The Intermediate evaluation of the Interregional Cooperation Programme INTERREG IVC

Part A - Final Report

Zoetermeer, November 10, 2010

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Acknowledgements

Contents

Important note to the reader

If the reader wishes to have a quick access to the main findings, conclusions and recommendations of this evaluation, we recommend a reading of only the following sections of this report:

- **Section 2.1.3, p.29:** Conclusions on the relevance of the programme objectives & related recommendations.

- **Section 2.2.3, p.36:** Conclusions on the potential impact of the territorial cohesion objective & related recommendations.

- **Section 2.3, p.37:** Adequacy of the financial resources allocated to the programme.

- **Section 3.1.2. p.54:** Conclusions on the performance of the JTS, the IPs and the NCPs & related recommendations.

- **Section 3.2.2, p.61:** Conclusions on communication and dissemination activities & related recommendations.

- **Section 3.3.2, p.69:** Conclusions on the "thematic capitalisation process" at programme-level & related recommendations.

- **Section 3.4.3, p.74:** Conclusions on decision-making and external relations & related recommendations.

- **Section 3.5.2, p.81:** Conclusions on the further use of TA-resources & related recommendations.

- **Section 4.1.2, p.87:** Conclusions & recommendations for the future fourth call for applications.

- **Section 4.2.5, p.107:** Conclusions on the coherence of the approved projects with the programme objectives & related recommendations.

- **Section 4.3.3, p.118:** Conclusions on the adequacy of the indicator system & related recommendations.

- **Section 5.3, p.132:** Conclusions on the future of inter-regional co-operation & related recommendations.

The boxes with recommendation under each section were deliberately kept short in order to highlight the most important "key message". More detailed (operational) information on these can in general be found in the preceding plain text above each box.

Executive Summary

The Monitoring Committee of the interregional co-operation programme 2007-2013 (IN-TERREG IVC) launched a general Intermediate Evaluation which pursued the following overall aim:

- To consider the possible impacts for the programme of changes in the global context since the programme approval.

- To provide an overall assessment of the state of the programme implementation compared with the programme objectives and to identify possible deviations or shortcomings.

- To elaborate proposals for improvements in the future programme implementation, including recommendations on where to focus on in the next call(s) for proposals.

- To elaborate recommendations for future interregional cooperation after 2013.

In relation to this overall aim, the following evaluation tasks had to be addressed by the evaluators:

- Task 1: Assessment of the programme objectives and priorities in relation to the programme context

- Task 2: Assessment of the programme implementation: administrative structure.

- Task 3: Assessment of the Programme implementation: interregional cooperation activities.

- Task 4: Assessment of the future of interregional cooperation after 2013 and its contribution to the EU cohesion policy.

In the following, a short summary of the main evaluation findings is given in relation to each task for introducing the reader to the subsequent in-depth result presentation which takes place in the Chapters 2-5 of the present Final Report.

Task 1 – Context changes & relevance of the programme objectives

The strategic-level objectives (overall, thematic & horizontal objectives) and the operational objectives for the sub-themes remain in general valid in a medium-term perspective despite the major changes which occurred since 2008 in the wider socio-economic context. Due to this, there is no need for revising the current main programme orientations.

The basic orientations of the Treaty's new territorial cohesion objective are already well covered by the normative focus of the INTERREG IVC programme strategy. The programme strategy is sufficiently wide and clear, respects the principle of solidarity and also contrib-

utes to most of the other territorial cohesion principles which emerged from the wider debate on the Commission's Green Paper (i.e. principles of "connection" & "co-operation").

The considerable bottom-up demand voiced by the local and regional stakeholders (i.e. the eligible project applications) during the first years of the INTERREG IVC programme implementation exceeded by far the actual financial capacities of the programme. Viewed only from this narrow perspective, one has to conclude that the financial resources of the INTERREG IVC programme are not adequate for effectively meeting the substantial demand and interest of its wider target group.

Task 2 – Programme governance & the programme-level capitalisation process

The delivery of the programme management and implementation tasks is well under way and most of the initial targets will be achieved or even over-achieved by the end of the programming period.

Although the current management and implementation system is relatively complex, a majority among the various programme stakeholder groups (i.e. Monitoring Committee members & National Contact Points) prefers to maintain the decentralised arrangement which also includes the four "Information Points" (IPs) as an important element. Yet, the entire programme management and implementation system is currently operating at its upper capacity limits However, only a few potentials do exist for substantially improving this situation already during the period 2007-2013.

The "Communication Strategy" touches all aspects which are important for the INTERREG IVC programme. However, the messages to be communicated towards some strategic target groups are not enough developed and the communication tools do also not focus very well on one of the most important programme target groups (i.e. - the Managing Authorities of the regional Competitiveness & Convergence programmes). The current level of output/result achievement of the realised communication and information activities shows that the implementation is well under-way at least in relation to the initially set targets. However, regarding the wider impact achieved, these activities were only partly successful in raising the level of awareness & knowledge among regional/local authorities in Europe about the existence and functioning of the INTERREG IVC programme and with respect to an information of/communication with some external but strategic stakeholder groups (i.e. EU-institutions, EU-wide associations representing local& regional authorities).

The recently initiated experimentation on programme-level capitalisation can be assessed as successful, although not all of the initial objectives were fully met by the final outcome. The exercise clearly addressed the needs of the stakeholders (within & outside the programme), was very useful in terms of process (learning) and also indicated a way for further increasing the impact of the programme as such. There is also a general consensus that without further continuing this programme-level process the lessons learnt from the projects may not be appropriately exploited & disseminated to the wider world.

The now "unified" INTERREG IVC programme has, in terms of practical decision-making within its Monitoring Committee (MC), generated a number of important challenges which were clearly under-estimated at the outset by all parties involved: More stakes and stake-

holders need to be accommodated, more time is needed for decision-taking and more communication efforts and "diplomatic skills" are required from the Managing Authority, the Joint Technical Secretariat (JTS) and the MC-Chair and the programme Troika. It also appeared that discussions and decision-taking in the Monitoring Committee should be realised in a more efficient and also qualitatively better way.

The "external connection" between the INTERREG IVC programme and other EU Structural Funds programmes is not particularly strong at this moment (i.e. in particular with the regional Competitiveness & Convergence programmes, but also territorial co-operation programmes). However, the programme-internal and also programme-external stakeholders widely acknowledge at least in principle the benefits of this connection for creating synergies between these programmes. Therefore, the relationship between INTERREG IVC and other EU programmes should be further strengthened during the rest of the programming period.

Seen as a whole, we consider the overall volume of resources for Technical Assistance (TA) as being sufficient for an effective implementation of the INTERREG IVC programme. Currently, one can observe significant under-spending for some TA-budget lines (i.e. travel costs of the JTS staff, programme studies, communication & dissemination activities). Especially for the TA-heading "staff", however, more funding is needed at the JTS-level in the short-term (e.g. for project assessment, financial management, programme-level capitalisation, communication & dissemination, co-ordination/guidance of IPs & animation of National Contact Points).

Task 3 – Implementation & achievements of inter-regional co-operation activities

Our horizontal analysis of the current project portfolio revealed imbalances at various levels. These imbalances appear:

- in the coverage of the ten priority-level sub-themes by the approved operations,

- in the geographical representation of countries in the approved operations (i.e. a few countries are well-represented & a larger number of Member States having a low or even very weak representation),

- between the main types of operations supported (i.e. regional initiative & capitalisation projects) as well as between the specific sub-types of operations (i.e. normal regional initiative projects / mini-programmes & simple capitalisation / fast track capitalisation projects).

As regards the "expected" outputs/results achieved by the currently approved projects, one can observe a positive performance under the Priorities 1 and 2 of the INTERREG IVC programme by the end of 2009. This positive performance is more evident at the level of the reported outputs (i.e. high & very high achievement levels) than at the level of the reported results (i.e. often strong under-achievement or even non-achievement). The main reason for this is that the reported figures most often only relate to the 41 first call projects (and not to the 115 currently running operations). For some result indicators (esp.

those relating to capitalisation projects), however, it is very likely that the observed gaps might not be fully recoverable during the remaining time of the programming period.

Most projects also generate "additional and unexpected outcomes" which originate in general from synergy effects and creative processes. This type of outcomes can greatly vary in terms of nature (e.g. new types of activity, new co-operations; new knowledge), of scope (e.g. immaterial outcomes, new tangible products & tools) or of location (e.g. local/regional relevance, inter-regional relevance).

As a consequence of the expected final structure of the programme's project portfolio, we assume that the overall impact generated by inter-regional co-operation projects will be less significant in relation to the EU-funded regional Convergence & Competitiveness programmes (i.e. due to the small number of capitalisation projects) that in relation to an improvement of other local/regional policies (i.e. due to the large number of regional initiative projects).

The currently approved projects are coherent with the wider objectives of the INTERREG IVC programme. They help to achieve those sub-theme objectives which they primarily address and also make in most cases an important secondary contribution to an achievement of other operational objectives existing under the same and/or the other thematic priority. Cross-cutting contributions to an achievement of programme objectives are much more evident in the case of Priority 2 projects than under projects of Priority 1, which is mainly due to the more horizontal nature of many sub-themes relating to "environment & risk prevention".

The overall indicator system measuring the progress achieved under the Priorities 1 and 2 of the INTERREG IVC programme is vertically well-integrated. The current "project-level indicators" feed a number of similar "programme-level indicators" which enables to aggregate the outputs/results achieved by all projects at a higher level. The indicator system is in general positively perceived by the projects themselves. They consider it helpful for monitoring the progress of operations, confirm the realism of the data gathered and also observe that sufficient project-level checks are realised by the JTS. However, we have also identified two major shortcomings of the current system:

- The initial target values were not realistically estimated for the large majority of output/result indicators (i.e. 24 out of 32 in total). This will most likely lead to a situation of considerable over- or under-achievement at the end of the 2007-2013 programming period.

- The set of quantitative programme- & project-level indicators only allows a monitoring of some basic outcomes achieved by INTERREG IVC. Insufficiently captured is the qualitative/intangible dimension of co-operation and also diversity of the unexpected project outcomes (due to the currently inadequate reporting format).

Task 4 - the future of inter-regional co-operation after 2013

A new inter-regional co-operation programme should actively contribute - within the limits of its future means and possibilities - to achieve the Treaty's new territorial cohesion objective. It should also be focussed on the three mutually reinforcing priorities of the "Europe 2020 Strategy" (i.e. smart, sustainable and inclusive growth) and maintain the current high level of EU-support for inter-regional co-operation projects (i.e. 75% & 85%). A new inter-regional co-operation programme should maintain experimentation with and learning about innovative policy interventions in the field of territorial development at the heart of future EU-support for inter-regional co-operation, but at the same time provide stronger evidence on the achievements and on the added value of inter-regional co-operation.

Finally, a new inter-regional co-operation programme should establish an overall system for strategic decision-making, management and implementation by carefully taking into account the experiences of the period 2007-2013, the demand for change voiced by the stakeholders and the requirements stemming from a potential quality up-grading of future inter-regional co-operation.

1   General introduction and methodology adopted

1.1   INTERREG IVC seen in a wider policy context

A first series of inter-regional co-operation initiatives was financed by the European Union already during the 1990s and the more important ones were also centrally managed by the European Commission (i.e. RECITE, ECOS-Overture).

During the 2007-2013 programming period, inter-regional co-operation was continued under the INTERREG III Community Initiative (2000-2006). Strand C of the Community Initiative gave a new shape to inter-regional co-operation in Europe, in terms of philosophy and strategy but also in terms of implementation approach. The overall management approach was set out by the Commission's Communication on inter-regional co-operation. Four similar programmes were established and implemented since 2002 by 4 Joint Technical Secretariats (i.e. INTERREG III C West, East, North and South).[1] In addition, a specific INTERACT Point "3C Coordination" co-ordinated the 4 programmes with the aim to ensure a harmonised implementation of INTERREG IIIC with common standards and equal treatment of applicants and project partners across the four zones.

The EU's Cohesion Policy for the 2007-2013 programming period had to cope with the challenges of an enlarged European Union at 27 members and provide a response to a set of demands coming from various directions (i.e. the new & economically weaker Member States; old Member States with regions being "victims" of a statistical effect[2]; general critics pointing to the limited impact achieved in reducing the development disparities in the EU over the past 15 years). At the same time, the Lisbon Agenda's vision on making Europe more competitive at global level pressured the Cohesion Policy to deliver a direct result (i.e. "jobs") and impact (i.e. "growth") in this direction. Accordingly, the Lisbon objectives were integrated into the overall strategic approach of the EU Cohesion Policy and it was highlighted that (…) "*cohesion policy in all its dimensions must be seen as an integral part of the Lisbon strategy*".

Within the new design of the EU Cohesion Policy, the previous INTERREG III Community Initiative was transformed into a third Structural Funds objective now known as "European Territorial Cooperation" which is framed by the 'Community Strategic Guidelines for Cohesion' and the revised ERDF-Regulation. The funding allocated to this objective[3] supports a development and further strengthening of cross-border, transnational and inter-regional co-operation among local and regional actors across the EU. Co-operation programmes of all three strands are directed towards achieving thematic priorities such as innovation, environment, accessibility and sustainable urban development.

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[1] But closed by 2009.

[2] Regions whose GDP per capita rose above 75% of the Community average not because they developed further in socio-economic terms but because the Community average decreased as a result of the enlargement.

[3] The budget for the third objective of the EU Cohesion Policy is € 7,750 billion in accordance with the Art. 21 of the Council Framework Regulation.

For the sake of a more harmonised and coherent approach across Europe, it was decided that inter-regional co-operation during the period 2007-2013 would be implemented through one single programme (INTERREG IVC) which has only one Managing Authority (MA), one Joint Technical Secretariat (JTS) and one Monitoring Committee (MC). The current INTERREG IVC programme is also characterised by a clear tightening of its thematic focus if compared to the INTERREG IIIC period. The programme addresses issues directly related to the objectives of the Lisbon and Gothenburg Strategies and aims to improve the effectiveness of regional development policies and to contribute to economic modernisation and an increased competitiveness of Europe. This should mainly be achieved by:

- enabling local and regional actors across the EU to exchange their experiences and knowledge;

- matching regions less experienced in a certain policy field with more advanced regions;

- ensuring the transfer of good practices into Structural Funds mainstream programmes.

The INTERREG IVC programme, for which the whole of Europe remains eligible, acknowledged the importance of geographic closeness and institutional-cultural proximity to its main target group which was under INTERREG IIIC ensured through the existence of 4 programmes and four JTSs. In the final stage of the INTERREG IVC programme set up phase, it was therefore agreed to establish four Information Points (IPs) which were also meant to ensure a continuity of and capitalisation on the valuable know-how gathered by the previous INTERREG IIIC JTSs. The operational responsibilities of these four IPs were subsequently laid down in agreements concluded with the programme Managing Authority. Furthermore, National Contact Points (NCPs) were set up on a voluntary basis in the different countries which are involved in communication and dissemination, project generation and project development from a specific national and/or regional perspective and thus also contribute to the programme implementation.

Also the main type of operations which are funded under the programme have changed if compared to the past and "project-level capitalisation" was introduced as a new approach. The inter-regional operations need to have beneficiaries from at least three countries (two of which must be from an EU-Member State) who co-operate in terms of joint development, joint implementation, join staffing and joint financing in each operation. Up to now, the INTERREG IVC programme has finalised three calls for its project-based implementation. A total of 41 projects were approved under the first call, while a further 74 projects have been approved by the Monitoring Committee on 5 November 2009 after the closure of the second call. After the third call, a further 7 capitalisation projects have been approved by the Monitoring Committee on 28 June 2010.

1.2   Aims and tasks of the present evaluation

Based upon the evaluation plan approved on 16 March 2010, the Monitoring Committee has decided to launch a general intermediate evaluation of the programme during the year

2010. In the following sections we describe our methodological approach, evaluation tools and work plan for delivering this assignment.

Aims of the evaluation

According to the Terms of Reference (ToR), the overall aim of the general intermediate evaluation of the Operational Programme INTERREG IVC is the following:

- to consider the possible impacts for the programme of changes in the global context since the programme approval;

- to provide an overall assessment of the state of the programme implementation compared with the programme objectives and to identify possible deviations or shortcomings;

- to elaborate proposals for improvements in the future programme implementation, including recommendations on where to focus of the next call(s) for proposals;

- to elaborate recommendations for future interregional cooperation after 2013.

Main evaluation tasks

In relation to the overall aim, as described above, the ToR have defined the following main evaluation tasks to be addressed by the evaluators:

- **Task 1**: Assessment of the programme objectives and priorities in relation to the programme context

- **Task 2**: Assessment of the programme implementation: administrative structure.

- **Task 3**: Programme implementation: interregional cooperation activities.

- **Task 4**: Future of interregional cooperation after 2013 and its contribution to the EU cohesion policy.

1.3 Overview on the general method used

For carrying out this evaluation, different methodological elements were used for collecting data and for producing the required evidence. At the level of each task/sub-task, a specific combination of these elements was then used for carrying out the analysis while applying the "principle of triangulation".

Brief outline of the methodological elements used

The evaluation has used four different methodological elements, namely a realisation of desk research, field work activities, case study analysis and survey activities.

(1) Desk research including literature review was realised under all tasks of this evaluation. It involved the assessment of existing printed or non-printed information sources which were suggested by the JTS or identified by the evaluators (i.e. studies, evaluations, progress reports, policy documents, position papers etc.) as well as of already established or specifically gathered primary and secondary quantitative data which were relevant for this evaluation. An overview on the most important literature sources used for this evaluation can be found at the end of this report (i.e. bibliography).

(2) The evaluation also involved **fieldwork activities** in form of structured face-to-face and phone interviews with key stakeholders from the main bodies of the Programme Management (i.e. Monitoring Committee, Joint Technical Secretariat, Information Points, Managing Authority, National Contact Points) as well as from the European Commission, the European Parliament, the Committee of the Regions and a number of European associations representing regional and local authorities. These fieldwork activities mainly provided an input for delivering Task 2 and were organised in a complementary manner so as to avoid overlaps with the envisaged survey activities. A list of direct interviews carried out for this evaluation is shown in **Annex 1.1**.

(3) Case studies were realised at the level of already approved and operating projects in order to further deepen certain aspects to be addressed by this evaluation. The case studies provide illustrative in-depth information on various aspects addressed under Task 3 (i.e. outcomes achieved & practice of the project-level monitoring approach). For this evaluation we realised a total of 10 case studies and an overview on the selected projects can be found in **Annex 1.2**.

(4) For our analysis of the four evaluation tasks, additional inputs were generated through organising **three web-based surveys** which covered various programme-related stakeholder groups:

- One online survey among the INTERREG IVC programme Monitoring Committee representatives for providing inputs on Tasks 1-4.

- One online survey among the National Contact Points for providing inputs on Tasks 2-4.

- One comprehensive on-line survey among the Lead Partners of all approved projects for providing inputs on Tasks 1-4.

The goal of the online surveys was to gather general opinions of the various types of stakeholders on the different task-related main evaluation questions raised by the ToR (by providing us with scores on different evaluation issues, supplemented by summary statements). More information concerning the response-rate of the survey is included in **Annex 1.3**.

Task-specific combination of methodological elements & guiding principle for the analysis

The above-mentioned methodological elements were combined in a specific manner according to the nature and requirements under each evaluation task. Below, the actual use made of the various methodological elements under the main evaluation task is briefly summarised (**see: Table 1.1**).

Table 1.1: Actual use of the various methodological elements throughout the evaluation process				
Evaluation Task	**Desk research**	**Fieldwork activities**	**Case study analysis**	**Web surveys**
Task 1: Assessment of the programme objectives and priorities in relation to the programme context	X	O	O	X
Task 2: Assessment of the programme implementation: administrative structure	X	X	O	X
Task 3: Programme implementation: interregional cooperation activities	X	(X)	X	X
Task 4: Future of interregional cooperation after 2013 and its contribution to the EU cohesion policy	X	O	O	X
X = intensive use; (X) = limited use; O = no use				

Our analysis was guided by the "principle of triangulation" (**see: figure 1.1 below**), which aims to avoiding subjectivity and partiality of the data used and ensures that impartial conclusions are drawn. In our specific case, the triangulation principle was put into practice through the following three steps:

1. In relation to a specific issue or question at stake, as much quantitative data and qualitative information as possible was gathered from various available sources.

2. The issue- or question-related data and information were then analysed more in-depth in order to produce various types of aggregated evidence.

3. In relation to the same issue or question, a comparative analysis across the different types of aggregated evidence was finally carried out in order to draw impartial overall conclusions and to make related policy recommendations.

Figure 1.1   General view on the triangulation approach

Specific issue or question addressed:

Source X

Reliable data

Source Z

Source Y
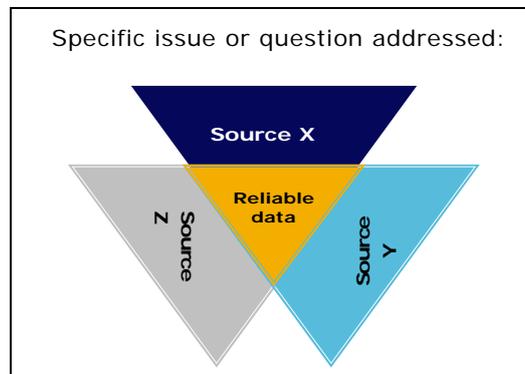
2 Relevance of the programme objectives (Task 1)

The ex-ante evaluation realised for the INTERREG IVC programme concluded that the (...) *socio-economic, territorial and environmental analysis carried out in the programme has reached* (...) *a mature character and reflects correctly the existing and future-oriented issues of regional and territorial development.* (...) In addition (...), *the programme strategy, defined by an overall and five specific objectives, reflects adequately the co-operation needs identified in the analysis* (...) *and* (...) *respects the principle of solidarity, indicating explicitly that the main beneficiaries should be regions less experienced in specific policy fields.*[1]

Since the adoption of the INTERREG IVC programme, however, a number of important context changes and developments took place. The world-wide and European context dramatically changed with the outbreak of the financial & economic crises and the more recent EURO crisis, which might to give a new interpretation to some of the main problems and long-term challenges for territorial development as identified by the initial INTERREG IVC programme strategy. A major EU-level policy change was the introduction of the new territorial cohesion objective by the recently adopted Lisbon Treaty, which might lead to a long-term shift in the perception of EU Cohesion Policy and the role of territorial co-operation. During the first years of the programme implementation, finally, the main strategy themes were strongly addressed by the primary INTERREG IVC target group (regional & local authorities) and the eligible proposals submitted have exceeded by far the actual financial resources available to the programme.

Against this wider background, the Terms of Reference (ToR) require Task 1 to investigate whether the original programme objectives and the priority-level orientations are still relevant on the background of these changes which have taken place during recent years in the economic, social and environmental dimension as well as in the wider EU policy context. To achieve this, we examined more up-dated literature sources analysing the wider socio-economic and political context and gathered additional views through our online surveys (i.e. among programme-level key stakeholders from the Member States and among project-level key stakeholders).

2.1 The wider relevance of the INTERREG IVC programme strategy in a changing European and global context

The present section explores in how far the initial socio-economic and territorial diagnosis elaborated for the INTERREG IVC programme and the derived intervention strategy (i.e. thematic orientations & objectives at various levels) are still adequately reflecting today's overall situation.

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[1] INTERREG IVC (2007).

2.1.1 The overall diagnosis of the macro-economic context and of the long-term territorial development challenges

The introduction to the INTERREG IVC programme and the first sections of the detailed analysis identified overall developments in the global and European context as well as in relation to the concerned EU-wide policies (i.e. updated Lisbon & Gothenburg Strategies, Cohesion Policy 2007-2013, Territorial Agenda of the EU), while highlighting also a number of strategic challenges for territorial development in an enlarged European Union.[2]

The socio-economic context changed dramatically since 2007

The original programme diagnosis of the wider socio-economic context and the associated territorial development aspects describes a situation which was valid up to late 2007 and which was also reflected by the analysis of the Fourth report on economic & social cohesion. The subsequent Fifth progress report summarises this situation as follows:[3] *Convergence in European regions has remained strong in recent years, leading to a marked narrowing of disparities in GDP per head, employment and especially unemployment rates. This trend is largely driven by improvements in the least prosperous regions.*

Since the outbreak of the financial crisis by mid 2007, which had manifold reasons and also a pervasive impact on the real economy, the world economy is facing its biggest challenge in decades due to the truly global and interconnected nature of this crisis. With this global crisis, also the European economy has entered in the deepest recession since the 1930s and the European Union faced the sharpest contraction of real GDP in its history. Besides the impact on actual and potential growth, also substantial impacts on labour market and employment as well as on the investment behaviour can be observed.[4]

The economic crisis wiped out the steady gains in economic growth and job creation witnessed in the EU over the last decade and the industrial production dropped back to the levels of the 1990s, while 23 million people - or 10% of the active population in the EU - are now unemployed. The crisis has also exposed some fundamental weaknesses of the EU economy and made the task of securing future economic growth much more difficult.[5] This results in an even greater need for structural adjustments reinforcing the importance of elements such as, e.g. knowledge based economies for being able to transform challenges into opportunities.[6]

The fiscal costs of the financial and economic crisis are enormous. Aside from interventions to rescue and stabilise the banking sector, the Member States have also implemented a range of measures for providing temporary support to labour markets, boosting investment in public infrastructure and supporting companies. Additional financial support was also mobilised for the European Economic Recovery Plan (EERP) launched in December 2008,

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[2] INTERREG IVC (2008a): Context & EU-policy analysis (Chapter 2 of the programming document) and strategic challenges (Sections 3.1 & 3.2 of the programming document).
[3] CEC (2007a), Fourth report on economic & social cohesion. CEC (2008a), Fifth progress report on economic & social cohesion.
[4] CEC (2009b), Economic Crisis in Europe. CEMR (2009b).
[5] CEC (2010a), Europe 2020 Strategy.
[6] CEC (2009a), Regions2020 - Globalisation challenges.

which has the objective to restore confidence and bolster demand through a co-ordinated injection of purchasing power into the economy complemented by strategic investments and measures to shore up business and labour markets.[7]

An issue of major concern is that public indebtedness is rapidly increasing. On the current course, public debt in the EURO-area is projected to reach 100% of GDP by 2014.[8] Sound public finances are, however, critical for restoring the conditions for sustainable growth and jobs in the future. A comprehensive exit strategy therefore involves a progressive withdrawal of short-term crisis support and the introduction of medium- to longer-term reforms (i.e. budgetary consolidation programmes; structural reforms of pension, health care, social protection and education systems) that promote the sustainability of public finances and enhance potential growth.[9]

Recent analysis also shows that the socio-economic impacts of the crisis and the distribution of the increased fiscal deficits associated to crisis control and mitigation measures are unevenly distributed among the EU Member States, with some being more affected than others in either case.[10] But it must be feared that the aggregated effect of the crisis might result in a weakened territorial cohesion of the EU if it is not countered by policies targeting specific problems in a differentiated manner.[11]

As regards the impact of the crisis at a regional and local level, very little quantitative evidence is available a date. Only qualitative evidence on the direct or indirect consequences of the crisis and on regional/local measures taken to counter-balance such negative effects was gathered through surveys which were carried out by various European associations representing local and regional authorities[12] and by the Committee of the Regions.[13] The impact of the crisis is, however, unevenly distributed across sectors and regions. This is mainly due to the different economic strengths and a territorially differentiated mix of the economic sectors affected. Yet, all surveys reveal that regions and local authorities in Europe have been hit hard by the economic and financial crisis and that public finances and their policies are increasingly under pressure (**see: Annex 2.1**).

The overall conclusion drawn by the latest CEMR-survey[14] is that (…), *whereas the European Commission, the European central Bank and other international bodies believe that 2010 will see an economic and financial improvement in Europe, our local and regional authorities by a large majority expect 2010 to be either as difficult as 2009 or worse. Cuts in resources, in turn, often lead to changes in the provision of public services, which is the core business of local and regional authorities, and which, more than anything else, have a direct and daily impact on the lives of Europe's citizens. The overarching trend (…) leads to an inescapable conclusion: the economic and financial crisis will not spare Europe's public sector in 2010. Even if and when the economy picks up to some extent, the extent of public sector debt (now exceeding the Maastricht criterion of 60 % of Gross Domestic Product in*

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[7] CEC (2009b), Economic Crisis in Europe.
[8] CEC (2009b), Economic Crisis in Europe.
[9] CEC (2010a), Europe 2020 Strategy.
[10] CEC (2009b), Economic Crisis in Europe.
[11] CoR (2010).
[12] AER (2009). CEMR (2009a). CEMR (2009b).
[13] CoR (2010).
[14] CEMR (2009b).

the EU), and continuing unemployment in many places, will place acute pressure on Europe's local and regional governments.

Although it is all too understandable that the financial and economic crisis could not be foreseen at the time when the INTERREG IVC programme was elaborated, one can fear that the observable local/regional impacts might have short- and medium-term consequences for interregional co-operation. As territorial co-operation does in general not belong to the core activities which public territorial authorities primarily seek to realise or maintain in a period of major crisis and reduced public resources, it is indeed very likely that the willingness to engage in co-operation projects or to maintain existing commitments are weakened. This is also partially confirmed by the outcome of our survey among project Lead Partners:

- 44% of the respondents confirm that the recent financial and economic crisis had a negative impact on the currently operating INTERREG IVC projects (i.e. 36% of the respondents disagree or strongly disagree; 20% neither agree nor disagree).

- However, the Lead Partners perceive the stability of their own projects as being relatively high despite the dramatically worsened socio-economic context. 51% of the Lead Partners do not think that a revision of their project configuration is necessary, while 30% are of the opinion that such changes might become necessary.[15]

- Only a few qualitative statements indicate a direct negative impact of the crisis on the projects (e.g. difficulties in organising regional activities; shift in general public expenditure made it difficult to keep up the political commitments of the project contract; a partner dropped out because of inability to contribute co-financing obligations), while others show that at least a discussion about these impacts or a reflection on emphasising stronger some other topics have taken place.

The crisis can, however, also be perceived as an opportunity for interregional co-operation activities. Some see inter-regional co-operation as a way for improving regional and local actions aimed to tackle negative effects of the economic crisis, e.g. through (...) *exchanging experience on the use of Structural Funds and their adaptation to measures related to the economic crisis* (…) and through (...) *jointly lobby towards European institutions concerning the design of European recovery packages and the use of EU funding for their implementation.*[16] Moreover, interregional co-operation activities can also be launched in relation to topics addressed by European level response and exit strategies to the crisis (EERP, Europe 2020) as many of these topics are already covered by the INTERREG IVC programme strategy (e.g. R&D/innovation, employment & education, sustainable growth & reduction of greenhouse gas emissions etc.).

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[15] Other respondents neither agree nor disagree (16%) or don't know (2%).
[16] AER (2009).

The long-term challenges for territorial development remain in general valid

Contrary to the original diagnosis of the wider socio-economic context, one can observe that the overall picture drawn up by the INTERREG IVC programme assessment with respect to the major long-term challenges for territorial development remains valid.

Especially the four most prominent challenges mentioned in the programming document (i.e. accelerating globalisation, demographic developments in Europe, new energy paradigm, climate change) are fully identical with those highlighted by more recent analyses,[17] albeit with slight differences in their respective denominations. Only the Territorial Agenda of the EU identifies a number of additional challenges, but also these are directly addressed by the introductory section and by the second thematic priority of the INTRREG IVC programme.[18]

One can, however, observe that the analysis of long-term challenges is more profound in these recent publications. A stronger territorial differentiation and a more forward-looking nature of the analysis is the most visible difference. This is partly due to the availability of new information on such issues (e.g. from ESPON) and partly a result of prospective research carried out more recently by DG REGIO (i.e. the "Regions 2020" series[19]). Despite this higher level of analytical depth, a careful reading and comparison shows that the key messages raised in relation to these long-term challenges in the INTERREG IVC programme are neither contradicted nor seen fundamentally different.

The evidence from our literature review suggests that the original perception of the global and European context is only in parts still valid: the impact of the financial and economic crisis has indeed led to unforeseeable changes in the socio-economic situation, but it did not fundamentally modify the long-term challenges for territorial development in the EU. Due to this, the evaluators are <u>not</u> of the opinion that this partial change generates major implications for the current programme orientations as the thematic focus is sufficiently broad for developing inter-regional actions also with respect to the observed crisis impact.

Context change & likely impact on the programme orientations – evidence from the stakeholder surveys

The evidence from our on-line surveys demonstrates that the above-expressed view of the evaluators is mostly shared by the strategic programme-level stakeholders (i.e. Monitoring Committee members, National Contact Points), but perceived differently by the Lead Partners of approved projects.

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[17] i.e. Council of the European Union, German Presidency (2007). ESPON Project 3.2 (2007). CEC (2007a). Fourth report on economic & social cohesion. CEC (2008b), Regions2020.

[18] Council of the European Union, German Presidency (2007): The challenges "impacts of EU enlargement on economic, social and territorial cohesion, particularly with regard to the transport and energy infrastructure related integration of Eastern Europe and the new EU Member States as well as their regions" and "overexploitation of the ecological and cultural resources and loss of biodiversity, particularly through increasing development sprawl whilst remote areas are facing depopulation".

[19] CEC (2008b), Regions2020. CEC (2008c), Regions2020 - Demographic challenges. CEC (2009a), Regions2020 - Globalisation challenges.

Among the responding Monitoring Committee members, 57% disagree or strongly disagree with the fact that the observed changes in the global context do make a revision of the programme orientations necessary while another 19% neither agree nor disagree. Only 22% of the respondents are of the opinion that such a revision should take place. Although this suggests that there is no substantial need to adapt the main programme orientations, a large majority of the respondents is in favour of making a more flexible use of the existing priorities during the remainder of the programming period (58%). This could, for example, involve a stronger focus on a limited number of sub-themes (e.g. environment, employment & growth, energy etc) or the creation of new integrated/cross-cutting themes (e.g. green innovation) in order to get a better visibility of the programme outcomes by the end of the period 2007-2013.

Also a relative majority of the respondents from the National Contact Points is against a revision of the programme orientations due to the observed changes in the global context (39%) and many others neither agree nor disagree (28%) or simply don't know (11%). Only 23% of the respondents agree or strongly agree to such a revision and consider that some of the sub-themes should be more emphasised (e.g. job creation & social themes, renewable energy) and stronger integrated.

Among the project Lead Partners, however, 48% of the respondents think that the observed changes in the global context do make a revision of the programme orientations necessary. The other respondents do not think that such strategy changes are necessary (28%) or are still undecided about the need for such a modification (i.e. 22% neither agree nor disagree). But the qualitative statements elaborated reveal that such changes should mostly occur at the level of the sub-themes addressed[20] rather than at the level of the wider programme objectives or better consider the know-how of "non-public" actors (e.g. networks, clusters and communities).

2.1.2 The specific diagnosis for the two thematic programme priorities and for the related sub-themes

The detailed diagnosis initially elaborated for the various sub-themes of the two thematic programme priorities and for the current state of interregional co-operation experience gained under INTERREG IIIC (2000-2006) provided the main input for the INTERREG IVC programme SWOT-analysis, on ground of which the thirteen operational objectives for the priorities "innovation & the knowledge economy" and "environment & risk prevention" were subsequently elaborated.[21]

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[20] e.g. inclusion of non-technological & service industries under innovation; better combination of innovation with competitiveness / societal matters; new environmental topics and stronger focus on energy saving; demographic change as a cross-sector challenge; urban renovation or social cohesion as key challenges.

[21] INTERREG IVC (2008a): Sub-theme focussed diagnosis and previous co-operation experience (Sections 3.3-3.5 of the programming document), SWOT-analysis (Section 3.6 of the programming document), policy orientations at the level of the priority axes (Chapter 5 of the programming document).

Priority 1 on "Innovation & the knowledge economy"

The general introduction given in the INTERREG IVC programme to the issue of "innovation & the knowledge economy" puts major emphasis on the renewed Lisbon strategy for growth and jobs in the European Union. A further development of the knowledge society, under-stood as a complex concept involving various dimensions (i.e. R&D/innovation, wide range of knowledge intensive products & services, entrepreneurship, SMEs, education & employ-ment), is considered particularly important.

This introductory programme diagnosis is not contradicted by the more recent analyses and policy strategies examined in the context of this task, as they confirm the importance of this focus and add to it a more differentiated picture of the current overall situation. These sources assess more in detail the position of EU regions through a synthetic indicator on their Lisbon performance[22] and conclude that a good part of the EU territory is confronted with the need to restructure and modernise, to increase productivity and to invest more in R&D and new technologies.[23]

Especially in the light of the current economic crisis, a strengthening of the EU's long-term competitiveness through entrepreneurship, access to finance for SMEs, human capital de-velopment, ICT, green technology and energy efficiency is considered a key prerequisite for a successful recovery in the short and medium term.[24] These aspects are therefore also a core element of the "European Economic Recovery Plan" (EERP) and of the recently pub-lished "Europe 2020 Strategy".[25] The latter emphasises the need to achieve a more cohe-sive society in economic, social and territorial terms and focuses on

- "smart growth" (i.e. by strengthening knowledge & innovation in the economy as drivers of future growth),

- "sustainable growth" (esp. by promoting a more resource efficient, greener and more competitive economy),

- "inclusive growth" (i.e. by empowering people through high levels of employment, investing in skills, fighting poverty and modernising labour markets, training and social protection systems so as to help people anticipate and manage change, and build a cohesive society).

When comparing the original topical programme assessments elaborated for the individual sub-themes of this priority to the key messages derived from the more recent literature sources reviewed (**see: Annex 2.2**), the following main findings can be highlighted:

- Although the basics of the programme assessment for "innovation, research & tech-nology development" are not contradicted as such, it has become obvious that a broader perception of the various factors and regional potentials influencing on R&D/innovation and a clearer link to the role of green technologies is needed (i.e.

