Agreement between the ERNACT Regions

European Regions Network for the Application of Communications Technology

Network Development Plan

2001-2006

Information Society and eGovernment

Contents

Introduction

ERNACT, European Regions Network for the Application of Communications Technology, was established by a group of seven European local/regional authorities in 1991 to pursue joint funding, development and transfer of know-how opportunities in the area of the emerging Information Society, particularly on how information and communication technologies (ICTs), could be used to approve the delivery of public services.

In the intervening years, the network has successfully participated in a number of European Union interregional, transnational and crossborder projects from various EU ICT technology transfer Programmes including Article 10 and INTERREG IIC of the ERDF. These have resulted in substantial funding gains (see Annex 1 on page 10 for list of the programmes/projects in which ERNACT has participated).

The Information Society and the use of ICTs to improve the delivery of public services (under the more modern guise of "*egovernment models*") is now a more integral part of mainstream national and regional programmes. However, it also now forms a more substantial portion of the new European Programmes designed to facilitate interregional and trans national cooperation for the period 2001-2005, particularly, the INTERREG III Programme.

The main purpose of this document to outline the basis for improved cooperation between the members of the ERNACT Network over the period 2001-2005 to allow the individual members to benefit from the improved potential for Information Society actions by building upon the substantial experience, track record, know-how and good cooperation record of the network and its proven record in delivering value added projects to its constituent Members. See Annex 2 on page 11 for good practice in Interregional Co-operation.

The financial basis for this co-operation will be the 5-year financial perspective discussed in Wirral (see Annex 5 on page 16).

Agreement Objectives

Specific objectives of the agreement are to:

1. Clearly set out and delineate the responsibilities of the ERNACT Network (managed by the ERNACT Interregional Management Committee) and the secretariat, ERNACT EEIG.

2. Secure the necessary human and financial resources to provide the required capacity to pursue joint opportunities.

3. Establish the levels of services to be provided by the EEIG to the Interregional Management Committee.

4. Adjust the cooperation model to enable the member regions to participate as either a "*project*" or a "*network*" member.

5. Devise a mechanism to enable the IMC to establish priorities and associated work plans to achieve these priorities.

6. Improve the level of transparency in relation to joint liability and accountability between the regions jointly carrying out projects under the ERNACT IMC on the one hand and between the IMC and ERNACT EEIG on the other.

7. Set out the costs required to support the implementation of this agreement.

Overview of Co-operation

This agreement sets out a framework for "*multi-project*" co-operation in the field of the Information Society over the period 2001-2006 by the regions participating within the European Regions Network for the Application of Communications Technology in EU INTERREG III, 6th Framework, eEurope and any other *Information Society* programmes agreed by the IMC.

The overall framework for cooperation and its constituent main elements is shown in Figure 1 below.
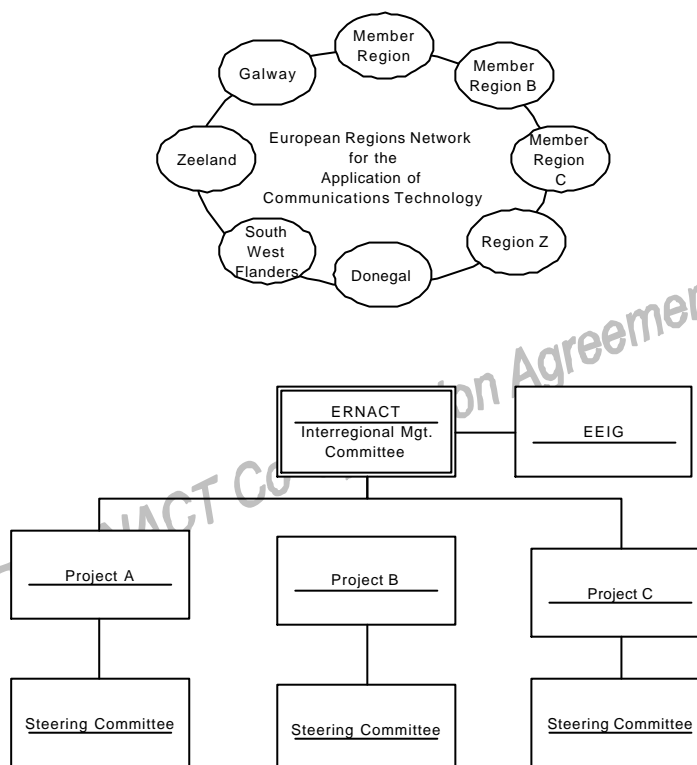

Figure 1.

Members: The individual local or regional authorities constituting the ERNACT Network.

