATEWAY project, emphasis was given to the provision of premises as a means of encouraging SMEs from one region, to expand their operations to the other partner regions. However, demand has turned out to be less than anticipated, in part, due to the widespread recession which has curtailed investment plans. Nevertheless the overall objectives of EUROGATEWAY continue to be pursued through the project's business support measures.

Several projects have made minor revisions to their sub-projects and activities. In most cases, the modifications have been pursued for persuasive reasons: for example, new opportunities for cooperation have arisen; or because initial proposals have proved more or less fruitful than anticipated.

It is perfectly consistent with the aims of an experimental programme such as RECITE, that these minor modifications should take place and that where, for contractual reasons, approval for modifications needs to be obtained, this should be granted speedily. A tension may however arise in cases where considerable detail has been provided at the proposal stage and when significant, but fundamentally minor requests for modifications, may then subsequently require approval. These circumstances can upset the required dynamics of the project. *Such problems could be reduced by enabling new projects to have an inception period during which plans can be detailed.* This contention is supported by evidence that projects whose partners had cooperated

## EXHIBIT 1: THEMATIC ASPECTS AND SECTORAL FOCUS OF THE INTERREGIONAL COOPERATION PROJECTS

| PROJECTS | THEMATIC ASPECTS | | | | | | | | | | SECTORAL FOCUS | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | TECHNOLOGY TRANSFER | TRANSPORT | TRAINING | ENVIRONMENT | ASSISTANCE TO SMES | ENERGY | PUBLIC ADMIN | INFORMATION TECHNOLOGY | PLANNING | LOCAL ECONOMIC DEVELOPMENT | SOCIAL EXCLUSION | GROWTH SECTORS | VULNERABLE SECTORS | AGRICULTURE | TOURISM |
| **ARTICLE 10 PROJECTS STARTING 1990** | | | | | | | | | | | | | | | |
| Transport in the Mediterranean | | ● | | | | | | ● | | | | | | | |
| Polis* | ● | ● | | | | | | ● | | | | | | | |
| Transport Interchanges* | ● | ● | | | | | | | ● | | | | | | |
| Automobile cities CAR* | | ● | | | | | | | | | | | ● | | |
| Commission des villes* | | | | ● | | | | | ● | | | | | | ● |
| Eurocities* | ● | | | | ● | | | | | ● | | | ● | | |
| Less favoured regions | ● | | | | ● | | | | | ● | | ● | ● | ● | |
| Development Agencies | | | ● | | ● | | | | | ● | | | | | |
| Chambers of Commerce | | | ● | | ● | | | ● | | ● | | | | | |
| Eurogateway | | | | | ● | | | | | | | ● | | | |
| Mediterranean Tourism | | | | | | | | ● | | | | ● | ● | | ● |
| Atlantic Regions | | ● | ● | | | | | | | | | ● | | | |
| Ernact | ● | | | | | | ● | ● | | ● | | ● | | | |
| Regions and Universities | | | | | | | | ● | | ● | | | | | |
| Quartiers en Crise | | | ● | ● | | | | ● | ● | ● | ● | | | | |
| **RECITE PROJECTS STARTING 1992** | | | | | | | | | | | | | | | |
| Euroceram | ● | | | | | | | | | ● | | | ● | | |
| Hydre | ● | | | ● | | ● | | | | | | | | | |
| Eurisles | | ● | | | | | | ● | | | | ● | ● | | |
| Rocnord | ● | | | ● | | | | | | | | | | | ● |
| Dyonisos | | | ● | | | | | | | | | | | ● | ● |
| Ecowat | ● | | | ● | | ● | | | | | | | | | |
| Scientific Centres | | | ● | | ● | | | ● | | | | | | | |
| Finatlantic | | | | | ● | | | | | | | ● | | | |
| Coast | | | | ● | | | | | | | | | ● | | ● |
| Environet | | | ● | ● | | | | | | | | | | | |
| Sealink | | ● | | | | | | ● | | ● | | | | | |
| Demilitarised | | | | ● | | | | | | ● | | | ● | | |
| Technology Transfer | ● | | | | | | | ● | | ● | | | | | |
| Rebuild | | | | ● | | ● | | | | | | | | | |
| Resigmur | | | ● | | | | ● | ● | ● | | | | | | |
| Idee | | | ● | | ● | | | ● | | | ● | | | | |
| Compostela Foret | | | ● | ● | | | | | | | | | | ● | |
| Eurosynet | | | ● | ● | ● | | ● | | ● | ● | | | | | ● |
| European Urban Observatory | ● | | | | | | ● | ● | ● | | | | | | |
| Economic Co-operation | | | ● | ● | ● | | | ● | | ● | | | | | |
| Strategic planning | | | | ● | ● | | | | ● | | ● | | | | |

Notes: The identified thematic aspects are indicative only. The projects marked * have not been the subject of detailed monitoring by the Recite Office.

## EXHIBIT 2: KEY CHARACTERISTICS OF THE INTERREGIONAL COOPERATION PROJECTS

| PROJECTS | TOTAL COST | ERDF CONTRIBUTION | % OF TOTAL COST | LEADER | No. PARTNERS (INCLUDING LEADER) | CHANGE IN PARTNER | EXTENSION | CHANGE IN BUDGET | CHANGE IN ACTIVITIES |
|---|---|---|---|---|---|---|---|---|---|
| **ARTICLE 10 PROJECTS STARTING 1990** | | | | | | | | | |
| Transport in Mediterranean | 2.172.000 | 1.088.000 | 50% | CEDRE | 9 | ■ | ■ | | |
| Polis* | 2.200.000 | 1.100.000 | 50% | Barcelona | 17 | | | | |
| Transport interchanges* | 550.000 | 330.000 | 60% | UITP | 13 | | | | |
| Automobile Cities CAR* | 801.75 0 | 400.875 | 50% | CCRE | 22 | | | | |
| Commission des villes* | 1.108.000 | 554.000 | 50% | CCRE | 39 | | | | |
| Eurocities* | 1.000.000 | 500.000 | 50% | Barcelona | 40 | | | | |
| Less favoured regions | 1.500.000 | 900.000 | 60% | CEDRE | 16[1] | | ■ | | |
| Development Agencies | 600.000 | 420.000 | 70% | CCRE | 14 | | | | |
| Chambers of Commerce | 1.000.000 | 725.000 | 72% | ACFCI | 20 | | | | |
| Eurogateway | 1.000.000 | 500.000 | 50% | Glasgow | 3 | | ■ | | ■ |
| Mediterranean Tourism | 1.330.000 | 995.000 | 76% | CRPM | 16 | | ■ | | |
| Atlantic Regions | 3.574.970 | 2.017.500 | 56% | CRPM | 15 | | ■ | | ■ |
| Ernact | 2.961.000 | 1.925.000 | 65% | Donegal/Derry | 6 | | ■ | | |
| Regions and Universities | 1.500.000 | 900.000 | 60% | Castilla y Leon | 6 | | | | |
| Quartiers en Crise | 1.167.000 | 700.200 | 60% | LSA | 25 | | ■ | | |
| **RECITE PROJECTS STARTING 1992** | | | | | | | | | |
| Euroceram | 1.200.000 | 780.000 | 65% | Wallone | 6 | | ■ | | |
| Hydre | 2.500.000 | 1.750.000 | 70% | CRPM (Sicily) | 4 | | ■ | | |
| Eurisles | 2.500.000 | 1.800.000 | 72% | CRPM | 8 | | ■ | | |
| Rocnord | 4.200.000 | 2.500.000 | 59% | Crete | 2 | | ■ | | |
| Dyonisos | 2.333.333 | 1.400.000 | 60% | Alentejo | 10 | | | | |
| Ecowat | 1.800.000 | 1.100.000 | 61% | Tenerife | 8 | | ■ | | |
| Scientific Centres | 3.500.000 | 2.100.000 | 60% | Midi-Pyrenees | 5 | | ■ | | |
| Finatlantic | 1.833.333 | 1.100.000 | 60% | Aquitaine | 5 | ■ | ■ | | |
| Coast | 3 000.000 | 1.800.000 | 60% | Down | 9 | | ■ | | |
| Environet | 5.200.000 | 3.000.000 | 57% | Horsens | 5 | | ■ | | |
| Sealink | 1.070.000 | 642.000 | 60% | Patras | 4 | | ■ | | |
| Demilitarised | 1.500.000 | 1.125.000 | 75% | Kaiserlautern | 17 | | ■ | | ■ |
| Technology Transfer | 3.166.666 | 1.900.000 | 60% | Lower Saxony | 5 | ■ | | | ■ |
| Rebuild | 2.780.000 | 1.807.000 | 65% | Corfu | 7 | ■ | ■ | ■ | |
| Resigmur | 3.500.000 | 2.100.000 | 60% | Zamora | 5 | | | | |
| Idee | 1.911.600 | 1.242.540 | 65% | Kalamaria-CCRE | 7 | ■ | | | |
| Compostela Foret | 3.017.520 | 1.927.850 | 63% | CRSEA[2] | 11 | | ■ | | ■ |
| Eurosynet | 2.470.000 | 1.605.000 | 65% | Cork | 5 | ■ | | | |
| European Urban Observatory | 1.800.000 | 900.000 | 50% | Barcelona | 9 | ■ | ■ | | ■ |
| Economic Cooperation | 3.500.000 | 2.450.000 | 70% | Andalucia | 4 | | ■ | | |
| Strategic planning | 2.705.000 | 1.758.000 | 65% | Evorc (CCRE) | 8 | ■ | | | |
| **TOTAL** | **77,952.172** | **47,842.965** | | | 405 | | | | |

[1] 4 key co-financing partners - this project operated as an open network
[2] Conférence des Régions du Sud Europe Atlantique
* These projects have not been the subject of detailed monitoring by the RECITE Office

before the funding period (through for example, the Exchange of Experience Programme) are able to realise firmer plans than those brought together through the process of preparing a proposal.

*1.2.3 Timescales*

EXHIBIT 3 shows the timescale over which each of the interregional cooperation projects was funded. All of the 36 interregional pilot projects have either completed their funding periods, or continue to progress within the framework of the contractual arrangements made with the European Commission. As indicated in EXHIBIT 2, in approximately 60 percent of cases, there has been a need to extend the funding period to enable projects to complete their work. There are three reasons underpinning these extensions.

First, they are a reflection of the ambitious timescales originally adopted. It is clear that time is required to create the conditions for genuine interregional cooperation. Characteristically interregional cooperation requires a period during which understanding and personal relations can be built. One network described how this period has itself three phases: during the first each participant describes how good things are in their case; during the second, each partner is convinced that things are so different in each context that there is no real scope for cooperation; and during the third phase commonalities are recognised and cooperation can begin. Projects whose partners had effectively experienced these phases prior to being funded under Article 10, through for example, participation in the Exchange of Experience Programme, have tended to progress more rapidly.

Secondly, some projects have encountered serious problems and discontinuities; for example, changes in project managers, illness, delays in securing co-financing, technical problems with hardware, software and communication systems and managerial problems.

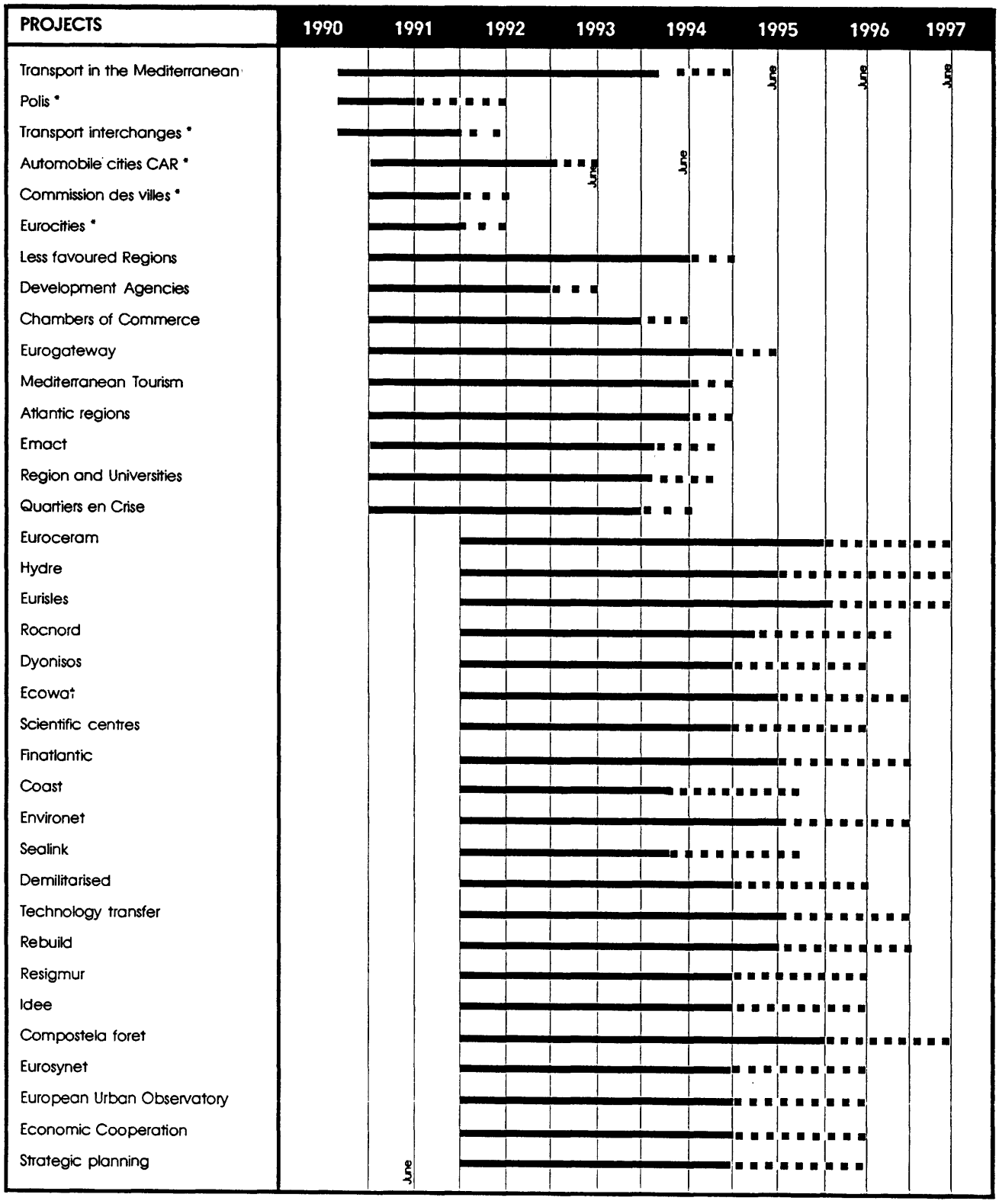
Thirdly, there have been some administrative delays. These have been mainly due to a lack of initial clarity as to the administrative requirements of the European Commission.