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[22] CEC (2007a), Fourth report on economic & social cohesion.
[23] CEC (2009a), Regions2020 - Globalisation challenges.
[24] CEC (2009c), Sixth progress report on economic & social cohesion.
[25] CEC (2010a), Europe 2020 Strategy.

as an interface to Priority 2 → cross-cutting projects). Also the negative impact of the current financial and economic crisis on the ability of enterprises to invest more in R&D should be better considered in present times (i.e. limited access to external capital).

- The perspective of the topical assessment for "entrepreneurship & SMEs" needs to be widened and especially the more complex reality of SMEs and start-ups in the field of innovation as well as entrepreneurship-related issues for tackling the current crisis (i.e. company-based crisis prevention & management; access to finance for SMEs & start-ups; restart of businesses after failure etc) should be given more importance.

- For the sub-theme "information society", the initial diagnosis remains in general relevant as only more concrete data and policy priorities are now highlighted.

- The basic diagnosis for "employment, human capital & education" is not any longer corresponding to the new situation which occurred with the economic crisis during recent years and the new importance given to some of the long-term challenges (i.e. globalisation & demographic change). More emphasis should be put on those local/regional crisis management measures focussing in particular on the aspect related to human resources development.

The above-said shows that the initial diagnoses elaborated for most of the sub-themes are not any longer fully relevant and that especially the related statements made in the programme SWOT-analysis have to be re-considered (strengths) or should at least be treated with caution (opportunities). The seven operational objectives under Priority 2 are, however, not fundamentally contradicted as they are sufficiently broad for initiating activities also in relation to the changed macro-economic context.

This view of the evaluators is also generally shared by the strategic programme-level stakeholders who have responded to our on-line surveys (i.e. Monitoring Committee members, National Contact Points). Despite the observable context changes, 50% of the Monitoring Committee members disagree/strongly disagree with a revision of the Priority 1 policy orientations and another 36% neither agree nor disagree with such a revision. Only 11% of the respondents agree that the orientations should be revised, especially through up-dating of the innovation sub-theme or through better considering the impact of the economic crisis and of population ageing on growth and employment. The responses provided by the National Contact Points show a relatively similar picture, as 47% disagree/strongly disagree with a revision and another 35% neither agree nor disagree (only 18% agree to a revision of the orientations).

Priority 2 on "Environment & risk prevention"

The general introduction given to this issue in the INTERREG IVC programme highlights the main EU-policy steps taken since the Cardiff European Council 1998 and emphasises the importance of the strategy for sustainable development adopted at the Gothenburg European Council.

Other recent analyses highlight more precisely the exact nature of the problems and challenges related to sustainable development and have in parts already been taken into account by the initial programme diagnosis[26] or in the context of the topical assessments realised for the various sub-themes addressed. Considered against this wider perspective, the general introduction of the programme is also in line with the medium-term policy orientations of the Territorial Agenda of the EU and the "Europe 2020 Strategy"[27], with the latter placing major emphasis on "sustainable growth" and the promotion of a more resource efficient, greener and more competitive economy.

When comparing the original topical programme assessments elaborated for the individual sub-themes of this priority to the key messages derived from the more recent literature sources reviewed (**see: Annex 2.3**), the following main findings can be highlighted:

- The topical assessments realised for sub-themes "natural & technological risks", "waste prevention & management", "biodiversity & preservation of natural heritage" and "energy & sustainable transport" are all largely identical with those elaborated in the more recent literature sources examined. In some cases, however, a (territorially) more elaborated diagnosis is provided in the recent sources examined ("waste prevention & management", "biodiversity & preservation of natural heritage").[28] Several programme assessments also well reflect the focus of the medium-term territorial development priorities as set out by the EU-Territorial Agenda ("natural & technological risks"; "energy & sustainable transport").[29] An interesting point raised in the "Europe 2020 Strategy" is, however, the potential economic benefit which is associated to a further integration of the EU-energy market and to a stronger use of renewable energy sources. Due to this, the strategy focuses one of its flagship initiatives on helping to decouple economic growth from the use of resources and to support the shift towards a low carbon economy, mainly by increasing the use of renewable energy sources, modernising the transport sector and promoting energy efficiency ("Resource efficient Europe").[30]

- The initial assessment realised for "water management" introduces briefly the issue at stake and highlights the importance of the EU Water Framework Directive. The recent literature examined provides a more elaborated and also territorially more differentiated view on this matter.[31] However, the focus adopted by the topical programme assessment remains generally in line with the main challenges and problems ahead.

- Only in the case of the topical assessment realised for the sub-theme "cultural heritage & landscape", one can observe that the programme is relatively superficial and does not identify the associated territorial problems / challenges and development perspectives in particular at a regional/local level. The recent literature sources ex-

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[26] EEA (2005).
[27] CEC (2010a), Europe 2020 Strategy.
[28] CEC (2007a), Fourth report on economic & social cohesion. EEA (2005).
[29] CEC (2007a), Fourth report on economic & social cohesion. Council of the European Union, German Presidency (2007).
[30] CEC (2010a), Europe 2020 Strategy.
[31] EEA (2005). CEC (2007a), Fourth report on economic & social cohesion.

amined[32] provide a much deeper analysis of these issues and also better identify policy-relevant problems and challenges for the topics cultural heritage[33] and landscape.[34] They should therefore be stronger taken into consideration by the current INTERREG IVC programme for stimulating that well-targeted inter-regional projects also better contribute to achieve the related operational programme objectives and the medium-term territorial development priorities as set out by the EU-Territorial Agenda.[35]

Considering the above-said, one can observe that the initial perception of the programme in relation to "environment & risk prevention" and the respective statements made in the programme's SWOT-analysis remain in large parts fully valid. Accordingly, this does not question the adequacy of the six operational objectives which were defined for Priority 2 as they are sufficiently broad for initiating various activities in this respect.

This view of the evaluators is also largely shared by survey respondents from the programme Monitoring Committee and from the National Contact Points. A majority of the Monitoring Committee members disagrees or strongly disagrees with a revision of the thematic orientations for Priority 2 (50%) and another 39% neither agree nor disagree to such a revision. Only 11% agree or strongly agree that the thematic orientations should be revised, favouring e.g. a stronger focus on climate change & air quality or a more differentiated consideration of energy-related aspects. Also a clear majority of the respondents from the National Contact Points disagree or strongly disagree with such a revision (53%), but the share of those being in favour of a revision is higher (18%).[36]

Cross-cutting project activities at the intersection of both thematic priorities

Currently, there are sufficient sub-themes (5 out of 10) which offer good opportunities for realising cross-cutting project activities at the intersection of both programme priorities.

- In the case of the Priority 1 sub-themes "innovation, research & technology development", "entrepreneurship & SMEs" and "the information society", a close link can be established in relation to environmental issues. This is achieved if a strong emphasis is put on the role of clean or energy/resource-saving production processes, on green technologies and on environmental gains associated to the Information Society (e.g. reduction of individual displacements by car or plane etc.).

- In the case of the Priority 2 sub-themes "energy" and "cultural heritage", the issue of renewable energy development and of cultural heritage protection can be pro-

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[32] CEC (2007b). CEC (2009d). EEA (2010).

[33] i.e. Europe's cultural heritage is under attack from various sources & dimensions; need to achieve a high level of cultural heritage development to ensure that this legacy is protected in particular through our technology, creativity and foresight; Europe's cultural legacy as a very dynamic trigger of economic activities and jobs, reinforcing the social and territorial cohesion of the EU.

[34] i.e. land use leading to unprecedented changes in landscapes, ecosystems and the environment; many environmental problems are rooted in the use of land as it leads to climate change, biodiversity loss and the pollution of water, soils and air; drivers of uptake for urban & other artificial land development; territorial focus of important artificial land uptakes.

[35] EEA (2005). Council of the European Union, German Presidency (2007).

[36] Other respondents neither agree nor disagree (24%) or simply don't know (6%).

moted in either case as an element of innovation / creativity and as a factor for job creation, thus contributing to the wider theme of innovation and the knowledge economy.

Under the remaining sub-themes[37], however, a realisation of cross-cutting project activities is indeed more limited and would probably require the introduction of new themes. This solution is, from our point of view, not recommendable as it bears the risk of a further broadening of the strategy and of a potential incoherence with primary programme objectives.

Our general impression resulting from desk-research is also largely confirmed by the outcome of the survey among programme-level key stakeholders (i.e. Monitoring Committee members, National Contact Points). A majority of the Monitoring Committee members is of the opinion that the present formulation of the programme priorities does enable sufficiently the development of cross-cutting projects at the intersection of the two thematic priorities (51%) and only 27% disagree/strongly disagree with this view.[38] A relatively similar picture appears from the responses given by the National Contact Points, because most of them consider that cross-cutting projects priorities can be sufficiently developed (41%) and only 24% disagree/strongly disagree with this view.[39]

2.1.3   Conclusions on the relevance of the programme objectives & related recommendations

Our in-depth assessment of the INTERREG IVC programme's original diagnosis allows to draw the following overall conclusion: There is no need for revising the current main programme orientations, as the strategic-level objectives (overall, thematic & horizontal objectives) and the operational objectives for the sub-themes under each priority (**see: Annex 2.4**) remain in general valid in a medium-term perspective despite the major changes which occurred since 2008 in the wider socio-economic context.

The overall programme objective

The overall objective of the INTERREG IVC programme remains fully relevant, as in particular some of the issues explicitly mentioned in the objective statement have gained even further importance in the light of the recent financial and economic crisis and the proposed medium-term exit strategies (i.e. innovation, the knowledge economy, economic modernisation, increased competitiveness of Europe).

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[37] i.e. "employment, human capital & education"; "natural & technological risks"; "water management"; "waste prevention & management"; "biodiversity & preservation of natural heritage"; "energy & sustainable transport".
[38] Other respondents neither agree nor disagree (16%) or simply don't know (5%).
[39] Other respondents neither agree nor disagree (24%) or simply don't know (12%).

The specific thematic objectives, the operational objectives and the sub-themes relating to Priorities 1 & 2

The specific thematic objective relating to Priority 1 on "innovation & the knowledge economy" and also the set of operational objectives defined for implementing the sub-themes of this priority remain fully relevant, especially in the light of the implications of the financial and economic crisis. This conclusion also holds true for the medium-term future as these programme objectives allow making contributions to a larger number of the "EU headline targets"[40] and "flagship initiatives"[41] which are promoted by the Europe 2020 Strategy.

For some of the sub-themes under Priority 1, however, a number of new issues should be better addressed and tackled by future projects in order to achieve a more adequate response in relation to the new situation which emerged after the financial and economic crisis. This concerns primarily:

- the various factors and regional potentials influencing on R&D/innovation and a clearer link to the role of green technologies (sub-theme on "innovation, research & technology development");

- the complex reality of SMEs and start-ups in fields such as innovation, a prevention and management of crises situations threatening companies, an access to finance of SMEs and start-ups as well as a restart after failed businesses activities (sub-theme on "entrepreneurship & SMEs");

- local & regional employment development initiatives and local/regional crisis management measures focussing in particular on the aspect of human resources development (sub-theme on "employment, human capital & education").

The specific thematic objective relating to Priority 2 on "environment & risk prevention" and also the operational objectives defined for implementing the sub-themes of this priority remain fully relevant, as the principle of sustainable development and the associated long-term challenges (i.e. climate change, new energy paradigm) will persist to be valid in the long run. And also here, the conclusion holds true for the medium-term future as the programme objectives allow making contributions to some of the "EU headline targets"[42] and "flagship initiatives"[43] as promoted by the Europe 2020 Strategy.

Only with respect to the Priority 2 sub-theme on "cultural heritage & landscape", a number of policy-relevant problems and challenges need to be emphasised more clearly in order to direct future project proposals more firmly towards making a contribution to the achievement of the related operational objective. This concerns primarily:

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[40] i.e. 75 % of the population aged 20-64 should be employed; 3% of the EU's GDP should be invested in R&D; the share of early school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree; 20 million less people should be at risk of poverty.

[41] i.e. "Innovation Union", "Youth on the move", "A digital agenda for Europe", "Resource efficient Europe", "An industrial policy for the globalisation era", "An agenda for new skills and jobs", "European platform against poverty".

[42] i.e. the "20/20/20" climate/energy targets should be met (including an increase to 30% of emissions reduction if the conditions are right).

[43] i.e. "Resource efficient Europe" and partly also "An industrial policy for the globalisation era".

- an improved protection of Europe's cultural heritage by addressing and tackling the various sources threatening cultural heritage as well as a better exploration of the economic & technological dimension related to a protection of Europe's cultural legacy;

- a more widespread knowledge on and awareness about factors leading to changes in landscapes, ecosystems and the environment (e.g. drivers of artificial land uptake, pollution of water, soils and air etc).

From the above-said, it becomes clear that the specific thematic objectives and the operational objectives of the INTERREG IVC programme do not need to be adapted.

If the current sub-themes should all remain open under the next call for applications, we recommend that clearer guidance is given on some of the sub-themes of Priorities 1 and 2 for achieving that future projects address more adequately the observed changes in the overall context (i.e. "innovation, research & technology development"; "entrepreneurship & SMEs"; "employment, human capital & education") or tackle policy-relevant issues which are better in line with the respective programme objectives (i.e. "cultural heritage & landscape").

In operational terms, this guidance should be provided through a pragmatic and easy-to-implement approach: an "accompanying note" should be elaborated by the Joint Technical Secretariat which is approved by the Monitoring Committee. If this is desired or deemed necessary, this note can also be used for mobilising future projects to explore issues in a more cross-cutting perspective.

Recommendation I:

An "accompanying note" should be issued for the 4th call for applications in order to achieve that future projects ...

- ... address more adequately the observed context changes (for "innovation, research & technology development"; "entrepreneurship & SMEs"; "employment, human capital & education");

- ... tackle policy-relevant issues which are better in line with the respective programme objectives (for "cultural heritage & landscape");

- ... explore more intensively issues in a cross-cutting perspective.

The specific horizontal objectives

The three specific horizontal programme objectives all remain fully relevant: an exchange of experience and knowledge among actors at regional / local levels from different countries and the matching of less experienced actors with more experience ones as well as an identification of good practices and their transfer are basic "working principles" which are serving well the wider purpose of the programme and are also fully in line with its overall

financial capacity (i.e. limited financial resources do not allow realising substantial physical improvements or investments).

2.2 The new territorial cohesion objective - implications for the INTERREG IVC programme

An important change in the wider EU-policy context was, although already foreseeable at the time when the programme has been elaborated, the introduction of "territorial cohesion" as an explicit objective for EU Cohesion Policy through Article 3 of the Lisbon Treaty, which is also referred to in Article 174 of the new Title XVIII on "Economic, Social and Territorial Cohesion" (**see: Annex 2.5**).

Due to this, the Terms of Reference (ToR) raised the question whether the introduction of the new territorial cohesion objective in the Lisbon Treaty should (or not) have an impact on the INTERREG IVC programme? To provide an adequate answer, the present section tries to sketch out the general meaning of this concept on ground of the available literature and reviews the evidence gathered from our stakeholder surveys for finally concluding on the potential policy implications of the territorial cohesion concept on the wider objectives of the INTERREG IVC programme.

2.2.1 The general meaning of territorial cohesion – evidence from the literature review

The new Treaty objective of territorial cohesion plays a central role in the ongoing debate on the future EU Cohesion Policy after 2013 and has also increasingly gained in importance against the wider background of the current economic crisis with its asymmetric territorial impacts in the EU.

The Third Cohesion Report has already in 2004 provided a first tentative interpretation of territorial cohesion concept (**see: box 2.1 below**), but the Community Strategic Guidelines for the period 2007-2013 rightly point out that (...) *territorial cohesion has different meanings depending on the Member State's history, culture and institutional situation.*

Box 2.1: A tentative interpretation of the territorial cohesion concept

Territorial cohesion complements the European Union's objectives on economic and social cohesion which imply that (...) *people should not be disadvantaged by wherever they happen to live or work in the Union* (...) and that (...) *citizens should have access to essential services, basic infrastructure and knowledge by highlighting the significance of services of general economic interest for promoting social and territorial cohesion. The concept of territorial cohesion extends beyond the notion of economic and social cohesion by both adding to this and reinforcing it. In policy terms, the objective is to help achieve a more balanced development by reducing existing disparities, avoiding territorial imbalances and by making both sectoral policies which have a spatial impact and regional policy more coherent. The concern is also to improve territorial integration and encourage co-operation between regions.*

Source: Third Report on Economic and Social Cohesion 2004, p. 27.

In October 2008, the European Commission adopted a "Green Paper on Territorial Cohesion" for achieving a better and shared understanding of this new concept and its implications for future EU-policy. The Green Paper argued that the territorial diversity of the EU is a vital asset which can contribute to the sustainable development of the EU as whole. To turn this diversity into strength, territorial cohesion has to be addressed through focusing on new themes, new sets of relationships binding EU territories at different levels and new forms of co-operation, co-ordination and partnerships.

The Green Paper itself did not propose a definition of territorial cohesion, but instead asked to obtain one through the broad public debate launched after the publication of this document. The Commission received altogether 391 responses,[44] among which was also a contribution elaborated by the JTS of the INTERREG IVC programme which focussed mostly on issues related to territorial co-operation.[45] Also the European Parliament, the Committee of the Regions and the European Economic and Social Committee have all adopted their opinions on the Green Paper on Territorial Cohesion.

The summary outcome of this public debate[46] shows that no overall conclusion could be reached on the big questions of "what is territorial cohesion" and especially of "how to define territorial cohesion".[47] However, a common understanding of the goal, the basic principles and the key elements emerged from the debate. The following four key messages can be singled out from the debate:

(1) According to the majority of views, the goal of territorial cohesion is to encourage the harmonious (or balanced) and sustainable development of all territories by building on their territorial characteristics and resources. Territorial cohesion is thus about enabling citizens to make the most of the inherent features of these territories and transforming diversity into an asset which contributes to the sustainable development of the entire territory of the European Union. Many contributors underlined the solidarity dimension of territorial cohesion (some as a territorial dimension of the European social model), which implies that economic and social disparities between territories at all levels (from the EU to the regional and local level) need to be taken into account. Many replies also stated that a good quality of life, equal opportunities and access to services of general interest in all territories are crucial both for solidarity and competitiveness.

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[44] Including contributions from all Member States, from nearly 100 regional authorities, from more than 150 regional and local associations as well as from cities, economic and social partners, civil society organisations, research institutions, individual citizens and EU programmes.

[45] INTERREG IVC (2008b): INTERREG IVC Secretariat Contribution to the debate on the Green paper on territorial cohesion {SEC 2008 (2550)}

[46] CEC (2010b): On-line summary of the debate on the Green Paper on territorial cohesion. CEC (2009): Sixth Progress Report on Economic and Social Cohesion, COM (2009) 295 final.

[47] The European Parliament, in its reaction, expressed the concern that without a "commonly agreed, shared and understood definition" it would be difficult to discuss the policy implications. Many other contributors also argued for a clear-cut definition, while others replied that this would be contrary to the very diversity of the European context in all its dimensions or stated that demanding a precise definition would needlessly delay the discussions.

(2) The replies highlighted that territorial cohesion complements and reinforces economic and social cohesion[48] and underlined that three broadly supported "basic elements" to achieve this goal were already implicitly present in Cohesion Policy. These are:

- Concentration (achieving critical mass while addressing negative externalities).

- Connection (reinforcing the importance of efficient connections of lagging areas with growth centres through infrastructure and access to services).

- Co-operation (working together across administrative boundaries to achieve synergies).

(3) Territorial cohesion also implies that public policies should be more responsive to the different needs and potentials of all kinds of territories across Europe. That is to say that the territorial dimension needs to be reinforced at all levels and at all stages in policy design and implementation. Within this area of the debate there was consensus on the following 6 strands:

- Coordinated public policies at different levels.

- Better account of territorial impacts.

- Improved multi-level governance.

- The need for functional approaches - regions yes, but also the consideration that different issues (e.g. social exclusion or urban sprawl, accessibility to services or the risk of flooding) require policy responses at different territorial levels (e.g. river basins, mountain areas, networks of towns, metropolitan areas, deprived neighbourhoods). A question of flexibility and subsidiarity.

- Territorial co-operation as a clear EU asset.

- Reinforced evidence base - better territorial knowledge is needed.

(4) Finally, the reactions showed also that territorial cohesion is <u>not</u> about automatic compensation based on particular geographic situations[49] or about changing the fundamentals of Cohesion Policy, which remains a development policy with its emphasis on enabling while keeping a close eye on subsidiarity concerns. This also confirms that the socio-economic situation of territories should continue to be the basis for policy intervention and design, as the Cohesion Policy already provides sufficient flexibility to tackle different problems in different territories.

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[48] For some contributors to the debate, territorial cohesion essentially serves social and economic cohesion, while for most of them it is a wider, horizontal concept underpinning all policy areas at all administrative levels.

[49] A minority of respondents proposed to link territorial cohesion to a small number of geographical features which may influence development. They also proposed specific EU policies and funding or even comprehensive EU strategies for these territories. However, the majority of replies, including a clear majority of MS, argued that these features do not in themselves determine success or failure, nor take account of the capacities of Member States and regions to provide appropriate policy responses, and therefore do not require specific treatment or compensations.

In parallel to the discussion on the Green Paper, a comprehensive scientific analysis[50] was elaborated for the German Federal Authorities which highlighted that the new territorial cohesion concept involves at least three dimensions within a European system of multi-level governance:

1. Balanced territorial development through mobilising endogenous potentials to reduce disparities and avoid imbalances.

2. Making sector policies with a territorial impact and regional policy more coherent through integrated spatial development concepts and strategies.

3. Territorial governance through co-operation and networking between a broad range of actors.

Although the discussion about the territorial cohesion concept has gained momentum throughout the EU, one can also see from the examples above that a politically agreed definition which sets out the concrete meaning of this new Treaty objective does up to now not exist.

2.2.2 The potential impact of territorial cohesion - evidence from the stakeholder surveys

The above-described situation of "conceptual uncertainty" is also reflected by the outcome of our online-survey among the members of the programme Monitoring Committee. When asked if the introduction of the territorial cohesion objective should have an impact on the INTERREG IVC programme, relatively equal shares of the respondents are either in favour or against such a programme impact (44% are in favour and 39% are against).[51]

- The majority of the respondents having a negative opinion on a potential impact of territorial cohesion on the INTERREG IVC programme generally argue that this objective is already well covered by the current programme or that it's methodological concept / interpretation is still too vague and thus should only be included in a future programme for the period after 2013 as a consequence of a renewed EU Cohesion Policy.

- The open comments made by MC-respondents having a positive opinion most often highlight that the territorial cohesion objective should be used for reinforcing the role of territorial co-operation programmes (and also of inter-regional co-operation) or for achieving a closer co-ordination of sector policies through multi-level governance (as supported through inter-regional co-operation). Only a few among those are, however, of the opinion that this objective should have concrete operational implications for the current programme (e.g. as a more coherent methodology for the programme; as a reference for the assessment & implementation of projects).

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[50] Battis, U. & Kersten, J. (2008).
[51] Other MC-respondents don't know (11%) or are not aware of the territorial cohesion principle (6%).

Our survey among the National Contact Points and especially the survey among the project-level stakeholders reveal, however, a completely different situation. In either case, a clear majority of the respondents considers that the territorial cohesion objective should indeed have an impact on the INTERREG IVC programme (50% of the National Contact Points & 62% of the project Lead Partners).[52] According to the qualitative statements made by the respondents having a positive opinion, this impact should occur at three different levels (**see: box 2.2 below**).

Box 2.2: Potential impact of the territorial cohesion concept on INTERREG IVC	
At the programme level:	For example by amending the main axes and objectives of the programme, by further reinforcing the role of the regions and other local authorities, by eliminating the distinction between countries in terms of funding rates (or by allocating higher funding to underdeveloped / peripheral regions), by encouraging organisations from the new member states to lead projects, by giving extra points to project proposals led by entities from less advanced regions or by allowing experimentation in new transnational policies at target policy areas.
At a thematic level:	For example by encouraging the co-ordination of territorial development policies, by stimulating co-operative measures between regional policy and many sector-specific policies (e.g. agriculture, social policy) for reducing possible disparities at every level, by reducing disparities for citizens in getting access to essential services, by introducing a priority for initiatives in the social field, by better tackling the demographic challenge and by stronger focussing on the impact of extreme weather (climate change).
At the project-level:	For example by encouraging the co-ordination of development policies in order to make them more coherent among them, by adopting a more strategic view that is also supported by planning, by developing projects which ensure access to essential services / basic infrastructure / knowledge, by encouraging more cross-sector projects with integrated approaches in all fields, by developing more implementation-oriented projects and initiatives focusing on target policy areas and by making the territorial impact of co-operation projects more evident.

2.2.3 Conclusions on the potential impact of the territorial cohesion objective & related recommendations

The still vague interpretation given to the territorial cohesion objective and the diverging views emerging from our stakeholder surveys do not allow to elaborate a single clear-cut conclusion on whether this concept should have implications for the current INTERREG IVC programme or not.

When considering only the interpretation given to the new objective on territorial cohesion as a result of the Green Paper debate, one can see through the following points that the

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[52] In either case, the proportion of the respondents with a negative opinion on this impact is very low (17% of the NCPs and 8% of the Lead Partners). The others responding to the surveys either don't know (22% of both the NCPs and the Lead Partners) or are not aware of the territorial cohesion concept (11% of the NCPs and 8% of the Lead Partners).

emerging main principles are already well covered by the normative focus of the INTERREG IVC programme strategy:

- The current normative focus of the programme strategy (i.e. the overall objective, the specific objectives, the operational objectives) is sufficiently wide and clear in its orientation for ensuring that inter-regional co-operation makes a contribution to encourage a harmonious or balanced and sustainable development of all territories in the European Union by building on their territorial characteristics and resources (i.e. the goal of territorial cohesion).

- The overall objective of the programme explicitly aims at enabling authorities and stakeholders at regional and local level to work together and improve their policies in the relevant policy fields addressed, in order to ensure that they play a vital role in the achievement of the EU's strategies for growth, jobs and sustainable development.[53] This indirectly helps enabling citizens to make the most of the inherent features of their territories and to transform diversity into an asset.

- Already the ex-ante evaluation indicates at various places that the programme strategy (…) *respects the principle of solidarity, indicating explicitly that the main beneficiaries should be in less experienced regions.*[54] The principle of solidarity becomes visible in two out of the three specific horizontal objectives[55] and thus also contributes to this potential dimension of the territorial cohesion objective.

- The current programme strategy provides a strong own support to two out of the three broadly supported basic elements for achieving the territorial cohesion goal.[56] Further to this, the current strategy also contributes to make public policies addressing issues related to "innovation & the knowledge economy" and to "environment & risk prevention" more responsive to the different needs and potentials of all kinds of territories across Europe. This is mainly achieved through the overall working mechanism of inter-regional co-operation, which is set out by the three specific horizontal programme objectives.

We therefore conclude that the main objectives of the INTERREG IVC programme should in principle remain unchanged until the end of the period 2007-2013. Should, however, the Monitoring Committee members wish to make already now a deliberate step towards considering the new Treaty objective on territorial cohesion, we then recommend that only the overall programme objective is modified in a merely symbolic way. Further thematic or operational modifications are – in our view – not appropriate, as the programme is already too far advanced in its implementation for achieving a major shift and because a favourable

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[53] INTERREG IVC (2008a), p.36
[54] INTERREG IVC (2007), pp. 5, 23, 24
[55] *To match regions less experienced in a specific policy field with regions with more experience in that field with the aim to jointly improve the capacities and knowledge of regional and local stakeholders. To ensure that the good practices identified within interregional cooperation projects are made available to other regional and local actors and are transferred into Convergence and Competitiveness programmes.*
[56] These are the basic elements "connection" (i.e. through establishing an exchange and transfer of knowledge between lagging and more developed areas) and "co-operation" (i.e. through initiating inter-regional co-operation for improving the effectiveness of regional development policies).

treatment of certain types of regions/project promoters would go against the principle of equal treatment.

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Recommendation II:

If a reference to the new Treaty objective on territorial cohesion is introduced in the IN-TERREG IVC programme, only the overall objective should be modified as follows: *To improve, by means of interregional cooperation, the effectiveness of regional development policies in the areas of innovation, the knowledge economy, the environment and risk prevention as well as to contribute to economic modernisation, increased competitiveness, sustainable development and the territorial cohesion of Europe.*

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2.3   Adequacy of the financial resources allocated to the programme

For judging the adequacy of the overall resources allocated to the INTERREG IVC programme, we first of all need to take into account the programme's specific nature within the wider context of European Territorial Co-operation:

- INTERREG IVC covers, in geographical terms, the entire EU and the two neighbouring countries Norway and Switzerland" (i.e. in total 29 countries). There are also high expectations associated to the programme which become visible though the challenging objectives and the nature of the envisaged outcomes, but also through new activities which widen the traditional co-operation approach (i.e. project-level capitalisation addressing more directly Convergence and Competitiveness programmes) or aim to maximise the programme's effectiveness (i.e. the recently launched programme-level capitalisation process).

- Although the INTERREG IVC programme has similarities with other EU-wide cooperation programmes such as INTERACT and URBACT, its target group is the most wide-ranging and covers an extreme diversity of political/legal, administrative, socio-economic and socio-cultural settings. Although its total budget is significant in absolute terms and is also the highest among these three programmes,[57] it is at the same time small if compared to the geographical scope and the strong bottom-up demand shown by the addressed target group (i.e. reflected by the high number of project applications received).[58]

If one considers only the first two calls for applications realised by the INTERREG IVC programme and the 115 approved projects, one can summarise the overall situation by the mid of 2010 as follows:[59]

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[57] URBACT is 255 cities, 29 countries and 5,000 active participants, an almost 70 million € budget and 44 project. INTERACT

[58] Under INTERREG IV, for the first three calls 1002 applications were received and 122 projects were approved (success rate approximately 16%) after the first three calls for projects.

[59] INTERREG IVC (2009). INTERREG IVC (2010).

- For the first call for proposals (closed on 15 January 2008) a total of 492 applications were received[60] and asked for ERDF funding of more than € 893 million, while the total programme budget for projects only provides € 302 million. Among the 398 eligible applications (94 applications were declared ineligible), a total of 41 projects were finally approved by the Monitoring Committee meetings of April and September 2008 (i.e. 6 capitalisation projects & 35 regional initiative projects).

- For the second call for proposals (closed on 30 January 2009) a total of 481 applications were submitted, of which 391 (81.3%) were declared eligible. Among these eligible proposals, 74 were finally approved by the Monitoring Committee during its meeting on November 2009 (7 capitalisation projects & 67 regional initiative projects).

After these first two calls, the commitment of funds for projects under the two thematic priorities was in line with the initial budget allocations. The 71 projects approved in Priority 1 on "innovation & knowledge economy" represented € 114.7 million or 64.9% of the budget available. In Priority 2 on "environment & risk prevention", the 44 approved projects accounted for € 78.1 million or 62.3% of the budget provided in the programme. The overall commitment sums up to € 192.8 million or 63.8% of the budget provided for projects.

According to the draft Annual Implementation Report for 2009,[61] (…) *the percentages indicated* (…) *show that the shares of programme funds allocated to the two priorities almost perfectly match the shares of funds approved after the two first calls.* This statement does, however, not yet provide a fully adequate answer to the question raised by the Terms of Reference, as the budgetary match achieved <u>after</u> the approval of projects does not take into account of the situation which existed <u>before</u> the approval of projects.

The situation before the approval of projects shows that the bottom-up demand voiced by the local and regional stakeholders (i.e. only the eligible projects) exceeded by far the actual financial capacities of the programme. Among the 789 eligible applications "only" 115 were finally selected, which represents a refusal rate of 85.4%! Even if one concedes that many of the eligible but non-approved applications were of an unsatisfactory quality, it is obvious that this high demand has inevitably created a strong pressure on the programme to match it with the available programme resources and also led to a exclusion of some proposals which were only slightly below the level of points required for being proposed for funding by the JTS.[62]

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[60] 13 applicants submitted proposals for capitalisation projects and 479 were applications for regional initiative projects.

[61] INTERREG IVC (2010).

[62] This statement does not question the overall transparency and impartiality of the assessment and approval process. But many cases are known where applications refused during 1st call presented again an up-graded application to the 2nd call and were also approved. Under other circumstances, such applications would certainly have been given a chance already under the 1st call through a "conditional approval".

Considered only from this narrow perspective,[63] one has to conclude that the financial resources of the INTERREG IVC programme are not adequate for effectively meeting the substantial demand and interest of its wider target group (i.e. local & regional authorities and other actors). As a direct solution to this problem can– from our point of view - not be found in the remaining time of the current programming period, also no recommendation is elaborated in this respect.

Instead, a discussion on the volume of EU-funding to be allocated to future inter-regional co-operation should <u>already now</u> be started in the INTERREG IVC Monitoring Committee for determining the Member State's own position on this matter:

- This discussion should, in a first step, explore whether it is useful to maintain in the future the current separation of EU-support for inter-regional co-operation between the Objective 3 programme (General Regulation for 2007-2013: Art. 3-1, lit. c) and activities carried out under the regional Convergence and Competitiveness & employment programmes (General Regulation for 2007-2013: Art. 37-6, lit. b).[64] More specifically, the assumed but not yet perceivable added value/benefit of the Article 37-6b approach should be critically assessed against the many differences and problems which arose in practise from this EU-funding separation (**see also: Annex 2.6**).[65]

- On ground of this stock-taking, the discussion should then, in a second step, establish the Member State's own position with respect to a further continuation of this separation and to the required volume of EU-funding which would be necessary for a future inter-regional co-operation programme.

Recommendation III:

The INTERREG IVC Monitoring Committee should already now start a discussion which critically examines the current separation of EU-support for inter-regional co-operation (i.e. between the current Interregional Co-operation Programme & the regional Convergence/Competitiveness programmes) and which leads to the adoption of an own position regarding the future of inter-regional co-operation (i.e. continuation or end of this approach; level of funding required for a future inter-regional co-operation programme).

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[63] Additional operational implications resulting from this strong bottom-up demand will be analysed and discussed in other parts / steps of this intermediate evaluation (i.e. quality of the assistance/support provided to project promoters during the elaboration phase; work-load & duration of the assessment process; quality of the assessments realised etc.).

[64] General Regulation, Article 37-6b: *At the initiative of the Member State, the operational programmes financed by the ERDF may also contain for the Convergence and Regional competitiveness and employment objectives* (…) *actions for interregional cooperation with, at least, one regional or local authority of another Member State.*.

[65] A comprehensive assessment of the practical application of Article 37-6 lit (b) does not yet exist and only some punctual information sources refer to this issue: Firstly, the contributions elaborated for the Naples event on "Interregional Cooperation in regional policy - A dynamic mechanism", which was organised in collaboration with other INTERACT Points and the INTERACT Secretariat and took place on mid-October 2009. Secondly, a technical paper elaborated by the CPMR General Secretariat entitled "What links between Objectives 1 and 2 and Objective 3 of EU Regional Policy?" (December 2009). Thirdly, the contributions elaborated for a meeting of the CRPM Working Group on Territorial Cooperation which took place in Brussels on mid January 2010.

3 Programme-level management, implementation and decision-making (Task 2)

According to the Terms of Reference, the evaluation will examine the resources dedicated to Technical Assistance and the use which is made of them, the functioning of the Joint Technical Secretariat (JTS) and of the Information Points (IPs), the communication activities as well as the interactions between the stakeholders involved in the management of the programme (i.e. Monitoring Committee, Managing Authority, Task Force, Certifying Authority, Audit Authority, JTS/IP, Member States, National Contact Points). The basic task carried out by these structures, to which the following sections will sometimes make reference, are briefly summarised **in Annex 3.1**. Moreover, and different to what was initially foreseen by the Terms of Reference, the evaluation will also assess here the further development of the "thematic capitalisation" at programme level.[1]

The whole evaluation process combines evidence from desk research and from the three on-line surveys realised, but also from structured face-to-face and phone-interviews carried out with various stakeholders. The outcome of this complex analysis is presented according to the following five sub-tasks:

- Assessment of the activities and resources of the Joint Technical Secretariat, the Information Points and the National Contact Points (sub-task 2a).

- Assessment of the communication & dissemination activities (sub-task 2b).

- Assessment of the "thematic capitalisation process" at programme level and of its further development (sub-task 2c).

- Assessment of programme-internal decision-making and of the external relations of the programme (sub-task 2d).

- Assessment of the volume and use of the Technical Assistance resources (sub-task 2e).

3.1 The Joint Technical Secretariat, the Information Points and the National Contact Points

The present section evaluates the overall performance and quality of the operational implementation of the INTERREG IVC programme, which is realised through activities carried out by the Joint Technical Secretariat, the four Information Points and the National Contact Points. The assessment combines evidence from desk research as well as additional information gathered through our on-line surveys and through direct stakeholder interviews.

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[1] The former "sub-task 3c" was for consistency transferred to Task 2, as it represents an issue which is more closely related to the programme architecture than to the project-level implementation process (i.e. agreement made with the JTS during the kick-off meeting on 18th of May 2010).

3.1.1 Ongoing operation of the JTS, the IPs and the NCPs and their mutual inter-action

The management and implementation structure of INTERREG IVC was set up in compliance with the EU Regulations governing Cohesion Policy, which was also confirmed by the programme's ex-ante evaluation. A single JTS and 4 IPs as well as various NCPs were established, while the latter two were meant to ensure the proximity to project promoters and beneficiaries both in geographical and also cultural terms.

Although the INTERREG IVC programme implementation system appears to be very complex at a first sight, the responses provided under our Lead Partner survey highlight that the division of tasks between these different programme management and support bodies is clear for 78% of the respondents.

A general view on the outputs & results achieved in terms of programme management

A quick view at the indicators measuring the INTERREG IVC programme's management performance by December 2009[2] reveals a fairly positive picture (**see: Annex 3.2**).