Interregional Management Committee: Responsible for overall strategy, operations, management and financial control of the activities of the ERNACT Network. The IMC contains two different types of member region, ie, *network* members and *project* members

> **Network Members:** Network members will commit to underwrite the strategic operation of the ERNACT IMC over a five year period, i.e., 2001-2005.

> **Project Members:** Project members will pay a fixed annual fee in return for a range of services to be provided by the IMC.

EEIG: The network's secretariat in Lifford, which provides service to the IMC.

The proposed responsibilities and services of each of these three elements is set out on the following pages.

ERNACT Regions and IMC Members

1. Membership of the ERNACT network IMC is open to the local or regional authority only of participating regions.

2. Each region will have equal voting rights in the IMC

3. Each region must appoint two committee members to the IMC. These members must be elected members to the local or regional authority concerned or senior staff members.

4. Where the two members from a region are elected representatives from the authority, these may be accompanied by a senior staff member from the authority.

5. IMC members and accompanying staff must be officially authorised by their local or regional authority.

6. Each region will attend two IMC meetings per year.

7. The cost of attendance at IMC meetings will be paid for by the local or regional authority.

8. IMC members will do their utmost to positively support, progress the projects and other activities of the IMC and have due regard to the joint responsibilities of participation in European Union interregional co-operation projects

9. The IMC may establish any committees it deems necessary for the orderly operation of the ERNACT network and projects.

10. The acceptance of new regions into the ERNACT network must be unanimously approved by all existing regions.

11. All members must accept and sign this agreement through the normal channels.

12. Pay all fees to the ERNACT EEIG approved by IMC

Network Members

1. Responsibility for joint strategic management of the ERNACT Network over the five year planning perspective.

2. Financially support the implementation of this five-year agreement by equally sharing the costs with other Network Members

3. Decide IMC strategy, priorities and actions.

4. Responsible for a five year financial planning perspective

5. Initiate strategic initiatives designed to develop the ERNACT Network

6. Embed own region information society needs within the ERNACT Network.

7. Propose new ERNACT projects

8. Propose new regions as members of ERNACT.

9. Option to participate in all ERNACT sponsored projects.

10. Receive one EU Information Society Programmes Watch Report every six months

11. Attend one Brussels-based Information Society Programmes workshop with EU officials per annum.

12. Attend two IMC meeting per annum in a Member Region or attached to a major Information Society conferences.

13. Management costs for **one** interregional project subtracted from annual network fee

14. Cost of developing **two** new project proposals per annum subtracted from annual network fee.

15. Within the envelope of the five-year financial planning perspective, establish parameters within which ERNACT EEIG should prepare the annual budget for any particular year.

16. Discuss and agree the annual budget under which the IMC will operate for the forthcoming year.

17. Pay annual network member fee agreed by the IMC.

Project Members

1. Propose new ERNACT projects

2. Option to participate in all ERNACT sponsored projects.

3. Receive one EU Information Society Programmes Watch Report every six months

4. Attend one Brussels-based Information Society Programmes workshop with EU officials per annum.

5. Attend two IMC meeting per annum in a Member Region or attached to a major Information Society conferences.

6. Contribute equally to the cost of developing each new project proposal.

7. Contribute equally to the management costs of any project in which the region participates.

8. Pay annual fixed project member fee to ERNACT EEIG.

ERNACT EEIG

ERNACT EEIG will provide the following services:

1. Recruit and retain two professional trained and experienced IMC staff members plus support staff to support operation of the IMC.

2. Develop two project proposals per annum on behalf of the IMC.

3. Project manage one live project on behalf of the IMC

4. Liaise with the European Commission on all matters relating to ERNACT and its projects.

5. Provide audited accounts to the IMC on an annual basis, detailing financial activities by project and region.

6. Monitor all EU Information Society related programmes and report developments to members via a six monthly bulletin.

7. Carry out bi-annual mission to Brussels-based Information Society related project officers in order to ascertain latest developments.

8. To provide composed annual budget for the EEIG to the IMC at least six months before the commencement of the new financial year.

9. Provide bi-annual updates to the IMC in relation to actual costs versus budgets.

10. Organise one Brussels-based Information Society Programmes Workshop with EU officials per annum for the IMC.

11. Organise two IMC meetings per annum in conjunction with a member region or in agreement with the IMC, at as part on an Information Society conference, workshop or other suitable event or venue.

12. Carry out project management and administration of all IMC projects.

13. Provide additional project management resources as directed by the IMC.

14. Recruit additional staff to assist project management of additional projects as directed by the IMC.

15. Advise IMC of any specialist project development expertise required for a particular EU programme and the cost thereof.

16. Allow access by authorized network region partners to ERNACT financial and management accounting systems and information.