*In the future the need for extensions would be reduced by ensuring that the initial timescale is suitable, probably within the range 2-5 years, by enabling an inception phase and by having the appropriate level of detail in the agreed budget.*

*1.2.4 Partner Involvement*

The 36 interregional cooperation projects involve 405 partners. The number of partners for each project is shown in EXHIBIT 2. Partners include regional and local authorities as well as development agencies and Chambers of Commerce. A significant number of partners participate in more than one network. Hence the total number of participating organisations in the RECITE programme is 249 (see EXHIBIT 8). In the majority of cases, the partners which were involved at the proposal stage have participated as anticipated. However, there have been approximately 10 examples of partners withdrawing. Usually this has been a result of political changes. In some

**EXHIBIT 3 :** ***THE TIMESCALE OF THE INTERREGIONAL COOPERATION PROJECTS***




* These projects have not been subject to detailed monitoring by the RECITE Office

KEY:
Funding Period
Period for submission of Final Report

cases the partners that withdrew have been replaced, but in others the project has continued with less partners than originally anticipated. This has meant that the remaining partners have had to increase their level of co-financing. In practice, and independently of the level of financial commitment, there are also examples where the level of involvement by different partners in the project has been uneven.

No general rule has emerged as to the number of partners that functions best. The optimum is likely to vary according to the precise objectives of the projects. Clearly the potential intensity of cooperation is greater with a smaller number of partners. On the other hand greater economies of scale and diffusion can be realised by projects involving a large number of partners.

It is evident however, that to fully contribute to and benefit from involvement in an interregional cooperation project, a partner needs to commit an appropriate level of human as well as financial resources. At best this tends to involve a senior officer of the authority who is able to draw upon the authority's technical resources as required and,through fully appreciating the benefits that the project can bring to his authority, ensure that feedback and involvement at a political level occurs when necessary.

*1.2.5 Anticipated Outputs and Products*

EXHIBIT 4 illustrates the main activities and products of the interregional cooperation projects. Evidently good use has been made of the "traditional" methods of interregional cooperation: open conferences, workshops, technical working groups, exchange of staff and technical visits. Projects have also undertaken a large number of other activities. These include **training** both of the project staff (for example, in the use of telecommunications systems) and the training of others - usually those involved in specific regional development activities.

Most projects are involved in study work. In many cases this can be characterised as **local "needs" studies** whereby individual partners examine their particular requirements "in-depth". The involvement of partners from other regions can enrich the process of mutual understanding. Often this form of investigation develops into the identification of **proposals for pilot projects** and **feasibility studies**. It has also been complemented by **comparative studies,** whereby comparisons and contrasts are drawn between the situation pertaining in each regional context. In some cases, effective **"controlled" experiments** are undertaken within which particular approaches are tested in specific contexts and the results monitored so that overall conclusions relevant to the various contexts can be drawn. In this way interregional cooperation can provide a platform for research and technological development.

Approximately one third of the projects are involved in some form of **business support activity**. In most cases this includes providing information and contacts concerning the other partner regions to local businesses. In this respect, a similar number of projects have developed **regional profile databases,** some of which have the potential to help reduce the costs to businesses of compiling information and gaining contacts in the partner regions. Such activity is an important potential benefit of interregional cooperation activity. However, it is helpful if there is comparability

between systems of access to such databases and complementarity between the systems and other initiatives at the Community level which aim to stimulate inter-business cooperation.

Approximately one third of the projects have involved the **implementation of new systems** and their assessment for the benefit of new partners. These include GIS systems (RESIGMUR) and interport communication systems (TRANSPORT IN THE MEDITERRANEAN and ATLANTIC REGIONS). Clearly, regional and local authorities and associated actors at the regional and local levels are major users of advanced technologies and they collectively have a strong interest in ensuring the development of reliable and cost effective products. Interregional cooperation is one means of benefitting from the best available expertise, pooling experience and exerting pressure on the increasingly international producers of new systems.

Regarding communication systems, within the projects there is a strong reliance on the traditional methods of communication such as newsletters, bulletins and fax which are particularly helpful for the more open projects involving many partners. In this respect, project experience suggests that the basis of effective communication is a strong human network where interpersonal relations are established. Once this is in place other communication tools such as **E-Mail and video-conferencing** can be effective, although their use is so far limited. One important constraint is the need for universal access and familiarity amongst all the project partners. This is quite rare.

EXHIBIT 4 also illustrates those projects that have undertaken **self evaluation**. Projects have used a range of approaches which are discussed in Section 1.2.7 below.

Overall the interregional cooperation projects have not placed a strong emphasis on diffusion. Instead the emphasis has been on achieving results that meet the needs of the partners and the contractual requirements of the Commission. Approximately 5 projects have produced and published handbooks which are applicable not only to the needs of their partners, but to a wider audience. A similar number have prepared videos, which are primarily concerned with publicising their activities. The actors involved in some other projects, such as ATLANTIC REGIONS, are involved in complementary diffusion activities and several projects have used the forum of international conferences to promote awareness of their activities. All the projects are required to prepare reports but generally those required to meet the requirements of the European Commission are unsuitable for wider diffusion. For this reason the RECITE Office has given emphasis to the production of Bulletins reporting the achievements of projects that have finished their funding periods under Article 10. However, whilst these provide a useful summary, they are no more than an introduction to the more technical products and activities of the interregional cooperation projects. *There would thus be merit in future funding of interregional cooperation projects giving greater emphasis to diffusion.*

*1.2.6 Financing*

As illustrated in EXHIBIT 2, the total costs to the Community ERDF funds of the 31 projects being monitored by the RECITE office is 72.29 MECU. The average cost per project to the ERDF was 1.45 MECU. In no case has the level of ERDF resources been increased. In all cases the regional and

## EXHIBIT 4: THE MAIN ACTIVITIES AND PRODUCTS OF THE INTERREGIONAL COOPERATION PROJECTS

| | "Open" Conferences | Workshops | Technical working groups | Exchange of Personnel | Training: Project Staff | Training: Others | Technical visits | Local 'needs' studies | Comparative studies | 'Controlled' Experiments | Business support activities | Feasibility studies/Pilot Projects | Regional Profile Database | Implementation of new systems | Communication Systems: E-Mail between Actors | Communication Systems: E-Mail between Partners | Communication Systems: Newsletters | Communication Systems: Contacts Database | Communication Systems: Central Information Database | Communication Systems: Resource Centres | Self Evaluation | Diffusion: Reports | Diffusion: Handbooks | Diffusion: Videos |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **ARTICLE 10 PROJECTS STARTING 1990** | | | | | | | | | | | | | | | | | | | | | | | | |
| Transport in the Mediterranean | | ● | | | | | | ● | | | | | | ● | | | | | ● | | | | | |
| Pols* | | ● | ● | ● | | | | ● | ● | ● | | ● | | ● | | | ● | | ● | | | ● | | |
| Transport Interchanges* | | | ● | | | | | | | | | ● | | | | | | | | | | | | |
| Automobile cities CAR* | ● | ● | ● | | | | | ● | | | | | ● | | | | ● | ● | ● | ● | ● | ● | | |
| Commission des villes* | ● | ● | ● | | | | | | | | | | ● | | | | | | | | | ● | ● | |
| Eurocities* | ● | ● | ● | ● | | | ● | | | | ● | | | | | | ● | | | | | ● | | |
| Less favoured regions | ● | ● | ● | | | | | ● | | | | ● | ● | | ● | ● | ● | | ● | | | ● | | |
| Development Agencies | | ● | | ● | ● | ● | ● | | ● | | | ● | ● | | | | ● | ● | | | | ● | | |
| Chambers of Commerce | | | | ● | | ● | | ● | | | | ● | ● | | | | | | | | | ● | | |
| Eurogateway | | | | ● | | ● | | | | | ● | | | | | | | ● | | | ● | ● | | |
| Mediterranean Tourism | | | | | | | | ● | ● | | | | | | | | | | ● | | | ● | | |
| Atlantic Regions | | ● | | ● | | ● | | ● | | | ● | ● | | ● | | | ● | | ● | | ● | ● | | |
| Emact | | | ● | ● | | | ● | ● | | | | ● | ● | ● | ● | ● | | ● | | | | ● | | |
| Regions and Universities | ● | | | | | | | ● | | | | | ● | | | | | | | | | ● | | |
| Quartiers en Crise | | | | ● | | | ● | | | | | | | | | | ● | | | | | ● | | |
| **RECITE PROJECTS STARTING 1992** | | | | | | | | | | | | | | | | | | | | | | | | |
| Euroceram | ● | ● | | ● | | | ● | | | | ● | | | ● | | ● | ● | ● | ● | | | ● | | |
| Hydre | | | ● | | | | | ● | ● | | | ● | ● | ● | | | ● | | | | | | | |
| Eurisles | | | ● | | | | | | | | | ● | ● | ● | | | ● | ● | ● | | ● | ● | | |
| Rocnord | | | ● | ● | ● | | ● | ● | | | | | | | | | | | | | | ● | | ● |
| Dyonisos | ● | | ● | | ● | ● | | ● | | | | ● | | ● | | ● | | | ● | | | | | |
| Ecowat | ● | ● | ● | | | | ● | ● | | | | ● | | | | | | | | | | ● | | |
| Scientific Centres | | | ● | ● | ● | | ● | ● | | | ● | | | ● | | ● | | | | | | | | |
| Finatlantic | | | ● | | | | ● | | ● | | ● | ● | | | | | | | | | | | | ● |
| Coast | ● | ● | | ● | | ● | | | | ● | ● | ● | | | | | ● | | | | ● | ● | | |
| Environet | | | | | | | | | | | | | | | | | | | | | | | | |
| Seatrip | ● | ● | ● | | | | | | ● | | | ● | | | | | | | | | | ● | | |
| Demilitarised | ● | | ● | | | ● | | | ● | | | ● | | | | | | | ● | | ● | ● | ● | ● |
| Technology Transfer | | | ● | | | | | | | | ● | | | ● | | ● | | ● | | | ● | ● | | |
| Rebuild | ● | ● | ● | ● | | | ● | | | | | ● | | | | | | | | | | ● | | ● |
| Resigmur | | ● | | ● | ● | ● | ● | | ● | | | | | ● | | | | | ● | | ● | | ● | |
| Idee | ● | ● | | ● | ● | ● | | | | | ● | | | | | ● | ● | ● | ● | | ● | | | |
| Compostela Foret | | ● | ● | | ● | ● | ● | | ● | ● | | ● | | | | | | | | | | ● | | |
| Eurosvnet | ● | ● | ● | ● | | ● | | | | | ● | | | | | | | | | | ● | ● | ● | ● |
| European Urban Observatory | | | ● | | ● | ● | | | ● | | | | ● | ● | | ● | | | ● | | | ● | | |
| Economic Co-operation | ● | ● | ● | ● | | ● | | | | | ● | | | | | | | | | | | | | |
| Strategic planning | ● | ● | | | | | ● | ● | ● | | ● | | | | | | ● | | | | | ● | ● | |

* These projects have not been subject to detailed monitoring by the RECITE Office

local authorities and other public agencies involved in the projects have co-financed the projects' activities. The level of co-financing averages 0.9 MECU and ranges between 180,000 Ecu and 2.2 MECU. The arrangements for the co-financing in terms, for example, of the particular partners involved, the forms in which co-financing is provided and the level per partner, have been more clearly defined in the later projects than in the small number of projects beginning before 1991. Several projects, that have completed their funding periods, have contributed a higher level of co-financing than the amount that was contractually required.