For a good proportion of the indicators (both output & results), reaching the initial targets is well under way. For some of them, the programme achievements already go beyond the initially set targets:

- Number of applications submitted (target 800, achieved 1,002 after the 3rd call).

- Project budget (target 1.5 million euros, achieved 2.2. million).

- Number of approved operations working on similar themes identified and capitalisation activities requested (target 10, achieved 21).

- Average number of visits per month on the programme intranet site (target 10,000; achieved 36,305).

For a number of other output and result indicators, however, the achievements are still significantly behind the initially set targets:

- % of approved applications compared with submitted applications (success rate) – from 40% to a current average of 11.8% (and approximately 16% after the third call).

- Number of project reports checked: only 82 out of 1,200 initially envisaged reports were checked at the end of 2009.

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[2] The indicators relating to communication & dissemination are assessed under section 3.3. Information related to the third call for projects was also inserted, where relevant.

- Number of project visits, participation to project events by MA/JTS.

- Total ERDF paid out to operations.

- Number of operations' good practice guides available on the programme's web site.

- Number of capitalisation events organised.

- Number of participants in capitalisation events organised.

- Average number of downloads of each good practice guide available on the programme's web site.

The low achievement level in 2009 especially for indicators relating to results or dissemination activities is natural, considering the fact that projects are still at an early implementation stage. For the indicator "project reports checked", the 82 reports checked represent only the first two progress reports of the 41 operations approved after the first call. In this particular case, the initial target will also not be reached by the end of the programming period as the final number of operations approved after the fourth call might not reach the envisaged number of 240.

Yet, the "bottom-up perception" of the overall management performance is in general positive: 67% of the Lead Partners agree that the assessment and selection procedure is based on clear, weighted and formalised criteria listed in an assessment manual, while even 74% of them judge the support provided by the different programme management bodies to an implementation of their projects as being adequate.

The JTS: Responsibilities, staffing & activities carried out so far

The JTS is responsible for the overall programme implementation, in all its steps: preparing and organising the Monitoring Committee meetings, launching calls for projects, guiding the potential project applicants though communication events and individual consultations, appraising, selecting, monitoring and controlling projects, disseminate programme results and ensuring programme evaluation.

The initial assessment of human resources needed in order to implement INTERREG IVC envisaged 18 positions in the JTS, to be filled in by JTS IIIC West Zone staff and new recruits. Gradually, the JTS team was completed at this point and is currently even composed of 20 members.[3] The continuation with INTERREG IIIC "West Zone" is ensured by 12 JTS-employees who already worked under the previous programme (more than 50% of the current JTS staff). Most of the newly recruited JTS staff have solid knowledge and work experience in relation to European Territorial Co-operation and/or inter-regional co-operation.

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[3] Among whom are a programme director and a deputy programme director, 2 communication officers (1 of them recently recruited on a temporary basis), 1 senior finance officer, 3 finance officers and 1 finance officer-trainee, 1 financial control and audit officer, 1 senior project officer and 5 project officers, 1 IT officer and three programme assistants.

The distribution of qualification levels among the total JTS-staff is approximately 25% at a senior-level[4], 55% at a medium-level and 20% at a junior-level (i.e. 3 assistants and a trainee).

An external judgement on the skills of the current staff employed by the JTS[5] reveals that a majority of the stakeholders addressed through our on-line surveys and the direct interviews agrees that the existing JTS staff has adequate skills (70% of the MC members, 93% of the NCPs; all IPs interviewed) for implementing the programme and also makes significant efforts in this sense. When considered from a "bottom-up perspective", it also appears that 82% of the responding Lead Partners consider that the JTS adequately informs the potential applicants about the programme and the specific requirements of the calls in their respective geographical area.

Also with respect to the overall level of JTS-staffing, the following picture appears from our on-line surveys: 54% of the responding MC-members think that the JTS is sufficiently staffed for delivering the assigned tasks and that only 29% disagree with this statement. Among the NCP-respondents, even 67% agree that the JTS is sufficiently staffed and only 11% consider the current staffing is insufficient.

This general perception seems, however, not to be fully in line with the actual developments which can be shown by a brief look at the task-specific evolution of the actual JTS-workload. While the workload for an on-going management/monitoring of approved operations is certainly lower under INTERREG IVC than in the 2000-2006 programming period[6], one can observe that the project assessment workload increased significantly under INTERREG IVC if compared to INTERREG IIIC.[7] This issue developed towards a real challenge for the JTS and also for the wider programme implementation process.

When the surveyed MC-members and the NCPs had to judge if the time was sufficient for realising a proper assessment of the large amount of applications received at each general call, these constraints were also indirectly recognised: 45% of the MC-respondents consider that the time has been insufficient for a proper appraisal, while only 25% have an opposite opinion.[8] Also the NCPs are more or less of the same opinion, as 44% of the respondents consider the time for project assessment insufficient and only 26% consider it sufficient (with 31% of them being undecided). Despite the limited time available, all persons interviewed directly underline that significant efforts were mobilised to ensure a smooth application and high quality assessment process.

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[4] Further than the programme director and the deputy programme director, 2 senior level officers are employed (i.e. project and finance officers).

[5] We need to underline the fact that in order to adequately asses the level of skills of the JTS staff, a specific methodology should have been deployed. However, this was not possible in the time/resources framework available for this evaluation. The conclusions on the JTS skills are based on the sources of information at disposal (desk-based, research, but especially surveys and interviews).

[6] The JTS will probably have to manage between 172 and 192 operations in total (with a still available budget of approximately € 100 million, it is expected that a further 50 to 70 operations ware approved after the last call), which is significantly less than during the previous programming period (265) and also clearly less than the 240 initially envisaged operations for the period 2007-2013.

[7] While INTERREG IIIC received in total 905 applications and approved 265 projects, INTERREG IVC received after the first three calls already 1,002 applications (only 800 were expected) and approved 122 projects (i.e. 1st call: 492 applications & 41 selected projects. 2nd call: 481 applications & 74 selected projects. 3rd call: 29 applications & 7 selected projects).

[8] 11 MC members (30%) are neutral in this respect or do not know/have an opinion about it.

This higher assessment workload had also negative consequences for other ongoing JTS-activities and created a relatively lengthy overall project launching phase which also affected the motivation of the programme's primary target group.

- The overloaded JTS-staff could not carry out some project monitoring tasks (e.g. visits to projects, programme events, including on capitalisation) and check all of the progress reports delivered by the 1st call projects in the time when the 2nd call projects were assessed or develop a more adequate formula which balances out the uneven workload of the Information Points.

- The overall project launching phase was around one year for each of the first two calls, as a considerable time was needed for assessing the high number of applications received (i.e. app. 8 months for the first call & more than 9 months for the second call), for making decisions on the approval of projects (i.e. procedure also delayed) and for signing contracts with the approved projects (i.e. for both calls, the contractual procedure took a maximum of 3 months after the MC-decision). However, our stakeholder survey does not clearly indicate whether this long time-span has created a negative perception of the programme's implementation process: 38% of the responding MC-members indeed agree that the long assessment / approval process has delayed the programme implementation, another 38% of the respondents disagree with this view. The respondents from the NCPs had a slightly different opinion, as 33% consider that the long assessment process for sure delayed the implementation while 44% have a neutral position on the matter and 23% consider that there is only a weak connection between both aspects.

- There are, however, signals from the NCPs and from various stakeholders interviewed directly that the lengthy procedure, together with the low approval success rates, discouraged potential applicants under the INTERREG IVC programme: 23% of the NCPs consider that potential applicants were strongly or very strongly discouraged, while 44% have a neutral view on this aspect and 28% consider that this had only small or very small impact. Also some European institutions interviewed and the JTS itself perceive that the observed discouragement was an effect of the lengthy procedure and the low success rate.

The aspects raised above clearly show that a sufficient JTS-staffing is crucial for realising a proper and also timely adequate assessment of the received applications, as shortcomings in this respect can generate wide-spread consequences the on-going implementation of the programme. Due to this, appropriate action should also be taken in view of preparing the last call for applications under the INTERREG IVC programme.

The persons interviewed directly (i.e. JTS, MA, IPs) also indicate other fields of activity for which it appears that the JTS is not yet sufficiently staffed. Further full-time staff capacity would be needed for areas such as financial management, programme-level capitalisation (see below section 3.3) and communication & dissemination, but also for the co-ordination / guidance of the IPs and the animation of NCPs as well as for up-grading the JTS's own technical & analytical expertise. Especially with respect to the latter issue, the JTS considers that technical expertise on innovation and environmental issues are still missing "in-house skills". Such skills are however needed in order to ensure an adequate project as-

sessment and monitoring process. External experts were previously contracted during the project assessment processes for compensating this gap, but this solution is so far considered sub-optimal as their input was often inadequate.

The IPs: Responsibilities, staffing & activities carried out so far

The main tasks envisaged for the four IPs at the beginning of the programming period allocated them a role in acting as the first point of contact for potential project partners and in carrying out mainly communication and dissemination and project generation activities under the overall co-ordination of the JTS. In the following years, the IPs also became more involved in project assessment and, later on in monitoring.[9] This "moving IP-mandate" might therefore also explain why a few NCPs do not yet have a clear view on what the role of the IPs should be/is.

A few months after the launching of the INTERREG IVC programme, the four IPs were fully staffed and currently employ 10 persons (IP-West, incorporated in the JTS: 1 staff member; IP-North: 2 staff members; IP-South: 2.5 equivalent staff members; IP-East: 4 staff members). The IP-staff is manly composed of new recruits, but they have experience with INTERREG programmes/projects and were initially supported in starting their activity by the previous JTSs of the INTERREG IIIC North, East and South Zones programmes and by the current INTERREG IVC JTS.[10] Due to the fact that new staff was hired for the IPs, interviewees from the JTS and from some IPs emphasised that it was not possible to continue and capitalise on the expertise and experience of the former INTERREG IIIC programme JTSs at the initially envisaged full extent.

Our overview on the reported aggregated total outputs and results achieved by the four IPs during the years 2007-2009 (**see: Annex 3.3**) shows that they had been very active and also contributed significantly to the programme's overall outcome achieved in 2009 (i.e. outputs/results of all JTS & IP activities).

- The IPs provided substantial direct advice to project promoters during the preparation phase of applications through realising 4,500 individual consultations with potential applicants,[11] which involved only in the direct meetings more than 970 participants. The IP-outcomes achieved under the project generation support indicators represented between 62% and 69% of the reported programme total.

- In terms of quantity, the IPs also considerably supported the JTS in assessing the huge amount of applications received after the first two calls for applications (i.e. assessment of 547 out of the 973 applications received in total).

- But also in the field of organising meetings and events for applicants, partners and other bodies, the outcome achieved by the four IPs is substantial: They organised

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[9] Interviews with the JTS and the 4 IPs.
[10] INTERREG IVC (2008c), p.11
[11] Mostly done through the 3,575 phone calls, but also through 507 personal meetings and through responding to the 418 submitted "project idea forms".

23 events (i.e. 92% of the reported programme total) which gathered more than 1,350 participants (36% of the reported programme total) and participated in 57 other events (57% of the reported programme total) which gathered altogether more than 6,900 participants (63% of the reported programme total).

This strong IP-involvement in the provision of project generation advice and in a realisation of communication activities can also explain why the primary "clients" of the IPs have made a clearly positive judgement on the efficient delivery of those activities: the large majority of the responding Lead Partners (71%) consider that the IPs did perform efficiently when informing the potential applicants in their respective geographical area about the programme and the specific requirements of the calls (only 2% of the Lead Partners strongly disagrees on this).

This sharply contrasts with the clearly less positive perception of the overall IP-performance that becomes evident from the surveys among MC-members and the NCPs: only a little more than one third of the responding MC-members thinks that the individual IPs perform their tasks efficiently in the respective geographical area (respondent-shares for individual IPs range from 25% to 40%) and a very small proportion even expresses a clearly negative view in this respect (respondent-shares for individual IPs range from 6% to 12%).[12] A similar trend can be observed in the case of the NCPs, as less than one third of the respondents think that the IPs performed their tasks efficiently (respondent-shares for individual IPs range from 19% to 31%).[13] The respondents from both stakeholder groups also indicated a number of weaknesses or shortcomings which became evident in the actual delivery of the IP-tasks:

- An IP is not active, or at least no direct contact was made with the MC-members and/or NCP.

- An IP has a limited knowledge on country- and policy-specific issues and/or on national languages.

- IPs did not provide sufficient information to projects, in all stages (project idea-implementation) and/or to NCPs, which needed to step in.

- No consultation of the NCPs during the project assessment (this is equally true for the JTS) on country-related aspects (especially as regards the relevance of project partners).

But also the JTS-staff members interviewed directly have expressed a nuanced view on the IP-performance. They consider the IPs' performance as being fully adequate in relation to communication activities, but already less convincing in the field of project development and project appraisal. For the first case, especially during the early years, one could ob-

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[12] The MC-respondent shares expressing a neutral position on the individual IPs (i.e. neither agree nor disagree) range from 23% to 26%.

[13] The NCP-respondent shares expressing a neutral position on the individual IPs (i.e. neither agree nor disagree) range from 25% to 35% and the shares of those NCPs who simply do not know range from 35% to 50%.

serve that IPs still turned to the JTS for advice on more complex matters and applyed sometimes specific approaches which created a less coherent view on the programme requirements. For the second case, the JTS considers that the involvement of IPs in the project assessment process was sub-optimal during the first calls as many IP-assessments had to be re-assessed at the JTS level due to a lack of coherence or quality.[14]

There are basically two important reasons which might explain the latter situation: Firstly, the staff of the IPs was hired for accomplishing the tasks of their initial mandate (i.e. communication and project advice) and not in relation to the more recently included activities on project assessment and monitoring. Secondly, while being willing to support the JTS with an appraisal of applications and project monitoring, the IP-staff has not received the necessary training and guidance to adequately carry out these tasks as the JTS itself was under considerable work pressure with the assessment of the many applications received.

Due to these very different judgements made on the overall IP-performance, one can indeed understand that some have raised the question if human resources currently employed at the IP-level and/or financial IP-resources should eventually be shifted back towards the JTS. The qualitative statements made by the various stakeholders on this matter (i.e. MC-members, NCPs, JTS, IPs) during our on-line surveys and direct interviews shows, however, that the assumed advantages of such a shift are not able to balance out the potential disadvantages (**see: Annex 3.4**).

The interaction between the JTS & the four IPs

The Information Points contribute significantly to a number of activities which are under the overall responsibility of the JTS. In terms of their communication activities, the IPs are co-ordinated by the JTS-communication officer, while for project assistance and monitoring each IP has a "back-up project officer" in the JTS (i.e. for project assessment, the process is co-ordinated by the senior project officer).

When stakeholders had to judge whether the resources allocated within the JTS are sufficient for co-ordinating the four IPs, the results of our surveys are not very concluding: The responding MC-members are divided in this respect as one fourth considers that these resources are sufficient and another fourth has an opposite view (i.e. the remaining 50% either do not know or have a neutral position on the matter). Among the NCP respondents, on the contrary, 45% perceive this type of resources as being sufficient and only 20% as insufficient.

Our direct interviews with representatives of the four IPs and the JTS revealed, however, more detailed insights on this matter:

- The four IPs generally agree that the JTS co-ordination resources are far from being sufficient. Especially during the project assessment phase, the JTS was overloaded with tasks and did not have the time to co-ordinate activities in such a way that the IPs were also fully occupied. This situation created some frustrations on both sides,

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[14] Interview with the JTS representatives.

with the JTS overloaded but not able to delegate some of its tasks and the IPs asking for tasks which were not delegated and thus feeling useless and not involved.

- The four IPs acknowledge that the JTS makes indeed efforts to feed-back to their questions / requests, but this feed-back comes to them very late in general. Further on, this feed-back also comes from different sources/members of the JTS which has created some confusion among the IPs staff as regards the adequate contact person or person in charge.

- Although the IP-West seems to be in an a priori more favourable position (i.e. located within the JTS, communication is facilitated with the JTS staff), it is felt that this does not compensate for a lack of human resources in this IP as such. Only one person was hired to work in the IP-West, on the assumption that the JTS will extensively support the IP. But in fact this has not been the case, due to significant own workload of the JTS.

- As regards the tasks newly entrusted to the IPs which were not included in their initial mandate (esp. relating to project assessment), the IPs consider that they were not provided with enough guidance and training in order for them to adequately carry those out. After 2 calls, however, it seems that their experience in this sense has become stronger and the perspective for future calls is perceived more positively.

- Finally, the geographical distance (in the case of 3 IPs) does not facilitate adequate communication and the face-to-face meetings (1 in three months) are far from sufficient in order for the IPs to be adequately involved in the programme implementation.

But also in relation to the question if the JTS could provide more support to the four IP's in carrying out their tasks, the opinions gathered from our surveys show again a relatively diverse picture among the responding MC-members and the NCPs: only 14% of MC-members consider that the JTS should support more the IPs, while a large proportion of the respondents have a neutral position on this idea (43%) or even disagree (24%). The general opinion is slightly different but also divided among the responding NCPs: Although 33% consider it necessary that the JTS supports more the IPs, still 33% are neutral on this matter and 17% even disagree with this option (17%). The qualitative statements made during the survey and our direct interviews indicate, however, some issues for which more JTS-support should be provided to the IPs:

- A better co-ordination of the IPs in relation to their tasks.

- More training and communication (including face-to-face meetings) on the programme requirements to facilitate the IPs performance.

- Support for developing an on-line project idea tool through which advice could be given to potential applicants.

An equally diverse picture is sketched out by our surveys with respect to a potential sup-port which could be provided by the four IPs to the JTS. Approximately one third of all re-spondents agree that this should happen and one third disagrees on this, while the last third are neutral or do not know how to answer on this matter. The qualitative statements made in the on-line surveys and during our direct interviews carried out with the four IPs reveal, however, a number of potential areas or fields of activity under which the IPs could indeed offer further support to the JTS (**see: Annex 3.5**).

A relatively high number of the qualitative survey statements also positively emphasise the added value of the IPs in acting as an intermediary between the EU and na-tional/regional/local level. This applies in both directions: the IPs could bring the pro-gramme to the target group (possibly also in the national language), while they can also bring the "demand-side's view" back to the JTS. However, there are also some case in which a relevant IP is not very comfortably localised (for some countries), in comparison with the JTS itself or other IP.

The NCPs: Responsibilities, staffing & activities carried out so far

Most countries participating in the programme did nominate an NCP (with the exception of Germany and the UK) and a majority of them are involved in activities mostly related to communication, dissemination and, to a more limited extent, in project generation and ap-praisal.

All interviewed representatives from the IPs and the JTS acknowledge that the NCPs are at the forefront of inter-regional co-operation (in terms of proximity & knowledge on part-ners/applicants). At the same time, however, they also consider that NCPs have currently too limited resources for getting more strongly involved in project development, appraisal and implementation. The volume of their tasks varies greatly from country to country, de-pending on the size of a country, the number of eligible partners and their dynamism in applying for INTERREG IVC funds (e.g. around 500 applications came from Italy, Spain and Greece only). Also the motivation and involvement of the NCPs varies, probably due to the fact that their activity is not financially supported by the programme as such.

When considered from a "bottom-up perspective", however, it appears that 56% of the Lead Partners think that the NCPs perform their tasks efficiently for informing the potential applicants about the programme and the specific requirements of the calls in their respec-tive geographical area. Only 19% disagree. When compared to the similar judgement made by the Lead Partners on the four IPs, however, one can see that the overall opinion on the NCPs is clearly less positive.

On the question if a stronger involvement of the National Contact Points in certain aspects would be desirable during the remaining time of the programming period, the following general opinions appear from the on-line survey responses provided:

- Programme-related communication & dissemination of information: 65% of the re-sponding MC-members consider that a stronger involvement of the NCPs in the dis-semination of information is desirable and only 14% do not consider that this

should be the case. The majority of the NCP-respondents consider that they could themselves play a stronger role in this respect more involved in the (50%) as only one respondent has an opposite view.

- The project assessment process: A clear majority of the responding MC-members disagrees or strongly disagrees with the view that NCPs should become more involved in this process (57%) and only 16% adopt a position in favour. But also the NCPs themselves are (self-) critical in this respect, as only 28% of the respondents either agree or strongly agree with a more significant involvement (i.e. 39% have a neutral position, 17% either disagree or strongly disagree).

This general opinion is also confirmed by the direct interviews carried out with representatives of the JTS and the IPs. Although the JTS is aware of exiting constraints in this respect, it also recognises the need of having the NCPs more actively involved in the programme implementation process especially if actors below the regional level should be better reached (cities & smaller municipalities). The NCPs could in this perspective indeed play a more important role in communicating and disseminating the programme to the respective target groups (e.g. through organising national and regional info-days and other events or by creating programme-related P&R materials in national languages). As the JTS, also the IPs consider that the NCPs could play an important role in the project development phase and enhance, in this way, the quality of the applications. In their view, the NCPs could also help with the first level control and the partner eligibility check, if they have the capacity to do so.

The interaction between NCPs & IPs

By analysing the results of our survey among MC-members, one can fist of all observe a rather negative perception of this interaction by the "outsiders" of this relationship: Only 16% of the MC-members affirm that the interaction and synergy between the IPs and NCPs in providing information to local and regional authorities and to project applicants is efficient, while 38% of them do not have this opinion (a further 32% perceive it as being neither efficient nor inefficient). A negative perception also exists with respect to the flow of information between IPs and NCPs, as only 27% of the responding MC-members consider that this flow is adequate and 35% even think that this flow is insufficient.

A completely different and much more positive overall picture appears if this interaction is judged by the parties directly concerned. Our evidence from the on-line survey (for NCPs) and from the realised direct interviews (for IPs) can illustrate this as follows:

- When NCPs were asked about an efficient performance of IP-tasks in the respective operational areas, it is first of all remarkable that a high share of respondents did not know if this was actually the case.[15] High proportions of the NCP-respondents agreed, however, that they performed efficiently[16] or where undecided on this matter and only one respondent was in one singular case disagreeing with this state-

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[15] i.e. 35% for IP-West, 41% for IP-East, 44% for IP-South, 50% for IP-North.
[16] i.e. 29% for IP-West, 19% for IP-North, 31% for IP-South, 35% for IP-East.

ment (for IP-West). A slightly more positive view can be observed with respect to the efficiency of interaction and synergy between the IPs and NCPs. 39% of the NCP-respondents consider that this is the case and 44% perceive it as being neither efficient nor inefficient, while only 11% consider it inefficient. This positive view is also present when it comes to judging the mutual information flow, as almost 70% of the NCP-respondents consider this flow to be adequate (33% agree; 39% neither agree nor disagree) and only a minority perceives it as being inadequate (22%).

- Our direct interviews realised with the four IPs reveal that their interaction with the NCPs is mostly perceived in a positive way. This was especially the case for the more active NCPs, which are now in the majority as they have got accustomed with their new role. In some cases (e.g. IP-South) this co-operation is based on previous relationships, while in other cases (e.g. IP-West) the co-operation is not as intense as intended due to human resources constraints at the IP level. Regular communication is ensured through informal and formal channels (e.g. IP-North informs the NCPs also on a monthly basis, through a monthly report). One difficulty encountered by most IPs is the predominant "one-way communication" (i.e. from IPs to the NCPs). With the exception of IP-South, information is mostly provided to the NCPs, also at their request. However, most of the NCPs neither liaise back with the IPs nor discuss about their activity and the way they used the information which was provided by the IPs.[17] Moreover, the annual meeting with the NCPs (i.e. organised every second MC-meeting) seems to be insufficient for linking them more intensively to the on-going programme implementation process wherefore the IPs emphasise that more face-to-face discussions with the NCPs are needed.

- The MC-members and the National Contact Points would also like to see the IPs becoming more active in this relation, e.g. by making direct contact with them and providing them with more information on the project implementation or by consulting them more on country-related issues during the project assessment process (e.g. on the relevance & eligibility of project partners). Moreover, the qualitative statements made by both survey groups reveal that the proper interaction between NCPs and IPs could be further intensified by strengthening the role of IPs in close co-operation with the respective NCPs and by further enhancing the position of the NCPs more specifically (**see: Annex 3.6**).

"Centralising" versus "decentralising" the INTERREG IVC implementation system

If one considers the individual performance of the JTS, the four IPs and the various NCPs as well as the observed patterns of interaction between JTS-IPs and NCPs-IPs, one can indeed raise the question if a stronger centralisation of the programme implementation system is an alternative approach which should be envisaged.

From our surveys, however, it clearly appears that a strengthening of the JTS-role and an elimination of the four IPs is not considered the right option. A majority among all the surveyed stakeholder groups disagrees or strongly disagrees with the view that that such a

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[17] Interviews with the 4 IPs.

centralisation would lead to a more efficient programme implementation (MC members: 54%; NCPs: 50%; Lead Partners: 47%), while only a minority of the respondents adopts in each case an affirmative position (respectively 22%, 22% and 13%).

Especially the MC-members and the NCPs highlight that the programme's overall administrative structure should ensure a balanced participation of countries and thus avoid an overly strong influence of some particular national administrative traditions. Due to this, the stakeholders emphasise that the specificities of each "zone"/country/region need to be better considered and therefore suggest a number of solutions which could be explored further:

- When bearing in mind the potential support which could be provided by the JTS and the IPs in the respective other direction, a first solution could be a revision of the current balance of tasks between the JTS and the four IPs. This is indeed seen as an option by 49% of the MC-respondents,[18] as only 19% of them prefer the current implementation arrangement. The NCP-respondents have a more divided opinion on this matter, as only 28% consider such a revision advisable while another 28% disagree and a further 33% have a neutral position on this matter. However, many of the respondents from both groups consider that the next programming period would be the most appropriate moment for realising such a shift of tasks.

- Another option could be a further decentralisation of tasks only towards the NCPs (i.e. some consider that this should also be accompanied by a strengthened role of the JTS). An important role which could be played by NCPs is to mobilise the participation of new regions and local authorities in future INTERREG IVC projects, mainly with a view of breaking-up the frequently observable circle of the usual "INTERREG C-insiders".

- Some survey respondents (esp. MC-members & LPs) suggest also a more direct and formal top-down approach for ensuring a balanced participation of regions and local authorities in forthcoming operations. It consists of inserting related eligibility criteria in the project assessment system and/or of providing incentives for partnerships involving stronger less-experienced partners from non-participating areas/regions. However, this measure should be accompanied by adequate communication activities in the non-participation areas and training for organisation interested in becoming a Lead Partner/partner but not having the management capacity to do so.[19] Another option would be a restricted participation of one and the same organisation / area in not more than 5 projects.

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[18] Bearing however in mind that 54% of the responding MC-members are against a centralisation of the programme implementation at JTS level.

[19] Some respondents even suggest the creation of specific IPs for less-represented areas (i.e. as opposed to one JTS), which are staffed with local representatives who are familiar with the national and regional culture and administrative-political systems. In our view, however, this could be better achieved by establishing a decentralised NCP-system within the concerned countries (e.g. by creating various "regional NCP-antennas").

3.1.2 Conclusions on the performance of the JTS, the IPs and the NCPs & related recommendations

Our comprehensive analysis shows that the delivery of management and implementation tasks under the INTERREG IVC programme is well under way and that also most of the initial targets will be achieved or even over-achieved by the end of the programming period (i.e. for some indicators this is already the case). At the same time, the analysis also shows that the current management and implementation system is relatively complex and that a majority among the various stakeholder groups prefers to maintain the decentralised arrangement which also includes the four IPs as an important element (i.e. no switching towards a more centralised structure). The entire system is currently also operating at its upper capacity limits, but only limited potentials do exist for substantially improving this situation already during the period 2007-2013.

Against the background of this relatively complicated overall situation, we now draw our overall conclusions with respect to the performance of each layer (i.e. JTS, IPs, NCPs) and in relation to interaction between the three layers (i.e. relation IPs-JTS & IPs-NCPs) and also formulate related recommendations.

(1) The overall performance of the JTS is in general positive and efficient, as its current staff is skilled and has also the necessary competencies to carry out the assigned tasks. A major challenge was, however, the significantly higher assessment work-load of the JTS as a direct consequence of the high number of applications received after the first two calls. This increased workload had also some negative effects on other TA-activities carried out by the JTS and led to a somewhat critical perception of the INTERREG IVC programme implementation process (i.e. long overall project launching process; discouragement of potential applicants etc).

Due to this and in view of preparing the 4th call for applications, a sufficient staff-capacity should be established at the JTS-level in order to ensure a more time-efficient and also adequate assessment of the proposals submitted after the closure of the call. As the assessment will be carried out by JTS together with the IPs, a pragmatic solution could be to temporarily gather those IP-staff members who are involved in assessments at the JTS-level in Lille (e.g. for one or two months) for ensuring a more coherent and efficient appraisal process and for avoiding a lack of quality of the future IP-assessments (i.e. this emerged in the past due to the "decentralised" assessment procedure and led at the JTS-level to further re-assessments).

It has also become evident that for other JTS-tasks the full-time staff-capacity should be further increased during the remaining time of the programming period (i.e. financial management, programme-level capitalisation, communication & dissemination, co-ordination/guidance of IPs & animation of NCPs). If possible, the skills-profile of the newly recruited staff should - beyond their task-related expertise - also cover experiences with project assessment in order to provide an additional (temporary) support for the JTS-activities to be realised after the 4th call. The required financial resources for such a further JTS-staffing should be mobilised through shifting a part of the currently not used financial resources of the IPs (esp. South, East and North) towards the JTS-related budget line (for more details on under-spending, **see: section 3.5.1 below**).

(2) The four IPs are performing well as they play a prominent role in the programme's communication & dissemination activities, provide a very substantial support to potential project promoters (also positively recognised by the surveyed Lead Partners) and assist the JTS in delivering the project assessment work. Also some weaknesses can still be observed in the IPs' task-delivery process (esp. project advice & project assessment), but the reasons for those are complex and can not only be attributed to the IPs (i.e. initially "moving" IP-mandate; sometimes lack of adequate staff-profile; lack of IP-coordination by the JTS, lack of training / guidance provided by the JTS to the IP-staff etc). Due to this, further improvements should be made in relation to these aspects during the remaining time of the programming period in order to improve the overall performance of the IPs.

Considering the important role already played by the four IPs in the wider programme implementation process, we consider the relation between the current levels of IP-staffing and of IP-outcomes achieved as being largely efficient. This general remark neither considers the fact that some IPs are currently operating at their upper capacity limits (i.e. indicating an even higher efficiency level) nor the overall level financial resources actually used for realising the IP activities (i.e. in terms of a cost-benefit analysis). The evaluators suggest, however, that a comprehensive assessment of the overall IP-performance is realised towards the end of the current programming period (e.g. 2012) which considers this issue from various viewpoints (e.g. cost mobilised in relation to outcomes achieved; task-delivery & geographical IP-location; qualitative assessment of their added value for the programme etc).

(3) The overall performance of the NCPs is largely positive, despite their voluntary and irregular involvement in the current programme implementation and their relatively limited and also variable means. Our analysis showed that NCPs could indeed play a stronger role in communicating and disseminating the programme towards the respective target groups, whereas - also in their own perception - the potential for stronger involving them in the project assessment process appears to be very limited.

The Member States and the JTS should therefore explore on which issues a more intensive and also complementary role could be allocated to existing NCPs in communication & dissemination activities which should be realised during the remaining time of the programming period (**see also section 3.2.2 below**).

(4) The inter-action between the four IPs, one the one hand, and the JTS and the NCPs, on the other hand, is not yet optimal. Due to this, the interaction should be further intensified in order to fully realise possible efficiency gains in the ongoing management- and implementation process.

- Improving the interaction IPs-JTS: The JTS should make full use of the existing IP-capacity for implementing more adequate communication and dissemination activities. Also new IP-activities for supporting the JTS under certain tasks should be explored and implemented in order to establish a mutually more beneficial and also synergetic style of working (e.g. development of an on-line project idea tool; more targeted & practice-oriented communication on the content-related requirements issues for the 4th call; training seminars offered to potential applicants; pre-checks of mature & upcoming project ideas etc).

- Improving the interaction IPs-NCPs: Despite the positive co-operation experiences already made, the NCPs should provide stronger support to the four IPs under a number of fields: in approaching more adequately the programme target group especially in the currently under-represented areas, in identifying potential project partners and in assessing their adequacy / relevance / eligibility and in providing support on country-specific issues to applicants and to partners of already approved operations (e.g. on first level control). Also the currently observable "one-way communication" (i.e. from IPs to the NCPs) should be transformed into a truly joint communication. This can also be supported by organising half-yearly NCP-IP meetings at the programme level in parallel to MC meetings instead of currently organised yearly meetings.

Recommendation IV:

During the remaining time of the period 2007-2013, the INTERREG IVC programme should …

- … further strengthen the staff-capacity of the JTS for delivering project assessment tasks in a time-efficient manner after a closure of the 4th call and for ensuring a more adequate performance under a number of other tasks (i.e. financial management, programme-level capitalisation, communication & dissemination, co-ordination/guidance of IPs & animation of NCPs);

- … further improve the performance of the individual IPs in delivering tasks related to project development. project assessment appraisal and project monitoring (esp. by providing further training & guidance to IP-staff by the JTS) and carry out a comprehensive IP-performance assessment towards the end of the current programming period;

- … allocate to the NCPs – where possible and desired - a more important role in communicating and disseminating the programme towards the respective target groups;

- … further intensify the interaction between the four IPs, one the one hand, and the JTS and the NCPs, on the other hand, in order to fully benefit from possible efficiency gains in the overall management and implementation process.

3.2   Communication and dissemination activities

The present section evaluates the implementation and achievements of the communication and dissemination activities carried out under the INTERREG IVC programme by combining the evidence from various information sources (i.e. monitoring data; Annual Implementation Reports; on-line surveys, stakeholder interviews).

3.2.1 Implementation and outcome of communication & dissemination activities

The INTERREG IVC programme mentions that a comprehensive information and publicity strategy will be set up and implemented for the programme, with the aim to ensure (…) *"the widest possible degree of participation and information of public and private actors, as well as the dissemination of the programme results"*. Building on these provisions of the programme, a "Communication Strategy" was elaborated which sets out the objectives, the target groups and specific messages for each of them (and their potential impact) as well as the tools and the related monitoring mechanism (**see: Annex 3.7**).

Although this Communication Strategy comprises all elements necessary for a programme as INTERREG IVC to adequately communicate its own profile, opportunities and require-ments and to disseminate its outcomes, some critical annotations should be made:

- Despite the fact that the target groups are well-identified and that the expected impact of the messages to be transmitted to these target groups is well-projected, some of these messages are not very clear/detailed or sufficiently differentiated (e.g. for partners & Lead Partners, two of the messages are "How to run an INTER-REG IVC operation" and "How to publicise results"; for the European institutions the same messages as for potential INTEREG IVC partners are planned, while the ex-pected impact is different).

- Although the Managing authorities of the Competitiveness and Convergence pro-grammes are identified as a target group, also with messages to be transmitted to them as well as with the expected impact, no specific tool for addressing them is developed.

- While some communication tools are presented as being mandatory (e.g. Partner search events, Lead applicant/Lead partner seminars, communication and finance training seminars),   other tools are presented in a way that they can potentially be used to the extent the NCPs get involved.

- The linkage between programme-level communication & dissemination activities and the project-level activities is insufficiently developed.

- Although the expected impact of the programme messages on its target group is very well presented, some of the indicators used to monitor an achievement of this impact are not adequate (e.g. number of applications instead of their quality and relevance – measured through the applications success rate – or both; using sur-veys/questionnaires to assess the ultimate impact of the communication strategy, while no baseline is set). For the latter, no specific target is set.

Implementation of communication & dissemination activities

The implementation of information, publicity and dissemination activities have followed the programme cycle and the respective needs of the individual phases. At the beginning of

2008, some activities in this framework were more targeted in order to increase the relevance of the applications while in 2009 the dissemination work was actually initiated.

During the first three years of the programme, seminars for lead applicants and lead partners were organised alongside other more strategic events such as the launch conference, the second EU Interregional Cooperation Forum and a capitalisation conference. In 2007, the NCPs organised also 5 national information events (in Ireland, Estonia, Greece, North of England, and France) to promote the first call for proposals and they came together in a dedicated seminar in 2009. In the second part of this phase, seminars on financial and communication matters for Lead Partners took place and communication guidelines for Lead Partners were developed. The programme was also more widely communicated and disseminated through brochures, leaflets, and other materials, distributed through different channels, including participation in other events were the programme was made known to a significant number of participants. Regular contacts with media were organised. Efforts were also made to optimise the programme website and, although no newsletter was issued, news alerts were sent by email to the database of contacts.[20]

In order to facilitate a balanced regional participation in the programme through adequate communication activities, each IP conducted in its area a thematic and geographical analysis, aimed to identify the areas/regions less active as regards participation in INTERREG IVC (both application and project implementation phase). On the basis of this analysis, the IP-East set up in 2010 a specific communication strategy for under-represented (or "passive") regions.[21] This differentiated approach was applied only in the case of East area, as most of the under-represented regions are concentrated here. In the other 3 IP-areas the need for targeted communication in this respect was lower (especially in the case of the South area – approximately 50% of the applications submitted after the first call came from here).

When it came to judging on whether the human resources deployed for implementing the communication and dissemination activities are sufficient, a relatively negative picture appears across the various sources of evidence available:

- One third of the MC-members responding to our survey consider, for example, that the human resources are insufficient for delivering the work programme and for achieving the expected results and only 19% have an opposite view (agree or strongly agree).

- The survey-respondents from the NCPs also do not have a clear-cut positive position in this respect as only one third of them agree that human resources are sufficient while the other two thirds are either undecided or simply do not know.