Projects

1. The IMC may authorise any two or more ERNACT regions to participate in a particular project.

2. Regions participating in a project will draw up and agree a consortium agreement for that project based upon the model given in Annex 2 (see page 11).

3. The project consortium agreement will take into account any legal or other requirements deemed necessary by the IMC or the EU programme co-funding the project.

4. The member region may authorise the participation of other public or private organisations or companies from their region in a particular project. These partners will be included in the project consortium agreement.

5. A project steering group will be established by the IMC to oversee the implementation of particular project.

6. Each region participating in the project will appoint a competent member of staff to serve on the steering group to be the main point of contact with the IMC and ERNACT EEIG.

7. The steering committee will agree a Programme of Work for the project, which may be amended over the life of the project.

8. This Programme of Work will include the elements described in Annex 3 (see page 13)

9. In recognition of the key part played by co-ordination staff within each region in ensuring timely completion of the project workplan, each project participant will put in place the necessary human resources at the beginning of each project in order to ensure that the project workplan is dependent activities are completed.

10. Project participants will adhere to the regulations, best practice, guidelines, etc., issued by the European Commission Programme, Directorate or Officers sponsoring the project.

11. The cost of managing a project by the EEIG will be divided equally between the participate regions. This is in recognition of the fact that the effort required to manage a region's participation is not related to the size of their budget.

12. Any intellectual property developed as a result of a project will follow the exploitation rules generally accepted within the European Union's Framework Programmes.

13. The IMC may authorize two or more regions to submit an application for funding and to carry out any ancillary preparatory work, the costs of which will be agreed beforehand.   A Project Preparation Agreement shall be drawn up between the participating ERNACT regions based upon the model (yet to be agreed) outlined in Schedule X.

Annex 1 – ERNACT Projects

EU Programme	Project	Aim	Budget	
ERDF – Article 10 - Recite	ERNACT - European Regions Network for the Application of Communications Technology	Utilise telecommunications to improve the delivery of public services and to explore their potential fro improving the development co-operation between European regions.	3,000,000 Euro	Jun'91 – Dec'94
Framework Programme	IRDSS –Integrated Regional Development Support System	Provide an integrated set of telematic applications to enable marginalised communities to develop the full potential of their areas, and to connect their economies to those of more central regions and to the emerging Information Society.	2,757,000 Euro	Jan'96 – Mar'00
ERDF – Article 10 – RISI2	CRISM –Creating a Regional Information Services Market	Help create a market for regional information services by developing and deploying a telematics application for the delivery of a range of multi-agency SME-focused telematics services	2,200,000 Euro	Sep'96 – Sep'00
Information Society Project Office	ISIAS –Information Society Impact Assessment for Sustainability	Assess the impact of the Information Society on Sustainable Development of five European regions and thus integrate their local IS, employment, environment and development strategies.	982,082 Euro	Jan'98 – Mar'00
ERDF-INTERREG II (Ireland/N.Ireland)	Digital Economy	Increase the capacity of the North West Ireland to plan for and adapt to the challenges posed by the advent of the information age.	762,000 Euro	Jun'99 – Jun'01
ERDF INTERREG IIC - NWMA	Virtual Region	Test how and in what areas European regions could co-operate as a single "virtual region" irrespective of their geographical location in order to optimise their development potential in the new information-based digital era	*808,521 Euro*	Sep'99 – Dec'01

Annex 2 – ERNACT and 10 years of Interregional Co-operation

The main purpose of this section is to draw out the conclusions and lessons learnt as a result of almost 10 years of interregional co-operation and participating in European Information Society Programmes.

1. From the perspective of an individual region, interregional cooperation is not easy. It should be conducted from within a long term **strategic plan** for interregional cooperation, based on strong political and administrative support from the home region. The **objectives** and **added value** for the region should be worked out in advance. This will help the region to decide what networks it should participate in, and not waste time on non-priority projects, networks and initiatives.

2. The **logistics** of interregional cooperation are difficult and costly. It is advisable to try to limit the number of partners, regions, programmes and projects in which the region participates. Ideally, a small number of projects each with a large budget is best. If possible, attempt to cooperate with the same regions and partners in different projects. This increases the financial return and synergy but minimises travel, cultural and general management issues.

3. Interregional co-operational agreements with another region should first be negotiated with the **regional or local government** responsible for that region. This can provide a very stable and financially secure umbrella for participating in projects with other actors from that region including universities, private companies, etc.

4. Do not under estimate the difficulties that can arise as a result of cultural differences, different management styles, partner expectations, etc. Adequate **management** time should be devoted to building an awareness of these difficulties and to managing and resolving relationships.

5. The range of networks operating in the Information Society arena was outlined in an earlier section. Regions should carefully select those **networks** with which to participate depending upon target programme focus, the quality of the administrative structures which have been put in place and the degree of regional participation encouraged by the network managers.