Regarding financial management, a number of problems has arisen. This situation has been improved as a result of the clarification provided by the project management guide (produced by the RECITE Office) and the resulting improvement in the presentation of the financial information provided by the projects to the Commission. However, areas of uncertainty remain which compound the difficulties associated with the financial management of complex projects involving: income and expenditure within several member states, a variety of activities and investments, and which last a period of several years. *Such uncertainties could be further reduced by the publication of full guidance specifically for interregional cooperation projects, prior to any further calls for proposals or funding for specific projects.*

*1.2.7 Management and Self Evaluation*

In broad terms, the interregional cooperation projects tend to dedicate around 10-15% of their resources to management and coordination. This typically allows for one full-time project manager working for and within the lead authority/organisation. In practice, a high proportion of the overall project resources are for staff inputs, technical and professional time given to the project either by partner or lead authority staff or contracted organisations. Often this involves relatively minor inputs from rather large numbers of people. The leadership and project management roles are characteristically demanding. They include:

- **The maintenance of motivation and commitment.** Inevitably the commitment of individual partners may waver.

- **Communication, linguistic and diplomatic skills.** Project managers need to take the initiative and then convince partners that cooperation brings mutual benefits. In practice, project leaders have few means of coercion and leverage over partners that do not play the role that was originally envisaged.

- **Checks on the technical quality of the project's work.** Often the projects' activities embrace a variety of technical specialisms and the production of the projects' products may require considerable technical skills.

- **Financial management.** Typically expenditure is necessary over several years, on a wide variety of activities, in many different currencies and within the framework of the various rules and regulations of the partners. The task of presenting financial data, in a form that meets the requirements of the European Commission, is also demanding.

Overall, and particularly amongst the RECITE projects beginning in 1992, these demands have been, and are being, met.

Regarding the evaluation of the progress of individual projects, whilst many of the projects have reviewed their activities and their organisational structures using internal resources, only a small minority of projects have so far undertaken this activity formally, using external experts who are independent of the management of the project.

Examples of this approach, which can be of value in improving the overall performance of the project, include:

- The engagement of consultants to review mid-way, the progress of a project prior to the consultants becoming involved in the project management function. The IDEE project provides an example of this approach.

- The engagement of an individual "expert animateur" who can help assess the progress of the project and advise the project leadership on how to improve progress. The TECHNOLOGY TRANSFER project provides an example of this approach. There is no reason why such an individual should not be engaged throughout the duration of a project.

- The use of an external agency to review the technical progress of the project and its impact on different partners. The RESIGMUR project is adopting such an approach. In this case the agency will assess the progress and impact of the implementation of the various GIS systems on the partner authorities.

- The engagement of an independent consultant to undertake an ex-post review of the projects' performance and draw conclusions for the final report. The EUROGATEWAY project has undertaken this approach. Whilst not having the benefit of influencing change during the course of the project, this approach has the potential to identify wider lessons and help identify new possibilities for cooperation.

Although the outcome of these approaches to evaluation cannot themselves yet be finally judged, *the process of evaluation should be seen as integral to the projects themselves. The cornerstones of such evaluations are: clear objectives, a priori judgements as to the likely interim and final outcomes, careful and detailed monitoring of progress and a willingness to subject the projects to independent scrutiny. There is however, a potential tension between an "open" approach to "on-going" evaluation and difficulties that may be encountered in the Commission accepting the recommendations for revisions that may result from this process. Such tension would be minimised by: having "inception" periods of say six months; enabling some defined flexibility regarding budget virements, and if necessary introducing formal review points separate from the normal payments procedures.*

### *1.3 The Achievement of Programme Objectives*

The Commission's objectives and expectations for the interregional cooperation projects were given in the documentation accompanying the 1991 call for proposals. These were:

- To encourage the rapid transfer of know-how particularly from more advanced to less advanced regions.
- To create economies of scale through the implementation of common programmes and in response to shared problems and challenges.
- To promote the efficiency of administration, particularly concerning the regional development process in less favoured regions.
- To help the development of Community policies, particularly where they have an impact on regional development.

EXHIBIT 5 indicates the main contributions of the RECITE projects to the achievement of these objectives. In most cases the projects have been concerned with accelerating the transfer of know-how or realising economies of scale through developing common programmes or addressing shared problems. Only two of the projects are primarily concerned with administrative efficiency and in the case of the EUROPEAN URBAN OBSERVATORY, the key objective is to improve decision making in urban management. None of the projects are primarily concerned with directly influencing the development of Community policies. This in part reflects the obvious desire of the European Commission not to fund projects which are primarily lobbying or special interest groups. Thus the types of influences on Community policies described below tend to be "by-products" of the projects' activities.

#### *1.3.1 The Acceleration of Transfer of Know-how*

All the projects are to some extent involved in the transfer of know-how. Four types of transfer were identified in the first interim evaluation report:

- The transfer of know-how from developed to less favoured regions.
- The transfer of know-how amongst regional and local authorities and agencies sharing problems.
- The development of know-how.
- Improving mechanisms for the transfer of know-how.

These remain a valid classification of the activities of the projects. However, as more projects have approached the end of their funding periods, the following tendencies are apparent:

## EXHIBIT 5: THE MAIN CONTRIBUTIONS OF THE PROJECTS TO THE OBJECTIVES OF RECITE

MAIN= ●
SECONDARY= O

| RECITE PROJECTS | ACCELERATED TRANSFER KNOW HOW | ECONOMIES OF SCALE COMMON PROGRAMMES | ADMINISTRATIVE PERFORMANCE | DEVELOPMENT OF COMMUNITY POLICIES |
|---|---|---|---|---|
| Euroceram | O | ● | | |
| Hydre | ● | | O | |
| Eurisles | | ● | O | |
| Rocnord | ● | | | |
| Dyonisos | O | ● | | |
| Ecowat | ● | | | |
| Scientific Centres | ● | | | |
| Finatlantic | | ● | | |
| Coast | | ● | | O |
| Environet | ● | O | | |
| Sealink | ● | | | O |
| Demilitarised | O | ● | | O |
| Technology Transfer | ● | | | |
| Rebuild | ● | | | |
| Resigmur | O | | ● | |
| Idee | | O | ● | |
| Compostela Foret | O | ● | | |
| Eurosynet | ● | O | | |
| European Urban Observatory | | O | ● | |
| Economic Co-operation | ● | O | | |
| Strategic planning | O | ● | | |

This analysis is for the 21 projects which started in 1992

- The transfer of know-how is rarely uni-directional from **developed to less favoured regions.** Projects better enable transfer when all partners have know-how to contribute and a willingness to learn from others. Successful conditions for transfer can be created through the participation of several partners in systematic audits of the problems, current activities and needs of particular regions in the project's domain. For example, many projects have operated through establishing working groups focused on particular issues which, as a group, take stock of the issues facing the individual partner authorities. Equally, where the underlying purpose of the project has been to foster the wider application of "models" which have proved successful in one context, it has proved necessary to carefully adapt these to the particular circumstances of individual partner cities and regions.

- **Shared problems** were an important rationale for the formation of many of the projects. There is a particularly strong basis for transfer of know-how either when authorities are of a similar character in terms of scale and competence, or when there are a small number of participants and a strong technical and practical orientation. However, larger networks and those involving authorities which have divergent powers and size have also demonstrated effective transfer of know-how through the careful organisation of working groups. The preparation of handbooks (for example, DEMILITARISED) and creation of resource centres (for example, EURISLES) have been the most typical products enabling transfer of know-how between partners facing similar challenges.

- The examples of POLIS and COMPOSTELA FORET cited in the first interim evaluation report remain the best examples of the **development of know-how.** Interregional cooperation can add value through monitoring the results of applying similar approaches in different contexts and different approaches in similar contexts. Several other projects have used the combined resources of different partners to develop new products. For example, DYONISOS has developed a system of graphic symbols that are being used to publicise the attributes of wine routes in the partner regions drawn from several different member states.

- The use of electronic media for **communication of know-how** is central to several of the projects. Experience has shown however, that in practice such interregional communication works best after human networks and interpersonal relations have first been established.

*1.3.2 Creating Economies of Scale*

There are essentially four ways in which the interregional cooperation projects are creating and realising economies of scale. These economies are of potential benefit, not just to the partners, but also to other regional and local authorities and at the Community level.

The means are:

- Access to the results of shared cost studies or expertise which would normally be too expensive for an individual authority to undertake.

- Access to "central" information or services (eg. specialist staff training).

- The development and adaptation of model approaches bringing together good practice learnt in different contexts and suitable for wider diffusion.

- Comparative analyses and experiments.

There are also however, significant barriers to realising these economies. First, there needs to be an openness on behalf of partners to learn from the experience of others and to take the time to analyse their particularities. Secondly, the set-up and development costs to realise the above may be high and the economies may only be realised over the medium-to-long term and not necessarily in ways that are directly measurable. Thirdly, many of the economies concern access to information. Often it is difficult to "sell" such information at a price that reflects the costs of generating it, particularly once the information is made available to others. In general terms this constraint can be minimised if, within the interregional cooperation projects, there are effective mechanisms for identifying and generating real demands for information and services so that resources are not consumed in assembling information that is unlikely to be used. Finally, the management of studies and services provided to the projects as a whole can be demanding. On the one hand there is a need for agreement between partners on, for example, the terms of reference, methods of working and reporting. On the other hand there is a need for compromise so that the economies are genuinely shared and the contracting organisation is not put in danger of failing to fulfil each partners' expectations. Several projects have unfortunately tended to divide up the available budgets and allowed individual partners to pursue their own interests within the framework of the overall project. These circumstances augur against the realisation of economies of scale.

*1.3.3 Promoting the Efficiency of Public Administration*

This objective is reflected in the aims of several individual projects. For example; RESIGMUR involves the application of Geographical Information System (GIS) to the needs of the partner authorities, the EUROPEAN URBAN OBSERVATORY aims to improve decision-making in urban management though enabling access to detailed information on comparable policies in other partner cities and ERNACT is concerned with the application of communication technology to a variety of public administrative and regional development activities.

The objective is also being realised in two other ways:

- The interregional cooperation projects are helping enhance the capacity of partners (in particular lead authorities, many of which are within the Community's Priority regions) to become involved in interregional cooperation programmes. Essentially, this "capacity-building" involves: fulfilling, often for the first time, an international leadership role; the acquisition of new project management skills; and improved knowledge of Community institutions, policies and programmes.

- Through the adaptation and diffusion of good practice. Very often this results from a natural process of "spin-offs" from networking.

Finally, such impacts are relevant not just to efficiency, but improvements in effectiveness and changes in mentality that can help the public administrations, particularly the small ones in less developed regions, play a leading role in their communities.

*1.3.4 The Development of Community Policies*

The first interim evaluation report indicated four ways in which the interregional cooperation projects were impacting upon Community Policies:

- Through improving the quality of proposals put forward for funding under the Community Support Frameworks.

- Through identifying the scale and characteristics of sectoral change affecting their areas and in developing appropriate responses.

- Through forging links between regional policy and other aspects of Community policy.

- Through generating information and analyses that can provide new insights for policy formulation at the Community level.

The projects have continued to influence Community policies in these ways. Several new developments have occurred in the last year.

- The "integrated" approach that has underpinned the QUARTIERS EN CRISE project has been the basis of submissions for the "URBAN" Community Initiative. Equally the work of EURISLES is relevant to the REGIS Community Initiative.

- The products of TRANSPORT IN THE MEDITERRANEAN are relevant to new Community legislation on the transport of hazardous waste.

- The databases of the EUROPEAN URBAN OBSERVATORY will enable comparative analyses of potential value for the development of Community Urban Policy.

- The actors involved in ATLANTIC REGIONS have subsequently received funding (also under Article 10 of the ERDF regulations) for a pilot project ATLANTIS.

- DYONISOS has developed a common system of visual symbols for the key features of "Routes du Vin". The time taken and extent of cooperation compares well with the efforts of member states to achieve the same aims for tourism more generally.

### *1.4 Interregional and Cross Border Cooperation*

The Article 10 funded interregional cooperation projects whose progress is discussed in this report have involved both transnational interregional and cross-border modes of cooperation. Four main types of cooperation are evident.

- **Transnational cooperation between developed and less developed regions.** In practice such cooperation has tended to involve relatively small numbers of project partners and to be mutual and reinforcing rather than uni-directional.

- **National and transnational cooperation between "contiguous" regions.** This mode of cooperation is the basis for projects such as TRANSPORT IN THE MEDITERRANEAN and TOURISM IN THE MEDITERRANEAN and Arcantel (a sub project of ATLANTIC REGIONS concerned with interport communications systems). Interregional cooperation between neighbouring regions and not necessarily those sharing national boundaries, has also been seen as an important mechanism for diffusion.