- Our direct stakeholder interviews reveal that also both the JTS and the 4 IPs consider that the human resources dedicated to communication & dissemination activi-

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[20] Annual Implementation Reports 2007, 2008 and 2009.

[21] Understood as regions being inactive at the submission phase which, consequently, could not be partners in approved projects and regions being active at the submission phase but which did not pass the appraisal and selection procedure. See: INTERREG IVC Thematic and Geographical Coverage Analysis in the Information Point East programme area (1st and 2nd call for proposals), page 23.

ties at JTS level are insufficient, wherefore a second communication officer was already hired by the JTS in October 2009 on a temporary basis.

Outputs, results & impacts achieved at date – a "programme-internal" view

The current aggregated data available from the monitoring system show (**see: Annex 3.2, indicator section 2.5**) that further efforts need to be made under some communication and dissemination-related indicators in order to reach the initially set targets (e.g. programme newsletter, events organised by the programme itself, number of press releases). For many indicators, however, the current achievements registered at the end of 2009 already go beyond the targets initially set (e.g. number of brochures, number of other events participated in, estimated number of participants in events participated in, number of copies of brochures disseminated, number of articles/appearances published in the press and in other media, average number of visits per month on the programme website).

When it came to judging the usefulness of the indicators relating to communication & dissemination, one third of the responding MC-members and the NCPs confirmed that they are appropriate and also show the efficiency of the resources used (39% and 33% respectively). Only a very limited proportion of respondents from both target groups have an opposite view. It is, however, interesting to notice that a high percentage (22-33%) of the respondents did not know if the communication and dissemination indicators are appropriate and if they show the efficiency of the resources used. Consequently, only a very limited number of suggestions for improvements were made on this matter:

- More information should be available on the type of communication activities carried out, further than the numbers of press releases and number of press appearances (especially as the programme deals with public policy change).

- More information should be available on thematic events and the programme contribution to EU and regional policies and strategies.

- More information should be available on the territorial coverage of communication & dissemination activities and on participants to INTERREG IVC and other events.

However, a majority of the survey respondents for the MC and NCPs (86% & 83% respectively) consider that the communication and dissemination activities realised since the launching of the programme were only partly successful and useful in terms of impact. A relatively pessimistic view also prevails in the stakeholder perception of the level of the awareness and knowledge which was created among regional and local authorities in Europe about the existence and functioning of the INTERREG IVC programme: 64% of the MC-members and the 61% of the NCPs consider that only a medium-level of awareness and knowledge was achieved. At the same time, also considerable proportions of the respondents under both stakeholder groups consider that this level was even low (i.e. 33% of the MC-members, 22% of the NCPs). Only the remaining MC- and NCP-respondents are of the opinion that this level was high (respectively 3% and 17%). The surveyed Lead Partners had a similar but slightly more nuanced view on this issue: 54% consider the level of

awareness/knowledge on INTERREG IVC to be medium and relatively similar proportions judge it as being high or low (respectively 20% and 23%).

The stakeholder surveys and also the interviews carried out with the Information Points indicate that the language of the programme was indeed considered a difficulty for many project promoters and project partners.[22] However, it is generally agreed that using only one language is the adequate approach as regards official communication and project work (i.e. a bilingual programme would raise significant challenges in terms of workload, common understanding of the programme requirements and coherent programme implementation). Some respondents from all three stakeholder groups surveyed as well as certain interviewees (MA, IPs) emphasise that the idea of using national languages in certain steps might be useful for communicating more adequately the programme requirements, opportunities and results to potential beneficiaries and especially to political decision-makers. Such a differentiated language-use would enhance the effectiveness of the programme's communication and dissemination activities and possibly also lead to qualitatively improved applications.

The wider "external" effect of communication & dissemination activities

In order to get an impression about the wider "external effect" of the INTERREG IVC communication & information activities in reaching important European-level stakeholders, a number of direct interviews were carried out with representatives from European institutions (i.e. Committee of Regions, European Parliament) and some of the most representative European-wide network organisations representing the interests of local and/or regional authorities (i.e. Assembly of European Regions-AER, Conference of Peripheral and Maritime Regions-CPRM, Association of European Border Regions-AEBR, Eurocities).[23]

The profiles and tasks of the institutions and organisations addressed are quite different, which is also the case for their level of awareness / degree of contact and involvement in INTERREG IVC:

- At the outset of the period 2007-2013, all institutions / organisations have made contributions to define the general framework and contents of the EU-Cohesion Policy (i.e. through issuing opinions or policy papers etc), but none of them was consulted during the drafting process of the INTERREG IVC programme.

- All institutions / organisations are generally aware about INTERREG IVC, but this awareness is variable among the different levels within each of them. Specific knowledge on the INTERREG IVC programme and its opportunities or requirements seems to be concentrated more at the "administrative level" of the institutions/organisations, whereas their respective political level is partially or only very

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[22] Sometimes the quality of the English language was a problem also in the project assessment phase, when the assessors could not grasp, for this reason, the essence of the proposals – IP East interview.

[23] The General Secretariat of the Council of European Municipalities and Regions was also contacted; unfortunately, as the Secretariat does not deal with issues related to INTERREG IV C, we could not organise an interview with this institution. No further attempts were made in identifying a relevant interviewee within the CEMR, as this also says something about the interaction between INTERREG IVC and CEMR as such and the necessity to interlink more with networks of regional and local authorities, to reach, in this way, its target group.

generally familiar with the programme. This is clearly the case for the European Parliament, the Committee of Regions and EUROCITIES.[24] Only within the AEBR, both levels seem to be very much aware about the opportunities offered by INTERREG IVC for their members and also stimulate their members to become involved in projects.

▪ None of the institutions / organisations co-operates on a regular basis with the INTERREG IVC programme and only two associations actively disseminate information on INTERREG IVC among their members (EUROCITIES, CPRM) without monitoring in any way the results of these dissemination activities. Half of the organisations/ institutions adopt a passive approach in relation to the INTERREG IVC programme implementation, while the other half are interacting more directly with the programme (e.g. CoR, European Parliament) or organised topical meetings on interregional co-operation in which representatives of the INTERREG IVC JTS took part (i.e. several CPRM-meetings organised in 2009/2010).

▪ Only a few of the contacted European-wide network organisations participate directly as partners in approved INTERREG IVC projects (e.g. AER, EUROCITIES).

Communication and dissemination activities carried out by the INTERREG IVC programme were generally considered sufficient/numerous and also professionally organised by the interviewees and it seems also that they are very interested in further disseminating themselves the activities, results and impacts of INTERREG IVC. However, no such information is made directly available to them (e.g. per e-mail) and the invitations for specific INTERREG IVC dissemination events which a few interviewees indeed received came in at too short notice so that they could not attended the event despite the significant interest in the information presented. Due to this, the various interviewees made concrete suggestions on how to further improvement the external communication and dissemination activities of the INTERREG IVC programme (**see: Annex 3.8**).

3.2.2   Conclusions on communication and dissemination activities & related recommendations

Although the "Communication Strategy" touches all aspects which are important from this point of view for the INTERREG IVC programme (i.e. it projects specifically well the target groups & the expected impact), one must conclude that messages to be communicated towards some of the target groups are not enough developed. Also the communication tools to be implemented refer mainly to project promoters and project partners, but much less so to one of the most important programme target groups - the Managing Authorities of the Competitiveness and Convergence programmes – for which no specific communication channel was created.

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[24] Mainly the members involved in activities directly related to EU Cohesion Policy and its programmes are familiar with INTERREG IVC and aware of its opportunities, but not the entire institution / organisation or its political level.

The current level of output/result achievement under the communication & dissemination activities shows that their implementation is well under-way at least in relation to the initially set targets. Such a positive picture can, on the contrary, not be drawn in relation to the wider impact achieved by these activities. They were only partly successful in raising the level of awareness and knowledge among regional and local authorities in Europe about the existence and functioning of the INTERREG IVC programme and also some weaknesses persist with respect to an information of/communication with some external but strategic stakeholder groups (i.e. EU-institutions, EU-wide associations representing local& regional authorities).

Due to the observed weaknesses, the INTERREG IVC programme should revise its Communication Strategy (where necessary) in order to include further actions which need to be carried out during the remaining time of programming period. These actions should cover …

- an organisation of targeted communication & information events for project promoters motivated to submit an application under the fourth call, where the related requirements are discussed in detail at least partially also in the national language (esp. in under-represented areas at a national and/or regional level);

- the design and establishment of an effective communication channel with the Managing Authorities of the Competitiveness and Convergence programmes (e.g. half-yearly newsletters sent to all MAs, yearly dissemination event at EU level, invitation of MAs to European, national, and regional events organised by INTERREG IVC etc);

- the realisation of targeted communication & dissemination activities for better reaching the political levels of local/regional authorities (aim: increased awareness, knowledge, understanding & acceptance of inter-regional co-operation) and for better informing other programme-external stakeholders groups such as EU-institutions & European associations or networks about the outcomes of the programme;

- a significant strengthening of the link between programme and project level communication and dissemination activities in order to capitalise more on the synergies between both layers;

- a testing of whether and how a differentiated approach in the language-use can enhance the effectiveness of the programme's communication and dissemination activities and possibly also lead to qualitatively improved applications.

Recommendation V:

The INTERREG IVC programme should revise the Communication Strategy (where necessary) in order to include a wider range of new actions which need to be carried out during the remaining time of programming period. For delivering more adequately and effectively the current work programme as well as the new activities, also the JTS-staff in charge of communication & dissemination activities should be further increased.

3.3   The "thematic capitalisation process" at programme level

The present section evaluates the current experiences made with "thematic capitalisation" at programme level and explores the content-related and operational perspectives for its further development until the end of the current programming period 2007-2013.

3.3.1   Evaluation of the pilot experiment realised & reflections on a further development of this process

The discussion for starting up a capitalisation process at the programme level has been initiated since 2009. As a result the programme decided to start up an experiment of programme capitalisation for testing a specific methodology.[25] The question is now whether the experimentation on capitalisation can be regarded as a successful exercise and whether it should be generalised, and if the case, how and on which exact topics. Another related issue is whether there is a need for additional expertise to increase the thematic capitalisation of projects, and if yes, through which approaches and procedures, and how should it be financed (additional programme priority).

Outcome achieved & lessons learned from the capitalisation experiment

The key question is whether the experimentation on capitalisation can be regarded as a successful exercise and whether the programme capitalisation as tested should be generalised.

The research data gained from the interviews, survey and some of the case studies provide evidence that the experimentation on programme capitalisation could be assessed as partly successful. The exercise is clearly addressing the needs of projects and programme, very useful in terms of process (learning), while in terms of achievements the experimentation did not met fully all the initial objectives (**see: Annex 3.9**). Assessing the experiment one can conclude that due to several reasons (e.g. limited budget, time constraints, diversity of projects, status of projects just starting up) the experimentation was mainly focused on the first two objectives:

- Starting up the process of programme capitalisation by creating the conditions of an optimal exploitation of the knowledge resulting from the projects;

- To help the programme strengthen its own internal coherence, with the clustering of projects dealing with similar issues.

The last two objectives relating to "providing relevant thematic information to the running projects" and "to make the programme's achievements more visible and drawing some policy recommendations at the European level" were not completely met.

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[25] The concept of capitalisation can be understood as "the share, in view of common exploitation, of good practices and knowledge created during the implementation of projects (programme capitalisation) on the one hand, and the dissemination of those good practices and that knowledge to any interested organisations (outreach capitalisation) on the other hand (Eurada, 2010).

One can indeed question whether the objectives of the experiment were too ambitious and if it was reasonable to expect that this short experimentation (lasting 3 months) could already provide the expected results / impacts on programme level. Be this as it may, in our view the main added value of this experiment mainly lies in the lessons learned from an implementation of the experimentation.

According to Eurada and the programme management, a few lessons should be taken into account while further expanding the exercise to other priorities (**see: Annex 3.10**):[26] On project level, operations show a strong interest into the exchange of project experiences in the programme, expressed their expectations to programme capitalisation and indicated their willingness to participate. Nevertheless, they need a clear (financial) incentive compensating the costs made for taking part in programme capitalisation events. Projects in future calls should also themselves be more active contributing to programme capitalisation, by setting concrete objectives on programme capitalisation in the beginning of the project and reserve a minimum budget for these activities. It is highly recommended that the programme should steer on this. Embedding the importance of programme capitalisation in the beginning of the project and programme cycle stimulates the awareness of project representatives to formulate effective capitalisation strategies. At last, it is also important to invest more in the so called exit strategy. In the future, an action plan implementation phase should be foreseen either from the design of the proposals or as a post project reward or through an experimentation priority in the current and future programme.

Moreover, there is a need for (sustainable) structures and instruments organised on programme level, such as developing a project database on good practices, a clearing house system, observatory, and pool of thematic experts guiding the capitalisation process. With the help of these structures and instruments, the programme and projects could target more proactively some of the common European weaknesses in the field of innovation & knowledge economy and environment & risk prevention. The idea of an observatory should have special attention in this respect linking internal reviews with external developments (other EU programmes and worldwide trends), but also supporting a wider dissemination of the projects' / programme achievements. All these ideas are not new, but need, according to the evaluators, to be developed in order to make the programme capitalisation exercise effective.

Further generalisation of programme-level capitalisation

The data collection carried out in the context of the evaluation clearly show that, in general, all programme stakeholders (e.g. MC, JTS. NCP's, project lead partners, European Commission) agree that there is a strong need for further exploring and developing the capitalisation process at programme level and take the lessons on board from the experiment for the remaining and future programming period. Otherwise the lessons learnt from the projects may not be appropriately exploited at programme level and the wider world.

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[26] The annex also includes a SWOT analysis, partly based on the final report of Eurada and additional data collection amongst programme stakeholders.

Programme capitalisation clearly meets the objectives of the programme, but especially the horizontal objectives emphasizing the importance of exchanging experience and knowledge to a wider public, but also the thematic objectives. It fills a gap in the programme addressing specific problems identified, satisfying the needs of stakeholders (within and outside the programme), and play an important role increasing the impact of the programme.

Project Lead Partners also see a clear added value to put in place a mechanism or a platform to facilitate the exchange of ideas, practices and concerns between the INTERREG IVC projects. This need was amongst else expressed in the survey amongst Project Lead Partners, showing that more than half of projects have the opinion that the events organised by the JTS in further stimulating the capitalisation process on programme level helps them improving their project activities. Moreover, around 60 percent of the respondents indicate that the organisation of additional programme events would contribute to optimising the project implementation (e.g. thematic seminars dedicated to exchange of experiences). This group emphasize the need for a better facilitation of the JTS in the process of sharing experiences between projects with a special focus on content related issues (sharing good practices), preferably by organising seminars / workshops organised around themes. Priority 2 projects, not involved in the experiment, especially indicated that they would like to share more their experiences with other projects.

The necessity to start a capitalisation process is also emphasized by the European Commission, and besides, it is included as one of the key recommendations for interregional cooperation in the ex post evaluation of INTERREG III, stating that the inter-regional Objective 3 programme should implement cost-efficient activities which lead to a better link in an "indirect" way between wider target group audiences and ongoing inter-regional co-operation activities (e.g. targeted workshops and seminars, thematic publications etc).[27]

The current programme does not yet provide a structure and incentives for projects and for the programme management to start up a process of programme capitalisation. Of course, there are examples of activities that contribute to programme capitalisation, on programme, as well as project level, but these activities often take place on ad hoc basis. According to the interviewees, the programme should therefore put more emphasize on creating the conditions of an optimal exploitation of the knowledge resulting from the projects.

According to many replies in the survey, the JTS should facilitate more events where projects can exchange their experiences on similar topics within the programme. Therefore projects should ideally be clustered around themes, as illustrated by one of the respondents of the survey: "*It is important that the good practices are transferred and implemented effectively (...) for that it could be interesting to cluster the projects and organise them under the umbrella of thematic poles and thematic experts making the links between them*". This information exchange should be facilitated by technical instruments such as a good practice database on programme level (that could possibly be filled in by the projects themselves).

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[27] PANTEIA (2010): Ex-Post Evaluation of INTERREG III.

A high number of respondents in the survey also indicate that the programme should do more in order to promote the programme(results) outside the programme and to better link and embed (good) practices to other European wide programmes, as illustrated by one of the respondents stating that (…) *"INTERREG IV should be presented by JTS at other events, such as objective 1 and 2 programmes in order to make INTERREG IVC contribution more visible and above all to show concrete cases how INTERREG IVC can complement other programmes"*. Ideally this should envisage cross-fertilisations and capacity building with other programmes. Nevertheless, several respondents indicate that this inter linkage is better organised than in the previous INTERREG IIIC programme, but should be further exploited in the remaining part of the programme period and the necessary financial and human resources should be made available. However, capitalisation should not only take place in the end of the programme, according to respondents, it should be embedded during the whole exercise. The programme should continuously aware of developments going on in the outside world, and should link their good practices to it (making use of an observatory).

Content-related focus of a potential generalisation of programme-level capitalisation & resource requirements (experts & finance)

When generalising the programme capitalisation experiment for all priorities and all projects, projects should be clustered according to a set of parameters. As the definition of most of the programme sub-themes is broad and the fact that a wide range of different kinds of projects are selected, the focus of capitalisation has to be defined in a more coherent way.

Eurada already made a good start by identifying parameters that could be used for clustering projects into smaller groups (although only in relation to priority 1 projects). Experiences during the capitalisation experiment show that project representatives show a particular interest in exchanging experience at four relevant levels: policy, methodology, good practices as well as project management (see: **Annex 3.11**). Although these parameters could be used for clustering projects in future programme capitalisation exercises, according to the evaluators, the main criteria should be the theme or topic the projects (followed then by the above presented parameters). We suggest that the number of clusters is less than the current number of sub- themes, which also justified by the fact that some sub-themes have fewer projects than others. Analysing the ten sub-themes falling under the 2 priorities and the projects selected under these themes, we propose a grouping into six clusters. Some sub-themes are grouped together, while others should remain specific (**see: Table 3.1**).

Table 3.1: Grouping of sub-themes into six clusters		
Priority	**Current sub-themes**	**New clustering**
Priority 1: Innovation and the knowledge economy	1 Innovation, research and technology development 2 Entrepreneurship and SMEs 3 The information society 4 Employment, human capital and education.	Sub theme 1 and 3 together Sub theme 2 and 4 together
Priority 2: Environment and risk prevention	5 Natural and technological risks 6 Water management 7 Waste prevention and management 8 Biodiversity and preservation of natural heritage 9 Energy and sustainable transport 10 Cultural heritage and landscape	Natural & technological risks Sub theme 6 and 7 together Sub theme 8 and 10 together Energy & sustainable transport

Based on the experience with the experiment the evaluators highly recommend to continue working with thematic experts in particular thematic areas organised around cluster of projects. These experts should have knowledge in the fields related to the priority topics on the one hand and in the field of project management not available on project and programme management level, relevant for maximising the capitalisation potential of individual projects on programme level, but also the wider world. It is also important to have a more closed look on the positive experience gained form the URBACT-programme in using experts organised around thematic poles, in order to strengthen the capitalisation process on programme level.

Experiences clearly show, one the one hand, that a high number of projects do not consider programme capitalisation as an internal issue and do not always have the human resources, knowledge and networks for taking care that their project results are capitalised on programme level or mainstreamed in the mainstream programmes. The programme management, on the other hand, does not have the human resources and competences "in house" to guide this process of programme capitalisation, because they are heavily involved in managing the programme. Thematic expert could therefore partly fill in this gap

- by acting as an "intermediary" between the projects, the programme and the wider world;

- by reviewing projects within the programme and link them other project in the programme but also to external developments (other EU programmes, worldwide trends);

- by providing support to a wider dissemination of the projects' achievements,

- by contributing to the INTERREG IVC "observatory" that helps the programme better connecting their products to other EU programmes and the wider world.

Ideally these experts, as said, should be allocated to a specific thematic group and selected by the JTS through a tender procedure. The experience in the thematic field and the network they bring in should be a core element for the selection of the expert. The expert should also be acquainted with EU regional policy and international cooperation. The expert would be in charge of the thematic content of the programme capitalisation exercise, guided by a capitalisation officer form the JTS. As a consequence, there is also a strong need to create and extra position at the JTS managing the programme capitalisation process.

During our interviews realised, there was an general consensus that in order to realise these ambitions for programme capitalisation a programme budget is needed for paying various associated costs: for (1) the experts per thematic cluster (external), for (2) organising thematic meetings (JTS, external experts), for (3) monitoring and coordination of thematic capitalisation (JTS, external experts), for (4) publishing annual and final thematic reports (observatory managed by JTS with input of external experts), for (5) other communication and dissemination activities (JTS) and for (6) the participation of projects in the capitalisation process (staff, travel and accommodation costs). Besides also human resources should be allocated from the JTS to these particular tasks, since all these activities also engage time of JTS.

Analysing the possible options to include a programme capitalisation action into the program, clearly indicate that this activity can not be paid from the first two priorities, because these priorities are dedicated to the funding of individual projects. The third priority (technical assistance) could be partly used, since specific budget lines are characterised by under-spending such as "external expertise" (especially if not used anymore in the project assessment and selection process), "office costs" or possibly also "Information Points". Nevertheless, this might not be sufficient for financing all the activities as described above.

Therefore, one the one hand, the programme could set-up a fourth priority in the programme which makes it possible to allocate a specific budget to this exercise, but also clearly position this exercise in the programme. On the other hand, there are also clear reasons for not adding an extra programme priority due to possible danger of delays in programming and problems with a potential under-spending of money. Nevertheless, considering the fact that this is the only option for funding programme capitalisation activities, we recommend to adding an extra priority on programme capitalisation in the current programme.

For covering the national co-funding of this new priority, the evaluators think it is a good idea to use the interest generated by the programme's ERDF advance payment.[28] In 2009 the JTS already made a proposal to the Monitoring Committee to use the interest generated by the ERDF advance payment to co-finance (as national contribution) the programme capitalisation initiative to which 1,8 million € would be re-directed from ERDF allocations to Priorities 1 and 2.[29]

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[28] On the basis of Regulation No (EC) 1083/2006 Article 83
[29] In accordance with the JTS proposal made to the Stockholm MC on "Experimentation for a capitalisation process at programme level"

Additional budget should also be made available for the projects selected in the first two calls (e.g. for travel cost to attend capitalisation events, staff cost for work with the capitalisation experts & for a participation in events etc). For the projects to be selected after the 4th call we highly recommend to indicate that such costs should be integrated ex-ante in the project costs.

3.3.2 Conclusions on the "thematic capitalisation process" at programme-level & related recommendations

The experimentation on programme-level capitalisation can be assessed as successful, although not all of the initial objectives were fully met by the outcome of the experimentation. The exercise clearly addressed the needs of the stakeholders (within and outside the programme), was very useful in terms of process (learning) and also indicated a way for further increasing the impact of the programme as such.

There is also a general consensus that without further continuing this programme-level process the lessons learnt from the projects may not be appropriately exploited and disseminated to the wider world. However, the current programme does not yet provide appropriate structures and incentives for such a process. Therefore, the programme should create an adequate framework during the remaining time of the programme period in order to secure that the knowledge resulting from the projects is most optimally exploited (e.g. by thematically clustering projects & by creating a pool of thematic experts assisting the process). This will help the INTERREG IVC programme to strengthen its own internal coherence and efficiency (i.e. projects benefit from receiving relevant thematic information which can increase the quality of their process of exchanging experience & knowledge), but also its external visibility through drawing up European-level policy recommendations which are factually based on the project results achieved.

Moreover, a new programme priority should be added in order to provide additional and transparent financing for the programme-level capitalisation process. This is, from the evaluator's point of view, certainly not the ideal situation but we consider it a necessary and realistic solution. Bearing in mind the high level of acceptance amongst all stakeholder groups (within and outside the programme) which can be observed in relation to a further generalisation of programme-level capitalisation and its expected added value for the current programme, one should not expect a major opposition to shifting (limited) financial resources towards such a new priority.

Recommendation VI:

During the remaining time of the programming period, the INTERREG IVC programme should …

- … continue to respond to the strong need for further exploring and developing the capitalisation process at programme level and take the lessons on board from the experiment;

- … create an adequate framework in order to secure that the knowledge resulting from the projects is most optimally exploited (e.g. by thematically clustering projects & by creating a pool of thematic experts assisting the process);

- … create a new Priority 4 on programme-level capitalisation, to which appropriate funding for this process is allocated.

3.4   Programme-internal decision-making & external relations

The present section evaluates the strategic decision-making process carried out jointly by the Member States, the Managing Authority, Joint Technical Secretariat and the European Commission within the programme Monitoring Committee (MC) and also briefly reflects on the relations established by the INTERREG IVC programme with its wider "external" environment. Our analysis combines evidence from the Annual Implementation Reports, our three stakeholder surveys and from direct interviews carried out with selected stakeholders.

3.4.1   Decision-making within the programme monitoring committee

The mission of the Monitoring Committee is to ensure the effectiveness and quality of the programme implementation and to make the necessary decisions in relation to the eligibility and selection criteria, the approval of operations and to aspects concerning monitoring and evaluation. The Monitoring Committee is led by a Chair (representative of the country holding the EU presidency), supported by a Vice-chair (representative of the country which will hold the EU presidency in the future 6-months cycle). The programme Troika is formed by the Chair and the Vice-chair together with the previous Chair, the European Commission, the Managing Authority and other invitees, if necessary. The JTS has no decision-making tasks but assists and supports the Monitoring Committee and the programme Troika in carrying out their tasks mainly through making proposals on issues related to the programme implementation.

In order to include also the interests of the regions, the Monitoring Committee is composed of up to three representatives per country (EU 27, Norway, Switzerland) although each country has only one vote. Further on, the representatives of the European Commission, Committee of the Regions (CoR), Managing Authority, Joint Technical Secretariat and, where necessary, the Certifying Authority and the Audit Authority are also taking part in

the MC, in an advisory capacity. When fully present, the MC can gather up to 100 persons. Needless to say that such a big Monitoring Committee membership creates challenges in terms of organisation and communication. However, the MC-members generally agree that the MC-meetings are organised efficiently.

But also during the actual MC-meeting proceedings, challenges become evident. Due to the large size, not everyone can be given sufficient time for extensively presenting his/her views on the topics discussed. This also impacts on the depth of discussions which are carried out during a meeting, especially if many topics are at stake and can only be insufficiently addressed (i.e. programme management & implementation, content-related issues etc).[30] It can also be observed that discussions on administrative and procedural issues, on documents sent in advance and on pure information take too long in comparison to discussions focussing on contents (also of projects) and on the programme's more strategic dimension and orientation. This lack of depth can, in turn, create misunderstandings in relation to the role of the MC as such and its Rules of Procedure or with respect to the role of the JTS or the IPs and their specific own challenges which these implementation bodies are facing in the day-to-day implementation process.

The issue of time-availability was also taken up by our survey among MC-members: Astonishingly, 46% of the responding MC-members consider that the time during meetings is sufficient while 14% have a neutral position on this matter and only 29% think that the time is insufficient (i.e. disagree or strongly disagree). For further improving the efficiency, quality and intensity of debates under future MC-meetings to be held in the remaining time of the programming period, the respondents made however a number of concrete suggestions (**see: Annex 3.12**).

The large size of the MC and the lacking time for debate also impact on the actual decision-taking. The risk is great that decisions are taken on a presented issue without a thorough and joint prior analysis or that a decision is "driven" by a one or few more active and knowledgeable members of the MC (esp. the JTS, which prepares the management % decision making process and which is also more experienced in implementation-related aspects). It is also more difficult to reach a consensus for concrete decision-taking among such a large number of MC-members who all have their own specific interests. Due to this, considerable time is needed for "team building"[31] among the MC-members in relation to a specific issue at stake or for creating ownership on the programme as a whole and its strategic vision. Some of these aspects can also be confirmed by taking a general view across the various aspects which were raised during the on-line survey among the MC-members: The variable issues were often judged very differently by the responding MC-members as on many of them 1/3 of the MC-members had a different opinion. Issues for which a clear majority of MC-members became visible were, on the contrary, seldom. There is also still a high degree of lacking knowledge/opinion on certain issues to be decided or addressed by the MC (e.g. TA resources, IPs performance), although this may be more pronounced among Members from countries who take part in the programme for the first time.[32]

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[30] Interview with the European Commission and the programme JTS
[31] Interview with the programme JTS
[32] Interview with the programme JTS

The decision making process within the MC was changed since the first Rules of Procedures (RoP) were approved for the MC in 2007. In accordance with the 2007 RoP, decisions on issues related to programme management and implementation were to be taken by consensus and in order to have a quorum, at least two-thirds of the MC members needed to be present. In the 2009 RoP, however, more flexible rules were adopted in this respect. In the case a consensus can not be reached, decisions may now be taken on the basis of a five-sixths majority of the votes expressed. In order to have an as efficient as possible decision-making process, the RoPs give the possibility to the MC to decide also in writing. Similarly, the vote can be delegated to another member of the MC, if the country representatives can not participate in the MC meeting. Decisions on projects to be financed require a two-thirds majority of the votes expressed.

Beyond these modifications of the initial RoP, our survey among MC-members reveals that 42% of the respondents are not in favour of changing rules in the future. 39% of them neither agree nor disagree and only 20% are of the opinion that further modifications should be made. However, several respondents have indicated possible ways how to further improve the RoP for enhancing the efficiency of MC-meetings and the quality and intensity of debates (**see: Annex 3.13**).

3.4.2 The "external relations" of the INTERREG IVC programme

INTERREG IVC is one of the very few Structural Funds programmes covering the whole of the EU territory (together with ESPON, INTERACT, URBACT). Due to this, but also as a consequence of its specific objectives and types of actions carried out, a close connection and direct relation with other EU-programmes implemented in the period 2007-2013 should be established. Accordingly, the programme envisages the establishment of such relations at two different levels:

- At a strategic level: In accordance with the Rules of Procedures of the Monitoring Committee, the MC should (…) "*harmonise procedures with the actions for inter-regional co-operation under the Convergence and Competitiveness objectives and liaise with other relevant Community programmes*".

- At the project level: Although the eligibility and selection criteria of September 2007 did not explicitly refer to a project's connection with other EU programmes under the criterion "relevance", this is now envisaged in the updated Programme Manual of November 2009.

From our survey, however, it appears that the general relations of the INTERREG IVC programme with other EU-Programmes were strengthened only to some extent. The MC-respondents had the most "positive" impression, as 38% of them agreed or strongly agreed that the relations were strengthened while only 24% have a negative/very negative view on this matter. The respondents from the NCPs had already a more pessimistic view, as equal shares of them either agreed or disagreed (33%) on this matter while the others were undecided (22%) or did not have an opinion on the issue (11%).

If those respondents from both groups who are agreeing on a strengthened relationship were asked to identify the specific types of programmes for which this has been the case, the following overall pattern becomes obvious (**see: Table 3.2**): The most evident strengthening of relations can be observed for the competitiveness & employment pro-grammes and for the ESPON / INTERACT programmes, followed by the URBACT programme and at a much lower level by the transnational programmes.

Table 3.2: Type of EU-programmes for which a strengthened relationship does exist (multiple answers were possible)	MC-respondents (% of those having agreed to an improved relationship with other EU-programmes)	NCP-respondents (% of those having agreed to an improved relationship with other EU-programmes)
Cross-border programmes	15%	29%
Transnational programmes	23%	57%
Convergence programmes	54%	14%
Competitiveness & employment programmes	62%	57%
URBACT	46%	43%
ESPON / INTERACT	54%	57%
Framework Programme for R&D	15%	0%
Total	100%	100%

Source: Survey among MC-members & NCPs

A the level of the operations and especially in the case of capitalisation projects, the rela-tions established with the 2007-2013 Convergence and Competitiveness programmes are of particular importance. This is also clearly emphasised by the JTS, which considers that ma-jor benefits are achieved under capitalisation if the connection with these programmes is made on ground of a specific aim, clear results and a clear co-ordination and co-operation mechanism.[33] However, the outcome of our stakeholder surveys indicates that weaknesses tend to exist in this respect:

- Only 27% of the MC-respondents consider that connection the between INTERREG IVC and Convergence and Competitiveness programmes is sufficiently made, whereas 35% have a negative opinion on this matter. A similar pattern appears at the level of the NCPs, as only 17% of the respondents agree that the links are suf-ficient and 44% of them disagree on this matter.

- The opinion among the surveyed Lead Partners on this matter is somewhat more balanced: 43% of the respondents consider that there is a strong/very strong con-nection with these programmes while 48% have a more pessimistic view on this matter (i.e. connections are either weak or made at a small / very small degree). Overall, the Lead Partner's view also tends to reflect the existing imbalance be-tween regional initiative and capitalisation projects (see also Chapter 4 below).

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[33] Interview with the INTERREG IVC JTS

Due to the observed weakness, the surveyed MC-members, the NCPs and the Lead Partners have made a number of suggestions about possible ways for further strengthening the relations between INTERREG IVC and other EU-programmes and in particular with Convergence and Competitiveness programmes (**see: Annex 3.14**). Further to these suggestions made from a "programme-internal" viewpoint, also our direct interviews with a number of "programme-external" strategic stakeholders revealed a number of interesting aspects and ideas for improvement that should not be left out of sight (**see: Annex 3.15**).

However, as also some of the programme-level stakeholders underlined, it might already be too late in the current programming period for significantly improving the overall connection of INTERREG IVC to the Convergence and Competitiveness programmes as no further capitalisation projects should be approved with the remaining budget for operations (i.e. fourth call, see also section 4.1.2.).

3.4.3 Conclusions on decision-making and external relations & related recommendations

INTERREG IVC integrated the previously four zone-based Monitoring Committees of INTERREG IIIC into one single decision-making body which now covers the entire EU and also two third countries (CH & NOR). This "unified" INTERREG IVC programme approach has in terms of practical decision-making generated a number of important challenges which were clearly under-estimated by all parties involved: more stakes and stakeholders need to be accommodated, more time is needed for decision-taking and especially more communication efforts and diplomatic skills are required from the Managing Authority, the JTS and the MC-Chair/Troika.

Against this wider context, we have to conclude that the INTERREG IVC Monitoring Committee, together with the JTS as its support structure, need to "grow up" for ensuring that discussions and decision-taking is realised in a more efficient and also qualitatively better way. This can not simply be achieved by changing again the Rules of Procedure, as anyway the general opinion on this matter is not very favourable within the MC.

Instead, the main focus should be put on exploring and testing pragmatic solutions which can potentially allow to better coping with the continuing size-related challenges of the MC. Possible options which could be considered in this respect are the following:

- The chairing of the MC-meetings should be done "in pairs", by the rotating MC-presidency (as currently done) and by maintaining a "stable" vice-president which could be embodied either by the Managing Authority or by the European Commission.

- Better use should be made of the time "in-between" the MC-meetings for following-up a previous meeting and for preparing the forthcoming one: A smaller working group responsible for ex-post clearance (e.g. discussion & consensus building on administrative & miscellaneous issues) and ex-ante planning (e.g. agenda-setting, upstream clearance of administrative issues) should be established and meet one or

two times directly, which involves the programme Troika, the European Commission, the JTS and the MA).

- The actual MC-meeting debates should concentrate more on the content of the current programme and projects as well as on the strategic orientation of future inter-regional co-operation after 2013. Administrative/procedural or miscellaneous issues should - as far as possible - be agreed through a written procedure in order to avoid lengthy discussions on them during a meeting.

- A few MC working groups should be established in the context of which a more limited number of MC-members work together in-between MC-meetings. These working groups could either be set up according to geographical criteria (e.g. reflecting the old INTERREG IIIC zones) or according to a specific thematic focus. Their main purpose would be to prepare specific inputs (i.e. reports) for a forthcoming MC-meeting on behalf of the entire MC.

If deemed necessary, one should also envisage a further change of the MC's Rules of Procedure in order to enable the MC to practically testing some these options.

Recommendation VII:

During the remaining time of the INTERREG IVC programming period, pragmatic solutions should be explored and tested in order to better cope with the continuing size-related challenges of the Monitoring Committee. The main objective of this "organisational learning process" would be to achieve a more efficient organisation and realisation of MC-meetings taking place during the rest of the period 2007-2013.

Our analysis has also shown that the connection between INTERREG IVC and other European programmes is not particularly strong at this moment, although the benefits of creating synergies between these programmes are, at least as principle, widely acknowledged among programme-internal and also programme-external stakeholders. Due to this, the relationship between INTERREG IVC and other EU programmes should be further strengthened during the rest of the programming period, and this for three main reasons:

- The effectiveness of running Convergence and Competitiveness programmes can still be improved through a financing of already tested/applied good practices and policy approaches identified under INTERREG IVC.

- The political decision-makers of the primary programme target group (esp. of the regional & local levels) would be better reached both in terms of communicating the programme opportunities and in terms of disseminating the programme results.

- A higher efficiency would be ensured in financing co-operation projects though avoiding potential overlap especially between INTERREG IVC and the INTERREG IVB programmes under the wider theme "innovation" which is addresses in both cases.

However, the actual possibility for significantly improving this overall connection-level of INTERREG IVC through substantial operational measures (e.g. change of regulatory provisions or eligibility criteria, joint check of applications, set-aside funding for good practice implementation etc) has to be considered relatively low at this point of the programming period.

Instead, the outmost possible use should be made of realising targeted communication & dissemination measures which help to make the INTERREG IVC results widely known at the level of regional/local political decision-makers and especially among those regional administrations which are in charge of implementing the Convergence and Competitiveness programmes. Furthermore, targeted communication & dissemination measures should also be developed in the direction of important "programme-external multiplicators" such as EU-level institutions (e.g. the European Parliament or the Committee of the Regions), European-wide associations representing the interests of regional and local authorities or other topical networks existing at a European or national level.

> **Recommendation VIII:**
>
> For further improving the connection between INTERREG IVC and other European programmes during the remaining time of the programming period, targeted communication & dissemination measures should be implemented which make widely known the programme results to regional/local political decision-makers, to administrations implementing the Convergence and Competitiveness programmes and to important "programme-external multiplicators" such as EU-level institutions or European associations and networks established by territorial authorities.