6. It is advisable to investigate in advance that the network meets your purposes and possesses the necessary **structures** to ensure that the objectives of your region are heard and adequately dealt with. For example, if the network was established to lobby the European Commission on a particular information society issue, it may not be effective in developing and securing funding for project proposals from the IST Programme.

7. The EU Framework **IST Programme** is less suitable for regional government, whose priority is to secure resources to stimulate the uptake of regional information society systems or e-commerce based upon existing technologies. Although some regions have been quite successful, the IST programme is best reserved for those regions who wish to pursue a longer term research and

8. These regions should give priority to those programmes being promoted by regional policies, e.g. **INTERREG 3**. These programmes are designed to address more immediate development issues such as inadequate telecom infrastructure, modernisation of SMEs, etc.

9. Regardless of the particular region, network or programme, it is extremely important to carefully select those **organisations** and other actors who will participate in potential proposals and projects with your own region. Once a project is up and running, the partners are jointly responsible for successful completion and the overall success of the project will be dictated by the strength of the weakest link.

In conclusion, successful interregional co-operation between regions can be a very rewarding experience and add value to internal regional efforts to develop Information Society provided:

- it receives the long term support of **politicians** and policy makers within the region;
- the regions priorities are laid out in advance within a **strategy**
- adequate **resources** are devoted by the region to operationalise that strategy;
- the aims, objectives, culture and management capability of potential co-operation **networks** are carefully assessed beforehand.
- relationships with other regions are first of all developed through the political **administration** in other regions;
- Target EU **Programmes** are carefully assessed beforehand
- **partners** for potential projects are selected carefully;

In this increasingly knowledge-based global and networked Europe it is increasingly necessary for regions and their constituent companies, research organisations to be interlinked in order to maximise economic and social development within the region.

Consequently, EU programmes from both regional policy and the Fifth Framework are extremely valuable tools for regional development. Co-operating regions can utilise these programmes to add value to their individual efforts to adopt to the Information Society but they must do this in a strategic and professional manner.

Annex 3 – Model Project Consortium Agreement (Draft)

See separate file attached to this email entitled "model project agreement.doc"

Annex 4 – Draft Project Program of Work Structure

1. General Information (1)

1.1. Project Name

1.2. Project Number

1.3. Project Description (2)

1.4. Project Objectives (3)

1.5. Project Deliverables

1.6. Total Project Cost (in ecus)

1.7. Project Start Date

1.8. Project Completion Date

1.9. Total Duration (in weeks)

1.10. Task List (see below)

1.11. Gantt Chart

1.12. PERT Chart

3. Project Management (7)

3.1. Who will manage the project

3.2. How much time and cost will be allocated to management

4. Participating ERNACT Regions (5)

4.1. What ERNACT Regions will be participating in the project

4.2. Explain the role of each

5. Third-Party Regional Actors (6)

5.1. Name the agencies[1] and their function outside the local authority structure who will be taking part in the project

5.2. What is their function in the region

5.3. What role will they play in the project

6. Project Costs

The following costs should be given for each project broken down by year. All costs should be in ecus.

6.1. Total cost

6.2. Hardware

6.3. Software

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[1]Excluding Suppliers

6.4. Manpower

6.5. Training

6.6. Computer communication costs

6.7. Travel/meetings

Project Task List

For each task in the task list (see above) give the following information:

7.1. Task identification

7.2. Task name

7.3. Task description

7.4. Estimated start date

7.5. Estimated finish date

7.6. Total time to complete task in weeks (Finish Date - Start Date)

7.7. Manpower required to complete task (in days and cost rate per day)

7.8. Hardware purchases required (in ecus)

7.9. Resource or agency responsible for completing task

7.10. Cost to complete task

7.11. Does it depend on any other task

7.12. What are the deliverables from this task

Annex 5 – 5 year Financial Planning Perspective

35% of Total Services dedicated to IMC (in Euros)					
	2001	**2002**	**2003**	**2004**	**2005**
Total Costs					
Maximum Cost	149,721	157,118	164,940	173,214	181,967
Minimum Cost	74,860	78,559	82,470	86,607	90,984
4 Regions Sharing					
Maximum Cost	37,430	39,279	41,235	43,303	45,492
Minimum Cost	18,715	19,640	20,618	21,652	22,746
5 Regions Sharing					
Maximum Cost	29,944	31,424	32,988	34,643	36,393
Minimum Cost	14,972	15,712	16,494	17,321	18,197
6 Regions Sharing					
Maximum Cost	24,953	26,186	27,490	28,869	30,328
Minimum Cost	12,477	13,093	13,745	14,434	15,164