- **Transnational interregional cooperation between partners sharing common interests.** Characteristically cooperation of this type may involve larger numbers of partners.

- **Combinations of the above.** This mode is best illustrated by ERNACT which is jointly led by two border authorities in North West Ireland. It is an example of transnational cooperation between developed and less developed regions and it also plans to expand to the neighbouring contiguous region of individual partners.

## *2.0 THE PERSPECTIVES OF DIFFERENT ACTORS INVOLVED IN INTERREGIONAL COOPERATION*

### *2.1 Introduction*

The involvement of regional and local authorities in the interregional cooperation projects is central to the aims and objectives of Article 10 funding. The quality of the institutional frameworks and administrations at the local and regional level is crucial to the prospects of the priority regions. The 31 interregional co-operation projects, whose progress has been reviewed in this second interim evaluation report, involve a large number and variety of actors. EXHIBIT 6 indicates the territorial characteristics of the formal partners in each project.

Overall the actors involved in the projects range from informal residents groups, of the type that have participated in the QUARTIERS EN CRISE project, through to major regional authorities with wide ranging responsibilities for large populations. In between these extremes there are many variations in the powers, competencies and constraints acting upon the regional, city and local authority actors involved. These variations of course reflect the different national administrative arrangements and national and regional cultures.

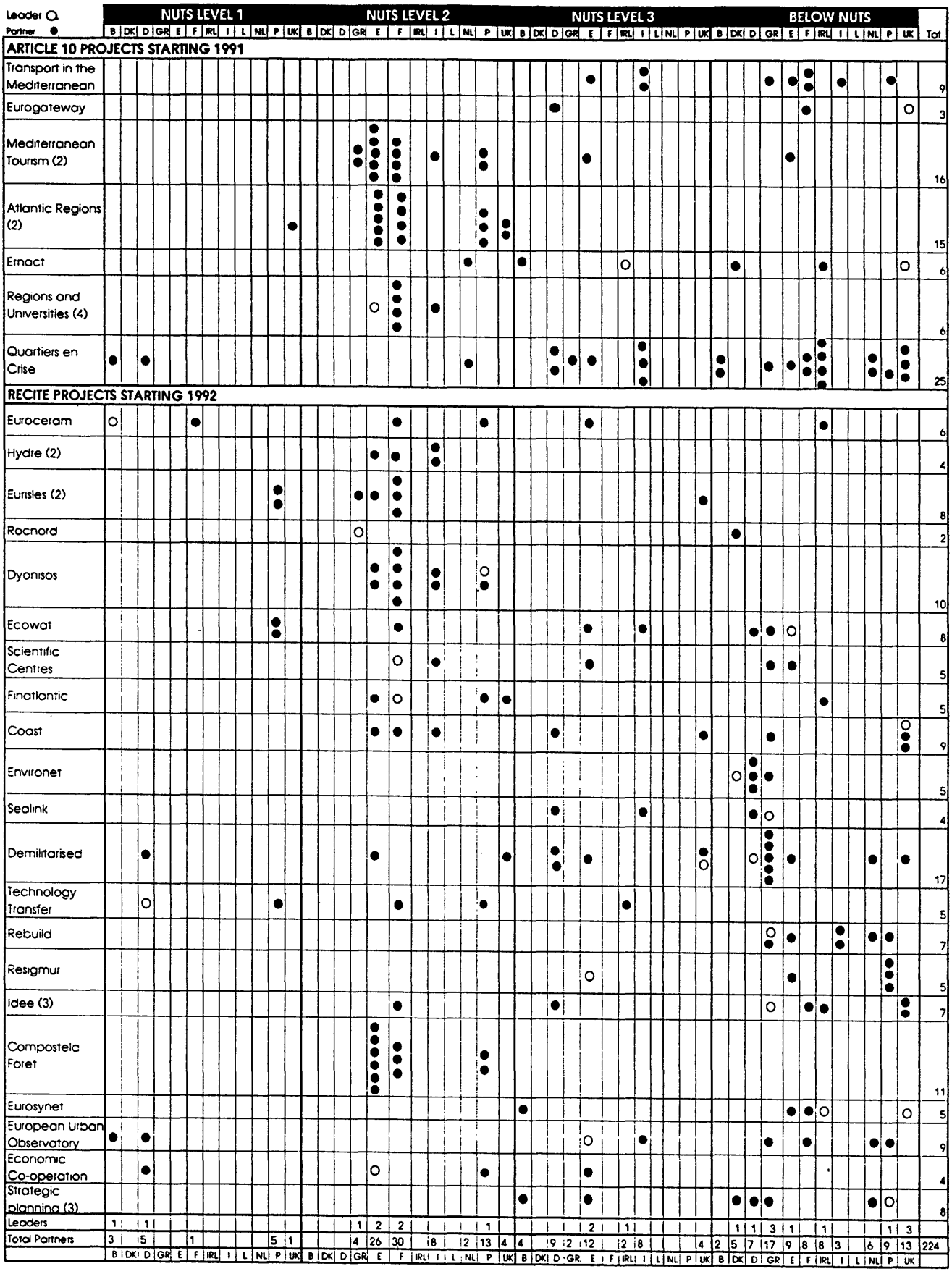
Several projects, particularly the early projects, have been led by umbrella international organisations and in one case, QUARTIERS EN CRISE, the contract was held by a private consultancy. The project partners, in addition to regional and local authorities, also include: development agencies operating in part or all of the territory of the regional and local authorities but with specific functions and normally a measure of independence; chambers of commerce; and associations of enterprises.

As illustrated in EXHIBIT 6, even within the same project, the territorial domains of different partners often vary. Given the variations in national administrative arrangements, the powers and responsibilities of partners within particular projects vary even more widely. *Nevertheless, partners have successfully co-operated through developing at an early stage a full appreciation of these variations and ensuring that the individual activities of the project take account of the particularities of each partner.* In practice, as in the cases of ERNACT and ATLANTIC REGIONS, this may mean that not all partners participate in each sub-project and each aspect of cooperation.

Given the Community objective of social cohesion, and the importance of the ERDF to this objective, emphasis has been given to the inclusion of regions and authorities from priority regions, particularly Objective 1 less developed regions, as leaders or partners in the interregional cooperation projects. EXHIBIT 7 illustrates the priority status of the partners and project leaders. Clearly, the emphasis is reflected in a high proportion of the later RECITE projects being led by Objective 1 regions or localities and by a high proportion of all partners being drawn from (or including within their territories) priority regions.

EXHIBIT 8 indicates the numbers of regions and localities in the European Union participating in the Article 10 funded projects relative to the total numbers of regions and localities in the European Union. Whilst there is not a perfect correspondence between the NUTS level 1,2 and 3 and the

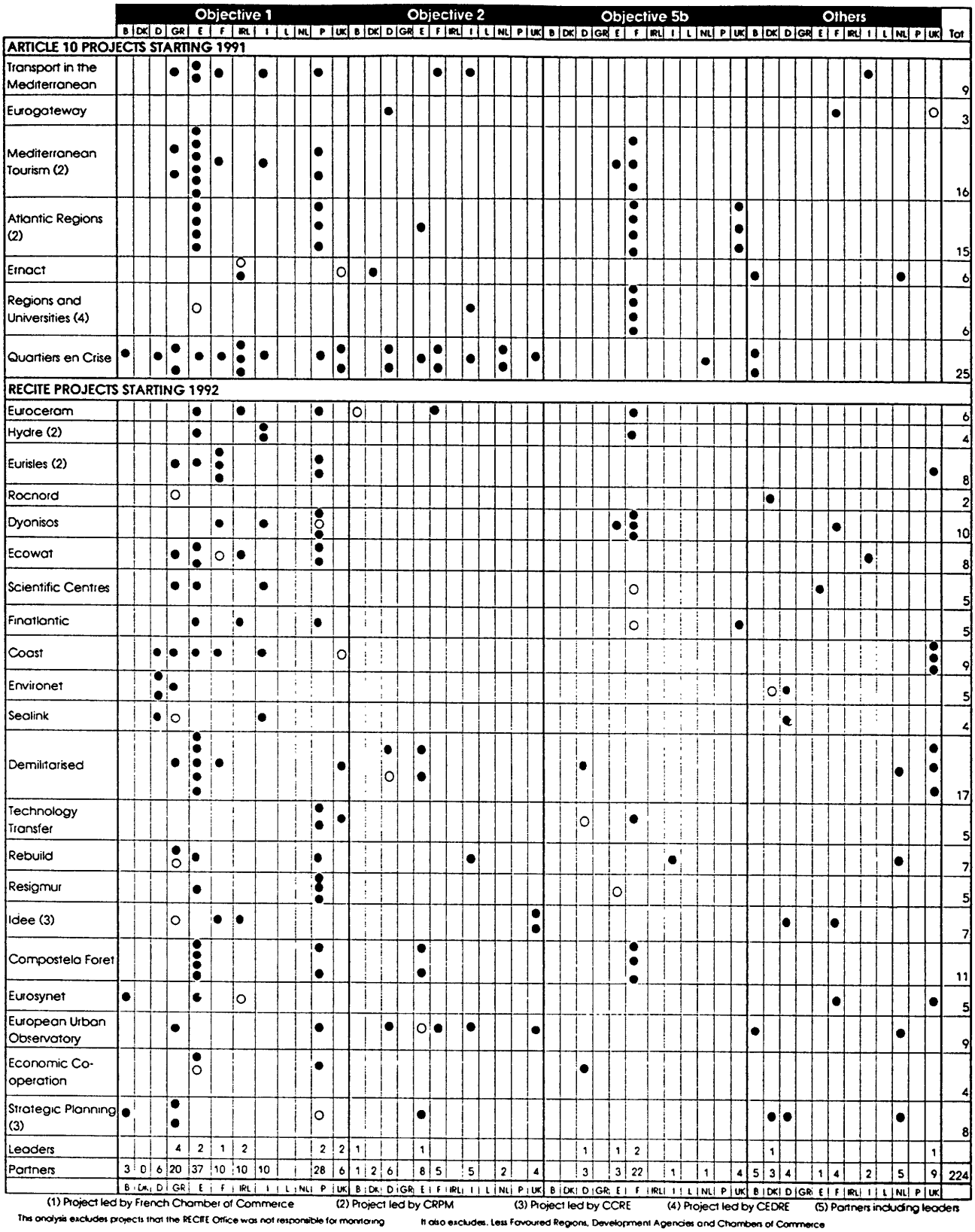
## EXHIBIT 6: THE REGIONS AND CITIES INVOLVED IN THE INTERREGIONAL COOPERATION PROJECTS




(1) Project led by French Chamber of Commerce (2) Project led by CRPM (3) Project led by CCRE (4) Project led by CEDRE (5) Partners including leaders

This analysis excludes projects that RECITE Office was not responsible for monitoring. It also excludes Less favoured regions, Development Agencies and Chambers of Commerce.

## EXHIBIT 7: THE PRIORITY STATUS OF PARTNER REGIONS




(1) Project led by French Chamber of Commerce (2) Project led by CRPM (3) Project led by CCRE (4) Project led by CEDRE (5) Partners including leaders

This analysis excludes projects that the RECITE Office was not responsible for monitoring It also excludes, Less Favoured Regions, Development Agencies and Chambers of Commerce

geographical domains of individual regional and local authorities, it is evident that overall only a small proportion of all regions and localities have participated (for example 12 out of 71 NUTS 1 regions, 56 out of 183 NUTS 2 regions and 52 out of 1044 NUTS 3 regions- See EXHIBIT 8). It is also clear that the rates of participation are greater in some member states than others. Authorities in Spain, France and Portugal exhibit the highest rates of participation. In contrast a relatively small number of German and UK authorities have participated in the Article 10 funded projects. *Given that the activities and products of the projects are also likely to be of interest to non-participants, there is considerable scope for wider diffusion of results.*

The various perspectives of the different types of participant actors and partners are reviewed below. In particular their reasons for being involved are discussed and an assessment of the impact of the projects on them is given.

### *2.2 Neighbourhood and Local Groups*

Many of the projects have outputs relevant to the needs of local populations. (For example, the public information sub-project of ERNACT and the local centres developed through ENVIRONET). In the QUARTIERS EN CRISE project, local groups were closely involved in the interregional co-operation project. There are three benefits of this involvement.

- First, the interest shown in the challenges they face, and the approaches they are taking to deal with them, may afford a confidence-building "seal of approval".

- Secondly, the groups can improve their understanding of their own situation through learning from the approaches of others. In the case of QUARTIERS EN CRISE, this involved visits to neighbourhoods in other European cities within the network.

- Thirdly, participation in interregional co-operation can help resolve local difficulties and improve integration between local actors. In essence "exposing" the ways in which different levels of government and interested parties are working together to other partners in the network, can provide an impetus for better local cooperation.