3.5   Volume and use of the Technical Assistance resources

The present section finally compares the initial allocation of resources to Technical Assistance (TA) as specified in the INTERREG IVC programme to the current spending profile and evaluates the adequacy of the overall TA-resources in the light of the experiences made with the current programme management and implementation process (see: sections 3.1-3.4).

3.5.1   TA-resource allocation & spending profile — evidence from desk research, survey- and field work activities

In accordance with Article 46 of the Council Regulation 1083/2006, 6% of the total ERDF-budget of the programme could be dedicated to finance the preparatory, management, monitoring, evaluation, information and control activities of operational programmes together with activities to reinforce the administrative capacity for implementing the Funds.

A total of € 28 million, including € 27 million ERDF and national funds and the contributions from Norway (i.e. € 360,000) and Switzerland (i.e. € 180,000), represent the budget initially allocated to Technical Assistance under the new INTERREG IVC programme. The Member States co-finance the programme's TA-budget with 30%.

The overall TA-budget

The major TA-budgetary lines are JTS staff, Information Points and communication and dis-semination (**see: Annex 3.16**). In accordance with the latest figures of May 2010, around 33% of the TA-budget is already spent.

However, in each year under-spending is noticed (e.g. in 2009 at a total of 30%) and budgetary lines showing under-spending were in 2009 "office, travel & accommodation", "programme meetings", "support services", "IT-systems", "communication & dissemination" and "Information Points" (IPs). Almost full spending was ensured under the headings "JTS staff", "external expertise", "certifying expenditure" and "audit".[34]

The main reasons for under-spending were the following:[35]

- Certain activities had been budgeted and carried out in 2009, but had only been paid in 2010 (Stockholm Monitoring Committee meeting of November 2009, costs associated with the INTERREG IVC website, the cost of printing and distributing the communication guidelines, reimbursement of the IP's expenditure by the JTS – in some cases also due to delays with obtaining the first level control confirmation for progress reports).

- Some activities were postponed, in some cases due to the focus of the JTS staff on applications assessment and due to the changes in the programme calendar (e.g. a third call focused on capitalisation was launched, instead of a general, final call), the monitoring of project implementation through project visits (participation to mini-programme steering committees mainly) and participation in other events, in-vestment in new IT equipment, programme studies.

- Some activities have been less expensive than expected (general office running costs, database developments).

- Some IPs also had the complete staffing in place (e.g. IP East – 4 members) at a later stage.

This situation of general under-spending can also explain the overall picture resulting out of the survey among MC-members and NCPs: More than half of the responding MC-members either strongly agree or agree that the TA-budget of the INTERREG IVC programme is enough for its management and implementation (52%), while 20% have the opposite view (disagree or strongly disagree). This trend is similar but not as pronounced in the case of the responding NCPs, as 39% of them consider that the TA-budget is sufficient while only 28% consider that it is insufficient.

However, the persons interviewed directly on this matter consider that more resources would in general be necessary for an adequate implementation of the INTERREG IVC pro-

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[34] No figures are available at this point for 2007 and 2008.
[35] In accordance with the information provided by the JTS, i.e. "TA 2009 actual expenditure rationale" and "TA 2010 actual expenditure rationale".

gramme and that for some budget lines even more funding is required in the short run dur-
ing the remaining time of the programming period. The survey-statements and direct inter-
views allowed identifying activities for which additional resources appear to be necessary
(**see: Box 3.1 below**).[36]

<table>
<tr><td style="background:#993322;color:white">**Box. 3.1 Specific activities for which additional TA-resources could be necessary in the short run**</td></tr>
<tr><td>

- Project generation, including advanced trainings for applicants and potential Lead Part-
  ners from new member states, to ensure a higher quality and relevance of the applica-
  tions.
- Project assessment.
- Project monitoring and guidance (at least 1 visit per project should be carried out) in-
  cluding financial management.
- Analysis of the projects achievements and results (also per thematic cluster) - content
  related work.
- Capitalisation on the projects/programme results.
- The construction of a database of good practices and user-friendly website.
- Co-ordination of the IPs.
- Closer cooperation with the NCPs (including in project generation).
- General capacity of the JTS (covered also by the thematic points above).
- Support with the first level control.

</td></tr>
</table>

Source: Survey among MC-members & National Contact Points, interviews with the JTS and IPs

These short-term funding needs could in principle be solved through shifting TA-resources
among the concerned beneficiaries (e.g. shifts from the IP-budget towards the JTS-budget)
or among selected TA-activities. However, the position of the surveyed MC-members on
this matter is relatively balanced: one third of the respondents consider such a shift as a
possible option while slightly less than one third disagrees with this possibility.[37] Also the
NCPs are undecided on this matter, as 12% of the respondents agree and 18% disagree
while the other neither agree nor disagree (41%) or simply do not know (29%).

The communication & dissemination budget

A total budget of € 2.7 million was allocated to an implementation of the programme's
Communication Strategy which covers all programme-level communication and dissemina-
tion activities that are carried out by the JTS, the IPs and the NCPs.[38]

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[36] Specific suggestions related to communication and dissemination activities are presented under chap-
ter 3.3.

[37] 29% of the MC members consider that the possible constraints could be alleviated through a shift of
TA resources among the beneficiaries, while 23% disagree or strongly disagree with this possibility.

[38] In addition, all operations financed under INTERREG IVC carry out, under Component 2, communica-
tion & dissemination activities. Aggregated figures on the total funding allocated to communication &
dissemination activities both at the programme and project-level are not available.

In the years 2007-2009, however, only around more than half a million euros was spent altogether on communication and dissemination and a 68% under-spending was even registered in 2009 due to the reasons already exposed above. At the same time, the actual total expenditure on communication and dissemination activities in the first three years of the programme represents approximately 1/4 of the envisaged budget for these activities during the years 2010-2013. Alone the 2010 budget allocated for this heading is double in comparison with the budget actually spent in 2009 (**see: Annex 3.16**). While dissemination costs will for sure increase during the second half of the programming period, we also need to underline that, taking the programme dynamics into account, the communication activities related to calls for applications will be finished by 2011 when the last call is launched.

Also here, the above-exposed situation of under-spending can well explain the overall picture resulting from the survey-responses among programme-level stakeholders (i.e. MC-members & NCPs): 50% of the responding MC-members and even 61% of the responding NCPs agree or strongly agree that the programme's overall budget dedicated to communication and dissemination is sufficient, while only 23% and 22% respectively disagree or strongly disagree with this position.

When asked more specifically if the TA-resources allocated to communication and dissemination activities are sufficient for making the local and regional authorities in Europe aware of the possibilities and opportunities of inter-regional co-operation, a bi-polarised picture appears between the MC-members, on the one hand, and the Lead Partners and NCPs on the other hand: Only 27% of the responding MC-members are affirming this statement (agree or strongly agree), while 40% among them have a negative view on that matter. Among the responding Lead Partners, however, 44% agree or strongly agree that the communication and dissemination activities are sufficient for achieving this awareness across Europe and only 31% among them disagree/strongly disagree on this matter. A relatively similar but slightly less positive pattern can be observed for the NCP-respondents, as 39% of them agree on this matter and only 28% disagree.

A slightly different situation of bi-polarisation appears on the question if TA-resources allocated to communication and dissemination activities are sufficient for informing a wider audience, including the European institutions, about the achievements of interregional co-operation. The NCP-respondents are clearly the most affirmative group in this respect, as 50% of them agree on to this statement and only 17% disagree. This situation changes if one looks at the less optimistic view of the responding MC-members (i.e. 30% agree & 35% disagree or strongly disagree) and becomes even more pessimistic in the case of the responding project Lead Partners (21% agree & 39% disagree/strongly disagree).

On ground of the qualitative comments received by the various stakeholder groups a list with possible communication and dissemination activities for which additional resources would be necessary in the current programming period can be drawn up (**see: Annex 3.17**).

Additional TA-resources originating from capital interests

The JTS envisaged that an amount of at least € 600,000 could be made available to the programme through cumulated interest generated by the programme's ERDF advance payment. In accordance with Article 83 of the EC Framework Regulation no. 1083/2006, this interest is considered as national public contribution from the Member States to the programme.[39]

In 2009, the JTS submitted a decision note on "Experimentation for a capitalisation process at programme level" to the Stockholm Monitoring Committee which sets out options for co-financing a generalisation of capitalisation later on if the experimentation on capitalisation would be successful. It was suggested to use the interest generated by the ERFD-advance payment for covering the costs of the external experts involved in this initiative and to re-direct a further € 1.8 million from ERDF-allocations to Priorities 1 and 2. Up to now, however, the Monitoring Committee only took decisions concerning the allocation of funding from the TA-budget for the capitalisation experimentation. No decision was taken so far on the reallocation of ERDF-funding from Priority 1 and 2 to capitalisation and on the use the interests as national match-funding, as this should upon a common agreement only be made after an evaluation of the experimentation (**see: section 3.3 above**).

The adequacy of the overall TA-budget

An effective implementation of the INTERREG IVC programme can only be ensured if sufficient TA-resources are available for strategic decision-making, project assessment and selection, support to project generation and project implementation, programme monitoring, evaluation, reporting and dissemination.

However, the overall TA-budget for INTERREG IVC decreased by approximately 35% in comparison with the TA-resources of the previous INTERREG IIIC programmes. Already the ex-ante evaluation identified the low level of TA-resources as a main risks and bottleneck for the implementation of the programme, especially with regard to the new tasks and operations to be realised. In the INTERREG IVC TA-budget (…) *there is no flexibility to answer to possible new demands for support and assistance* (…) and (…) *uncertainties exist in relation to exogenous factors, such as the willingness of mainstream programme authorities to participate in interregional cooperation.*[40]

Moreover, the current experience shows that the INTERREG IVC programme pays significantly more attention to communication and dissemination than INTERREG IIIC and also faces a project-assessment workload which significantly increased above expectations due to the high number of applications received. Furthermore, the programme has launched initially not foreseen activities (i.e. programme-level capitalisation experiment) which are also expected to be continued and further deepen during the remaining time of the programming phase.

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[39] When the programme is closed, remaining TA-funds, including the cumulated interest, are reimbursed to the MSs.
[40] INTERREG IVC (2007): p.66.

However, as shown above, the TA-budget is currently characterised by a situation of general under-spending which allows up to a certain extent covering newly emerging funding needs under certain TA-budget heading through the already available budget. This requires, however, that sufficient flexibility and awareness exists at the level of the main TA-beneficiaries (JTS & IPs) and among the Monitoring Committee members in order decide the necessary pragmatic solutions. Considering this, one can therefore conclude that the overall TA-budget is in principle still adequate for managing and implementing the INTER-REG IVC programme up to the end of its lifetime.

3.5.2 Conclusions on the further use of TA-resources & related recommendations

Our analysis showed that significant under-spending is registered for some lines of the Technical Assistance budget (i.e. travel costs of the JTS staff, programme studies), among which also the communication and dissemination activities can be found.

Although one can in general conclude that the overall TA-resources are sufficient for an effective implementation of the INTERREG IVC programme, we have shown that especially for the TA-heading "staff" more funding is needed at the JTS-level in the short-term (e.g. for project assessment, financial management, programme-level capitalisation, communication & dissemination, co-ordination/guidance of IPs & animation of NCPs). Additional funding would also be needed for the actual realisation of a continuing programme-level capitalisation process, although it is not yet clear how its precise budgetary position will look like (i.e. own Priority 4 or inclusion under TA). The required financial means should be gathered from specific TA-budget lines which are characterised by under-spending (esp. "external expertise" related to project assessment; "office costs"; "Information Points") and then be shifted to the headings for which additional funding is needed.

The budgets of the under-spending TA-headings "travel costs of JTS staff" and "programme studies" should however not be re-allocated and, instead, be used for launching more or specific new JTS-activities. For further improving the current programme monitoring process, more "on-the-spot visits" should be realised to projects. For preparing a more adequate future monitoring process, specific studies or evaluations should be launched which generate new/additional insights into the qualitative outcomes and associated effects/impacts of inter-regional co-operation and which help to further develop the overall monitoring indicator-system (**see also: section 4.3.3**).

Recommendation IX:

To ensure an effective management and implementation of the INTERREG IVC programme should during the remaining time of the period 2007-2013 …

- … more funding should be made available for the JTS (i.e. TA-budget line "staff" for project assessment, financial management, programme-level capitalisation, communication & dissemination, co-ordination/guidance of IPs & animation of NCPs) and for a continuation of the programme-level capitalisation process, through shifting funds from other TA-budget lines currently registering under-spending ("external expertise", "office costs"; "Information Points");

- … use left-over funding under other under-spending TA-headings (esp. "travel costs of JTS staff" & "programme studies") for improving the effectiveness of the current programme monitoring process (e.g. more "on-the-spot visits" to projects) and for preparing a more adequate future monitoring process (e.g. specific studies & evaluations).

4 Programme implementation: the outcomes achieved by interregional co-operation so far (Task 3)

Terms of Reference (ToR) require the evaluation to analyse the scope of topics covered and the regions involved and to consider the projects approved so far and their coherence with the programme objectives as well as to assess the system of indicators established. To deliver this task in the prescribed way, the analysis is broken down in the three different sub-tasks:[1]

- Main features of the project portfolio and use of remaining funds after the third call for applications (sub-task 3a).

- The outcomes achieved by the approved projects and their coherence with the programme objectives (sub-task 3b).

- An assessment of the adequacy of the current system of indicators established for monitoring the programme- and project-level outcomes (sub-task 3c).

The methodological approach adopted for carrying out this complex task combined desk research, the realisation of comprehensive on-line survey among the approved projects and of 10 project-level case studies as well as of interviews with selected key stakeholders of the programme.

4.1 Main features of the project portfolio and the use of remaining funds after the third call for applications

To conclude on how remaining funds should be used after the third call for applications, this section carries out a horizontal analysis across all approved projects for highlighting potential imbalances or shortcomings in the current project portfolio. Following this, our conclusions and recommendations for a future 4th call for applications are then presented.

4.1.1 Horizontal analysis of the current project portfolio

A total of 115 projects were approved up to now under the INTERREG IVC programme by two calls for proposals. To reveal its main features by mid 2010, the current project portfolio is now analysed according to various criteria on ground of the available programme monitoring data (**see: Annex 4.1, Tables I-VIII**).

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[1] If compared to the submitted Inception Report, a slight modification was made in the denomination and numbering of the sub-tasks under Task 3 (esp. 3a and 3b). This was mainly done for taking better into consideration the interest of JTS and the Monitoring Committee members in obtaining a more profound view on the variety of outcomes achieved by the approved projects (i.e. voiced at and after the 6th MC-meeting of June 2010 in Madrid).

Geographical distribution of submitted applications & of approved projects

Table I shows in a geographical distribution the number of projects applications submitted during the first two calls and the total number of partners involved in the submitted applications, but also the number of finally approved projects (i.e. by origin of the Lead Partner) and the overall "success rate per country" (i.e. the percentage per country of the total number of submitted project applications which were finally approved). The following main features become evident after the first two calls for proposals:

- A total of 1,002 project applications were submitted to the INTERREG IVC programme. Lead Partners originating from the southern European countries Italy, Spain and Greece have submitted alone more than half of all these project applications (551 out of 1,002). At the lower end are countries like Denmark, Latvia, Lithuania, Bulgaria, Estonia, Malta, Luxembourg and Norway, from which in each case Lead Partners have submitted less than 5 applications.[2]

- The 1,002 submitted applications involved a total of nearby 10,000 partners (i.e. Lead Partners & other partners). And here again, authorities or bodies from the three southern European countries Italy, Spain and Greece were most strongly involved in all submitted applications (i.e. representing together 40% of all the partners involved). A solid mid-range position can be observed for Germany, the United Kingdom, France, Portugal, Poland, Romania, Bulgaria and Hungary, as authorities / bodies from those countries represent altogether nearby 35% of the partners involved in all submitted applications. Six countries are located at the lower end (i.e. Denmark, Malta, Luxembourg, Norway, Switzerland), as authorities / bodies originating from those states represent only around 2% of the partners involved in all submitted applications.

- The countries with the highest number of partners leading a project among the 115 finally approved operations are France, Italy, Germany, Spain and the Netherlands (i.e. representing together 63% of the 115 Lead Partners). At the lower end one can find nine countries from which no authority/body is acting as Lead Partner of an approved project (Bulgaria, Czech Republic, Estonia, Malta, Luxembourg, Norway, Romania, Slovak Republic, Slovenia).[3]

- The overall approval ratio for submitted applications is currently at 11.5% and the highest individual success rates (= or > 20%) can be found in nine countries (Denmark, France, Sweden, Netherlands, Hungary, Latvia, Lithuania, Austria, United Kingdom). Countries with a solid mid-range position are Germany, Belgium, Cyprus, Ireland and Poland (= or > 10% and < 20%). At the lower end, one can again find the nine countries from which no authority/body is currently acting as a Lead Partner in an approved project (success rate = 0%).

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[2] According to the programme's provisions, no Lead Partner can come from Switzerland.
[3] According to the programme's provisions, no Lead Partner can come from Switzerland.

ERDF-funding committed to approved projects (by priority & type of operation)

The percentages of ERDF-funding committed to the approved projects is summarised in **tables II and III** for each programme priority and for the main types of intervention. These tables make clear that the allocation of funds is more focused on Priority 1 "innovation & the knowledge economy" (62%) and that the majority of the funds under both Priorities is primarily allocated to regional initiative projects (88%).

Coverage of the various sub-themes & types of operations

The two thematic priorities of the INTERREG IVC programme each contain a number of specific sub-themes which operations have to address for making a contribution to achieve the European Union's strategic objectives for growth, jobs and sustainable development. It is evident that these sub-themes are interlinked in many ways, within and even between the two priorities. Therefore, operations can propose a cross-sector and integrated approach[4] where appropriate. However, each operation should still select only one sub-theme and have a clear focus on a specific regional policy issue.

The current degree of coverage of the various priority-level sub-themes by the approved operations reveals the following overall pattern (**see: Table IV**). The Priority 1 "innovation & the knowledge economy" is with a current degree of coverage at 62% of the total approved projects stronger represented in the project portfolio than Priority 2 on "environment & risk prevention" (38%). Especially the Priority 1 sub-themes "entrepreneurship & SMEs" and "innovation, research & technology development" are with respectively 23% and 19% the sub-themes most strongly covered. At the lower end range only sub-themes related to Priority 2, which are covered by 5% or even less of all approved projects.

Table V gives a breakdown of the current project-portfolio by the different types of interventions as supported under the INTERREG IVC programme (i.e. regional initiative projects, differentiated according to their respective degrees of co-operation intensity & capitalisation / fast track projects). Regional initiative projects represent the bulk of all operations approved up to now (89%), while capitalisation projects are only at a much lower level (11%). The "normal" regional initiative projects again represent the large majority of the approved projects (79%), while only a few are so-called "mini-programmes" which are characterised by higher co-operation intensity (10%). Among all capitalisation projects, the projects also associating a fast track procedure are stronger represented (8%)[5] as those realising a simple capitalisation process.

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[4] The integrated approach should be understood as the manner in which the project addresses the sub-theme but it does not mean that one project should address several sub-themes at the same level. In the final report, we will further deepen the issue of cross-sector effects.
[5] Fast Track projects are Capitalisation projects which benefit from additional expertise from the European Commission in order to contribute to the regions for economic change initiative.

Type of actors involved as Lead Partners & partners in all approved projects

Table VI shows the institutional and legal status of those organisations and bodies which are acting as Lead Partners in the approved projects. According to these figures, regional public authorities (45%) and bodies governed by public law (38%) are primarily acting as Lead Partners in the approved projects, whereas local and national public authorities are less well represented (14% and 3% respectively).

Looking at the legal status of all partners involved in the approved projects (**see: Table VII**), one can observe that bodies governed by public law are much stronger represented (45%) as for example, regional, local or national public authorities (respectively 30%, 22% and 3%).

Geographical distribution of all partners involved in approved projects

Table VIII shows the geographical distribution of the 1,261 partners who are currently in-volved in all approved projects (Lead Partners & normal partners) and gives a breakdown per country of their respective legal status. According to the figures, the following main features can be highlighted for the current project-portfolio.

A look at the total number of partners shows that two thirds of the organisations and bod-ies involved in the 115 approved projects come from only ten countries participating in the INTERREG IVC programme (i.e. 66.8%). Partners from Italy and Spain are with respectively 11.7% and 10% most strongly represented in the approved projects. Still high levels of participation in the approved projects (< 7% and > 4%) can be observed for another eight countries (i.e. France, Germany, United Kingdom, Greece, Sweden, Hungary, Poland, Ro-mania). The lowest levels of representation within running operations can be observed for five countries (< or = 1% for Cyprus, Latvia, Malta, Norway, Switzerland) and Luxembourg is even not at all represented by a partner in an approved project.

If one looks at the country-level breakdown of partners according to their institutional and legal status, one can identify the following main groups among the 28 countries concerned (excluding Luxembourg):

- Three countries with a strong combined presence of regional public authorities (> 40%) and of public law governed bodies (> 30% & < 40%), representing in each case more than 75% of all country-level partners involved in the approved projects. These are countries a recently regionalised governance structure (Poland, Czech Republic) or unitary states also relying on regional bodies (Ireland). Also Norway might also be allocated to this group, although it is a specific case due to the overly strong presence of regional authorities (73%) and of an only weak presence of pub-lic law governed bodies (9%).

- Five countries with a strong combined presence of public law governed bodies (> 40%) and of regional public authorities (> 30% & < 40%), representing in each case more than 75% of all country-level partners involved in the approved projects.

These are countries with a federal governance structure (Germany, Austria) or regionalised governance structures (France, Italy, Spain).

- Seven countries with a strong combined presence of public law governed bodies (> 35%) and of regional public authorities (> 30%), representing in each case 70% or more of all country-level partners involved in the approved projects. These are mostly unitary states with a local and/or county-based governance level (Denmark, Cyprus, Lithuania, Portugal, Bulgaria, Romania) or states with devolved powers at the regional, county and local levels (United Kingdom).

- The two smaller countries Slovenia and Malta which show a strong combined presence of public law governed bodies (> 50%) and of national public authorities (> 12%), representing in each case more than 75% of all country-level partners involved in the approved projects.

- Six countries with a very strong presence of public law governed bodies (> 50%; Switzerland even at 100%) and at much lower levels with a more or less balanced presence of regional and local public authorities (Hungary, Finland, Belgium, Latvia, Estonia).

- Finally, the four countries for which the shares of the present public law governed bodies, regional and local public authorities are comparatively more balanced if compared to the other constellations (Greece, Sweden, Slovakia, Netherlands).

A tentative conclusion which can be drawn from this overall pattern is that the country-specific types of administrations or bodies involved in the approved projects matches – for most countries – relatively strongly the specific governance models established (i.e. federalised & regionalised states with an active regional level; unitary states with an active local government level, small unitary states with a stronger presence of central government structures).

4.1.2 Conclusions & recommendations for the future fourth call for applications

On the basis of the current project portfolio's main characteristics, the evaluators now present recommendations for addressing some of the observed imbalances and shortcomings and for guiding the use of remaining funds under a future fourth call for applications.

(1) Our horizontal analysis revealed an imbalance in the coverage of the various priority-level sub-themes by the currently approved operations. Bearing in mind the main findings which result from our relevance-assessment of the INTERREG IVC programme strategy (Task 1), the evaluators are not of the opinion that a 4th call for applications should be targeted towards new thematic aspects to be included in the current programme strategy. Instead, this call should generally remain open as far as the current sub-themes are concerned.

However, specific attention should be paid to those sub-themes of Priority 2 which are at the moment only weakly covered by the approved projects (i.e. water management; biodiversity & preservation of natural heritage; cultural heritage & landscape; waste management) and a further effort should be made under some sub-themes of both priorities which currently show a medium degree of coverage (e.g. the Information Society; employment, human capital and education; natural & technological risks). Within this context, also our previous recommendation made on the relevance of certain sub-themes should be considered (**see: Recommendation I**).

(2) The current project portfolio (and the set of applications submitted) also shows a strong geographical imbalance between a smaller number of countries which are well-represented in approved operations and a larger number of Member States with a low or even very weak representation.

Considering the already established operational framework of the INTERREG IVC programme (esp. rules for geographical eligibility & selection/assessment criteria), the evaluators conclude that it is not feasible to establish a direct steering mechanism which would allow achieving a better geographical partner balance after the 4th call for applications (e.g. by excluding certain countries or by giving preference to proposals involving certain under-represented countries). This conclusion is also supported by the fact that only very little time is left for realising substantial formal modifications which would be required before the opening of the 4th call (envisaged for early 2011).

A better geographical balance can therefore only be achieved indirectly, e.g. though a strong mobilisation effort made in particular by the Information Points and the National Contact Points covering those countries with a still weak partner representation in the already approved projects.

(3) Our horizontal analysis shows that considerable imbalances exist between the main types of operations supported (i.e. regional initiative & capitalisation projects) and between the specific sub-types of operations (i.e. normal regional initiative projects / mini-programmes & simple capitalisation / fast track capitalisation projects). Regional initiative projects currently make up the bulk of all approved operations, whereas capitalisation projects are clearly under-represented in the project portfolio.

Under the 4th call for applications, however, <u>no</u> attempt should be made for achieving a better balance among the various types and sub-types of operations. The main reason for this conclusion is that implementation-timing problems can emerge during the remainder of the programming period as especially the "mini-programmes" and the capitalisation projects require on average more time and effort for being launched and delivered adequately.[6] Due to this, the programme will also not be able eliminate the current imbalance

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[6] If the 4th call is opened in early 2011 and closed by April/May 2011, the assessment of applications and final approval of the selected operations will be completed before the end of 2011 and all newly approved operations will therefore start only by January 2012. This leaves comparatively little time to fully complete a mini-programme (needed are at least 3 years) or a capitalisation project, with the latter also meeting the difficulty that most of the Regional Operational Programmes to which they have to link up would already be in their final implementation phase (i.e. thus leaving little perspectives for implementing the actions plans elaborated by capitalisation projects through the concerned ROPs).

among the different types of operations as the estimated approval of a further 70 regional initiative projects will even lower the share of capitalisation projects within the future project portfolio.[7]

(4) Our horizontal analysis also shows that the number of applications submitted for the first two calls was nearby ten times higher than the number of finally approved operations. The assessment of the huge number of applications represented an enormous workload for the Joint Technical Secretariat which should - if possible and for the reasons exposed above (**see: section 3.1.1**) - be avoided under the 4th call.

In reality, however, we do not expect that this assessment-workload can be drastically reduced through establishing a mechanism for a "hard" and direct steering of the overall submission process. Neither is it possible to exclude certain countries or types of organisations from the future call due to the established programme rules, nor is it desirable to considerably narrow down the thematic focus of the call for the above exposed reasons. Instead, we recommend applying some or all the following "soft" tools which might help reducing at a certain extent the number of future applications.

1. The 4th call should set out clear quality requirements for a truly joint preparation of project applications[8] and also clear orientations for the expected policy-focus to be adopted under certain sub-themes or related issues (**see: point 1 above & also Recommendation I**). These requirements and orientations should be specified in an "accompanying note" issued for the 4th call, which also indicates in a transparent way how a compliance with those rules will be "rewarded" (i.e. i.e. submitted applications fully meeting the requirements & orientations will obtain additional scoring points). The projects should also be required to fill out – beyond the application from - a short additional form in which they have to indicate precisely if and how they actually respond to these additional quality requirements/thematic orientations.

2. The four Information Points and the National Contact Points should be more intensively connected to the preparation of upcoming proposals for the 4th call. This process could involve a mandatory notification of project ideas to IPs/NCPs, the realisation of a pre-screening of ideas or of a guided merger of similar ideas by IPs/NCPs and the provision of targeted support to those ideas which have positively passed the pre-screening or accepted a merger (e.g. through thematic national & inter-regional project workshops organised by the IPs/NCPs).

3. During the content-related assessment process, the above-mentioned quality requirements/thematic orientations should be used by the JTS and the IPs as "meta-

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[7] Their current share will slightly increase in the coming months, as a few new capitalisation projects were approved as a result of the 3rd call for applications. But at the end of the programming period, however, the final share of this type of operation will even be considerably lower than the current one due to the fact that only regional initiative projects are approved under the 4th call.

[8] 4th call projects should clearly demonstrate that all partners were actively involved a joint preparation process leading to a full definition of the project's intervention strategy (objectives, actions, determination of required resources) which was carried out e.g. according to the principles of the goal-oriented project planning method.

level pre-assessment criteria". After the eligibility check for all applications, first of all the additional form on the quality requirements/thematic orientations would be examined on ground of which an indicative short-list is then established. Subsequently, a full content-related in-depth assessment is carried out for the most successful short-listed proposals (e.g. the top 75%) on ground of which the projects recommended for approval are then determined. Should, however, these projects not suffice for fully covering the still available amount of ERDF-funding, then also other projects should be assessed in depth (i.e. short-listed & also not short-listed projects).

(5) Should a certain amount of financial resources still remain available after the closure of the 4th call for applications and the final approval of the pre-selected operations, we recommend that these resources should be allocated

- to a limited number still running operations from neighbouring sub-themes (e.g. from the 4th call) for initiating a stronger cross-thematic exchange and work process among them during the remainder of the programming period;

- to a limited number of already finalised projects for enabling them to develop additional activities with respect to an in-depth assessment of their effects and impacts generated.

Recommendation X:

In view of the future 4th call for applications, the INTERREG IVC programme should…

- … in principle leave open all of the current sub-themes, but also particularly emphasise those sub-themes which are up to now weakly covered by the approved projects (Priority 2) or show a medium level of coverage (Priority 1 & 2);

- … make an attempt to indirectly achieve a better geographical balance as regards the involvement of partners in the approved operations (i.e. specific mobilisation effort to be made by IPs & NCPs which cover countries showing a still weak representation);

- … apply a number of "soft" direct steering tools (e.g. increased quality requirements & thematic orientations; mandatory notification of upcoming ideas & prescreening, pre-assessment on ground of meta-level criteria) in order to reduce at a certain extent the number of future applications and the associated assessment workload at the level of the JTS/the IPs.

After the closure of the call and the final approval of projects, still left-over funding should be dedicated to a limited number of running and finalised operations for initiating specific activities which are of an added value for them and for the programme as a whole (e.g. cross-thematic exchange & work processes; in-depth assessment of effects & impacts).

4.2 The project outcomes achieved at date and their coherence with the programme objectives

This section carries out an in-depth analysis of the outcome achieved by the approved projects to explore whether the approved projects are coherent with the stated objectives of the INTERREG IVC programme and actually help to improve the effectiveness of regional development policies and of Structural Funds mainstream policies in order to contribute to economic modernisation and to an increased competitiveness of Europe.

For this purpose, the aggregated outputs and results achieved by the operations approved under Priorities 1 and 2 of the INTERREG IVC programme are first of all reviewed on ground of the available programme monitoring data. This brief general assessment is then further deepened by shedding light on the nature and scope of the achieved co-operation outcomes (outputs/results & impacts), for which mainly evidence from our survey realised among project Lead Partners and from the 10 in-depth case study analyses is presented in a combined manner.

4.2.1 The reported outputs & results — evidence from the programme monitoring data

Our overview on the current level of outputs/results reported across Priorities 1 and 2 at the end of 2009 under the indicators measuring the "contribution of operations to programme objectives" (**see: Annex 4.2**) shows that a positive performance is currently more evident at the level of outputs than at the level of the results. The main reason is that the reported figures most often only relate to the 41 first call projects (and not to the 115 operations currently running), but also that results are less immediate than outputs and often visible (and reportable) only some time after the completion of project activities.

Already high or even very high levels of output-achievement can be observed for the indicators "number of regional/local policies addressed" and "number of good practices identified by regional initiative projects", but also for "total number of partners involved in the approved operations" and "number of participants in interregional events organised by these operations". Also the other output indicators show a largely satisfactory performance level which is, however, not this pronounced as in the cases previously mentioned.

A high level of result-achievement can be observed up to now only for indicators measuring a contribution to Community policies (equal opportunities, environment) and the number of staff members in operations with an increased capacity resulting from inter-regional exchange of experience events. The other result indicators show a situation of strong under-achievement or even non-achievement in comparison to the initial targets set. Although it is indeed natural at this stage of the project implementation many of the targets indicators are not achieved (i.e. as a consequence of the fact that figures refer to the first year of implementation of the projects), our tentative extrapolation towards the future in Annex 4.2 shows that for some result indicators it is very likely that the observed gaps might not be fully recoverable during the remaining time of the programming period. The most prominent examples are:

- Number of regional/local policies and instruments improved or developed in the fields of research and technology development, support to entrepreneurship and SMEs, Information Society, Employment, Human Capital and Education, Natural and technological risks, Water management, Waste prevention and management, Biodiversity and preservation of natural heritage, Energy and sustainable public transport, Cultural heritage and landscape.

- Number of new projects/activities/approaches resulting from the exchange/dissemination of experience at interregional events.

- Number of action plans developed by Objective 'Convergence' regions further to the lessons learnt from Objective 'Competitiveness' regions.

- Number of good practices successfully transferred within Regional Initiative Projects.

- Number of action plans developed under Capitalisation, including Fast Track Projects (Type 2).

- Number of action plans developed under Fast Track Projects.

Considered only from this narrow perspective, the evidence suggests that some of the related programme objectives might not be fully achieved by the end of the programming period (i.e. the two specific thematic objectives and in particular the third specific horizontal objective[9]). In order to obtain a better understanding of this important matter, the following sections will now on ground of the main findings from our survey realised among project Lead Partners and from the in-depth analysis of ten case study projects further explore three closely related core issues:

1. The initial conceptualisation of co-operation (i.e. the usefulness of the differentiation between the two main types of intervention) and its effect on the current level of aggregated outcome achievement.

2. The nature and scope of the expected and unexpected outcomes achieved by the approved projects and their wider impact on EU regional mainstream programmes and local or regional policies.

3. The contribution of the project outcomes to an achievement of the sub-theme level operational programme objectives.

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[9] To ensure that the good practices identified within interregional cooperation projects are made available to other regional and local actors and are transferred into regional policies in particular into EU Structural Funds mainstream programmes.

4.2.2 The initial conceptualisation of co-operation and its effect on the aggregated outcome achievement

By our horizontal analysis we have shown that the number of running capitalisation projects remained up to now very limited (13)[10] if compared to that of running regional initiative projects (102). This also explains two striking features which appeared from our brief review of the aggregated monitoring data on the outputs and results achieved: At date, the "classical" regional initiative projects contribute at a much more to the overall programme outcome than the newly introduced capitalisation projects. This is particularly evident at the level of the overall results achieved, as the contribution of regional initiative projects to reaching the initial targets is comparatively stronger than the contribution of the approved capitalisation projects.

These observations raise the following question: Has the initial differentiation between the two types of intervention and the actual understanding / perception of these types by the project-level stakeholders influenced their practical take-up and therefore also conditioned the levels of achievement of the respective programme-level outcomes? Before this question is answered, we now have a brief look on the main findings of our stakeholder survey and of the case study analysis.

A general view on the differentiation of the intervention-types — the survey evidence

Our survey realised among project Lead Partners asked them about their general perception of the differentiation between the two main types of interventions of the INTERREB IVC programme.

Half of the Lead Partners responding (48%) consider the differentiation between regional initiative projects (including mini-programmes) and capitalisation projects (including fast track projects) as being useful, while the other half is not clearly positive on this matter (i.e. 24% neither agree nor disagree; 13% disagree; 14% don't know or can't decide). The majority of those respondents disagreeing highlighted, however, that they are not familiar with the exact differences between the types of operations or that the distinction is simply unclear.

Nevertheless, the responding Lead Partners also indicate two main reasons which might explain the limited take-up of capitalisation projects: Firstly, that the application process for capitalisation projects was perceived to be more difficult and that this type of project is also considered to be more demanding. Secondly, they think that it is harder to apply for and execute a capitalisation project because the national/regional Managing Authorities must be included.

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[10] Not considered here are the recently approved 3rd call capitalisation projects.

An in-depth view on the conceptualisation of co-operation – the case study evidence

Our case study analysis shows that the differentiation between regional initiative projects (including mini-programmes) and capitalisation projects (including the fast-track procedure) was at the outset well understood by most of the projects examined (e.g. *C2CN; WATER CoRe; B3 Regions; CLIQ; POWER*). This distinction does, in overall terms, also make sense to most of the interviewees although some of them observe that it might be handled too strictly in practice (*C2CN*).[11]

Several partners from other operations did, however, not clearly understand the sense of this differentiation. Some of them expressed more general concerns because they consider that this differentiation makes the "architecture" of inter-regional co-operation far too complex which also bears a risk of dissuading potential clients (e.g. *PRESERVE* and to some extent also *Brain Flow*). Others, however, had mostly difficulties in understanding the specific added value of the fast track procedure (e.g. *Brain Flow; B3 Regions*).

This confirms the overall survey outcome which shows that projects have - at least theoretically - well understood the capitalisation approach and often also appreciate its novel focus (e.g. mainstreaming of existing good practices in co-operation with the European Commission). What are then the precise reasons which can explain why the examined regional initiative projects did not opt for a capitalisation approach? The evidence from our case study projects suggests at least the following:

- One of the main reasons was an "initial fear" about the still unknown capitalisation practice. Capitalisation projects were often perceived to be overly complex and, as one partner of *PRESERVE* puts it, also "frightening" due to the high quality expectations attached to them by the JTS. In the case of *CLIQ*, for example, the partners were discouraged from setting up this type of project as not enough human resources were available for delivering the substantial workload involved. But also the partners of the *POWER* mini-programme hesitated to adopt a capitalisation approach, as only insufficient practical information and guidance was made available by the JTS on the required management capacity and on the need to be selective with respect to a mainstreaming of good practice.