### *2.3 Smaller Localities and Towns*

As indicated in EXHIBIT 6 many of the projects have involved smaller regions, localities and towns (for example 20 involve at least one authority responsible for a territory below NUTS level 3). Typically, such authorities have limited competencies and resources and little experience of involvement or leadership of interregional co-operation projects. Normally they otherwise have little direct contact with Community institutions. Often their rationale for involvement in interregional cooperation has related more to the personal interests and contacts of their leaders than to any deeper economic or policy motive. However, there are several important benefits that are being realised.

## EXHIBIT 8: THE RELATIVE PARTICIPATION OF REGIONS IN THE UNION (FOR 35 INTERREGIONAL COOPERATION PROJECTS)

| Country | NUTS 1 Partners (total no. of Nuts 1 in Country) | NUTS 2 Partners (total no. of Nuts 2 in Country) | NUTS 3 Partners (total no. of Nuts 3 in Country) | Below NUTS 3 | Total no. of Partners at NUTS 1,2 and 3 | Total no. of Regions at NUTs 1, 2 and 3 | Total no. of different Partners (35 projects) |
|---|---|---|---|---|---|---|---|
| Belgium | 2 (3) | 1 (9) | 3 (43) | 6 | 6 | 55 | 12 |
| Denmark | 0 (1) | 0 (1) | 2 (15) | 4 | 2 | 17 | 6 |
| Germany | 5 (16) | 3 (40) | 10 (543) | 10 | 18 | 599 | 28 |
| Greece | 0 (4) | 3 (13) | 3 (51) | 16 | 7 | 68 | 22 |
| Spain | 1 (7) | 11 (18) | 9 (52) | 18 | 22 | 77 | 39 |
| France | 1 (9) | 19 (26) | 3 (100) | 27 | 23 | 135 | 51 |
| Ireland | 0 (1) | 0 (1) | 1 (9) | 4 | 1 | 11 | 5 |
| Italy | 0 (11) | 7 (20) | 14 (95) | 5 | 22 | 126 | 26 |
| Luxembourg | 0 (1) | 0 (1) | 0 (1) | 0 | 0 | 3 | 0 |
| Netherlands | 0 (4) | 2 (12) | 0 (40) | 7 | 2 | 56 | 9 |
| Portugal | 2 (3) | 5 (7) | 1 (30) | 9 | 8 | 40 | 17 |
| United Kingdom | 1 (11) | 5 (35) | 6 (65) | 22 | 12 | 111 | 34 |
| TOTAL | 12 (71) | 56 (183) | 52 (1044) | 129 | 123 | 1298 | 249 |

*Data refers to 35 projects (they exclude Commission des Villes). The figure relates to the number of different partners of each level in each Member State. In practice many regional and local authorities are involved in more than one project.*

- Interregional cooperation can improve access to "state of the art" technical approaches relevant to their competencies. In practice, in the projects reviewed here, this has been achieved both through the direct purchase of specialist inputs and through joint working with staff of the partner organisations (eg. STRATEGIC PLANNING). This process is particularly valuable in areas of rapid technological change such as communication technology. Interregional co-operation can help authorities of this type to make "quantum leaps" in terms of their approaches and/or avoid the pitfalls of adopting technologies that are unproven.

- Interregional cooperation can help reduce feelings of isolation and peripherality. There is a universal recognition that reductions in the constraints on trade and improved communication technologies represent both a threat and an opportunity to regions and localities outside the "core" areas of the European Union. Involvement in interregional cooperation can help smaller local authorities play a lead role in demonstrating the importance of adopting "good practice" approaches and joint working. This can in turn help encourage economic actors in these regions to do the same.

- At this level interregional co-operation can have an impact on the "modernisation" of public administrations. As discussed in the first interim evaluation, the tasks involved in leading an interregional co-operation project are complex and may require the acquisition of new skills and administrative procedures. These may have a direct impact on administrative competencies. Also, involvement in these projects can enable the testing of products and approaches that would not otherwise be explored.

It has certainly proved possible to generate and maintain strong political commitment amongst the local authorities of this scale which are currently involved in the interregional co-operation projects.

***2.4 Cities***

In addition to the traditional reasons for interregional cooperation - shared problems and the transfer of know-how there are a number of factors that underlie the commitment to this activity by cities.

First, economic actors within cities are increasingly operating within the global economy whilst economic linkages within their regional hinterlands may be weakening. Secondly, cities must compete increasingly in international markets for investment and for tourism business. The image they present, both in terms of international credibility and their particular cultural and environmental attributes is critical to their success in this regard. Thirdly, many cities have been experiencing profound changes in their economic, physical and social structures and there are strong commonalities in this process. Finally, there are, in the light of the above, political tensions between cities, regions and central governments that lead to perceptions of solidarity between cities. There are a variety of networks of cities operating independently of Community funding. Many are motivated by a perceived need to be involved at European level.

Against this however, a number of difficulties have been encountered in some of the projects involving cities. For example:

- There are tensions between the essentially political role that networks of cities can play in influencing community policy and the more technical objectives of interregional cooperation projects to transfer know-how and improve the knowledge environment at the city scale.

- Cities may perceive themselves as being in competition at the global and European as well as national levels. This may be reflected in an overly strong concern for putting their own interest first, before those of the interregional cooperation project as a whole.

- Cities' administrations are characteristically large, complex and hierarchical. They are also often structured so that interdepartmental cooperation is constrained. This may mean that involvement in interregional cooperation is seen as marginal and does not command support "across the board". In consequence full commitment in terms of, for example, technical inputs and full appreciation of the reciprocal benefits that can be realised, are not ubiquitous amongst the city partners that have participated in the projects to date.

The principle beneficial impacts on the city participants that are emerging include:

- The added value of experimental approaches where similar methods are explored in different contexts and vice versa.

- Access to know-how through, for example, shared cost studies and scientific committees.

- Access to improved information (eg. EUROPEAN URBAN OBSERVATORY).

- Improved access to technical know-how (eg. REBUILD and ECOWAT).

### *2.5 Regions*

There are considerable differences between member states in the geographical extent, administrative role and powers of regions. As illustrated in EXHIBIT 7, regional bodies responsible for NUTS level II are the most common participants in the interregional cooperation projects. Participation does however, vary markedly between countries when the total number of partners is compared with the number of defined NUTS II regions. Portugal, France and Spain are particularly well represented whilst Germany and the UK are rather poorly represented.

Several observations can be made at this stage. Many of the participating regions are large organisations and are heavily involved in the implementation of Community funded projects. They therefore have a good knowledge of Community institutions and a wide range of technical competence. Participation in interregional cooperation activities may, understandably, be seen as a minor (and in resource terms at least), marginal activity.

Projects involving authorities with considerable powers and resources are able to operate at or near the "State of the Art" (for example the HYDRE project) and have the infrastructure to help enable diffusion. Thus potential impacts concerning the development of know-how are possible.

### *2.6 Development Agencies*

Development Agencies have played a number of roles in the interregional cooperation projects. For example, one of the early Article 10 projects DEVELOPMENT AGENCIES focused specifically on the contribution of interregional cooperation to the work of development agencies. Following the Article 10 funding period a self-financing association called EURADA was formed which now has a substantial membership which benefits from the services it provides.

A number of the projects are effectively led by, or include, partners which are development agencies which have a greater or lesser degree of autonomy from their regional or local authorities. For example, EUROGATEWAY is led by the Glasgow Development Agency and involves equivalent French and German partners. In practice, responsibility for interregional cooperation has been devolved to development agencies in other projects (for example, ECONOMIC COOPERATION). In some cases, as in Greece, this has in part been a consequence of legal constraints on the regional authority participating directly (for example, ROCNORD).

There are clear advantages in the participation of development agencies, in particular:

- They tend to work closely with economic actors.
- Their activities are usually focused on regional development issues.
- They are characteristically flexible and adaptive in organisational terms.

Against this however, their involvement may not generate wider impacts on the regional and local institutional environments in which they are set.

### *2.7 Economic Actors and Intermediary Bodies*

The Chambers of Commerce project (see Section 3.2) is the only project which has not been led by a regional or local authority, or an organisation acting on behalf of such agencies. Also, very few of the projects have involved economic actors as formal co-financing partners. Thus economic actors have only participated indirectly in the interregional cooperation projects. There are several aspects to this participation:

- A number of projects have held seminars involving local economic actors to introduce them to the assets and potential contacts within the projects partner regions. (For example, ECONOMIC COOPERATION held a seminar in Portugal attended by local businesses who were able to explore leads and contacts in Bavaria, Germany. The project had engaged an intermediary company specialising in networking and helping companies form joint ventures to help animate the seminar. Bespoke introductions apparently resulted from this activity). Other projects have similarly provided information and organised missions involving economic actors with the same purpose in mind.

- Several projects have developed improved systems of regional information and contacts databases targeted at economic actors.

- A number of projects have involved economic actors in surveys of the attitudes towards, and expectations for, urban and regional change. Such surveys can help regional and local authorities ascertain the relative perceptions of their territory held both by those within and those living elsewhere but familiar with different regions. (The EUROPEAN URBAN OBSERVATORY provides one example of this approach).

- Several projects have been concerned with improving implementation of business support services.

- Several projects have provided training for employees and those seeking employment in specific industrial sectors.

- Several projects have been concerned with the interests of economic actors (eg. DYONISOS).

### *2.8 Umbrella Organisations*

The major international organisations of local and regional authorities and their support agencies played a central role in many of the early Article 10 funded interregional cooperation projects. At the time exchange of experience between regional and local authorities was in its infancy and there was relatively little formal or informal activity of this type. These organisations were thus extremely well placed to identify needs and bring together authorities wishing to cooperate. Overall, however, the emphasis has changed and most of the projects still within their funding periods are now led by individual authorities rather than umbrella organisations. Also whilst these organisations have contributed positively to the conception of worthwhile projects and the drawing together of partners they have been, overall, less effective in ensuring the momentum of projects and in their management. In practice they are best able to play a leadership role when the interregional cooperation project is complementary to their political objectives and existing structures. For example, the Atlantic Commission of CRPM was the organisational basis for the ATLANTIC REGIONS project and the Islands Commission is playing a similar role for the EURISLES project. In contrast some of the interregional projects which involved contracts with the umbrella organisations encountered tensions over the appropriate role of different partners and did not benefit from clear "ownership" and strong leadership.

## *3.0 PROJECTS COMPLETING IN 1994*

### *3.1 Introduction*

By January 1995 (as illustrated in EXHIBIT 3) out of the total of 36 projects, 17 projects had finished their funding period. In several cases, the final report is still to be submitted. Five of the projects were not monitored in detail by the RECITE office. This section of the report describes the achievement of six of the projects that have recently completed their funding periods:

QUARTIERS EN CRISE
CHAMBERS OF COMMERCE AND INDUSTRY
SEALINK
ERNACT
ATLANTIC REGIONS
COAST

### *3.2 QUARTIERS EN CRISE*

*3.2.1 Origins and Network Characteristics*

Quartiers en Crise began in 1989 as an Exchange of Experience Programme project and was set up at the suggestion of the *French Délégation Interministerielle à la Ville* (DIV) to foster exchanges and cooperation amongst ten European towns and cities which were experimenting with integrated approaches to urban development. Since then, it has operated as a network co-financed by the European Commission, initially under the aegis of Article 10 and, since 1994, under the HORIZON Community Initiative.

Under Article 10, Quartiers en Crise operated between 1st January 1991 and 31st December 1993 (after having been granted a one-year extension). Its total cost was 1.2 MECU, with 0.7 MECU of ERDF contribution, and the remaining resources originating in the participating towns. During the Article 10 funding period, the network had a membership of 25 towns and cities in ten member states. Today, the network has a membership of around 30 participating town and cities in eleven member states (excluding Luxembourg and the new member states).

Originally managed by the Dutch organisation Landelijk Samenwerkingsverband Achterstandsgebieden (LSA), Quartiers en Crise is today registered as a non-profit making association based in Brussels, which represents the founder and member towns and cities. In addition to an administrative and executive board made up of representatives of elected bodies, the network has established a Scientific Committee comprising independent experts from various member states. There is also a Coordinating Committee made up of representatives of member towns.

*3.2.2 Key Objectives*

The overall objective of the network was to allow towns and cities and representatives of individual neighbourhoods to meet and learn from each other's experience, and thus inform and augment their own innovative, integrated approaches to urban policies and social exclusion. The network addressed aspects of economic development and employment, human resources and cultural development, restoration of urban centres and housing areas through seminars for researchers, professionals and local politicians, study visits, training and systematic research.

*3.2.3 Target Areas*

The neighbourhoods which formed the subject of the exchanges were very diverse; they included inner city areas and peripheral estates, old neighbourhoods and post-war estates, and, in the more southerly countries, illegal settlements which have become part of the legitimate urban fabric. Not only did the neighbourhoods differ, towns and cities in which they were located also ranged from large metropolises to medium-sized towns, and from the most prosperous to the poorest regions of Europe.