- Additional reasons which explain why partnerships gave preference to submitting a regional initiative project were also technical and administrative considerations regarding the suitability of the new capitalisation approach for a particular project purpose or topic (e.g. *PRESERVE; WATER CoRe*).

Our analysis of the two capitalisation projects *B3 Regions* and *C2CN* confirms that this type of operation indeed involves a considerable degree of complexity which needs to be managed in practice by the operations. This complexity was evident when it came to ensuring

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[11] In the view of C2CN, development aspects should also be included in capitalisation projects e.g. for further working out the transferability or for adapting the concept to changing circumstances. Furthermore, there is almost no difference between the regional initiative and capitalisation projects as both types comprise capitalisation elements.

the quality of the links established between a project and the concerned Regional Operational Programmes (i.e. differing in the regions & per country) and the "seriousness" of the political mainstreaming commitment made by the respective Managing Authorities. But also unforeseeable context changes which made it difficult or even impossible for projects to actually mainstream good practices in some of their partner regions (e.g. changing political climate due to regional/national elections) added further complexity to the ongoing implementation process.

The evidence from both capitalisation projects demonstrates, however, the usefulness and added value of the "fast–track procedure". This procedure was particularly helpful when difficulties arose during the project-launching phase which had to be handled quickly (esp. *C2CN*) or if support was needed by a Lead Partner for managing implementation problems which occurred due to unexpected context changes (esp. *B3 Regions*). But also in relation to the content-related work process, the fast track procedure has in both cases provided valuable inputs (**see: Box 4.1 below**).

Provisional conclusions

Our evidence shows that the high expectations attached to the newly introduced project-level capitalisation approach and the actual complexity of its practical implementation were indeed the main factors which explain the low take-up of this type of intervention. They are thus also mainly responsible for the noticed level of result-achievement under the related indicators which is up to now clearly below the initial expectations.

Box 4.1: The added value of the fast-track procedure – evidence from the projects "B3 Regions" and "C2CN"

Under the **B3 Regions** project, the initial political commitments of the various partner regions were in some cases put into question after the outcome of elections (i.e. changed political majorities). This endangered the possibility of delivering compulsory project deliverables, but the Lead Partner had no appropriate instruments for influencing such situations of political instability in order to keep the project "on track". In those situations the Lead Partner made good experiences with involving the fast track team of the Commission (DG Regio; DG Information Society), as they had a more solid position to influence on the position of certain partner regions.

Under the **C2CN** project, the Commission provided at the outset direct assistance for getting a letter of support from a French Managing Authority which helped the Lead Partner to settle this problem more quickly. Also the intense collaboration with the key Directorate Generals in the European Commission around the topic of "Cradle to Cradle" is of a great benefit, as the project could get positive assistance from the Commission on the project's communication approach and on ways how to implement certain content-related issues.

4.2.3 The expected & unexpected outcomes achieved by the approved projects and their wider impact on policies

At this stage of the programme implementation, it is difficult to elaborate an overall image about the nature of the outcomes achieved by inter-regional co-operation projects (i.e. expected & unexpected outcomes, tangible & intangible outcomes) and more so about their concrete policy impact. The main reason is that many operations are only half-way through their realisation (i.e. 1st call projects) or started their implementation very recently (2nd call projects) or even not at all (3rd call project).

A general view on the current project outcomes achieved – the survey evidence

The responses provided by Lead Partners to the related questions of the survey are in general very positive about the current project outcomes achieved, but they often lack of critical reflections about their practical implications. Many Lead Partners only made claims on specific component-level outputs of a project or just recapitulate project objectives, while spending fewer words on concrete results and often only refer to estimates in relation to the wider policy impact.

Out of the majority trend of answers provided by the survey-respondents, it is possible to identify the following nine main categories which best reflect the currently observable situation for output/result and impact achievement:

1. Stabilisation and further deepening of the project-level partnership.

2. Development of concrete products (e.g. policy strategies & tools, topical reports etc).

3. Identification of good practices.

4. Exchange of experiences and information on policies and good practices.

5. Dissemination of results to a wider public.

6. Increased awareness and knowledge by partners / stakeholders.

7. Mainstreaming and transfer of good practices/project results to ensure that inter-regional co-operation have an impact on EU Structural funds mainstream programmes and on other policies.

8. Durability of partnerships beyond the lifetime of the project.

9. Other spill-over/spin-off effects resulting from creative processes within a project.

In relation to the categories 1-5, the qualitative statements made by the respondents confirm that projects made progress in further developing their partnership and in carrying out their envisaged activities (i.e. meetings, conferences, studies etc.), but also in terms of ex-

changing experiences and identifying good practices and with respect to a dissemination of provisional outcomes to the project partners or to a wider external audience. We have collected some of the qualitative "raw statements" made by the respondents in a specific annex to further illustrate these issues (**see: Annex 4.3**).

In relation to the categories 6-8, the following overall picture appears from the general survey responses and the qualitative statements elaborated: Many operations provided qualitative evidence showing that the project partners and the stakeholders from the "outside world" have increased their awareness and knowledge about the issues addressed. Most of the responding Lead Partners also strongly agreed (14%) or agreed (42%) that their projects will have a clear impact on mainstream activities, while 31% neither agreed nor disagreed and 2% disagreed or did not know (10%). This positive opinion is further underpinned by the substantial number of qualitative statements provided on the wider outcome achieved (**see: Annex 4.4**). These statements indicate a number of impacts which often go beyond the direct benefit generated only for the project partners. The examples show a concrete transfer of knowledge / good practices and products towards other EU-programmes and initiatives or policies and towards non-project partners or the European Commission. However, they also contradict to some extent our general findings from the review of the monitoring data which revealed that an actual transfer of good practices has not yet progressed very much. Finally, one isolated statement also shows that operations envisage creating sustainable partnerships which last beyond the lifetime of a project.

With respect to the question of whether the approved co-operation projects also produce more than only a transfer of knowledge, evidence from our survey shows that a substantial part of the Lead Partners think that this is actually the case (69%). Among the group of affirmative respondents, around 77% state that their projects indeed generated "spin-offs" in terms of innovation originating from synergy effects and from creative processes taking place within their co-operation networks (i.e. category 9). Although some respondents were also able to give short qualitative examples for such spin-offs / synergies (**see: box 4.2 below**), most of them failed to describe any concrete example because it was still too early in the implementation process or because they referred to still expected additional outcomes.

Case study evidence illustrating the nature & scope of the outcomes achieved

The question if the approved projects will actually fulfil their initial expectations can only be answered seriously for the seven operations which were approved after the first call (i.e. *B3 Regions*; *PRESERVE*; *CeRamICa*; *CITEAIR II*; *CLIQ*; *PRoMPt*). The other three operations started at the beginning of 2010 and have not yet reached a stage of significant advancement which would allow elaborating a judgement on this matter (i.e. *WATER CoRe*; *Brain Flow*; *C2CN*).

The most advanced operation among the examined 1st call projects has either fully achieved or sometimes even over-achieved the initially set targets for outputs and results (e.g. *B3 Regions*). The other six 1st call projects examined which are now half-way through their implementation process also show substantial levels of full achievement / over-achievement for most of their initial targets, although in all cases further efforts for catching-up to some other targets are still necessary (e.g. *PRESERVE; CeRamICa; CITEAIR II; CLIQ; POWER; PRoMPt*). In the view of the evaluators, however, no situation could be de-

tected which would allow concluding that these projects will not meet in a satisfactory manner the still under-served targets.

Our case study evidence confirms that all examined operations - first and foremost - generate a considerable volume of policy-related and technical knowledge which is exchanged or transferred and also initiate significant individual and organisational learning processes. These immaterial results emerge most frequently among the directly involved projects partners, but also at the level of other local and regional stakeholders who are not directly involved as main partners in an operation as in the case of *CeRamICa* (**see: box 4.3 below**).

Box 4.3: Widespread knowledge exchange & learning processes – evidence from the project "CeRamICa"

The project *CeRamICa* exchanges knowledge on the art and the production of ceramics as such, but also on strategies to revive this sector through local and regional development policies as well as on successful marketing tools for the sector and on better capturing this market potential for sustainable urban development and tourism (through traditions and cultural preservation). This knowledge exchange process focuses involves not only on the public project partner institutions, but also the direct target group of the project (i.e. ceramic crafts sector). Partners from new Member States could acquire new knowledge on transforming art into production and creating a market for this type of products, while learning about art as such was reciprocal among the partners. The participation of craftsmen in the study visits had a particular added value and created valuable synergies. Especially for the craftsmen from Romania, visiting ceramic sites in Portugal was a real "eye opener" in terms of their own possibilities and potentials.

These results in terms of knowledge exchange/transfer and learning are achieved successfully if well-organised study visits or bilateral staff exchanges were also inter-linked to area-specific strategic discussions and to well-structured joint work processes at the project level (i.e. through seminars, working groups, conferences, round-tables etc). All of the examined projects have realised such activities in varying combinations. But also the use of methodologically more sophisticated approaches could significantly enhance such processes and the examined operations have, for example,

- realised a set of systematic peer-reviews in various partner areas (e.g. *PRESERVE*),

- carried out case study analysis and defined/further developed on ground of baseline research a new model for boosting local innovation (e.g. the "Quadruple Helix Model" in the case of *CLIQ*),

- realised a readiness benchmarking in relation to wildfire danger and crisis management right after the outbreak of a fire (e.g. *PRoMPt*),

- designed new and widely transferable policy-tools for monitoring air quality (e.g. *CITEAIR II*).

The latter case shows, however, that even more experienced partnerships might require more time than initially sought for jointly developing such policy tools though complex work processes.

Our evidence from many case study projects (e.g. *B3 Regions; PRESERVE; CeRamICa; CITEAIR II; PRoMPt*) clearly shows that the main direction of this wider knowledge exchange/transfer and learning process was the expected standard constellation "less experienced partners exchanging with/learning from more experienced ones". A very good example for the direct benefits which are generated by knowledge exchange/transfer and learning processes at the level of local or regional policies can be found under the *B3 Regions* project, which tackled difficulties with implementing broadband connections in remote or disadvantaged areas (**see: box 4.4 below**). Some of the examined case study projects show that also the more experienced partners could equally draw benefits from the realised project activities in terms of knowledge gains and individual/organisational learning (e.g. *PRESERVE; B3 Regions*).[12]

Both dimensions presented above indicate not only that the immaterial co-operation outcomes can have direct effects on local/regional policies; they also illustrate that inter-regional co-operation which brings together more experienced partners with less experienced ones is also able to create true win-win situations for both sides involved (i.e. between the "knowledge donors" & "knowledge receivers").

Box 4.4: Direct benefits of knowledge exchange/transfer & learning processes — evidence from the project "B3 Regions"

In the **Italian lead partner Region Piedmont**, *B3 Regions* has led to a lasting capacity improvement of staff which was not directly involved in the project and raised the awareness of the entire administrative / technical staff on matters related to broadband and Information Society development (i.e. better training due to the staff exchanges realised). This increased staff-capacity allows the technical administration and the regional ICT Implementing Agency (CSI-Piemonte) to better provide political decision-makers with the required technical knowledge and thus to influence more directly regional-level policies.

The less experienced **Polish partner region Malopolska** participated in study visits to the more experienced partner areas North Yorkshire (UK) and Catalunya (Spain). The knowledge exchange process taking place at both occasions was particularly beneficial for Malopolska Region. It made an important input for the "Malopolska Region Broadband Network" (MRBBN), which is an infrastructure initiative worth € 40 million that has also a unique pilot character in the whole of Poland. The entire *B3 Regions* project allowed Malopolska Region to gather new knowledge which fed the design of the MRBBN (i.e. through confronting the initial expectations of the MRBBN with the already existing experiences in other areas). Also the operational approach for implementing broadband and Information Society development in the region was further fine-tuned and adapted due to the experiences gained from the *B3 Regions* project. A new public-public partnership (administration & university) was set up in an initial phase to improve technical support on regional development issues and an expanded public-private partnership will be established in a next step for all issues related to design building and operation.

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[12] In the case of "B3 Regions", this has become evident for the interviewed partners Piedmont Region (Italy) and NYnet (UK). In the case of "PRESERVE", this has become evident for the interviewed partner Styria (Austria).

Most of the not yet finalised regional initiative projects from the 1st call provide clear evidence that the partnerships are active in identifying good practices to improve local/regional policies and instruments. However, a successful transfer of those good practices has most often not yet taken place in the expected full range.

- The *CeRamICa* project identified already 46 good practices (24 were envisaged) which were made available to regional and local actors involved in the project through 13 "good practice catalogues". However, none of those was successfully transferred to the partner areas by the end of 2009.

- The *CLIQ* project identified 19 (out of 50 envisaged) good practices, among which 3 (out of 10 envisaged) were already transferred. The German Business- and Innovation-Center in Lippe-Detmold implemented, for example, a good practice project which is similar to one identified and further explored in Leeuwarden (the Netherlands).

- The *CITEAIR II* project identified 13 good practices (out of 15 envisaged), among which 10 relate to emission inventories, one to air quality forecast and two to other existing urban emission inventory methods. One among the latter good practices (i.e. INEMAR) was recently transferred to Piedmont Region (Italy) as well as to the provincial offices of the Regional Environmental Protection Agencies in Italy (ARPA).

- The *PRESERVE* project identified 9 good practices (6 were envisaged), but none of those was successfully transferred to partner areas by the end of 2009.

More substantial progress on an identification and successful transfer of good practices is, however, still awaited under the project *PRoMPt* and the mini-programme *POWER*. *PRoMPt* has neither identified one of the 18 envisaged good practices nor realised a successful good practice transfer (9 are envisaged) by the end of 2009. This is mainly explained by the project's specific approach, as good practices are identified during and after an exchange of practices (not before), further discussed and analysed and only then a series of them are inserted in the good practice collection. Under *POWER*, the strategic exchange of experience process has only identified 2 good practices (out of 20 envisaged!) and led to an improvement of one policy/instrument (out of 5 envisaged) at the end of 2009. Also the currently operating eight sub-projects have neither identified good practices nor successfully transferred these good practices (20 identifications & transfers are planned). This might to some extent be explained by the initial delays in launching the mini-programme (esp. for contracting the sub-projects), but a more likely reason seems to be the very nature of the approved sub-projects.[13]

Our case study analysis also produced clear evidence which confirms that most of the projects generate additional and unexpected outcomes beyond the initially expected outputs and results. These spin-offs originate, in general, from synergy effects and creative proc-

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[13] The 8 approved sub-projects involve more than 30 organisations from the various partner areas and realise more frequently actions which focus on exchanging/analysing good practices, designing and applying new policy tools or on building-up policy strategies rather than actions focussing on the transfer if identified good practices.

esses which are associated to inter-regional co-operation. A quick overview on some con-crete examples (**see: Annex 4.5**) reveals, however, that these additional outcomes can greatly vary in terms of their nature (e.g. new types of activity, new co-operations; new knowledge), their scope (e.g. immaterial outcomes, new tangible products & tools) or their location (e.g. local/regional relevance, inter-regional relevance).

These outcomes are, of course, not captured by the established programme-level monitor-ing indicators and therefore also not "sizeable" in terms of their precise share in the overall programme achievement or in the wider added value generated by inter-regional co-operation. Furthermore, it seems that these extra-outcomes / spin-offs are sometimes also not really appreciated by the JTS, despite their potentials to further the quality or intensity of co-operation (e.g. as in the case of *CLIQ*).

Although the JTS is indeed very careful in verifying achievements which could be consid-ered concrete spin-off activities and in general also very much appreciates well-evidenced examples, this situation still raises the following issues having a relevance / implication for the immediate and long-term future: the short-term provision of more adequate opportuni-ties for reporting these outcomes up-stream in order to get a better understanding about them (**see more in detail under section 4.3 below**) and the option to provide future projects with a possibility of adjusting their design if a concrete need for new activities be-comes clear during the implementation process (**see: Chapter 5**).

Case study evidence illustrating the impact on EU-funded regional mainstream programmes and on other policies

Evidence on a clearly visible impact which was generated in relation to an EU-funded re-gional mainstream programme can be found in our case study analysing the nearby fully completed capitalisation project *B3 Regions* (**see: Box 4.5 below**).

Box 4.5: Impact on regional mainstream programmes – evidence from the project "B3 Regions"

In the Polish partner region Malopolska, the *B3 Regions* activities were closely connected to ma-jor regional infrastructure projects in the field of broadband and Information Society develop-ment which were all supported under the regional mainstream programme. The good co-operation between the regional administrative department dealing with *B3 Regions* and the re-gional department in charge of the mainstream programme facilitated the transfer of knowledge and also allowed initiating a change in regional policy making. A growing awareness now exists not only in relation to aspects regarding infrastructure development, but also in relation to en-suring the sustainability of broadband use and Information Society development. Furthermore, the positive experience made with *B3 Regions* has also motivated Malopolska Region to join a new INTERREG IVC regional initiative project on telemedicine ("Regional Telemedicine Forum", RTF).

For many of the examined regional initiative projects, however, we do not expect that sub-stantial impacts on EU-funded regional Convergence and Competitiveness programmes will

be achieved through a mainstreaming of inter-regional project results. There are several reasons which can explain this:

- A first and somewhat evident reason is that such a process is simply not possible or interesting in those cases where all or most of the involved project partners are only to a very limited extent or even not at all benefiting from Convergence and/or Competitiveness funding (e.g. *CLIQ*).

- But also if such regional EU-programmes exist in many partner areas, reasons exist which explain why a mainstreaming of good practice is not always possible. This may be due to the fact that a specific sub-theme addressed is not an intervention priority under one or more of the regional mainstream programmes and that policy improvements only manifest very slowly in a long-term process and not in a "big-bang" (e.g. *WATER CoRE*).[14] Moreover, it can also be that a specific sector or branch targeted by a project is not yet sufficiently "mature" for receiving EU-funding from a regional mainstream programme (e.g. *CeRamICa*).[15]

- A final reason is also the more experimental nature of many regional initiative projects, where partners wish, first of all, to focus on exploring more in depth a specific or novel topic and on developing common approaches or results in this respect on ground of which, at a much later stage, ideas for "mainstreamable" projects can be developed which might then also be supported by Convergence and Competitiveness programmes (e.g. *CLIQ; PRoMPt*).

Instead, as originally expected by the INTERREG IVC programme, the regional initiative projects will first and foremost make a contribution to improve other local/regional policies. This can be illustrated by the evidence from several of the not yet fully finalised case study projects examined (e.g. *POWER; CeRamICa; PRESERVE; CITEAIR II*), which is presented for a number of precise issues addressed and for some of the partner areas concerned (**see: Annex 4.6**).

The project *CITEAIR II* is a very interesting case, as it jointly develops and tests a number of widely transferable policy tools in the field of air quality protection, sustainable transport and reduction of greenhouse gas emissions. It demonstrates that especially a practical test of these jointly developed tools within certain project partner areas has led to a further improvement of these tools, to a wider use of the tools by more and more cities and finally also to the emergence of clear local/regional-level and even European-level policy impacts at a very early stage of the project.

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[14] In the case of the German lead partner region Hessen, the regional ERDF-programmes does not envisage major activities in the field of water management as it focuses mostly on regional economic development issues. The German lead partner region Hessen and the Dutch province of North-Babant perceive policy change in the field of water scarcity & drought management as a gradual and long-term process (i.e. for the next 20-30 years).

[15] In the case of the Romanian partner city Turda, craftsmen from the ceramic sector are not eligible for funding in most cases as they are not yet a one year old/functioning SME and because they do not have the capacity to co-finance a project.

Options for further increasing the policy impact of projects – case study evidence

On ground of the singular case study evidence, it is of course difficult to elaborate an over-all judgement in relation to the question if these impacts are also sufficient in a pro-gramme-wide perspective. Moreover, the lack of impact-level monitoring indicators under the INTERREG IVC programme and the fact that the current progress reports do not allow gathering qualitative bottom-up information about such long-term improvements are addi-tional aspects which further complicate the elaboration of such a general conclusion.

Be this as it may for the time being, our evaluation will show further on that an increased visibility of policy-level impacts is already now clearly identified as a crucial issue which should be put on the policy agenda for designing future inter-regional co-operation after 2013 (**see: chapter 5 below**). The question which logically follows from this observation is how can progress be achieved on this matter already during the remainder of the period 2007-2013? Our answer to this question is that basically two main options could be ex-plored further.

(1) One potential option is that a more systematic requirement is set out for all future op-erations to draw up concrete policy action plans (i.e. not only for capitalisation projects). Evidence from our regional initiative case study projects also points in this direction. In the case of *CLIQ*, for example, policy action plans are considered an important tool which helps ensuring that the expected impact on public policies in the project partner areas material-ises after the end of an operation.[16]

A major weakness of this option is, however, that the current projects normally end with the elaborated action plans and have to trust that those are subsequently also put into practice. Under the current design of inter-regional co-operation projects, the approved op-erations can neither associate themselves directly to an application of those plans nor real-ise at least a joint follow-up monitoring or success evaluation in relation to the "externally" realised implementation of an action plan.

(2) Another option, which in our view is much more promising for further increasing the impact of inter-regional co-operation, is to pro-actively encourage already now the current and future 4th call projects to become themselves durable in nature. This means that an initial EU-funded "one-off project" should be helped in transforming itself into a durable network (where possible & desired). This provides a better guarantee that previously gen-erated outcomes are continued to be applied by the concerned partners (or even a wider range of partners) beyond the lifetime of a project or even further developed and deep-ened. Our ten case-study projects show that nearby one half of them has already recog-nised this need and is also pro-active in this respect. In each case, however, the concrete approach adopted for ensuring the durability of project outcomes is quite different (**see: Annex 4.7**).

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[16] According to all CLIQ-partners interviewed, policy action plans should be designed by taking into con-sideration the necessary dissemination activities and a close contact with and involvement of policy-level decision-makers (i.e. as important pre-conditions for success).

Several other case study projects examined have achieved durability only in terms of gradually improving the quality and intensity of their partnership, but not so much in terms of further deepening and widening the topical co-operation of their present project (e.g. *B3 Regions; PRESERVE*) or of a previous project (e.g. *Brain Flow*). The project experience allowed in these cases mostly to "single out" a number of more committed or suitable partners with whom co-operation is continued in the future on somewhat similar or even completely different topics, while also including a few new partners.

4.2.4 The contribution of project outcomes to an achievement of the operational objectives at sub-theme level

The approved projects are expected to contribute through their outcomes to an achievement of one or more of the ten operational objectives which were defined for the specific sub-themes addressed by the INTERREG IVC programme. Four of these ten objectives are related to the first thematic programme priority on "Innovation & the knowledge economy", while the other six are related to the second priority on "Environment & risk prevention".

A general view on objective contribution – the survey evidence

In order to assess the contribution of projects to these operational objectives, our survey asked the Lead Partners to identify at what extent this was actually the case for their project.

Figure 4.1 below shows that almost all projects approved under Priority 1 make a contribution to all of the four sub-themes and operational objectives under this priority. Most of these projects contribute to "innovation, research & technology" (71%) and "entrepreneurship & SMEs" (62%). A very small percentage of projects indicated that their project outcomes contribute (or will contribute) to the objectives of sub-themes falling under the second thematic priority of the programme. Nevertheless, approximately 21% of these projects indicated that they contributed to some / great extent to the sub-themes "energy & sustainable transport", while the share is 19% for "natural & technological risks" and 16% for "cultural heritage & landscape".

Figure 4.2 shows the assessment of the survey outcomes for Priority 2 projects and reveals a completely different picture. Projects from Priority 2 cover a wider range of sub-theme objectives with their outcomes. Interesting to see is the high percentage of Priority 2 projects which contribute to Priority 1 sub-themes like "innovation research & technology (58%), the "information society" (55%) and "employment, human capital and education" (45%), while some of the Priority 2 sub-themes are less mentioned by projects. Apparently, Priority 2 projects have a broader focus than priority 1 projects.

Figure 4.1 Contribution of Priority 1 projects to the 10 sub-theme objectives
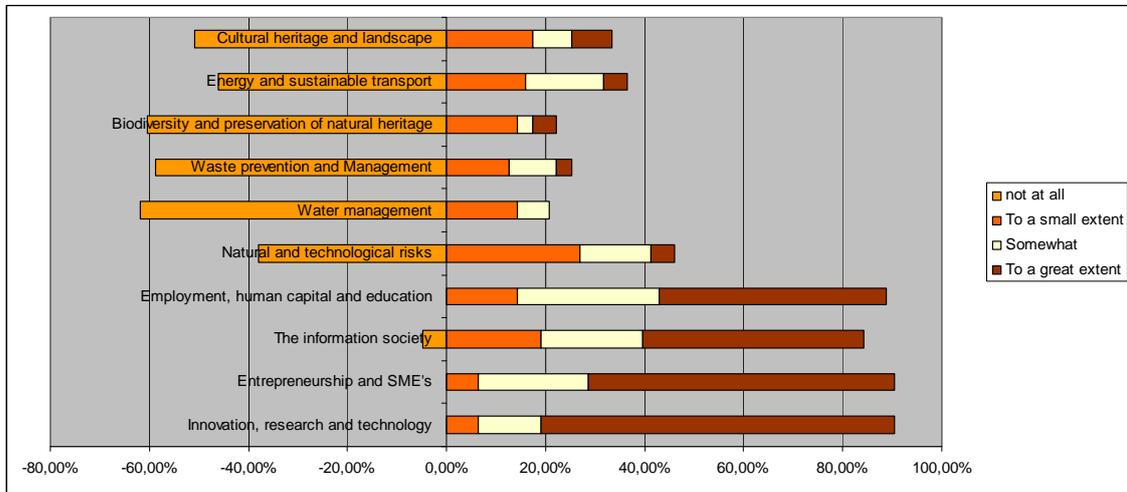
Source: Panteia on-line survey (2010)

Figure 4.2 Contribution of Priority 2 projects to the 10 sub-theme objectives
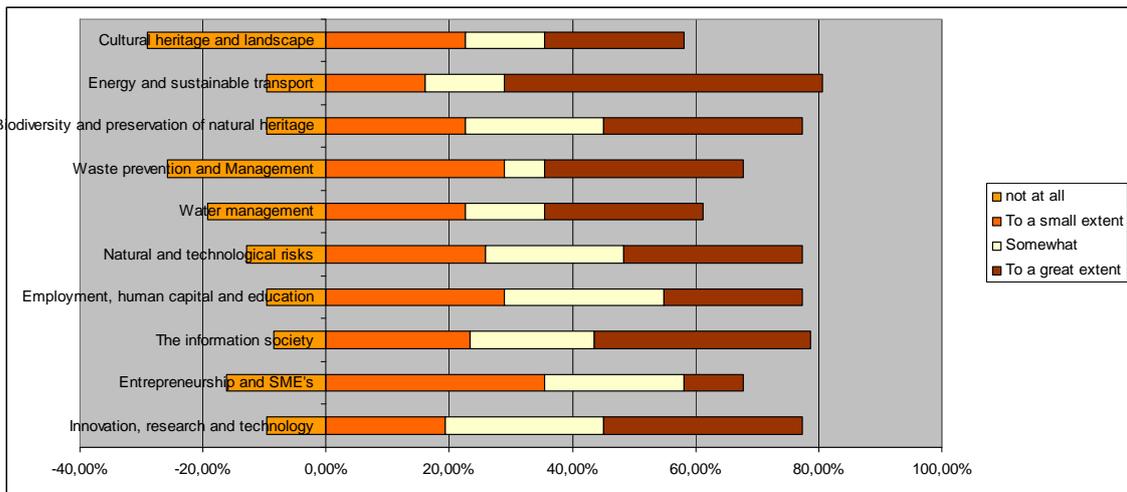
Source: Panteia on-line survey (2010)

An in-depth view on objective contribution – the case study evidence

Nearby the entire set of the 10 case-study projects examined makes a clear and direct contribution to an achievement of the primarily addressed thematic objectives of the INTER-REG IVC programme (i.e. specific thematic programme objectives & operational objective related to a particular sub-theme). Only the *PRESERVE* project, which addresses the Priority 2 sub-theme "cultural heritage & landscape", focuses much more on developing sustainable tourism rather than on the envisaged enhancement the territories attractiveness (in support of socio-economic development & sustainable tourism) or on protecting cultural

heritage and landscape. This weakness is, however, mostly due to the very superficial assessment realised on this sub-theme in the INTRRREG IVC programme and the missing indication of real policy-relevant problems or challenges that should be tackled (**see above: Task 1**).

Our case study evidence also shows that most of the examined projects make a strong contribution to the achievement of other operational objectives which were defined for sub-themes under the same or another thematic programme priority. This cross-cutting contribution is direct in those cases where operations have initially sought to submit their application under another sub-theme or priority than the one finally addressed (e.g. *C2CN; Ce-RamICa*), but most often indirect due to the broadness of the specific issue addressed by a project (e.g. *Brain Flow; B3 Regions; CITEAIR II; CLIQ; POWER; PRoMPt*).

Most of the examined case-study projects finally make a clear direct contribution to the achievement of all three specific horizontal programme objectives which relate to the general orientation of inter-regional co-operation under INTERREG IVC.[17] Only in the case of the projects *CLIQ, POWER* and *PRoMPt*, one out of these three horizontal objectives is not fully met.[18]

The *C2CN* capitalisation project and the mini-programme *POWER* show, however, that a kind of pragmatic internal differentiation was sometimes necessary for ensuring that projects can adequately contribute to an achievement of these horizontal objectives. One approach consisted in making only one specific partner responsible for delivering a contribution to the objective on mainstreaming good practices (*POWER*),[19] while the other approach put more emphasis on generally exploring an innovative topic and comparatively less focus on matching experienced with less experienced partners (*C2CN*).[20]

4.2.5   Conclusions on the coherence of the approved projects with the programme objectives & related recommendations

(1) At the level of many result indicators, the INTERREG IVC programme currently shows a pre-occupying situation of under-achievement or even non-achievement in comparison to the initial targets set. Although the monitoring data only reflect the level of achievement for the 1st call projects at the end of 2009, the programme should indeed take care that

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[17] i.e. exchange of experience & knowledge; matching of less experienced with more experienced regions; identification of good practices which is made available to other regional and local actors and are transferred into regional policies.

[18] In the case of *CLIQ*, the matching of less experienced with more experienced partners is met to a limited extent as the only partner from a new Member State had to leave the network. In the case of the mini-programme *POWER* and of *PRoMPt*, an identification of good practices & transfer into mainstream programmes are only partially met.

[19] Mainly the Polish partner region Malopolska of POWER is expected to deliver a contribution to mainstreaming, as other partners are not able to achieve this or lack of experience on how to deal with the mainstreaming approach.

[20] The *C2CN* project concentrates - first of all - on the regions where interesting developments are taking place in relation to the "Cradle to Cradle waste-management philosophy" (i.e. identification of good practices & "re-working" / adjusting good practices towards the local context of every specific region), while the matching of experienced with less-experienced partner regions (e.g. from Hungary & Romania) will only be developed in a later phase.

the observed gaps in terms of result achievement are eliminated during the remaining time of the programming period (where this is possible).

Some of the result indicators will, however, not fully achieve the initial targets by the end of the period. This will mostly likely be the case for the results indicators relating to project-level capitalisation. Although theoretically well understood and acknowledged at the outset by many project partnerships, this type of intervention is clearly under-represented in the programme's overall project portfolio. This was mainly due to a number of reasons which can be summarised under the overall heading "initial fear about the still unknown capitalisation practice".

Considering the above-said, while bearing in mind that the number of capitalisation projects can not be further increased during the rest of the programming period (**see: section 4.1.2.**), we still recommend that the current programme makes a further effort to better explain to regional and local authorities the project-level capitalisation concept and to demonstrate its particular benefits (but also its current weaknesses). Moreover, also a broader discussion should be initiated within the Monitoring Committee about the lessons learned from the capitalisation process in order to determine potential implications for the future.

(2) We conclude, on ground of the available survey and case study evidence, that the approved operations have already achieved a substantial volume of expected and unexpected outcomes which are very diverse in their actual nature and scope. The projects have stabilised and further deepened their partnerships, exchanged experiences and information on policies, identified good practices, started to develop concrete products (e.g. policy strategies & tools, topical analyses) and disseminated their provisional results to a wider public. However, a successful transfer of good practices has not yet taken place in the expected full range due to the early implementation stage of many operations.

In terms of clearly visible impacts, these outcomes contribute mostly to a further improvement of other regional/local or even European policies. However, the impact on further improving EU-funded regional Convergence and Competitiveness programmes through a mainstreaming of good practices is, for the reasons exposed above, at much lower level than initially expected. For the time being, one can not judge whether these impacts are also sufficient in a programme-wide perspective. For achieving the greatest possible policy impact during the remaining time of the programming period, we suggest that the currently operating and future operations (i.e. 4th call projects) are more pro-actively encouraged to become durable in order to ensure that their outcomes are continued to be applied or even further developed / deepened beyond the lifetime of a project.

(3) It can finally be concluded that the approved projects are coherent with the wider objectives of the INTERREG IVC programme. They help not only to achieve those sub-theme objectives which they primarily address, but they also make in most cases an important secondary contribution to an achievement of other operational objectives existing under the same and/or the other thematic priority. Such cross-cutting contributions are, however, much more evident in the case of priority 2 projects than under projects of priority 1 which is due to the more horizontal nature of many sub-themes relating to "environment & risk

prevention". Due to this overall positive picture, the evaluators do not feel the need to elaborate recommendations on this particular aspect.

Recommendation XI:

During the remaining time of the period 2007-2013, the INTERREG IVC programme should ...

- ... take care that the gaps observed in terms of result achievement are eliminated for those indicators where this is still possible;

- ... make further efforts for better explaining the project-level capitalisation concept and its practical benefits (but also its current weaknesses) to regional/local authorities and also launch a discussion within the Monitoring Committee on the experiences made with this approach in order to identify future implications;

- ... carefully monitor that a successful transfer of good practices actually unfolds its expected full range;

- ... more pro-actively encourage the currently operating and future projects (i.e. 4th call projects) to become durable in nature if the wider policy impact of the INTERREG IVC programme is expected to further increase.

4.3 Adequacy of the programme- and project-level indicator system

The current system of indicators used for monitoring the outcomes achieved by the INTERREG IVC programme under the thematic Priorities 1 and 2 is defined at two different levels:

- At the level of the entire programme, through specific output and result indicators which are listed in Annex 2 of the operational programme which assess the operations' contribution to the programme objectives and their general performance (i.e. in terms of management, co-ordination and dissemination).

- At the level of the individual projects, through output and result indicators which are partly pre-defined by the application form and partly elaborated by the operations themselves (i.e. possible additional indicators elaborated under Components 2 & 3 and under any further component added).

On ground of the first indications which already have become visible in the previous evaluation steps of this task, the present section now assesses more in-depth the first practical experiences gained with an application of this indicator system as well as its wider adequacy.

4.3.1 Programme-level indicators for monitoring the outcome of priorities 1 & 2

With respect to the programme-level output and result indicators, the INTERREG IVC ex-ante evaluation observed that the individual indicator types are in general useful and show a high level of quality (i.e. extensive coverage, well-developed selectivity, good balance between output & result indicators; high level of relevance). They were also considered to be sufficiently specific for adequately addressing the particular features of inter-regional co-operation.[21]

Up to now, mainly the 1st call projects report their outputs and results to the INTERREG IVC programme through the 6 monthly progress reports. The draft Annual Implementation Report for 2009 contains the most recent aggregated data for the 32 programme-level output and result indicators.[22]

Trend assessment for future output/result achievement & realism of the target values initially set

On ground of a tabular comparison between the initial targets and the actual level of out-puts/results achieved up to the end of 2009, an intuitive trend assessment with respect to a potential future over- or under-achievement was carried out (**see: Annex 4.2**). The comparison and the trend assessment reveal the following overall picture:

- Most of the output indicators (i.e. 9 out of 15 in total) show a strong or very strong trend towards a future over-achievement, while a further two show a strong or very strong trend towards future under-achievement. For these eleven output indicators, one has to assume that the initial target values were not realistically set (i.e. over- or under-estimated). The remaining four output indicators will more or less achieve the initial expectations by the end of the programming period, thus reflecting a realistic definition of target values at the outset.

- Around half of the result indicators (i.e. 8 out of 17 in total) show a strong / very strong trend towards future under-achievement, while a further five indicators show a strong / very strong trend towards a future over-achievement. Also for these thirteen result indicators, one has to assume that the initial target values were not realistically set (i.e. over- or under-estimated). Out of the remaining four result indicators, only two will more or less achieve the initial expectations (realistic definition of target values) while for the two others a trend assessment was not yet possible.

The above-shown situation allows concluding that the initial target values were not realistically estimated at the outset for the large majority of the output/result indicators (i.e. 24 out of 32 in total). Under-estimation of the initial targets is in general more frequent (for 14 indicators) than an over-estimation of the initial targets (for 10 indicators). Among the

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[21] INTERREG IVC (2007), p.59.
[22] INTERREG IVC (2010a).

different indicator types, however, under-estimation was more frequent in the case of output indicators while over-estimation occurred most often in the case of result indicators.

Two important reasons might explain this situation of unrealistic target value estimation at the outset of the programming period:

- Firstly, because aggregated experiences or lessons learned from the monitoring of the former INTERREG IIIC programmes (2000-2006) were not yet available which could have been used at the time when the INTERREG IVC programme was elaborated (e.g. revealed through an ex-post evaluation). A more profound and also methodologically solid reflection especially on some of the former INTERREG IIIC indicators ("good practice identified", "good practice transferred")[23] would have been needed before their effective re-use as result indicators under the new INTERREG IVC programme.

- Secondly, because the INTERREG IVC programme introduced new forms of action (i.e. capitalisation & fast track projects) for which no equivalent existed during the previous programming period 2000-2006. This has indeed complicated the definition of adequate and experience-based target values for the related output and result indicators under the new programme.