*3.2.4 Outputs*

The concrete outputs of the network resulting from the Article 10 funding period have included:

- Study visits and their resulting benefits in terms of new ideas and the dissemination of study visit reports to different parts of each local authority. Some 325 people took part in the visits, while more than 7,000 people became involved in the programme in one way or another. During each visit, a press conference was organised which, in most cases, resulted in articles in the local press. On returning home, the participants were also asked to prepare a short written report, bringing together their views for people in their home towns, and for others in the network. After each visit, the visiting researcher prepared a report assessing the work in the area. These reports were provided to the local project teams.

- New transnational cooperation activities, such as Bremen and Groningen intensifying their cooperation under the aegis of two Urban Pilot Projects.

- Publications which, in addition to the reports sent to each town by the researchers, included a magazine entitled "Quartiers en Crise News" which was published regularly.

- Numerous talks, presentations, conferences and articles written by the research team and the advisory committee.

*3.2.5 Lessons*

After several years of operations, a number of lessons have emerged from the network. Firstly, it has been clearly demonstrated that the problem of urban disadvantage is a common one across

Europe. The network has proved that the most effective answer to this problem lies in taking an integrated and pluralistic approach, consisting of bringing together all the relevant actors (i.e. residents, politicians and professionals) into comprehensive local partnerships on an area basis. This approach has not only ensured that lessons are thoroughly disseminated but it also demonstrated the way in which an interregional cooperation project can act as a catalyst in bringing together actors at the local level.

Exchanges of know-how examining the root causes of problems and their solutions have brought about economies of scale, and they have proven more effective than individual neighbourhoods learning entirely in parallel.

The involvement of local residents was equally crucial although, in many countries, the necessary structures and funding for participation are still lacking. Nevertheless, in learning about enabling participation to happen, other countries have been greatly helped by for example, being able to draw on the Dutch experience, and also through direct discussions with the many residents involved in the exchanges.

The main added value of the network therefore consisted of drawing on a wide range of experiences to focus on the needs of particular "run down" neighbourhoods. The network has developed both a philosophy, summarised as the "integrated approach", and a way of operating which involves intensive seminars and missions to particular cities.

Finally, there are internal tensions over the extent to which the network should play a "technical" role of improving practice or a political role of influencing policy choices. However, the network has focused on practical issues and on the exchange and dissemination of know-how, in so doing it has provided a basis for ensuring that problems of urban neighbourhoods ascend the political agenda at the regional, national and European levels.

*3.2.6 Future Plans*

In February 1994, funding for Quartiers en Crise was approved for one year under the HORIZON Community Initiative, and the programme thus became one of five transnational networks funded under the HORIZON Community Initiative. Under this new funding phase, the participating towns were divided into five groups which will develop their activities under one of the following three themes: "Economic Development and Employment"; "Human Resources and Cultural Development"; and "Restoration of Urban Centres". In addition to the production of newsletters, two seminars will be organised on "research in the field of urban regeneration" and on "economic development and employment". The main modus operandi of the network continues to be the holding of intensive "seminars" within particular urban neighbourhoods and involving varying target groups. The network is also exploring the scope for establishing an urban resource centre which will place its activities on a more permanent basis. It is also considering its role in the context of the development of the Community's Urban Policy.

## *3.3 CHAMBERS OF COMMERCE AND INDUSTRY*

### *3.3.1 Origins and Network Characteristics*

The Chambers of Commerce and Industry network was established in 1992 on the initiative of the *Assemblée des Chambres Françaises de Commerce et d'Industrie* (ACFI) and the *Irish Business Bureau* (IBB). The network was stimulated by the view that, whilst the role of the 800 Chambers of Commerce in Europe is to inform, advise and train, a number of them are still lacking the administrative or financial resources to perform these activities. The aim of the network was therefore to organise exchanges of experience aimed at improving the capacity of the Chambers of Commerce and Industry to participate in the development of the EU's lagging regions. The network was also created with a view to increasing cooperation between regional and local authorities and Chambers of Commerce and Industry.

Led by the *Assemblée des Chambres Françaises de Commerce et d'Industrie*, the network included Chambers of Commerce and industry from Athens, Calgiari, Cork, Dresden, Granada, Genova, Ireland, Larissa, Leon, Limerick, Lisbon, Nice-Cote d'Azur, Pays de la Loire, Pescara, Piraeus, Provence-Alpes Cote d'Azur, Rhodes and Valencia. The network's contractual timescale was between 1st January 1992 and 31st December 1993. Its total cost was 1 MECU, of which 0.725 MECU was contributed by ERDF.

### *3.3.2 Key Objectives*

The overall objectives of the network were to promote:

- business contacts and business relays between participating regions;
- transfer of know-how;
- development of innovative strategies.

### *3.3.3 Outputs*

To meet these objectives, the network implemented three main sub-projects:

- ARIST (Regional Scientific and Technical Information Agencies)
- Training
- Economic Observatory

*ARIST (Regional Scientific and Technical Information Agencies):*

This sub-project, led by the Regional Chamber of Commerce and Industry of the Pays de la Loire in cooperation with the Chambers of Commerce and Industry of Provence-Cote d'Azur and Genoa, consisted of establishing ARISTs in five beneficiary Chambers of Commerce and Industry. The main task for the ARISTs was to provide and examine all the practical information available nationally and internationally in the areas of technology standards and company law. In short, ARISTs processed commercial, scientific and industrial information to meet the needs of regional SMEs. The innovative structure of this sub-project was reinforced by the fact that the centres were run by scientists and engineers who were familiar with the SMEs' specific information needs.

*Training:*

This sub-project, led by the CCI of Hamburg, consisted of identifying the needs of businesses in the beneficiary regions and organising training courses tailored to these needs. For example, the Chamber of Commerce and Industry of Cork, in cooperation with Cork Regional Technical College (CRTC), organised placements of students in local enterprises. It also organised a temporary transfer of a trainer from CRTC to Cork's Chamber of Commerce and Industry. In Dresden, the Chamber of Commerce and Industry organised a vocational training course for pupils in secondary education, including placements in enterprises. In Granada, the Chamber of Commerce and Industry undertook a survey of skill needs among SMEs, on the basis of which it developed, through *Fondo Formacion*, 13 new vocational training courses. Similar activities were undertaken by the Chambers of Commerce and Industry of Pireus, Lisbon, and Cagliari.

*Economic Observatory:*

The aim of this sub-project led by the CCI of Nice Cote d'Azur was to create information bases for the different beneficiary CCIs with a view to helping them to identify the economic potentials of their own regions. The different partner CCIs undertook surveys and produced databases, publications for investors and economic panoramas related to their regions.

The concrete results of the network thus consisted of:

- the establishment of five ARISTs and the interregional exchange and dissemination of commercial, scientific and industrial information meeting the needs of regional SMEs;
- the production of special magazines for regional business people;
- the publication of information documents for investors;
- the development of specialised courses for workers and managers.

*3.3.4 Lessons*

The three sub-projects of this network had in common the fact that they combined regional expertise with local traditions in order to develop "best practices" within the different regions concerned. The network has, overall, fulfilled its objectives, furthering in the process the

cooperation between the different regions. This cooperation has been eased by the fact that the CCIs of the different European regions were quite similar in structure and in organisation.

This interregional cooperation network has thus had a strong value added: bearing in mind the difficulties inherent in contrasting cultures and regional characteristics among the network partners, the programme was able to transfer know-how and adapt it to local circumstances, thus allowing for local "best practices" to emerge. The network has enabled, in particular, CCIs from Objective 1 Regions to reinforce their efficiency and contribution to regional development, and to put at the disposal of regional enterprises new sources of ideas and innovation.

*3.3.5 Future Plans*

The network has offered a good illustration of successful interregional cooperation, consisting of promoting activities of common interest to active partners joining forces to solve common problems. This network has a good potential for further expanding its activities in the future, not least for extending its membership to new partners in the EU and, possibly, in central and eastern Europe. The network has indeed expressed its wish to continue its activities, by promoting, in particular, the following activities:

- Extension of the three sub-projects to other EU member states and other CCIs in the participating countries;
- Extension of the projects to additional subject areas, e.g. local development techniques, advice in environmental matters and methods of cooperation;
- New pilot projects directly relating to SMEs;
- Extension of membership to the regional development agencies operating alongside the CCIs in similar matters and with similar interests.

***3.4 SEALINK***

*3.4.1 Origins and Network Characteristics*

Sea linkages constitute, together with air, road and rail, an important segment of the overall transport infrastructure in Europe. Before the extension to the new nordic member states, the EU's geography allowed for three main sea links: Denmark-Germany; Ireland-Great Britain- France-Belgium-Netherlands; and Italy-Greece.

The SEALINK project ("Improvement of Transport Connections across National Borders") was established with a view to promoting exchanges of experience between port cities and regions encountering similar problems and opportunities. The network's membership has included Patras (coordinator), Brindisi, Lübeck and Rostock. SEALINK's contractual timescale was between 1st

January 1992 and 31st March 1994 (after having obtained a three-month extension). Its total cost was 1.07 MECU, of which 0.642 was contributed by ERDF.

3.4.2 Key Objectives

The objectives of the network were to:

- Create a database with information concerning the traffic between Patras and Brindisi. This objective also included the collection of relevant data and input into the database.

- Analyse the combined management of a city and a port with a view to developing a forecasting model for traffic flows in terms of passengers and goods;

- Analyse aspects of port planning. This objective included the drafting of a master plan for the installation of waterfront facilities in Patras and Brindisi;

- Establish a port management system in order to coordinate the work between different organisations and port planning/urban planning authorities. This included the discussion of existing differences in planning between Baltic and Mediterranean ports;

- Analyse and exchange experience on port waste disposal systems in order to improve the environment in the regions;

*3.4.3 Outputs*

The level of concrete outputs of the project has varied between network partners.

In the case of *Patras*, the project allowed for the creation of a policy of port development, and for the development of a database with information on traffic. It also allowed for proposals concerned with the creation of waterfront structures to be drafted. Through this network, Patras acquired a better understanding of port management, while it succeeded in increasing partnerships inside the city (particularly within the framework of the port support committee).

For *Lübeck*, SEALINK contributed to an increase in expertise related to traffic flows surveys, and to environmental and managerial issues. It should be noted that the Lübeck port plans large investments in the future to master expected developments and growth in sea-transport in the area.

In the case of *Brindisi*, the project resulted in the drafting of a proposal for the layout of new port facilities and for the creation of a "free zone"; it also allowed for the development of a port information system. The network further contributed to improving communication between the different partners within the region.

For *Rostock*, the SEALINK project was seen primarily as an opportunity to tie stronger links with similar partners in the European Union. Having benefitted by the exchange of experience promoted by the network, Rostock was able to acquire new skills to confront future competition.

Additional outputs of the network have included:

- A 19-volume collection of documents on port management and planning, which was prepared by all the network partners (and, more actively, by Lübeck, which had the largest experience in this field);
- A symposium and seminars on port planning, held in Patras, Brindisi and Lübeck;
- Several meetings between the different partners in their respective regions.

*3.4.4 Lessons*

The SEALINK network has taken steps towards greater cooperation between European port cities and greater coordination in the management and planning of sea linkages across the European Union. In particular, the White Paper on European Transport Policy, together with Article 129 of the Treaty on European Union, have adopted a number of objectives which have been pursued by the SEALINK network, not least the need for a comprehensive strategy to meet new demands on sea transport facilities and the development of a broader European perspective by all sectors concerned to create a trans-European transport network.

The SEALINK network has effectively contributed to an initial exchange of experience between European port cities. However, in addition to improvements in communication and cooperation within partner cities, coordination of strategies between network partners could have been further developed. Separate development strategies seem to have been developed for each network partner and transfers of knowledge which have been promoted by the project have not yet resulted in the adoption of common approaches. The benefits generated by the project also appears to have been greater for some partners than others.

The interregional cooperation "mood" and expectations acquired by all the partners are nevertheless well evidenced and all four port cities have agreed to continue and develop their cooperation activities beyond the Article 10 funding phase.

***3.5 ERNACT***

*3.5.1 Origins and Network Characteristics*

The ERNACT project ("European Regions" Network for the Application of Communications Technology") was established with a view to applying modern telecommunications technology to the needs of local and regional authorities within the European Union. In particular, the network

was created in the belief that the potential of technology was under-utilised in both the public and private sectors, particularly within local civil administrations. The proposal for the ERNACT network was prepared by two cross-border adjoining local authorities, Donegal County Council (Ireland), and Derry City Council (Northern Ireland, UK) which agreed to join forces in pursuance of a joint interregional cooperation strategy. In addition to Donegal and Derry, the ERNACT network's membership also included Galway, Leiedal, Aalborg, and Zeeland.

ERNACT's contractual timescale was between 1st January 1991 and 30th September 1994 (after having obtained a three-month extension). Its total cost was 2.96 MECU, of which 1.9 MECU was contributed by the ERDF.