Adequacy of the programme-level indicator system

The draft Annual Implementation Report for 2009 acknowledges that the indicator system, even if it is well-developed, (…) *only partly reflects the results of networking activities. In particular and apart from a few indicators (e.g. number of staff members with increased capacity), this system does not allow to properly report on the 'social capital' generated from cooperation activities* (…). *This issue relates more generally to the complexity of monitoring intangible outcomes resulting from networking activities.*[24]

This self-critical statement also confirms the continuing validity of one of the main findings revealed by the recently finalised ex-post evaluation of the INTERREG III Community Initiative. This evaluation stressed that the intangible outcomes achieved under all types of territorial co-operation were only insufficiently captured and reported by the established programme monitoring systems. This observation was particularly evident under former INTERREG IIIC programmes, where these intangible but no less important outcomes were one of the main achievements (e.g. capacity-building for territorial development; individual & organisational learning effects; promotion of cross-cultural exchange & socio-cultural understanding etc).[25]

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[23] The recently completed ex-post evaluation of INTERREG III (PANTEIA 2010) highlighted that the notions of "good practice", "good practice identified" and "good practice transferred" were rather vague and not uniformly interpreted by the former programme secretariats (i.e. evidenced by the heterogeneity of values indicated by the programme secretariats).
[24] INTERREG IVC (2010a), pp. 31ff.
[25] PANTEIA (2010): Ex-Post Evaluation of the INTERREG III.

As intangible outcomes continue to hold a prominent place in the overall achievements of the INTERREG IVC programme[26] and because the defined indicators only capture some of the quantifiable aspects of inter-regional co-operation, one can indeed state that the current system of programme-level indicators is <u>not</u> adequate for monitoring the wealth of the actual co-operation outcome achieved.

This observation can suggest the general conclusion that the current programme-level indicator system should be complemented by new indicators which are then capable of gathering more information on the intangible co-operation outcomes. Various reasons, however, show that substantial progress is rather unlikely to be achieved in this respect during the current programming period 2007-2013:

▪ The INTERREG III ex-post evaluation recommended for the future the development of a more appropriate approach for monitoring the achievements of all kinds of territorial co-operation programmes.[27] For this purpose, a general discussion at EU-level should be initiated on this matter which focuses in particular on identifying more appropriate indicators or approaches for better monitoring the intangible co-operation outcomes (e.g. how to capture individual & organisational learning effects, a successful policy transfer or an improved capacity in the field of territorial development?). Making an isolated effort for better monitoring inter-regional co-operation outcomes in the absence of such a methodologically sound overall approach is therefore premature and most likely also very tentative in nature.

▪ A short-term and indicator-based improvement of the intangible co-operation outcome-monitoring under INTERREG IVC is, most likely, also very cumbersome in operational terms. Potential improvements can only be achieved by elaborating additional qualitative result indicators at the programme level, as the introduction of new impact indicators is not an appropriate solution.[28] However, most of the intangible co-operation outcomes are difficult to gather in a uniform way across all projects (Which type of outcomes should be reported?) and are often only perceived a while after the end of a given operation (When should outcomes be reported?). Moreover, also problems in terms of information comprehensiveness (Information gathering only from the Lead Partners or from all project partners?), information aggregation (Is the qualitative information gathered comparable?) and information analysis (Who interprets & presents the considerable amount of qualitative information gathered and on ground of which concept?) will in inevitably occur.

The reasons mentioned above should, however, not lead to the conclusion that no effort in this direction should be made by the current INTERREG IVC programme. A good initiative

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[26] The Draft Annual Progress report explicitly highlights that the intangible outcomes should not be underestimated and can take different aspects such as (1) changes in way of thinking on local problems through European awareness, (2) a contribution to creativity and innovation, (3) a better international visibility of actors and regions and (4) new cooperation between actors who would normally compete.

[27] Recommendation: Already before the start of the new programming period, DG REGIO should take a lead role in the development of a more appropriate overall approach for monitoring and evaluating future territorial co-operation.

[28] In logical terms, such new programme-level impact indicators (i.e. such indicators do not exist at present) would have to relate to the higher-ranking programme objectives and will therefore not facilitate a more exhaustive assessment of the approved projects.

would be the launching of a pilot study on this matter which explores the current state of the art in (inter-regional) co-operation evaluation, develops a number of additional result indicators on certain issues of strategic interest and tests them across a smaller sample of INTERREG IVC operations.

4.3.2 Project-level indicators for monitoring the progress of approved operations

The application form and the 6-monthly progress reports contain a set of "pre-defined output/result indicators" under the mandatory three Components[29] which are, through a similar indicator definition, all related to a number of directly corresponding programme-level indicators. Considered only from this narrow point of view, one can state that the vertical integration of the monitoring system is satisfactory as the pre-defined indicators at project-level allow achieving an appropriate aggregation of outputs and results at the level of the INTERREG IVC programme.

Further to these pre-defined indicators, the projects can also elaborate "possible additional output/result indicators" under Components 2 & 3 as well as under each supplementary Component which is added to the three mandatory ones. These additional indicators only monitor project-specific aspects which can not be systematically aggregated at the programme level. Due to their lacking direct link towards a particular programme-level indicator, they also do not contribute to a further integration of the entire project monitoring system. Despite their decreasing importance in the overall monitoring process during recent times, the JTS still uses these indicators for further deepening their view on projects and for gathering interesting information which can feed the qualitative assessment of the project-based implementation process in the Annual Reports.[30]

In the following a general picture is drawn up on the bottom-up perception of the project-level indicator system by assessing the results of the Lead Partner survey, which is then further deepened by a presentation of the main findings stemming from a comparison of our in-depth case study analysis.[31]

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[29] One output indicator under Component 1 "management & co-ordination"; seven output indicators and three result indicators under Component 2 "communication & dissemination"; four output indicators and three result indicators (only regional initiative projects) or five result indicators (only capitalisation projects) under Component 3 "exchange of experience".

[30] These indicators were initially created with the expectation of gathering bottom-up ideas on valuable indicators capable of monitoring new aspects related to inter-regional co-operation. Since the 1st call, the faculty of projects for defining such own indicators has been slightly limited by the JTS because they do not generate a substantial added value at the programme level. (Phone-interview with a representative of the JTS).

[31] Among the 10 projects examined, the most relevant information could be gathered from the seven 1st call projects (i.e. *PROMPT, B3 Regions, Preserve, CERAMICA, CITEAIR II, CLIQ, POWER*) as the three 2nd call projects did not yet complete their first progress report (i.e. *Brain Flow, Water CoRe, C2CN*).

Perception of the project-level indicator system – the survey evidence

Our survey carried out among project Lead Partners shows that the monitoring process of projects which is realised by the JTS as well as the set of pre-defined monitoring indicators is – at a first glance - perceived in a generally positive manner.

- If asked whether the JTS-level monitoring and accompaniment process helps projects to ensure that they remain in line with the programme objectives during their actual implementation, a large majority of the respondents agrees or strongly agrees to this question (i.e. 69%).[32] Some qualitative statements made by the minority groups indicate, however, that this process is overly focussed on following-up figures (i.e. reaching the initially set targets) and on checking the compliance with budgetary and procedural rules and not so much with content-related aspects.

- A solid majority of the responding Lead Partners is also of the opinion that the figures reported by them are realistic (i.e. 63% agree or strongly agree)[33] and that the checks done by the JTS are sufficient (i.e. 61% agree or strongly agree).[34] The respondents having a negative view on both matters indicate that mostly improvements with respect to the relevance of the project-level indicators and the understanding of the entire indicator system should be made.

- Finally, an even larger majority of the respondents is also of the opinion that the current indicators are generally relevant for measuring the progress of a project (i.e. 74%).[35] A large majority of the Lead Partners who have already made experiences with the usual six-monthly reporting process also indicate that they get enough explanation on the indicators listed in the progress report.

This generally positive perception changes when the respondents had to assess the overall capacity of the current project-level indicator system for properly monitoring the full range of outcomes achieved by the operating projects.

Although a clear majority of the Lead Partners still considers that the present monitoring system of projects is sufficient for assessing their achieved results (54% agree/strongly agree), increasing proportions of the respondents either have a negative opinion on this matter (11% disagree) or can not give a clear statement.[36] Most of those respondents with a negative position indicate that less weight should be given to budgetary/procedural issues or to figures (i.e. as quantitative indicators only report the minimum) and that correspond-

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[32] Only 7% of the Lead Partners disagree with this question, while another 18% neither agree nor disagree and 7% do not know.

[33] Only 3% of the Lead Partners disagree with this question, while another 8% neither agree nor disagree and 24% do not know.

[34] Only 6% of the Lead Partners disagree/strongly disagree with this question, while another 8% neither agree nor disagree and 25% do not know.

[35] Only 7% of the Lead Partners disagree/strongly disagree with this question, while another 11% neither agree nor disagree and 8% do not know.

[36] The other Lead Partners neither agree nor disagree (18%) or do not know (16%). These are mostly Lead Partners of 2nd call projects which do not yet have experience with the 6 monthly reporting process.

ingly more importance should be dedicated to qualitative information especially for better explaining the "what" & "how" of outcome achievement.

This opinion shift is even more pronounced when it came to judging whether the available indicators are capable of properly monitoring the quantitative and qualitative spin-off effects of the operations (i.e. results that were not initially planned). Only 36% of the respondents agree that this is the case, while 20% of them agree/strongly disagree on this matter and many others do not have a clear position.[37] Many of the respondents with a negative opinion state that in general the qualitative outcomes should be better captured by the current monitoring process (e.g. additional space created for qualitative reporting especially under Component 3). The JTS should in particular dedicate more attention to a systematic gathering of additional results or benefits achieved by the projects (e.g. by creating an open space under the indicators for enumerating "unforeseen outputs / results") and also appreciate more positively their quality (i.e. they are often seen as a deviation from the expected, requiring justifications & explanations).

An in-depth view on the monitoring practice − the case study evidence

Most of the interviewed partners from the case study projects clearly understand the established indicators system and only one project showed a somewhat undecided position (e.g. *PROMPT*). This understanding is very often a result of the good explanation given at the outset or of additional clarifications provided by the JTS on the concrete interpretation/use of an indicator. In certain cases, this is also an effect of a previous INTERREG IIIC experience (e.g. *CITEAIR II, POWER*). The indicators are in general also considered to be useful for the follow-up of a project's advancement, although certain projects observe that some indicators are unclear with respect to the scope / issue covered (e.g. *PROMPT*)[38] or difficult to be adequately measured (i.e. *CLIQ, POWER*).[39]

The controls and checks done by JTS on the reported figures are in general perceived as being necessary, sufficient and most often also useful. However, nearby all operations made critical annotations about the actual proceeding of the checks realised. Many projects mention that the JTS adopts a relatively strict and bureaucratic approach, which is overly focussed on a document-based "counting of numbers" (in relation to outputs/results). Also inflexibility or a lack of cost-efficiency, especially when it comes to checking the financial side of a project, was observed. Furthermore, it also occurred that situations of under- and over-achievement were both not considered very positively by the JTS, which in turn required the project managers to provide further explanations and thus caused additional workload at this level (e.g. *B3 Regions, PRESERVE, CLIQ, CERAMICA*). Finally, in the view

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[37] These other Lead Partners neither agree nor disagree (18%) or do not know (17%).

[38] In relation to the indicators on "public policies influenced/improved" or on "good practices", the following questions arise: When can a policy considered to be influenced or improved? What can be considered a good practice?

[39] As the staff of local & regional authorities is the main target group of the programme, it is also in the focus of the indicator measuring a "capacity improvement resulting out of an exchange of experience". However, not only the capacity of partner staff can be increased by such project activities, as also participants from other no-partner institutions may notice such effects. One partner stressed that it is difficult to "measure" achievements in the field of innovation, as a generally valid benchmark for a new approach applied is difficult to be established.

of some interviewees, also a more nuanced approach should be adopted for certain types of intervention (esp. mini-programmes) and "on-the-spot checks" should be realised more frequently for better understanding the real life of a project (e.g. *POWER, PROMPT*).

All projects examined consider that the pre-defined indicators and the other optional/specific indicators elaborated by the projects are generally relevant. Also the figures reported on them are accurately reflecting the reality (i.e. in relation to "what should be reported" towards the strategic programme level). However, nearby all the interviewees agree these purely quantitative indicators and the reported figures fail to capture the complex reality of projects as well as the variety of the outcomes achieved. When asked about an "intuitive guess" to be made on the overall proportion of outcomes actually captured by the indicators, the respondents from *B3 Regions* and *PRESERVE* replied that only about 25% to 30% of what has actually been achieved is reflected by the figures (i.e. between 70% to 75% of the outcomes are not gathered!). Due to this, and as one interviewee puts it, *"reporting becomes somewhat frustrating as only the surface of the iceberg is actually captured"*.

The evidence from all projects clearly suggests that the present monitoring approach is not sufficient for adequately capturing the scope and nature of the achieved project outcomes. Our comparative analysis of the cases shows that this insufficiency exits at three different levels:

- The current quantitative indicators on expected outputs and results only give a limited insight into some more process-orientated aspects of the projects, as a monitoring of the "number of regional/local policies and instruments addressed" or the "number of action plans elaborated" does not allow keeping track of the concrete policy changes which occur on the ground. These indicators do not make a differentiation between the quality of results which can be achieved in more experienced and a less-experienced partner regions, wherefore some more "customer-build indicators" might be needed. Finally, there are also no indicators which allow gathering sufficient information on the qualitative dimension of the expected results and on the associated cause-and-effect relationships (i.e. co-operation method/intensity & results achieved; learning processes & related policy change induced etc).

- The current project-level monitoring system does not include a fully adequate indicator or space which would allow gathering quantitative and qualitative information on un-expected outcomes (i.e. additional outputs, spin-off & spill-over effects etc) which, as we have shown above, also represent a not yet "sizeable" proportion of the wider project achievements. It is indeed true that small spaces exist in the 6-monthly reporting form, but neither their current titles / the operational request[40] nor the available space are up to now fully appropriate for addressing the specific nature or the outcomes achieved and/or the associated processes.

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[40] Under section 1.7, a free space exists where projects can report on any "issue not covered in other parts of the report". At the end of the Component 3 result indicators, the "number of new projects / activities / approaches resulting from the exchange/dissemination of experience at inter-regional events" can be reported, but this faculty is coupled to a demand to "justify the figure reported for the above indicator".

- Although a monitoring of the achieved project impact is indeed foreseen at the level of the "Project Final Report", one can question whether the current reporting format[41] really allows to adequately describing and explaining the policy-level impacts achieved or the long-term structural governance effects induced by inter-regional co-operation. The quality of the information gathered through this report is, however, of strategic importance as no comprehensive impact monitoring is done at the level of the programme.

Due to this unsatisfactory overall situation, most of the projects were also motivated to make suggestions for concrete (and immediate) improvements of the current project-level monitoring process. They cover at least the following three dimensions.

(1) Improvements relating to the progress reporting approach and to the current indicator system: Nearby all projects examined favour that more importance is given to a qualitative reporting on the expected outcomes and on initially not foreseen outputs/results, which would better show how things have emerged or evolved due to the project activities realised. This should not be done on ground of new quantitative indicators, but rather by introducing additional boxes in the progress report which create an "open space" for making qualitative judgements on these issues (e.g. *B3 Regions, C2CN, CITEAIR II, POWER*). Several operations also remark that more freedom should (again) be given to projects for elaborating own indicators, as these can provide a clearer and more comprehensive picture on the specific outcomes achieved (e.g. *PRESERVE, CERAMICA, CLIQ*). The examined mini-programmes are in favour of elaborating flexible and specific qualitative indicators for assessing the outcomes generated by their sub-projects, as this type of intervention is more complex than the "classical" regional initiative projects (e.g. *Brain Flow, POWER*).

(2) Improvements relating to procedural aspects: Many projects favour that the JTS adopts a more flexible and dialogue-oriented progress monitoring approach instead of the current control procedure which is overly focussed on "counting numbers". This new approach should be less time-consuming (e.g. *CERAMICA, POWER*), focus more on generating a shared common understanding about the practical use and application of the current indicators (e.g. *PRESERVE, CLIQ, POWER*) and explain better the strategic relevance of the indicators for the overall programme effectiveness in order to achieve a wider ownership in relation to the overall indicator system (e.g. *CLIQ*).

(3) Improvements relating to the overall monitoring method: Many projects also favour that the current monitoring approach is further improved through introducing new methodological elements. There should be a sort of mid-term assessment/review on ground of which, for example, the projects are then given the possibility to adapt certain initial target values or activities in the light of more recent development (e.g. *B3 Regions, PRESERVE*). Some projects are even clearly in favour of introducing formal mid-term/ongoing and final evaluations for better exploring and explaining the qualitative outcomes and impacts

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[41] The format is focussed on a relatively "mechanical" assessment of the good practice transfer process (capitalisation) and of the improvement of regional/local polices, which does not give enough space for explaining cause-and-effect relationships or the wider policy implications/impacts achieved. After the reception of a larger number of reports, it might be advised to review - together with the reporting parties - the format of such reports.

achieved by projects. These suggestions were clearly motivated by the positive experience made with a practical use of such an approach during the current programming period (e.g. *PRESERVE, CLIQ*).

4.3.3 Conclusions on the adequacy of the indicator system & related recommendations

(1) The overall indicator system applied by the INTERREG IVC programme is vertically well-integrated, as the current project-level indicators feed a number of similar pro-gramme-level indicators and thus allow aggregating the outputs/results achieved by all projects at a higher level. The indicator system is in general also positively perceived by the projects themselves as they consider it helpful for monitoring the progress of opera-tions, confirm the realism of the data gathered and state that sufficient checks are realised by the JTS.

This generally positive conclusion on the adequacy of the indicator system is nuanced by two important shortcomings for which only partial improvements can be realised during the current programming period: At the programme level, the initial target values were not re-alistically estimated for the large majority of output/result indicators (i.e. 24 out of 32 in total). For the indicators concerned, this will most likely lead to a situation of considerable over- or under-achievement at the end of the 2007-2013 programming period. More impor-tant, however, is the observed and widely recognised problem that the set of quantitative programme- and project-level indicators only allows a monitoring of some basic outcomes achieved by inter-regional co-operation under INTERREG IVC. The current indicator system captures insufficiently the qualitative/intangible dimension of co-operation and also largely ignores the scope and diversity of the unexpected project outcomes achieved due to the currently inadequate reporting format. If these shortcomings persist, a future ex-post evaluation will again face difficulties in drawing up a full picture of the overall outcome and impact achieved by the INTERREG IVC programme.

Especially with respect to the latter shortcoming, it is not very likely that a substantial step forward can be realised during the remaining time of the 2007-2013 programming period. Any progress in this direction requires, first of all, that the European Commission (i.e. DG REGIO) initiates a comprehensive and also methodologically sound discussion on a more appropriate monitoring of territorial co-operation <u>and</u> identifies / suggests feasible ap-proaches (quantitative & qualitative) for achieving this. If this should not be realised and if the choice of appropriate monitoring approaches should still remain in the sole responsibil-ity of the future territorial co-operation programmes, then it is very likely that this weak-ness will persist also during the coming decade.

(2) During the period 2007-2013, however, the INTERREG IVC programme can indeed real-ise some smaller but important adjustments of its current monitoring proceedings and also launch specific own-initiatives which altogether help avoiding that the above-exposed nega-tive scenario becomes reality under a future inter-regional co-operation programme in the time after 2013. In the view of the evaluators, the following actions should be taken:

- The JTS of the INTERREG IVC programme should adopt a more flexible and dia-logue-oriented progress monitoring approach which helps to make project-level monitoring/reporting less time-consuming and generates a shared common under-standing about and a stronger ownership of the overall indicator system.

- The current half-yearly reporting form of the INTERREG IVC programme (i.e. pro-gress reports) should be modified in a way that projects can better indicate infor-mation about their qualitative outcomes achieved, which should then also be more systematically exploited by the JTS to feed the forthcoming Annual Reports. This can be achieved by creating additional/larger and also more adequate qualitative reporting boxes (i.e. one open space covering the "expected results" & one covering "unforeseen outputs / results") under the Components 2 & 3 and also under each additional content-related component established (i.e. components 4, 5 …etc).

- The INTERREG IVC programme should initiate a pilot study which explores the cur-rent state of the art in evaluating inter-regional co-operation, develops a number of new result indicators and/or methodological approaches for better monitoring the qualitative/intangible and unexpected co-operation outcomes (i.e. outputs & results mainly) and tests their practical application across a smaller sample of still running INTERREG IVC operations.

- The INTERREG IVC programme should, finally, realise a smaller pilot study which evaluates the impact achieved by already finalised INTERREG IVC operations (e.g. by assessing in-depth some 1st call operations one or two years after their formal end of ERDF-funding) and develops – on ground of the experiences made - a num-ber of potential impact indicators and/or methodological approaches which can be practically used by a future programme.

Recommendation XII:

The INTERREG IVC programme should already now launch the following initiatives for further improving the current monitoring and reporting procedure (2007-2013) and for preparing a more appropriate monitoring approach for the future of interregional co-operation programme:

- The current INTERREG IVC programme and the involved Member States should "push" the European Commission (i.e. DG REGIO) to initiate a comprehensive and also methodologically sound discussion on a more appropriate monitoring of the outcomes achieved by future territorial co-operation programmes, which also leads to an identification / suggestion of feasible approaches (quantitative & qualitative) for achieving this.

- In the current INTERREG IVC form for a six-monthly progress reporting, additional/larger and also more adequate reporting boxes should be created under all content-related Components which allow to better describe/explain the qualitative dimension of the expected results (e.g. a new space under the result indicators) as well as the additional or unexpected outputs/results achieved by a project (e.g. a new open space for "unforeseen outputs/results").

- The INTERREG IVC programme should launch two own-initiatives for exploring (1) how the monitoring and reporting of qualitative/intangible outcomes associated to inter-regional co-operation can be further improved and (2) how an evaluation of the policy impacts achieved by projects could be carried out in practice. On each issue, a specific study should be commissioned which identifies innovative and also future-oriented practical solutions for addressing the respective issue at stake.

5 The role and orientation of future inter-regional co-operation (Task 4)

According to the Terms of Reference, recommendations should be formulated for the future role and orientations of interregional co-operation activities in the programming period 2013-2020 on the background of the lessons learnt from the interregional co-operation activities of the INTERREG IVC Operational Programme and of the new perspectives for the EU Cohesion Policy after 2013.

The methodological approach adopted for carrying out this task combined desk research (i.e. literature review & synthesis of the 2007-2013 experiences) and the realisation of online surveys which addressed various programme-level stakeholder groups (MC-members, NCPs, project Lead Partners).

5.1 Territorial & interregional co-operation in the debate on the future of EU Cohesion Policy: evidence from the literature review

The debate on the future of EU Cohesion Policy beyond 2013 has begun with the publication of the Fourth Report on Economic and Social Cohesion and the "Cohesion Forum" organised in September 2007.

The objective of "territorial cohesion" as included in the now ratified Lisbon Treaty (**see also section 2.2 of this report**) plays a central role in this debate and is therefore also the point of departure for exploring the potential role and possible orientations for future inter-regional co-operation. Other important and more recent contributions to this debate are the independent report which was prepared at the request of the former Commissioner for Regional Policy, better known as the "Barca-Report", and the recently finalised ex-post evaluation of INTERREG III (2000-2006) which was commissioned by DG REGIO. Although not directly related to the reform debate of the EU Cohesion Policy, also the European Commission's "Europe 2020 Strategy" was considered as it sets out the broader aims for EU-policy in the coming decade.

The "Green Paper on Territorial Cohesion"

Against the wider background of the new of territorial cohesion objective, the European Commission's "Green Paper on Territorial Cohesion" clearly emphasised that a tackling of the manifold problems to achieve a more balanced and harmonious development (…) *effectively requires a policy response on a variable geographical scale, involving in some cases co-operation between neighbouring local authorities, in other between countries, and in yet others between the EU and neighbouring countries.*[1]

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[1] CEC Commission of the European Communities (2008d): Green Paper on Territorial Cohesion.

The Green Paper acknowledged the important experiences gained from previous and current territorial co-operation supported by INTERREG and also pointed to the issue that ways for further improving co-operation between regions within the European Union and with neighbouring regions outside the Union need to be explored. Although the document did not directly address inter-regional co-operation, this focus clearly affects the future of inter-regional co-operation.

As a consequence, the Green Paper has focussed one of the six debate-questions raised on territorial co-operation (i.e. Question 3: "Better Co-operation"). In the context of the subsequent debate on the Commission's Green Paper, a seminar devoted to cross-border, transnational and inter-regional co-operation was organised by DG REGIO (Brussels, 25 September 2009) for discussing and summarising the contributions received on this question.

The various contributions received on this question also underlined the need to reinforce inter-regional co-operation as an instrument for territorial cohesion.[2] Also the INTERREG IVC Secretariat had elaborated a debate-contribution,[3] which presented first suggestions for a future inter-regional co-operation programme (**see: Annex 5.1**).

The "Barca Report"

The "Barca-Report"[4] considered the effectiveness of the current EU Cohesion Policy with a view to initiating an informed and timely discussion on conceptual, political and operational aspects for change and also undertook a critical stock-taking of the outcomes achieved by territorial co-operation.

The report highlighted a number of reasons which might have been responsible for the fact that territorial co-operation in the past was only to a limited extent able to translate its activities into verifiable results.[5] Despite this criticism, territorial co-operation was allocated a clear role in the wider strategy of change towards a more effective governance of EU Cohesion Policy after 2013 (i.e. the suggested ten pillars for the future EU Cohesion Policy). Territorial co-operation is directly mentioned under pillar 1 ("an innovative concentration on the core priorities and a conservative territorial allocation") and the suggestions is made that it should focus much more on strategic interventions with a verifiable impact.

Within this context, inter-regional should (...) *concentrate on network funding for regional and local organisations (development agencies, local authorities, universities, research centres, associations of social partners) to create or to strengthen with the specific purpose of better pursuing the objectives of one (or more) of the core priorities* (of future Cohesion Policy), *conditional on tangible and measurable outcomes and subject to periodic, independent evaluation* (...). Furthermore, inter-regional co-operation should also consider the possibility of learning projects which are (...) *time-limited partnerships of regional and local*

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[2] CEC Commission of the European Communities, DG Regio (2009e): Territorial cohesion and co-operation. PPT-presentation.
[3] INTERREG IVC programme (2008b): INTERREG IVC Secretariat - Contribution to the debate on the Green paper on territorial cohesion {SEC 2008 (2550)}.
[4] Barca (2009).
[5] Barca (2009), pp.96-97.

organisations, with emphasis on learning about the core priorities and with active involvement of the Commission services as knowledge broker.[6] The role and orientation of inter-regional co-operation as suggested by the "Barca Report" does therefore not strongly differ from the approach already adopted by the INTERREG IVC programme.

But also in a number of other pillars suggested by the "Barca Report", inter-regional co-operation can and should play a more visible role in the future although it is not at all or only indirectly mentioned. For some of these pillars, first ideas on such a role are already sketched out by the evaluators (**see box 5.1 below**).

Box 5.1: Potential role of future inter-regional co-operation after 2013 in other pillars suggested by the "Barca Report"

Pillar no.2 on "a new strategic framework for cohesion policy": Topical contributions to the suggested new strategic dialogue between the Member States and the European institutions.

Pillar no.4 on "strengthened governance for the core priorities": Contribution to building up institutional capacity at local/regional levels for implementing the core priorities of a future EU Cohesion Policy.

Pillar no.6 on "promoting experimentalism & mobilising local actors": Exploitation and promotion of experimentation with and learning about innovative place-based policy interventions which meet the core priorities of future Cohesion Policy (i.e. the suggested "innovative territorial actions") and direct contribution to a more wide-spread public awareness-raising on such issues by involving the broadest possible scope of actors (i.e. public, public equivalent, private societal).

Pillar no.7 on "promoting the learning process": Punctual contributions to an improved impact evaluation on Cohesion Policy interventions.

The Commission's ex-post evaluation of INTERREG III

Beyond a comprehensive stock-taking about the wider impact of the INTERREG III Community Initiative (2000-2006), the ex-post evaluation also presented a number of reflections to stimulate the policy debate on the future of territorial co-operation after 2013 (i.e. in section 7.2). Their underlying overall objective is to optimise the depth and intensity as well as the overall impact of future territorial co-operation with a view to achieving a stronger contribution to the territorial cohesion of the EU territory as a whole.[7] Within this wider context, the future role of inter-regional co-operation is mainly seen in its focus on two important dimensions:

- ▪ To help making sector policies with a territorial impact and regional policies more coherent through integrated spatial development concepts and strategies: Future inter-regional co-operation should stimulate a closer co-operation and co-ordination between various EU-interventions simultaneously operating in a given programme

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[6] Barca (2009), pp.160-161.
[7] PANTEIA (2010): Ex-Post Evaluation of INTERREG III.

area to ensure that the efforts mobilised are complementary and synergetic. Co-operation should focus on aspects of strategic EU interest and initiating policy-oriented learning and transferring processes leading to concrete improvements in the field of territorial integration and cohesion.

- To stimulate territorial governance through co-operation and networking between a broad range of actors: Future inter-regional co-operation should establish an increasingly intense and durable co-operation involving a broad range of actors which can contribute to territorial development (i.e. public & semi-public sector organisations located at various levels of government, actors from the private sector & the civil society). This is important if more concrete and tangible socio-economic development effects are to be achieved and would also be in line with the place-based policy approach adopted by the "Barca Report".

Further to this, the ex-post evaluation also presented a number of more operational recommendations for a future inter-regional co-operation programme (**see box 5.2 below**).

Box 5.2: Policy considerations relating to future inter-regional co-operation after 2013

A future inter-regional co-operation programme should ...
- ... remain accessible for all EU regions (i.e. wealthier regions & and lagging regions in the EU and beyond are eligible);
- ... develop its contents more closely in line with the needs of the primary co-operation stakeholders (mainly regions and local authorities) while including also aspects which are of strategic EU interest (e.g. issues related to the EU 2020 Strategy);
- ... draw a clearer "line of division" with transnational co-operation programmes to avoid overlaps and duplication (as currently existing for the Lisbon-related topic on "innovation");
- ... maintain exchanges of experience and the transfer of know-how as the most important focus of inter-regional co-operation, while putting at the same time more emphasis on effectively tackling issues related to the future co-operation priorities;
- ... reflect whether an EGTC can be used for setting up joint programme governance structure which also allows integrating the primary programme management functions under one roof;
- ... also adopt a more proactive approach to ensuring that future operations are durable and that, if possible, projects become self-sustaining after the end of EU-funding.

The "Europe 2020 Strategy"

The Europe 2020 Strategy promotes a smart, sustainable and inclusive growth which is made further operational by a number of "headline targets for 2020" and by seven "flagship initiatives". This macro-approach is in territorial terms largely unspecific and mentions territorial cohesion together with economic and social cohesion only incidentally, although claiming that these objectives (...) *remain at the heart of the Europe 2020 Strategy to en-*

sure that all energies and capacities are mobilised and focused on the pursuit of the strategy's priorities.[8]

The Europe 2020 Strategy will have most likely the same important implications for the future EU Cohesion Policy after 2013 as had the previously adopted and successively revised Lisbon Strategy on the Structural Funds programming period 2007-2013.[9] As a consequence, it is therefore also highly probable that the themes promoted by the Strategy will also affect future territorial co-operation and the thematic orientation of inter-regional co-operation.

Our previous analysis realised in the context of this evaluation (see Task 1) has, however, shown that the thematic focus of the current INTERREG IVC programme is already sufficiently broad for ensuring that inter-regional co-operation is able to contribute to the "EU headline targets" and the seven "flagship initiatives" as promoted by the Europe 2020 Strategy. Should a need exit for further improving this already well-developed focus across all elements of the Europe 2020 Strategy (**see: Annex 5.2**), one can observe that future inter-regional co-operation will "only" have to stronger affirm its role in three out of the seven thematic fields:

- Education and the EU flagship initiative "Youth on the move", to enhance the performance of education systems and to reinforce the international attractiveness of Europe's higher education.

- Employment and skills and the EU flagship initiative "An agenda for new skills and jobs", to modernise labour markets by facilitating labour mobility and the development of skills.

- Fighting poverty and the EU flagship initiative "European platform against poverty", to ensure social and territorial cohesion.

Key findings from the review of recent policy documents

Our brief review shows that the debate on the role and orientation of future inter-regional co-operation after 2013 is for the moment still at a very early stage.

A number of consensual elements can already be identified from our literature review: Firstly, there is a need to continue inter-regional co-operation after 2013 and to promote an exchange of experience and of good practice across Europe. Secondly, the core of future inter-regional co-operation should remain experimentation with and learning about innovative policy interventions in the field of territorial development. Thirdly, inter-regional co-operation should involve a broad variety of actors bearing territorial development potentials (i.e. public & semi-public territorial authorities, private and societal actors). Finally, the impact of interregional co-operation needs to be become more visible and further efforts

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[8] CEC (2010a), Europe 2020 Strategy.
[9] CEC (2010a), Europe 2020 Strategy: On p.20 it is clearly stated: *Cohesion policy and its structural funds, while important in their own right, are key delivery mechanisms to achieve the priorities of smart, sustainable and inclusive growth in Member States and regions.*

have to be made for better communicating and disseminating success stories and existing good practices.

On a number of other issues, however, the level of consensus seems to be lower: First of all this appears to be the case for the future thematic scope of inter-regional co-operation. Some sources tend to favour a broad approach (i.e. Green Paper debate contributions; IN-TERREG III ex-post evaluation; indirectly also Europe 2020), while others prefer a more narrow focus on the future EU Structural Funds core priorities (Barca Report). This, sec-ondly, holds true for the operational dimension of future inter-regional co-operation, as re-lated aspects were not yet sufficiently addressed by the earlier documents reviewed (i.e. Green Paper debate contributions; Barca Report) and only more recently discussed under the INTERREG III ex-post evaluation (e.g. inter-regional programme governance; improved depth/intensity & durability of inter-regional projects).

5.2 INTERREG IVC stakeholders and their view on the future of inter-regional co-operation

Beyond the provisional orientations for the future EU Cohesion Policy which can be per-ceived through the above-reviewed literature, our three on-line surveys also provide inter-esting evidence for exploring further the potential role and orientations of inter-regional co-operation in the programming period 2013-2020.

Provisional orientations for EU-Cohesion Policy after 2013 & rationale of a future interregional co-operation programme

A majority of the responding MC-members and NCPs consider that future territorial co-operation should strongly contribute to an achievement of the territorial cohesion objective and believe that some of the sources reviewed above (Barca Report; Europe 2020) should be strongly taken into consideration when the role and orientations for future inter-regional co-operation are defined. The territorial development concept as promoted by the "Barca Report" (place-based-policy) is often considered more as a general framework which, in the case of inter-regional co-operation, advocates in favour of maintaining a bottom-up ap-proach and a focus on regional/local development activities. The "Europe 2020 Strategy", on the contrary, is considered by many respondents from both stakeholder groups as a cornerstone of the EU Cohesion Policy after 2013. They also clearly favour that the orienta-tions of future inter-regional co-operation should be strongly aligned to the "Europe 2020 Strategy" in order to support its implementation.

Also the large majority of project Lead Partners are in favour of maintaining or even re-enforcing inter-regional co-operation as an element of the future EU Cohesion Policy, but some of them highlight that more emphasis should be put on the durability of the projects (and their outcomes) and on the territorial impacts achieved by the actions undertaken.

When asked if the provisional orientations for Cohesion Policy after 2013 (i.e. territorial co-hesion objective; Barca Report; Europe 2020) should lead to a fundamental change in the current rationale of the inter-regional co-operation programme, all three stakeholder

groups articulate a relatively similar position: High proportions under each respondent-group either disagree with a fundamental change[10] or adopt a still undecided position.[11] Only a smaller proportion of respondents from each group agree to such a change, for which they give some interesting reasons:

- More focus on the concrete added value of networking activities among EU public authorities and of the programme as a "policy lever and multiplicator" for the main strategic objectives of EU Cohesion Policy

- More concrete and operational projects which also allow financing "hard" activities or pilot projects testing new tools and applying lessons learnt alongside the current "soft" activities (e.g. exchange of experience; identification & transfer of good practices etc).

- A stronger focus on the development of new interregional policies and models (including also the mandatory production of policy recommendations), accompanied by their experimentation on more flexible, supple and longer term frameworks to achieve a higher impact.

Programme-wide rules & procedures

A uniform but completely different picture appears when the three stakeholder groups were asked if the programme's operational rules and procedures should be simplified. A clear majority agrees or strongly agrees in each case to such a simplification[12], but a high proportion among these respondent groups also adopts a still undecided position.[13]

The respondents have observed a large number of weaknesses under the current programme (i.e. overly complex procedures & rules) and also suggested many improvements to be made under a future inter-regional co-operation programme. These concentrate mostly on the following aspects (**see: Annex 5.3**):

- The general set-up and implementation framework of the programme (e.g. programme management structures, type of interventions, co-financing rates etc).

- The programme-level application, appraisal / selection and approval process of operations.

- The general set-up and implementation of projects (e.g. scope of partnership & type of partners, type of interventions).

- The administrative management & reporting at the level of projects.

- The financial management & reporting at the level of projects.

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[10] MC-members (36%); NCPs (41%); Lead Partners (57%).
[11] MC-members (39%); NCPs (53%); Lead Partners (34%).
[12] MC-members (66%); NCPs (59%); Lead Partners (49%).
[13] MC-members (31%); NCPs (29%); Lead Partners (30%).

Co-financing rates for inter-regional co-operation

With respect to the question if the current co-financing rates applied to inter-regional co-operation projects should be revised, an interesting bi-polarisation can be observed between the MC-members and the NCPs, one the one hand, and the project Lead Partners on the other hand.