*3.5.2 Key Objectives*

The overall objective of the network was to improve the ways in which regional and local authorities apply communications technology in the performance of their duties with a view to enhancing the development of their regions. The network's objective also consisted of exploring ways in which technology could be used to facilitate cooperation between regional and local authorities in the European Union. The rationale for this project was that the cost saving opportunities which technology can offer, and the greater efficiency it can generate, were largely untested at the level of regional/local authorities. The project combined both cross-border cooperation (Ireland and Northern Ireland) and trans-European interregional cooperation.

The ERNACT network, which adopted a formal management structure through the establishment of a European Economic Interest Grouping (EEIG), developed its activities through several sub-projects consisting of:

- the development of one server per partner to be used as a platform for networking and hosting a database;
- the development of an interregional network to link the servers of all the partners
- the establishment of E-mail facilities;
- the development of an economic database;
- a tourism project including the creation of a multimedia product;
- the development of an electronic public information system directed to public employees and elected members of Donegal, Galway, Leiedal and Zeeland;
- a pilot project on distance-working to test the potential for the physically disabled to work from home;
- a study on networking;

- exchange of experience on environmental protection;
- the development of a geographic information system.

*3.5.3 Outputs*

*Electronic Communication System*

In pursuance of these tasks, the key output achieved by the network was the establishment of an interregional electronic information system. This enabled the participating local and regional authorities to develop a range of other public information services for use by local/regional authorities, citizens, development agencies and businesses.

*Economic Life Databases*

One such output was the so-called Economic Life Database. Economic Life Databases contain information relating to the economic trading organisations within a region. Whilst many regions already possess these databases, the innovative aspect of this project was to link them altogether. These are now established in all the partner regions and the databases are able to transfer company information between the regions in an identical format. The databases can be accessed electronically by a range of economic actors: SMEs, Chambers of Commerce and local development agencies.

*Distance Working*

Distance working or tele-working has long been heralded as one of the major social advantages of the new Information Society. It is also a subject of extreme strategic importance to local and regional authorities in both central and peripheral regions of the Community: in the former it has the potential to reduce traffic congestion and in the latter it presents the opportunity to counter remoteness by reducing the effects of distance and time.

The pilot project on "distance-working" aimed to identify the conditions under which a disabled person could work from home. An office environment (i.e. fax, computer, office equipment) was created in the homes of three disabled persons. The project tested various aspects of teleworking and a survey of employers was carried out in order to assess their attitudes towards teleworking. The project demonstrated that the potential of teleworking is still today, largely unrecognised. Moreover it highlighted that Management and Unions alike are suspicious of its implications for employment and industrial relations.

*Tourism - Multimedia*

A key advantage of the application of new technologies, like telematics, is the potential to produce multimedia products that combine text, sound, image and video. These types of

products can be highly attractive and are often more stimulating than traditional written material.

Tourism is a key economic activity in all the ERNACT regions. New technologies can be used to tackle the challenges facing tourism in both highly populated central regions as well as peripheral regions.

The project developed an interactive, multimedia information system - an "electronic brochure" providing a range of tourist information on the region. By simply touching maps on the screen, the visitor can explore the areas' scenic sites, heritage and facilities. The tourism guide is considered to be a powerful marketing tool, particularly for attracting people to come to remote areas such as the North West of Ireland.

This was a highly innovative project which highlighted the potential of telecommunications and multimedia as a tool for alleviating peripherality.

*3.5.4 Lessons*

The work of the ERNACT project has clearly shown how new communication technologies can improve efficiency in the day-to-day work of local and regional administrations; by connecting the workforce of administrations (that may be dispersed throughout a county or region) and by providing the basis for automising cumbersome manual procedures. The project has also demonstrated how these new technologies can enhance the regional development role of public authorities by providing tools such as economic databases or electronic information systems which can support a range of economic actors in their activities. Moreover, the project has shown the potential of telematics-based services for alleviating peripherality. New communication technologies are the most powerful tool available, for overcoming the barriers of distance and time. The outputs of the ERNACT project have tested their applications in this regard.

However, the most important lesson of the ERNACT project, has been the benefit of interregional cooperation which has under-pinned all of ERNACT's activities. The partnership between central and peripheral regions, more developed and less developed regions has enabled a true transfer of know-how and expertise that has resulted in 6 diverse regions successfully building a communications system. This basic infrastructure has acted as a catalyst for further exchange of experience through the development and completion of a range of projects covering a range of economic and regulatory activities which are of relevance to the functions of the partner public authorities: tourism, transport, environment, public information. In addition the cross-border cooperation between Donegal County Council in Ireland and Derry in Northern Ireland has been an important political and economic success. This cooperation is providing the basis for closer partnership within the North West Region of Ireland.

*3.5.5 Dissemination*

As part of its continuing effort to disseminate the results of the project to a wider European audience. ERNACT has set up an information service on the Internet's World Wide Web (WWW).

*3.5.6 Future Plans*

The ERNACT network has formulated plans to continue work in this field, particularly in view of the conclusions reached by the White Paper on Growth, Competitiveness and Employment, which notes that the main impediments to the development of the new information society are: the lack of infrastructure; the need for harmonisation of systems; poor public awareness; and the need for training. ERNACT's aims to: devise strategies to promote the adoption and application of telematics; compare the implementation strategies which are required to establish localised common information areas in border and non-border region; set up an interregional Observatory in order to compile and disseminate information on these issues and; to carry out a range of thematic pilot projects focusing on public information, integrated planning and environmental management.

### *3.6 ATLANTIC REGIONS*

*3.6.1 Origins and Network Characteristics*

The ATLANTIC REGIONS project was initially conceived in Lisbon during the Conference of Maritime Peripheral Regions in September 1990. The project was created in the belief that the development of new interregional sea linkages in the European Union is heavily dependent upon the establishment of communication networks and real-time information on port traffic.

The network, which was managed by the Commission Arc Atlantique, brought together 16 regions in four member states (France, Portugal, Spain and UK). Its contractual timescale was between 1st January 1991 and 30th June 1994 (after having been granted a six-month extension). Its total cost was 3.6 MECU, of which 2 MECU were contributed by ERDF.

*3.6.2 Key Objectives*

The *ATLANTIC REGIONS* network had four main spheres of activity:

- *Development of communication links between coastal regions.* This objective was implemented through the ARCANTEL project, which was aimed chiefly at developing real-time communication between Atlantic ports (on harbour traffic, availability of freight, ship movement etc.), supporting coastal shipping and increasing safety at sea, in particular by creating a satellite system to pinpoint ships and their containerised cargoes.

- *Cooperation in financial engineering.* The main aim of this project was to assess opportunities offered to the Atlantic regions in order to ensure the development of infrastructure and enterprises that match their real needs and are in synergy with the chief providers of regional finance. This project was implemented through developing closer ties between regional banks; creating a European Economic Interest Grouping of the Regional Development Corporations; establishing an Atlantic Financial Centre, as a resource for developing financial bodies to serve SMEs and SMIs; and establishing an investment corporation.

- *Development of specialised training programmes and networks.* The training cooperation project was designed to meet several objectives, the most important of which was the setting up of a network of centres for advanced training, taking advantage of synergies and capable of catering for students from diverse regions and developing into centres of expertise.

- *Cooperation in the sphere of marine resources and environmental protection.* This cooperation was based on three projects focusing on the adaptation of mollusc production to European standards; the creation of a network for cooperation on the development of production techniques, offshore farming, diversification, and training; and the production from each region of a synoptic report on offshore mollusc production, cataloguing existing locations with their characteristics and outputs, as well as areas suitable for future development and their physical and biological characteristics.

*3.6.3 Outputs*

The ATLANTIC REGIONS network has achieved a number of worthwhile results. Through the ARCATEL project, it allowed for the industrial construction of an interactive offshore beacon opening up the possibility of an integrated VTS system, capable of alleviating environmental catastrophes caused by ships or dangerous cargoes. In the field of training, the network was successful in developing new interregional cooperations, for example between the Institut du Shipping Atlantique (a member of the International Chamber of Commerce of St Nazaire) and the University of Plymouth to develop a training module; between Finistère, Devon and Cornwall in the field of vocational training in fishing; and between Brittany and Asturias on training for new technologies. In the sphere of marine resources and environmental protection, several pilot projects were implemented in the Guérande peninsula (Pays de la Loire), the Oléron marshes (Poitou-Charentes) and Galicia to evaluate related investment and identify future technological opportunities. The ATLANTIC REGIONS also produced an aquafarming and fishing yearbook for the Atlantic Regions network.

*3.6.4 Lessons*

Overall, the network has contributed to creating the conditions for the development of new coastal shipping routes on the Atlantic seaboard and to coordinating economic policies for the Atlantic between European coastal regions. Although the project was ambitious in setting out its original objectives, it has today achieved its goals, thanks in no small measure to modifications made in the course of the programme, with certain sub-projects that proved unviable having been replaced with more effective ones. In terms of EU policy, the project has contributed to offering alternative development opportunities to regions previously marginalised and engaged into separate and short-term development strategies. The originality of this network has thus consisted of providing medium-sized Atlantic ports with the technical means - through the introduction of the most advanced technologies suitable to the specification of harbour traffic management - required to improve their efficiency, while at the same time acting as a catalyst for private initiatives, including for the development of human resources needed within coastal labour markets.

## *3.7 COAST*

### *3.7.1 Origins and Network Characteristics*

The COAST network ("Coordinated Action for Seaside Towns") came into being with a view to identifying and overcoming economic, social and environmental problems commonly experienced by coastal zones with a dependence on the tourism industry. The original catalyst for this project was a grant received by the European Commission (under the Support Programme For Employment Creation) to investigate the special employment problems which are faced by resort towns. Seaside resorts are in effect confronted with a number of economic and employment problems, which interwind with more specific tourist issues and environmental problems which are brought about by their physical location and their over-development.

The network's membership was composed of Down District Council (Northern Ireland, UK) (Coordinator), Blackpool Borough Council (UK), East Sussex County Council (UK), Government Baleares (Spain), Lancaster City Council (UK), Landkreis Rugen (Germany), Municipality of Loutraki-Perahora (Greece), Region of Campania (Italy), and Region of Corsica (France). The network's contractual timescale was between 1st January 1992 and 31st March 1994 (after having obtained a three-month extension). Its total cost was 3 MECU, of which 1.8 MECU was contributed by ERDF.

### *3.7.2 Key Objectives*

The overall objectives of COAST consisted of:

- Undertaking joint action to identify and respond to special employment, economic and environmental needs of seaside resort areas in the European Union;

- Raising the economic potential of seaside areas by means of a network of partnerships between less developed and more developed areas, providing varied opportunities for coordinated action, transfer of know-how and exchange of experience.

### *3.7.3 Outputs*

The network activities were organised around three themed sub-networks to facilitate interaction between partners with more specific common interests. These sub-networks included:

- Enterprise and vocational training;

- Developing new tourism markets;

- Broadening the local economic base

The key outputs of COAST's activities consisted, in particular, of a series of demonstration projects carried out in the respective regions and focusing on such issues as: the development and

marketing of special interest holidays; tourism development and environmental protection; identification of new tourism products and planning their sustainable exploitation; integrated training programmes; support for SMEs in the tourism sector; raising tourism standards and accommodation availability; diversification of the rural economy and the use of telematics; inward investment in seaside areas; and regeneration of older resort areas.

These demonstration projects have enabled, in particular, the COAST partners to develop a series of policy proposals which have the potential to provide a framework for a EU-wide integrated action for a well-targeted development of coastal areas, and for a holistic approach to tourism and environmental protection.

The network also developed a tourism development strategy to cover issues specific to tourism in the new German Lander and organised a Coastal Heritage Conference in 1993 and a series of seminars for the partners and larger audiences on issues such as inward investment versus indigenous development strategies; rural development strategies; and research and design of training courses for businesses and individuals in the tourism sector in Campania, Lancaster, East Sussex, Down and Loutraki-Perahora.

*3.7.4 Lessons*

Although the network was slow to develop due to an initial focus on start-up and organisational issues and to the late start of the demonstration projects which has reduced the volume of material made available to participants, the COAST project was successful in building a body of know-how and raising awareness of the particular sectoral and spatial factors governing the development of coastal zones. It was also successful in developing a sense of solidarity and promoting valuable exchanges of knowledge and experience between northern and southern European coastal areas.

The network has contributed, in particular, to the identification and clarification of the unique nature of problems facing coastal areas, and to the Europe-wide nature of these problems despite differing local circumstances between northern and southern European areas. Through the demonstration projects it organised, COAST was able to demonstrate the interdependence of development issues facing coastal zones, particularly as regards employment and the development of human resources (employment in coastal areas is usually low paid and low skilled), the management of industrial change (with the decline in traditional seaside tourism), and environmental protection.

*3.7.5 The Future*

The COAST partners have taken the decision to further develop the work of the COAST project by building on the actions and successes realised under the RECITE programme. The overall vision for the future is to develop COAST as the focus for coastal development in Europe.

COAST aims to expand to include a number of sub-networks. These include the Southern Mediterranean non-EU states; the Black Sea by working with members of the International Black Sea Club; the Baltic Sea; and, in the longer term, the USA. The aim of building such an extensive network is to provide a structure which could have a significant impact on policy as well as providing support to a large number of regions facing coastal development issues.
In the short-term, COAST is developing applications for submission under: MED-URBS; ECOS; TACIS; and DGXXIII Tourism Unit.

A key lesson of the COAST experience to date, has been the partners' recognition of the benefit of adopting a trans-national approach to tackling development issues. The COAST network considers that it is essential that projects are designed in such a way as to encourage regions to work together throughout the process rather than exchanging experience on completed results or actions. The future of the COAST project will focus on developing such working partnerships.

## *4.0 FUTURE POLICY CONSIDERATIONS*

### *4.1 Policy Context*

The conclusions of the European Council at Edinburgh in December 1992 emphasised the need to give high priority to activities promoting cross border, interregional and transnational cooperation. In reviewing the Community initiatives, consideration was given to whether trans-european interregional cooperation should be incorporated into the INTERREG Community Initiative. This integration did not however take place. Instead it is anticipated that interregional cooperation will continue to be funded under the aegis of Article 10 of the ERDF. In late 1994, the European Commission's Directorate General for Regional Policies indicated its priorities for the use of Article 10 resources for the period 1994-1999.

The new Structural Fund regulations do not change the substance of Article 10. Financing at the Community level is still available for "the pooling of experience and development of cooperation between different Community regions and innovative measures". Such actions may involve both eligible and non-eligible regions but are subject to the Commission informing member states of its intention to enter into a contract will a local or regional authority in their territories. In addition to Article 10 of the ERDF, the European Social Fund, EAGGF and FIFG can also support innovative actions at the Community level.

In the period 1989-1993 a total of 326.5 MECU was committed from Article 10, 70.2 MECU of which was spent on interregional cooperation. For 1994-1999, interregional cooperation remains one of four main priorities and 160-180 MECU has been earmarked for this purpose out of a total of 400 MECU. The Commission has also indicated that it wishes to see "a strong emphasis on cooperation and on the diffusion of new ideas and innovation to the greatest possible number and range of interested actors". Interregional cooperation will include "RECITE" projects of the type reviewed in this evaluation (two tranches each of 25-30 new projects are envisaged), and a continuation of the OUVERTURE/ECOS programme. In addition the parallel exchange of experience programmes will continue and Article 10 will be used to fund horizontal activities such as the publication of a guide on interregional cooperation.

The types of cooperation envisaged by the Commission for RECITE projects are broadly similar to those previously funded although greater emphasis may be given to diffusion.

They include:

- "cooperation between areas with specific characteristics and common problems such as maritime regions and islands,
- cooperation aiming at the promotion, development and diffusion of sectoral Community policies (energy, transport, environment etc.)

- cooperation between partners linked by the economic importance of sectoral economic activities in their areas (automobiles, ceramics, forestry etc.)

- cooperation between partners to acquire common services at reduced costs (information diffusion etc)".

With regard to the procedures for achieving this interregional cooperation, arrangements similar to those applying for the selection of existing RECITE projects are envisaged. Thus invitations to prepare proposals are anticipated and selection will be informed by the views of a panel of independent experts.

### *4.2 Policy Implications of the Findings of the Second Interim Evaluation*

Further commitments of the type envisaged above are supported by:

- The overall good progress of the existing interregional cooperation projects funded under Article 10, towards meeting their objectives within the time and resources available.

- The apparent demand for involvement in projects of this type as evidenced by the large number proposals that did not receive funding and the willingness of existing projects to continue and their plans to do so.

- The fact that although a large number of authorities have been involved many others (indeed the majority of regional and local authorities in the European Union) have played little or no part.

There are however, weaknesses and aspects of progress that are disappointing - some of these stem from the procedures adopted and some from the management of individual projects.

- There is no clear legal framework for interregional cooperation supported by the ERDF. There is some uncertainty over whether the member state governments retain responsibility for the implementation of Structural Funds even though contracts have been made directly between the Commission and the "lead" regional and local authorities of individual projects. In practice, the lead authorities have remained responsible for the implementation of the projects overall. Whilst in most cases working arrangements for cooperation have been formalised it is not clear how, in the event of an individual partner failing to meet its obligations, liability could be shared. *It would be preferable if a specific legal instrument existed to facilitate interregional cooperation projects.*

- Taken together the individual projects do not comprise a programme. There are areas that are not included where, a priori, interregional cooperation would have potential. There are also areas of overlap (for example, several projects have developed examples of regional economic profiles). *A clearer specification of Community priorities, such as that outlined below, would be preferable.*

- The contractual procedures are rigid for what is a series of innovative pilot projects. In particular these procedures may make it difficult for the project leaders and partners to modify the activities of the projects in the light of changing circumstances and priorities. *The procedures would be improved by the introduction of an inception phase during which detailed work programmes and budgets can be formulated.* The process of generating a "competitive" proposal does not in itself ensure the basis of a good structure and programme for interregional cooperation.

- There have been wide variations in the scale of budgets for individual projects. These variations have not always been reflected in the quality and quantity of outcomes achieved. *There would be merit in providing better guidance on "benchmark" costs of various interregional cooperation activities.* This information would be of value to projects during their inception and development phases and to the Commission in estimating the anticipated and realised value for money of the projects.

Some of the projects have developed, or have the potential to develop, "products" of wide applicability which offer the prospect of financial returns. Given that these projects have received subventions from the Community and the products may have benefitted from the inputs of several partners it is not clear where the ownership of products lies. *It would be helpful if this issue were clarified in future projects.*

*4.2.1 Priority areas for Interregional Cooperation*

*4.2.1.1 Areas with Strong Potential*

There are two areas in which the interregional cooperation projects have been particularly successful and where the number of authorities directly involved has been small. These are:

- Public administration and in particular the application of communication technologies.

- Projects where the authorities are providing the lead in creating improvements in the information environment for economic actors (economic profiles, technology transfer, business support etc.)

There would be merit in giving emphasis to further projects in these areas.

*4.2.1.2 Current "gaps" in Activities*

There are also areas where relatively little has been done under the aegis of the Article 10 funded interregional cooperation projects but where new activities would, a priori, seem appropriate. These include:

- Transport and communications, in particular the development of regional airports and urban transport.

- Diversification and growth sectors, in particular projects which would involve the application of the principles outlined in the White Paper "Growth Competitiveness and Employment" on intensifying employment growth at the regional and local levels.

Of course, care would need to be taken to ensure that such projects were complementary to the work of existing networks and national programmes in these areas. The regional dimension to these issues is, however, important and provides a basis for further projects in these areas.

*4.2.1.3 Involving Economic Actors*

Notwithstanding the involvement of the economic actors in the projects described in Section 2.0, there are a number of ways in which their role in future interregional cooperation could be enhanced. For example, through:

- Projects exploring the regional dimensions of structural change in industries such as financial services.

- Projects to harmonise systems and improve access to regional information.

- Projects to develop trading and joint venture links.

*4.2.1.4 Links with Community Support Frameworks*

Overall, although as reported in the first interim evaluation report there were a number of instances where the interregional cooperation projects appeared to have influenced the quality of projects put forward for funding under the Structural Funds, there are few links between the CSFs and interregional cooperation projects. However, many of the products of the projects are directly relevant to the effective implementation of structural fund resources. In particular in terms of:

- information and business services support

- efficiency of public administration including the development of local strategies, programmes and project management systems

- The technical areas elaborated below.

*4.2.1.5 Technical Areas*

Finally, there are a number of more "technical" domains where interregional cooperation could provide the foundation for the more widespread transfer of know-how. These include:

- Environmental management.

- Energy and regional development.

In these instances, interregional cooperation should aim to reach large numbers of authorities; training products, databases on resources may need to be centrally coordinated and funded as technical assistance.

*4.2.2 Procedural Arrangements*

Support for projects could usefully be provided through the application of three different procedures:

i) Negotiations with individual or existing projects.

ii) The pro-active identification of specific interregional cooperation activities and the engagement of appropriate organisations to implement this. For example, the production of products, could be jointly funded with groups of authorities.

iii) "Open" calls for proposals within a defined set of priorities or "gaps".

Each type of procedure would benefit from detailed guidance, clarity over administrative arrangements and through enabling inception periods. The key strengths and weaknesses of each approach are reviewed below:

*4.2.2.1 Negotiations with Existing Projects*

The cooperation arrangements that have built up between the partners in the interregional cooperation projects tend to be stable. They have however, taken some time to be realised. As such they can provide an important platform for the future implementation of specific interregional cooperation actions. In essence the Community's resources have represented an investment which have in many cases created vehicles which could be effective means of implementing new activities. Generally the projects require relatively few resources to sustain the infrastructure of cooperation after the important "building blocks" of cooperation have been put in place (interpersonal relations, mutual understanding, effective methods of working and decision making structures) and it is reasonable for projects to look to their partners' own resources to support this work. At the same time projects which benefit from this experience should be able to implement new actions cost effectively. Normally these will involve:

- Diffusion of work already undertaken to a wider number of actors.
- Pilot and "research and development" projects where the combination of approaches can add value.
- Shared cost assignments.

It has to be borne in mind that there is a perception that only a minority of authorities have benefitted and that this approach could be seen as unfair. Normally its success would be reliant upon good ideas being brought forward by the projects.

*4.2.2.2 Pro-active Identification of Interregional Cooperation Activities*

The analysis above has highlighted a number of areas in which, a priori, there is a strong case for additional interregional cooperation activity. It would be straightforward to prepare terms of reference and invite proposals from suitable organisations. Some would be 100% funded, others could involve co-financing. Existing projects and groupings could be invited and if appropriate several organisations could compete to undertake the work. Such an approach would be particularly appropriate where it was beneficial to prepare a product for wide diffusion, to provide a widely available resource for exchange of good practice or where it was important to avoid sectional interests.

*4.2.2.3 "Open" Calls for Proposals*

An open call for proposals is likely to be perceived as a "fair" way in which to distribute resources. However, it should be borne in mind that:

- Many of the authorities most likely to benefit from involvement in interregional cooperation projects are the least able to prepare convincing proposals.
- High quality project proposals are most likely to arise where some measure of cooperation has taken place beforehand.
- The system can be inflexible in the case when convincing but not necessarily realistic proposals are made. There may also be constraints over subsequently negotiating budgets.
- It does not necessarily ensure value for money.

If this procedure is adopted then a clearer indication of the Community objectives and priorities should be provided, together with complete guidance on administrative procedures.

Careful consideration also needs to be given to the process of selecting projects. The experience to date indicates that particular weight should be given to the following criteria:

- The quality of the concept and its relevance to the Community priorities for interregional cooperation.
- The outputs anticipated relative to costs.
- The extent of pre-existing cooperation between the partners.

- Evidence of commitment from partners to the proposed work programme.

- The quality of the management structures and processes proposed.

It is preferable if selected projects could, in some or all cases, be given conditional approvals subject to the results of inception periods within which detailed work programmes and budgets would be prepared.

*4.2.2.4 Technical Assistance*

In the previous planning period technical assistance through the RECITE Office was only available 6-8 months after the commencement of the 21 projects selected as a result of the 1991 call for proposals. It would be preferable if technical assistance were available to projects immediately following their selection. Indeed this assistance is likely to be most beneficial during the initial inception phases of projects.

*4.2.2.5 Monitoring and Evaluation*

Given the innovative, dynamic and varied nature of interregional cooperation activities, on-going monitoring and evaluation is critical to the validity of the evaluation process. There are several dimensions to this process.

First, the projects themselves benefit from self-evaluation and the work of independent evaluators to both review and advise on aspects of project progress. In practice this form of evaluation has proved valuable both to assess the functions of the projects as a whole, and to assess the impact of the projects on the individual partners. A more extensive adoption of an "evaluation culture" amongst the projects would be beneficial. *This could be further promoted through technical assistance and through ensuring that evaluation regimes are integral to the projects' work programmes.*

Secondly, the Commission has given emphasis to evaluating the achievements of the projects overall by establishing the RECITE Office and sponsoring regular contact between the RECITE Office and individual projects. This activity could be further improved by:

- Ensuring that monitoring and evaluation can cover the period of both implementation and project impact. (In this regard, it is evident that the returns from interregional cooperation need to be assessed in the medium to long term as well as at the end of the project funding periods).

- Linking the payments of Community co-financing to the receipt of satisfactory annual reports by projects rather than, as at present, principally to the use of resources.

Thirdly, the Article 10 projects reviewed here are only one of the Community's actions in the field of interregional cooperation. In practice, there are close and increasing interlinkages between

various different actions (Exchange of Experience Programmes, OUVERTURE/ECOS, INTERREG, MED URBS, transnational aspects of other Community Initiatives etc.,) and between the various actors involved.

So far, the approach to evaluation has been on a programme by programme, action by action basis, and less emphasis has been given to the varied interrelationships that exist and the lessons emerging from the overall body of experience. There would be benefit in "mapping" the overall evolution of this activity and in coordinating the approaches to evaluation so that full benefit can be drawn from existing experience, to avoid overlap and to inform the selection of new projects in these domains.