The stakeholders representing the strategic level (MC, NCPs) are in general largely undecided, as strong proportions of the respondents are in favour[14] and against[15] of such a revision or still have an undecided position about this issue (neither agree nor disagree)[16]. But also among those being in favour of a revision, the different positions are not fully coherent:

- One part of the MC/NCP-respondents is in favour of a unique co-financing rate for the whole of a future programme area, which is often suggested to be lower than the rates currently applied (e.g. mostly between 70-80%, sometimes also 50%). Many respondents consider such a revision also as an appropriate solution for avoiding in the future a flood of (low quality) applications (i.e. as experienced during the 1st and 2nd call of the current INTERREG IVC programme) or for raising the level of commitment and accountability of the project partners in relation to their activities.

- The other part of the MC/NCP-respondents is in favour of still differentiated but slightly lower co-financing rates for the two group of countries which are currently distinguished within the INTERREG IVC programme area (e.g. 50%-60 for the first group & 60-75% for the second group). Some respondents also are favour of applying the current levels, but they argue that the maximum co-financing rate should not be automatically applied by country-origin (e.g. be connected to the quality of a project).

The project Lead Partners are, on the contrary, in a majority of cases not in favour of such a revision (62% disagree & strongly disagree) or are still undecided about the issue at stake (23% neither agree nor disagree). Among the respondents being in favour of such a revision, most of them support either a general increase of the EU-contribution for all projects (e.g. 80-100%) or at least for different types of projects (higher rates for ambitious projects), actors (higher rates for non-profit organisations) or project activities (100% for communication & dissemination). Only a few respondents being in favour of a revision support a lowering of the EU-contribution for all projects (e.g. 50% new & 75% old Member States; general lowering of EU-contribution).

Thematic scope of inter-regional co-operation

When asked if future inter-regional co-operation after 2013 should be strictly focussed on a limited number of themes, all three stakeholder groups articulate a relatively similar posi-

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[14] MC-members (41%); NCPs (31%).
[15] MC-members (38%); NCPs (38%).
[16] MC-members (21%); NCPs (31%).

tion: The majority under each of the three respondent-groups agrees or strongly agrees with such a narrowing of the thematic focus,[17] although still strong proportions are against this position (disagree & strongly disagree).[18]

- The majority of the MC- and NCP-respondents who support a focussed thematic approach often are in favour of concentrating inter-regional co-operation on various combinations of core themes addressed by the "Europe 2020 Strategy"[19] or on the main priorities of the future EU-Cohesion Policy. Some of them also are in favour of re-introducing a few horizontal topics which could be addressed under INTERREG IIIC but which were forgotten under INTERREG IVC (e.g. 'non-thematic' or process-related co-operation focusing on policy making in regional operational programmes; exchange on methodologies to establish regional development strategies). A frequently stated argument supporting a more targeted programme was that this would ease a consolidation of the results and therefore help to better demonstrate the programme's success.

- Also the large majority of project Lead Partners opting for a thematically more focussed programme approach are in favour of concentrating future inter-regional co-operation on some themes of the "Europe 2020 Strategy" or on a more reduced number of sub-themes addressed by the current INTERREG IVC programme. The suggestions prefer in general a combination of topics related to economic and sustainable development, but a larger number of respondents are also in favour of emphasising stronger the social dimension due to the territorial impacts of the recent economic and financial crisis (**see: Annex 5.4**). The set of future themes should, however, still be sufficiently broad for meeting the needs of the regions and for establishing cross-cutting project initiatives.

But also some respondents from the three stakeholder groups who are in favour of a thematically broader programme strategy have advanced interesting arguments which are worthwhile to be considered:

- A strong focus on a few themes bears the risk of not adequately representing regional territorial problems and of being unable to design sufficiently flexible policy responses, especially if a strategic approach on the macro-regional level is missing to which regional initiatives can be connect to (e.g. the Baltic Sea or Danube Area Strategies).

- A tightening of the thematic focus for future inter-regional co-operation is likely to restrict project-level experimentation, wherefore it is necessary to widen the range of themes on new issues for enhancing partnership-based learning processes.

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[17] MC-members (56%); NCPs (50%); Lead Partners (56%).
[18] MC-members (24%); NCPs (34%); Lead Partners (20%).
[19] Examples for suggested combinations are: (1) Employment/social issues, R&D/innovation, sustainable development. (2) R&D/innovation, SMEs, climate change, renewable sources of energy, water management, sustainable transport. (3) Innovation in services, access to capital, energy savings, transport decarbonised. (4) Innovation & knowledge economy and environment & risk prevention, but with a lower number of sub-themes. (5) Economic growth, innovations, impact of growing ageing of EU population, environment & local transport.

- More integrated themes should be possible (land use, territorial impact of policies), as the current projects are often too one-dimensional and not sufficiently durable because of the imposed programmes focus. Broader and more integrated projects can better combine the economic, environmental, social and territorial aspects of a given area.

- As the economic crisis is increasingly questioning the welfare system in Europe, more themes related to the social dimension should be introduced (e.g. challenge of an ageing society; social welfare & health care issues). Less emphasis should, on the contrary, be given to themes related to innovation and a green economy, as they are often tackled on a profit-making basis by actors from the private sector who do not need support from a future inter-regional co-operation programme.

Organisation of the exchange of experience process

Another interesting constellation of bi-polarisation appears between the MC-members and the NCPs, one the one hand, and the project Lead Partners, on the other hand, in relation to the question if the exchange of experience procedures should be substantially revised in order to increase their efficiency.

The stakeholders representing the strategic level (i.e. the MC- and NCP-respondents) are clearly in favour of such a substantial revision[20], but a still high proportion of them is also undecided about this issue as they neither agree nor disagree to such a revision.[21] Most of the qualitative comments made by MC-respondents being in favour of such a revision highlight that a potential change should put stronger emphasis on capitalisation (e.g. through a more formal framework for identifying & reporting good practices) and lead to a quicker and more firm integration of good practices at the programme level (e.g. through an "imposed" mainstreaming process; through a mandatory signature & commitment of projects to an action plan; through the use of smart communication tools & procedures). Other comments of MC-respondents emphasise that future inter-regional co-operation should go beyond a pure exchange of experience (e.g. only workshops/seminars & study visits) and also involve a direct application of jointly developed aspects, for which the concrete results achieved are more closely monitored and evaluated.

The position of project Lead Partners, on the contrary, is still relatively unclear. Larger proportions of the respondents are against such a revision (35% disagree & strongly disagree) or are still undecided on this matter (33% neither agree nor disagree). Only a few of them are firmly in favour of a substantial revision (19% agree & strongly agree). The comments made by the minority group of Lead Partners being in favour of such a revision indicate a number of interesting suggestions which are worthwhile to be considered. Although many respondents state that a full revision of the current exchange of experience procedure is not necessary, they also request that further improvements are made for increasing the efficiency e.g. through

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[20] MC-members (55%); NCPs (56%).
[21] MC-members (31%); NCPs (33%).

- imposing more appropriate (methodological) formats for carrying out policy exchanges (e.g. by insisting on peer review formats);

- an improved documentation & dissemination of good practices e.g. by means of establishing a database on identified good practices;

- developing specific project activities with concrete results for ensuring that an exchange of experience and good practice also leads to a real transfer of those (e.g. joint development of policy tools or development plans, joint training for staff; signature of co-operations contracts etc);

- dedicating more efforts to a follow-up and monitoring of such exchanges;

In addition, many of the project-level respondents also stress that just an exchange of experiences is not any longer enough and that future inter-regional co-operation should also involve a direct realisation of more implementation-oriented actions to further increase its efficiency and impact (e.g. application of the good practice in action plans & actual implementation of these action plans in concrete experimentations or joint pilot activities).

Evidence on the added value of inter-regional co-operation

The previously addressed aspect is closely related to the question of how future interregional co-operation can provide stronger and tangible evidence on the added value generated by the project-level activities and on their impacts in relation to mainstream programmes and to other policies.

The considerable amount of qualitative statements provided by the three stakeholder groups on this question shows their high preoccupation for making clear progress in this direction. The available evidence reveals at least four important and closely inter-related dimensions for action which should be carefully considered in the future (**see: Annex 5.5**):

1. A more intensive dissemination and capitalisation of inter-regional co-operation outcomes, both at the programme and at the project level.

2. A closer co-operation with and involvement of managing authorities implementing mainstream programmes.

3. A more appropriate structuring / set-up of projects and a more intense and durable co-operation process.

4. A more appropriate and intensive monitoring and evaluation of the outcomes of inter-regional co-operation activities.

Focus of future in-depth evaluations

The suggestions which were made most frequently by the respondents from all three stakeholder groups on the elements that could be brought forward under further in-depth analy-

ses or evaluations during the next programming period relate in general to three basic dimensions:

- Strategic management and monitoring issues at the programme level: Issues to be addressed cover, for example, the wider long-term vision of the programme, the contribution of the operations to an achievement of the overall programme objectives and of course many aspects related to the operational programme management and implementation system (i.e. decentralised versus centralised management, consistency & quality of the management, smoother financial management system, the performance & adequacy of the procedure for pre-assessing submitted proposals, the monitoring & evaluation system etc.).

- The effects and impacts of both the projects and the programme as a whole: Issues to be addressed cover, for example, the results of projects and their impact on regional/local policies or EU-mainstream programmes (i.e. capitalisation projects), a better follow up of the result achievement, a better mapping of the policies improved and a better estimation of the "value for money" dimension.

The depth & intensity of co-operation at both the project- and the programme-level: Issues to be addressed cover, for example, the degree and quality of strategic co-operation between the national authorities involved in the programme (e.g. MC decision making), the scope and quality of project-level partnerships (e.g. tools for finding partners with real competences to avoid "sleeping partners"; tools for partner motivation), the real demand for exchange of experience versus also more implementation-driven soft actions, the connection of supported operations with other and already operating networks, the adequacy and level of innovativeness of the used co-operation methods, the way how learning and dissemination processes can be improved by more adequate methods and the long-term durability of approved operations.

5.3 Conclusions on the future of inter-regional co-operation & related recommendations

Our overall conclusions and recommendations on the future of inter-regional co-operation were elaborated as a "balanced synthesis" of the potential future implications resulting out of the INTERREG IVC programme evaluation (i.e. Tasks 1-3) and of the various positions which were presented in the previous sections of this chapter (i.e. literature review & stakeholder surveys).

The role of inter-regional co-operation within future territorial co-operation

The main conclusion to be drawn from our Task 1 evaluation findings (i.e. assessment of the relevance of the current INTERREG IVC programme objectives) and from the above-presented literature- and survey-evidence is that a new inter-regional co-operation programme should actively contribute - within the limits of its future means and possibilities - to achieve the Treaty's territorial cohesion objective.

Making a contribution to the various emerging dimensions of the territorial cohesion concept requires, however, the establishment of a clearer division of roles and tasks among

the various types of territorial co-operation in the time after 2013. Our reflections on future territorial co-operation which were presented in the Commission's ex-post evaluation of IN-TERREG III suggest that this should be done according to the following overall intervention rationale: [22]

- Future cross-border and transnational co-operation programmes should, alongside their area-specific development priorities and other meta-level development objectives[23], directly enhance the territorial integration of their respective co-operation zone. Furthermore, they should initiate a much closer co-operation and co-ordination with other EU-interventions simultaneously operating on these territories (e.g. regional mainstream & other territorial co-operation programmes) to ensure complementary and synergy of all interventions. Finally, they should set-up increasingly intense co-operation processes which altogether lead to the establishment of a joint and also durable problem solving capacity in the concerned programme areas.

- A future inter-regional co-operation programme should be allocated a complementary and transversal role in relation to cross-border and transnational co-operation, mainly by focussing on aspects of an EU-wide interest and by helping to make Community-level and regional/local-level territorial development policies as well as sector policies with a territorial impact more coherent. This should be achieved by initiating policy-oriented learning and transfer processes to build up additional policy-making capacity in the concerned areas and by stimulating more concrete improvements in terms of territorial integration and cohesion.

This means that future inter-regional co-operation should focus much more than now on jointly developing/identifying <u>and</u> actually testing/implementing innovative territorial development actions[24] as well as on widely disseminating these application experiences across Europe through a systematic programme-level capitalisation process. Such a further widened role of a future programme would then also stronger underline the specific added value of inter-regional co-operation within the wider context of territorial co-operation and of the future EU Cohesion Policy as a whole.

Based upon our observations made on the limited financial means available to the current INTERREG IVC programme (**see: section 2.3**), the evaluators conclude and recommend that a renewed EU Cohesion Policy endows a future programme with more ERDF-funding in order to ensure that inter-regional co-operation can effectively "fill out" this widened role. An increase of funding can, in our view, be obtained by abandoning the current option to establish inter-regional co-operation also under the Convergence and Regional competitiveness & employment programmes (General Regulation for 2007-2012, Art. 37-6, lit. b). In short, future inter-regional co-operation should be promoted on ground of a "re-unified"

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[22] PANTEIA (2010): See section 7.2 of the INTERREG III ex-post evaluation.

[23] For example those of the macro-strategies for the Baltic Sea and Danube areas, for which especially future transnational co-operation could be an appropriate implementation tool.

[24] Similar to the current INTERREG IVC-approach, this could involve two different dimensions. (1) A joint development of strategies, instruments or policy support tools and their practical testing in the context of regional or local development policies. (2) A joint identification of already existing good practices and the active support to / monitoring of mainstreaming processes in the context of other EU-programmes (regional programmes & other territorial co-operation programmes).

and more transparent approach through a single and also financially more solid EU-programme.

Recommendation XIII:

For contributing in a pro-active manner to an achievement of the Treaty's territorial cohesion objective during the programming period 2013-2020, future inter-regional co-operation should be allocated a complementary and transversal role within the wider context of territorial co-operation. This role should involve a joint development/identification <u>and</u> a testing/implementation of innovative territorial development actions as well as a Europe-wide dissemination of these experiences through a systematic programme-level capitalisation process. In addition, a future inter-regional co-operation programme should also be endowed with more ERDF-funding in order to adequately "fill out" its further widened role.

The thematic focus of future inter-regional co-operation

The findings from our relevance-assessment of the current INTERREG IVC programme objectives (Task 1) and the available literature- and survey-evidence on the future of inter-regional co-operation suggest the conclusion that a new inter-regional co-operation programme should be focussed on the three mutually reinforcing priorities of the "Europe 2020 Strategy" (i.e. smart, sustainable and inclusive growth). This would not only ensure that the more recent macro-developments (e.g. effects of the recent crisis & related medium- or long-term challenges) and the related EU-level policy implications are effectively taken into account, but also allow to introduce a more balanced set of co-operation topics which better corresponds to the transversal nature of the Treaty's territorial cohesion objective.

The future programme should therefore set out seven main co-operation themes, which are clearly related to the seven "flagship initiatives" aimed at catalysing progress under each priority theme of the "Europe 2020 Strategy". The programme should also select a limited number of indicative sub-themes which are most relevant for being addressed by future inter-regional operations.

A screening of the wide range of issues mentioned under each of the seven "flagship initiatives" allows to draw up a sample list of potential sub-themes which are most adequate for being implemented in the context of regional and local territorial development policies (**see: Annex 5.6**). This list also shows that a future thematic programme focus which is closely connected to the "Europe 2020 Strategy" will emphasise stronger the social dimension (at the dispense of the currently variety of environment-related sub-themes) and set out more opportunities for establishing a thematically cross-cutting co-operation.

Although this would meet quite well the expectations voiced by a majority of the primary programme stakeholders (esp. the project Lead Partners), the evaluators recommend that the final selection is done by taking carefully into account the real co-operation needs and possibilities of regional and local authorities. Furthermore, the final selection should also draw a clearer "line of division" between the respective thematic focus of future inter-

regional and transnational co-operation in order to avoid the currently observable overlaps (esp. for the Lisbon-related topic on "innovation").

Moreover, the evaluators also think that it should be considered to make possible inter-regional co-operation over common priority themes or sub-topics of the two other types of European Territorial Co-operation (transnational & cross-border co-operation). This horizontal link can favour a wider transfer of experiences and good practices among future cross-border and transnational programmes (e.g. in terms of an ETC-mainstreaming process) and thus represent an important European added value. A condition is, however, the adoption of a clearly strategic and also complementary approach to avoiding duplication.

Recommendation XIV:

The future inter-regional co-operation programme should be focussed on the three mutually reinforcing priorities of the "Europe 2020 Strategy" (i.e. smart, sustainable and inclusive growth) and identify seven main co-operation themes which are clearly related to the seven "flagship initiatives". Also a number of indicative sub-topics should be selected among the wide range of issues mentioned under these "flagship initiatives", which illustrate the kind of actions that should be implemented in the context of regional and local territorial development policies. Also inter-regional co-operation over common priority themes or sub-topics of the two other types of European Territorial Co-operation (transnational & cross-border co-operation) should be made possible in order to initiate an "ETC-mainstreaming process".

The co-financing rates applied to future inter-regional co-operation projects

Assuming that the negative effects of the recent economic crisis especially on the public expenditure of regional and local authorities will continue to be present also in the years to come and bearing in mind the relatively unclear position of the stakeholders on the future EU co-financing rates, the evaluators conclude and recommend that the currently high level of EU-support for inter-regional co-operation projects is maintained after 2013 (i.e. 75% & 85%).

We also recommend that these ERDF co-financing rates are, however, not any longer automatically linked to the country-origin of a project partner. They should, on the contrary, be connected to the envisaged co-operation intensity of a future operation in order to provide a direct stimulus for achieving a content-wise more demanding co-operation and also more tangible project outcomes. There are in principle two basic constellations for achieving such a differentiation of the future co-financing rates:

- Operations with high co-operation intensity should in general be supported at 85%. These projects should realise within their lifetime an exchange of experience on good practices, a joint elaboration of policy strategies/tools/instruments and a concrete application of action plans or jointly elaborated outputs.

- Operations with co-operation intensity below the level of high should in general be supported at 75%. These projects should realise within their lifetime an exchange

of experience on good practices and elaborate policy strategies/tools/instruments and also action plans for transferring/applying the jointly achieved outputs or the good practices identified at a later stage (i.e. after the end of the project).

Recommendation XV:

To provide a direct stimulus for achieving qualitatively more demanding and also tangible co-operation outcomes, the future ERDF co-financing rates should only be linked to the envisaged co-operation intensity of future operations (and not to the country-origin of partners):

- Partners involved in operations with high co-operation intensity should in general be supported at a level of 85%.

- Partners involved in operations with co-operation intensity below the level of high should in general be supported at a level of 75%.

The future project-level co-operation process: "Producing" more tangible & durable outcomes in relation to territorial development

Bearing in mind that future inter-regional co-operation should have a clearly different intervention rationale if compared to that of cross-border and transnational co-operation, the evaluators fully support the conclusion from the literature review that experimentation with and learning about innovative policy interventions in the field of territorial development should remain at the heart of future EU-support for inter-regional co-operation. At the same time, however, the evaluators also support the position emerging from the stakeholder survey that changes need to be made to the current exchange of experience procedures for increasing their efficiency and for making the effects and impact of future inter-regional co-operation projects more visible.

Continuity and change are thus the cornerstones alongside which a number of concrete steps should (and have to) be made under a new programme after 2013 for initiating a mature and also qualitatively more demanding project-level co-operation approach.

(1) A first step should consist of continuing to use the current two main types of intervention under a future operational programme and of further developing these interventions in operational terms.

Although our evaluation showed that capitalisation projects indeed lack of popularity under the current programme, the evaluators do not share the view expressed in a JTS-working document that only one single type of intervention should be supported in the future.[25] The

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[25] INTERREG IVC programme (2010b): *"The current two types of interventions are in fact very closely related as Capitalisation Projects can be considered as a very specific type of Regional Initiative Projects. In order to simplify the programme, only one single type of interventions could be proposed in the future. This type would have similar features as the current Regional Initiative Projects (including mini-Programme) with an additional imposed characteristic: a mainstreaming component would be compulsory in order to ensure the real impact of the exchange of experience process."*

evidence from our stakeholder surveys and from the case studies shows that the large majority of stakeholders do not perceive the current regional initiative and capitalisation projects to be very close to each other. On the contrary, they clearly recognise the specific rationale and purpose behind each type of intervention and even use them deliberately for different policy-making focuses (i.e. improvement of policies supported under EU-programmes; improvement of regional/local policies which are not necessarily delivered through EU-programmes).

For further developing these two types of interventions in operational terms, we suggest that the following main operational components and principles are considered by a future inter-regional co-operation programme (**see: Annex 5.7**):

- The main operational components of future inter-regional projects should be relatively similar for both types of intervention, but draw a clearer line of division between them according to the respective policy focus and purpose (i.e. policy improvement under SF-mainstream & other ETC programmes; improvement of other regional/local policies). Moreover, these components should also be used in the future application form for establishing a more logic and time-sequenced structuring of all content-related project activities.

- The main operational components of future inter-regional projects should also more systematically direct future partnerships towards implementing only medium- or high-intensity operations. A set-up of the current low-intensity co-operation should not be possible any longer (i.e. networks simply exchanging experiences). Medium intensity co-operation should primarily be accessible for less experienced partnerships or "co-operation newcomers" and involve an exchange of experience process and the elaboration of concrete strategies for good practice transfer (capitalisation projects) or of new tools/approaches/instruments for regional or local policy improvements (regional initiative projects). High-intensity co-operation should primarily be accessible for already more experienced partnerships or (strategic) initiatives launched by already existing EU-wide networks and involve the aforementioned elements of medium-level co-operation as well as a concrete implementation in the context of SF-mainstream and other ETC programmes (capitalisation projects) or in regional / local policies (regional initiative projects).

- Various forms of assessments should be introduced as new mandatory operational components for both types of intervention to ensure a better content-related monitoring of the achieved outcomes and to make their impact more visible. Medium-intensity operations should carry out a final outcome assessment which can be realised internally or by an external evaluator. High intensity operations, on the contrary, should carry out an interim assessment (at the mid-term & before passing to the implementation phase) and a final success evaluation which is coupled to a strategic generalisation of the findings at a European, national or regional/local policy level (realised by external evaluators).

- Medium-intensity capitalisation should not last for more than 3 years and could therefore be launched throughout the entire life-time of the programme. They should, as currently, be assessed and approved by the usual one-step procedure. These operations should involve between 5 and a maximum of 15 partners, who are

all supported at 75% ERDF co-financing rate (maximum ERDF-grant: € 2.5 million). In the case that success will be proved through the final assessment, these operations should then be given the opportunity to submit a shorter follow-up project (app. 1.5-2 years) for practically applying or testing very promising outcomes of their previous co-operation activities and would receive for this a higher ERDF co-financing rate (e.g. 85%).

- High-intensity capitalisation and regional initiative projects could last up to 5.5 years and should therefore be launched at the early years of the programme implementation process. The submitted applications should, as a novelty, be assessed and approved in a two step procedure which consists of a "feasibility check phase" (0.5 months)[26] and a simplified final assessment & approval phase. These operations should involve between 5 up to a maximum of 9 partners, who all receive 85% of ERDF co-financing (maximum ERDF-grant: € 6 million). If the mid-term assessment reveals major problems or failure, the project should either be revised or even ended.

(2) A second step should consist of revising the currently applied requirements for project partnerships in order to make exchange of experience and soft implementation processes under future operations more efficient and also clearly result-oriented.

The evidence gathered by this evaluation shows that the "forcing" of partnerships to establish a balanced geographical representation from the former four INTERREG IIIC zones has frequently led to an inclusion of "ghost partners", who often did not contribute in a substantial manner to the project activities. Also the overly strong focus on some types of eligible organisations/bodies (i.e. public administrations & bodies governed by public law) has especially under certain sub-themes of Priority 1 limited the inclusion of private partners from the economic sphere who should, however, be involved for designing appropriate policy strategies or practically applicable policy tools.

For achieving high quality inter-regional project outcomes and also more concrete socio-economic development effects under inter-regional operations, the following principles should guide the set-up of future project partnerships:

- The partners in future inter-regional projects should be public administrations from various government levels and semi-public organisations, but also organisations from the private sector and the civil society. Such a broader mobilisation of all actors who can potentially contribute to territorial development would also be in line with the wider approach adopted by the Barca Report (i.e. a place-based policy)[27] and with the main findings and medium-term recommendations of the Commis-

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[26] Each application submitted would, with the help of an independent external assessor/moderator, undergo a thorough check of its intervention logic (i.e. coherence between objectives, expected outcomes & envisaged actions) and of its envisaged funding provisions (i.e. coherence of the budget provisions with the intervention logic). Such a process was already in the past applied by the European Commission (DG REGIO) for assessing applications submitted to the RECITE II programme (1997-1999).
[27] Barca (2009). The Barca Report advocates, among other things, a mobilisation of all vital forces to make progress towards a more strategic and effective governance of EU-Cohesion Policy.

sion's INTERREG III ex-post evaluation.[28] Moreover, such a further widening of the range of eligible actors would anyway be required should a future inter-regional programme aim to make a contribution to different fields of intervention covered by the "Europe 2020 Strategy" (esp. education, employment & skills, fighting poverty etc).

- Future inter-regional projects should be required to establish only "purpose-oriented partnerships"[29] in order to ensure that envisaged project activities and outcomes are delivered most effectively. The project promoters and the Joint Technical Secretariat should therefore dedicate more attention to a careful ex-ante verification of whether the right partners are involved in a future project. However, the JTS will achieve such an assessment of the quality of future project partnerships only by a case-to-case approach which is, admittedly, time-consuming and might in some cases even require a consultation of additional specialist knowledge. The sought elaboration of a "nominative list" which identifies, on ground of proposals from the Member States, a set of potentially eligible organisations for future inter-regional operations[30] is in our view not an adequate solution to this problem.[31]

(3) A final third step should consist of stimulating future operations to continue inter-regional co-operation among their partners beyond the provision of EU-funding to a project (i.e. promoting the establishment of durable networks).

Also here, the evaluators do not fully share the view expressed in an internal JTS-note on the durability of projects.[32] In our opinion, a continuing need for action does indeed exist in relation to most problems and long-term challenges addressed (i.e. population aging, cli-

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[28] PANTEIA (2010): The ex-post evaluation could demonstrate that important "soft" leverage effects were generated under all types of co-operation, among which the up-building of social capital through individual and organisational learning effects was an important aspect especially in the context of inter-regional co-operation. Co-operation and exchange among actors from different countries, sectors and professional backgrounds helped to acquire new knowledge which was used by these actors involved during and after the lifetime of a project to improve individual skills and capacities, to change organisational contexts and procedures and to develop further the quality and depth of co-operation. This has in a wider perspective also led to a significant improvement of inter-cultural and cross-sector understanding.

[29] Only focus on the currently applied criteria such as "experienced-less experienced partners" or "organisations having appropriate competencies & skills", but not any longer on the "extent of geographical coverage".

[30] Interview realised with a representative of the JTS.

[31] The evaluators wish to underline that policy-design and policy-delivery processes are in each country strongly depending on the respective political / administrative set up (Who from each level of government is involved in which way?) and are thus very complex, as they involve directly or indirectly a range of different actors. Effective inter-regional co-operation among project partners from different countries therefore requires that sufficient flexibility exists for establishing the most adequate and policy-specific constellation of stakeholders from the political-administrative, private-sector and societal spheres. It is thus more than doubtful that a complete list of the stakeholders involved in the various EU-level, regional and local policy-topics can be drawn up in practice.

[32] Quotation from an internal JTS-note on the rationale of inter-regional co-operation (no date mentioned): *"Finally, this programme's core feature implies also that the durability of the project's results is considered differently than in cross-border or transnational cooperation. In these two other forms of cooperation, and because of the existence of a 'permanent need', it is often important to demonstrate the durability of the project itself and of the partnership created beyond the funding period. In INTERREG IVC, the best way to demonstrate the durability of the results is to 'mainstream' the lessons learnt into regional programmes. In other words, there is no point in maintaining the project and partnership if the initial need has been answered."*

mate change, shift of energy paradigm etc) and related territorial development processes need therefore to adopt a more lasting and strategic character. Several well-known topical or multi-thematic inter-regional networks which received start-up funding from EU-programmes during the 1990s still operate today and actually prove that the addressed issues are relevant enough for sustaining co-operation in a long-term perspective (e.g. ER-NACT, POLIS, Quartiers en Crise, EURADA, EUROCITIES).[33] But also the observed continuation of several INTERREG IIIC projects during the period 2007-2013 (e.g. *CITEAIR II; CLIQ; Brain Flow*) and the efforts made by newly launched INTERREG IVC projects to ensure durability through links established with already existing EU-wide networks (e.g. *WATER CoRe; CLIQ;*) provide further support to our position.

Although it might not be appropriate for a future inter-regional co-operation programme to adopt a combination of direct incentives and complementary operational provisions as suggested by the INTERREG III ex-post evaluation,[34] one can think of two possible options which should be explored under the future programme-level capitalisation process:

- To pro-actively stimulate a merger of successful inter-regional operations addressing similar thematic issues with a view to establish new topical EU-wide networks, which could then continue inter-regional co-operation on certain aspects in a longer-term perspective and on ground of a larger partnership (e.g. on a self-sustained basis via member fees and/or on ground of new follow-up projects).

- To pro-actively stimulate that outcomes achieved by future projects are more systematically taken-up by already existing and permanently operating co-operation networks, mainly through involving these networks more systematically and directly in the future programme-level capitalisation process.

Both options are of course only indirect incentives as their success will strongly depend upon the motivation and willingness of the concerned partners and networks. But they can contribute to a make future inter-regional co-operation projects durable in time and to ensure a more lasting use of the achieved outcomes. This opportunity for gradually moving away from the largely unsatisfactory situation caused by the still predominant "one-off co-operation approach" should therefore be seized by a future programme.

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[33] For a historical perspective, see also CoR (2002).
[34] PANTEIA (2010): See section 7.2 of the INTERREG III ex-post evaluation.

Recommendation XVI:

For establishing a mature and also qualitatively more demanding inter-regional co-operation approach after 2013 which helps making the effects and the impact of projects visible, a future programme should …

- … maintain the current two main types of intervention due to the different rationale and purpose of capitalisation and regional initiative projects (i.e. no single type of intervention merging both approaches);

- … further develop these two main types of intervention in operational terms so that only operations with a medium- or high co-operation intensity will be supported;

- … be open for public administrations from various government levels, semi-public organisations, private actors and organisations representing the civil society;

- … enable and verify that only "purpose-oriented partnerships" are established (i.e. the most adequate & policy-specific constellation of stakeholders) in order to make future project-level co-operation more efficient and result-oriented;

- … motivate future operations to continue inter-regional co-operation among their partners beyond the existence of EU-funding (i.e. promoting the establishment of durable networks).

Future monitoring, evaluation & dissemination activities: Providing stronger evidence on the achievements & added value of inter-regional co-operation

Our previous recommendations on the co-financing rates and on the future inter-regional co-operation process have established a framework for projects to "produce" more tangible outcomes and effects in relation to mainstream activities and other regional/local policies. This, however, does not automatically mean that these outcomes and effects are also adequately captured by the future programme monitoring. In fact, our evaluation of the current programme- and project-level indicator system has shown that only a smaller part of the realised achievements is actually captured and that substantial improvement is necessary in the future for eliminating this shortcoming.

The provision of stronger evidence on the achievements and on the added value of inter-regional co-operation requires, in our view, that a closer and also vertically/horizontally well-integrated link is established between, on the one hand, a set of fundamentally revised monitoring and evaluation activities and, on the other hand, a more systematic and also on-going programme-level capitalisation process. This overall improvement can be achieved alongside the following overall rationale (**see also flow-chart in Annex 5.8**):

- Programme-level monitoring activities should be based upon three "methodological pillars" for establishing the basic information sources: a set of quantitative output & result indicators as well as specific approaches (to be developed) for monitoring the

achieved qualitative results and the achieved qualitative impacts. However, especially the information gathered on qualitative results and impacts would require a more intensive processing (e.g. by the JTS and/or external service providers) so that the future programme can use it for feeding the Annual Reports and the programme-level dissemination and capitalisation activities. Future programme-level evaluations could equally use the raw data and the further processed qualitative information for their specific purposes, while carrying out also a critical assessment of the performance and usefulness of this new and revised approach.

- Project-level monitoring and also project-level evaluation activities should feed the various above-mentioned pillars of the programme-level monitoring system. The future periodic progress reports of projects should provide quantitative data on the realised outputs/results and information on the achieved qualitative results, while project-level evaluations would generate additional qualitative information on the achieved results and impacts.

- Capitalisation at the programme-level should be continued in the future and this process should also be closely connected to the revised overall monitoring and evaluation approach. The programme-level monitoring data (quantitative & especially qualitative) could be used for realising a fact-based ex-ante guidance of this capitalisation process (e.g. for selecting appropriate topics & groups of operations to be involved in the process), while the project-level evaluations and additional direct inputs from running operations could feed the ongoing content-related capitalisation activities which are organised by a future programme. The latter should, however, not only focus on the theme-specific outcomes (i.e. What has been achieved in a given policy field?), but also on the co-operation methods, tools and techniques used for achieving those outcomes (How were these outcomes achieved?). The result of the overall capitalisation process could, finally, be used for feeding the ongoing programme-level dissemination activities.

Recommendation XVII:

The provision of stronger evidence on the achievements and on the added value of inter-regional co-operation requires the establishment of a fundamentally revised monitoring and evaluation approach (at the programme & project levels) and of a more systematic and ongoing capitalisation process at programme level, which are closely and also vertically/horizontally linked to each other.

The future system for programme-wide decision-making, management and implementation

As no information on the potential programme-wide governance provisions for future Structural Funds programmes and on the more specific operational management and implementation principles applied to European Territorial Co-operation after 2013 is currently available, it is very difficult to formulate precise recommendations on these matters.

What we can, however, conclude from the main findings of our in-depth assessment of the INTERREG IVC programme governance system (Task 2) and the available survey-evidence on the future of inter-regional co-operation is that the overall system for strategic decision-making, management and implementation of a future programme should be drawn up by carefully taking into account …

- the experiences made with programme-wide decision-making, management and implementation during the period 2007-2013,

- the demand for future improvements which is voiced by the current programme stakeholder groups,

- the additional needs stemming from our above-made recommendations on the future of inter-regional co-operation.

(1) When deciding about appropriate structures to be set up for a future inter-regional co-operation programme, the following experiences made during the period 2007-2013 with programme-level decision-making and management should be kept in mind:

- The observed under-staffing of the JTS for certain tasks with its negative side-effects on the programme delivery process (esp. for project assessment activities and communication & dissemination activities).

- The increasingly important role of the IPs and their not yet fully optimal performance.

- The sub-optimal use which is made of the still incomplete network of NCPs.

- The still sub-optimal inter-action between the JTS and the IPs and the NCPs and the IPs.

- The manifold challenges created by the large size of the Monitoring Committee.

- The still weakly developed relations between INTERREG IVC and other EU-programmes.

A further strategic issue which should be taken into account is that a large majority of the various programme stakeholder groups prefers to maintain a decentralised programme governance system which also includes the four IPs as an important element.

(2) The demand for improvements which is voiced by the current programme stakeholder groups shows that a future inter-regional co-operation programme should further simplify its general set-up and its operational management & implementation process for projects. For the general set-up this can mainly be achieved through the EU-level provisions governing future Cohesion Policy and for European Territorial Co-operation, whereas a simplification of the management & implementation provisions for future operations should be achieved through both the EU-provisions on operational matters and the future programme-specific rules and procedures.

(3) Finally, also the additional needs which result out of the above-made recommendations should be considered when designing the future programme governance system.

- If a future programme is endowed with an increased overall budget and also adopts a relatively wide thematic scope (i.e. due to its link to the "Europe 2020 Strategy"), then it is very likely that the currently experienced strong bottom-up demand will also remain a reality in the future. An effective future management of such a demand requires therefore a closer and also more synergetic interaction between the JTS, the future IPs and the NCPs (i.e. a cleared division of tasks and work-load, based on complementarity & synergy).

- If the future programme puts major emphasis on "producing" more tangible & durable outcomes through an increasingly intense and also qualitatively up-graded cooperation at project level, then also a more professional assessment of the submitted applications is needed which is based upon a clearly up-graded "in–house" thematic/technical expertise and knowledge.

- Also a provision of stronger evidence on the achievements & added value of future inter-regional co-operation through a further integration of monitoring, evaluation, programme-level capitalisation and communication & dissemination will require a very professional handling of all these matters preferably through up-graded "in–house" capacities, as otherwise this will not happen in practice.

These aspects show that a profound re-organisation of the operational management and implementation system is required which involves, on the one hand, that the JTS and IPs are provided from the outset with sufficient and also well-qualified human resources and, on the other hand, that the potentials of a decentralised management arrangement (if continued) are much better exploited. But also the strategic decision-making process within the Monitoring Committee should be reviewed. A substantial programme-wide process is certainly of use and should therefore be maintained, but a future Monitoring Committee should also explore from the outset if options for an internal work-division (e.g. creating sub-committees) or a "decentralised" decision-making (e.g. for an approval of projects) are feasible and also acceptable.

Under the assumption that a future programme will be endowed with a clearly increased overall budget, it is then not necessary that current overall share budget share dedicated to technical assistance (i.e. 6%) is further raised. In the opposite case, however, we consider that the share of TA-resources in the overall programme budget should be raised to app. 8-10%.

Recommendation XVIII:

The system for strategic decision-making, management and implementation of a future inter-regional co-operation programme should be drawn up in a way which carefully considers the experiences (and especially the shortcomings) made during the period 2007-2013, the current stakeholder demand for future improvements (esp. further simplifications at programme & at the project level) and also the additional needs stemming from our above-made recommendations on the future of inter-regional co-operation after 2013.

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[1] Not included here is the variety of sources consulted for carrying out the 10 project-level case study analyses.

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