

***Ex-ante Evaluation
of the
Interregional Cooperation Programme
(INTERREG IVC)
Objective 3
European Territorial Cooperation
2007-2013***

Final Report

by

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in co-operation with

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Preliminary remark :

The Final ex-ante Evaluation Report is based on the “Interregional Cooperation Programme Interreg IVC” contributing to the European Commission’s Initiative “Regions for Economic Change” (final version of 26 July 2007 submitted to the European Commission for approval). In this context, a new “in-depth” evaluation has been carried out. The substantial changes which were made in the O.P. between its Second and third Draft (October-December 2006) have made a new “in-depth” ex-ante evaluation necessary.

In order to facilitate the readability of the present report, the chronological description of the interactions which have taken place between the programme elaboration and the ex-ante evaluation from the very beginning, which is substantial, has been separated from the main report and placed into Annex 1. It must however be stressed that this forms an integral part of the ex-ante evaluation. It shows that most observations and suggestions formulated by the ex-ante evaluators have been positively considered by the authors of the Operational Programme.

The final version of the Environmental Report (delivered in December 2006) for the purpose of the S.E.A. public consultation, as well as the Strategic Environmental Assessment Summarizing Statement (delivered on 26 July 2007) are published separately and are not included in the present report.

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EXECUTIVE SUMMARY

The Final ex-ante Evaluation Report contains an in-depth assessment of the various available chapters of the final Operational Programme (version 26 July 2007). All observations and recommendations related to the successive draft versions of the O.P. until the revised Third Draft (delivered on 20 December 2006) are contained in Annex 1 which is an integral part of the ex-ante assessment. The way in which such observations and recommendations were considered by the authors of the O.P. is also described in Annex 1. The observations related to the Final Version of the O.P. are contained in the main part of the ex-ante evaluation report.

The analysis of the socio-economic situation and the relevance of the strategy to the needs identified

The socio-economic, territorial and environmental analysis carried out in the programme has reached in the final version of the O.P. a mature character and reflects correctly the existing and future-oriented issues of regional and territorial development. A number of new cooperation needs have emerged and have been taken into consideration in the programme objectives

The programme strategy, defined by an overall and five specific objectives, reflects adequately the cooperation needs identified in the analysis. It respects the principle of solidarity, indicating explicitly that the main beneficiaries should be in less experienced regions. The programme explicitly aims at improving the efficiency of regional development policies, provided the authorities responsible for the Convergence and Competitiveness programmes accept the potential contributions of Interreg IVC. The programme is not meant to facilitate the identification of regional potentials, but it can indirectly efficiently contribute to their better exploitation. The programme has opted for a flexible solution, in the Regional Initiatives, with regard to different levels of cooperation intensity.

The strategy's rationale, its overall consistency and the degree of risk involved in the choice of priorities

The overall rationale of the programme strategy is characterised by a significant degree of internal consistency. The individual statements elaborated for the different objective-types are in general sufficiently realistic and pragmatic, wherefore they will be able to motivate stakeholders at the regional and local levels to become involved in future interregional co-operation activities. This pragmatic rationale of the overall programme strategy allows in general that the expected Community added value will materialise over time. The actions envisaged under the 3 priorities are generally well-linked to the higher-ranking programme objectives (i.e. overall objective, specific objectives) and are also strongly corresponding to the respective priority-level operational objectives. They are further specified through a larger number of implementation provisions, which are realistic and do provide valuable information for those wishing to become involved into future interregional co-operation. One can clearly affirm that the Interregional Co-operation Programme's intervention logic as a whole is valid.

The programme objective system is characterised by an absence of conflicts between higher-ranking programme objectives and priority-level operational objectives. The objective system also shows a well-developed level of overall consistency and a high degree of interdependence among the various objective-levels.

The Interregional Cooperation Programme (INTERREG IVC) of 26th of July 2007 has introduced a new sub-classification / denomination for its 5 “specific objectives” (i.e. “specific thematic objectives” and “specific operational objectives”), if compared to the 3rd draft programme. Although somehow helpful, the latter denomination could be changed, in case of a future updating of the programme, into “specific horizontal objectives”, mainly to avoid confusion with the denomination “operational objectives” that is used at the level of the thematic programme priorities (P1 & P2).

The external coherence of the programme strategy with the “Community Strategic Guidelines”

The Interregional Co-operation Programme shows a very high level of external coherence with respect to the “Community Strategic Guidelines”. This judgement is underpinned by an absence of any constellation of conflict and the existence of widespread complementarity-relationships with a number of strategic guidelines / additional guidelines. In relation to all the topics / sub-themes grouped under these strategic guidelines / additional guidelines of the CSG-document, the programme strategy shows clear potentials for generating an important Community added value.

The Interregional Co-operation Programme shows a very high level of external coherence with respect to a list of congruent themes / objectives that are jointly pursued under the Lisbon / Gothenburg Strategies and the EU-Structural Funds. Due to the limited financial resources of the future Interregional Cooperation Programme, the direct & indirect effects supporting a delivery of policy objectives jointly pursued by the Lisbon / Gothenburg Strategies and the Community’s Cohesion policy will however “only” materialise at a very narrow geographical scale.

The expected outputs and results

The current set of indicators as defined in Annex 2 of the Interregional Cooperation Programme are all of a quantitative nature and make a clear difference between indicators measuring the “programme management performance” and indicators measuring the “performance of operations” properly speaking.

By applying a number of quality control criteria for assessing the currently defined output- and result indicators, one can observe that the individual indicator types are in general very useful and show already a satisfactory level of quality. In case of a future updating of the programme, some improvements for several output- and result-indicators could still be made with respect to “normativity” and “validity”.

Seen as a whole, the indicator system of the Interregional Cooperation Programme displays a level of quality that is in general satisfactory. It is characterised by an extensive coverage (i.e. indicators are defined the 3 programme priorities and cover 100% of the planned expenditure), a well-developed selectivity (i.e. the indicator system respects the future programme managers’ capacity to absorb the related information) and a high level of relevance (i.e. indicators focus on those priorities with a very high budget and on the themes

that have significant implications in terms of strategic decision-making). The considerable imbalance still existing under the 3rd Draft has been eliminated

The current system of indicators is sufficiently specific for adequately addressing the particular features of interregional cooperation. One can state that the identified indicators (and their targets) are able to form a sound basis for future programme monitoring and programme evaluation activities.

The proposed implementation system and its compliance with the Council Regulations governing the new Structural Funds period 2007-2013

The implementation system proposed complies largely with the new regulations. With regard to the procedures for project selection, the provisions as laid down in the current version of the programming document are in general satisfactory, but only succinctly described. Further details have to be worked out in the respective Programme Manuals;

Main risks and bottlenecks in implementing the programme are primarily the level of resources for the technical assistance with regard to the new tasks and operations. In the present budget, there is no flexibility to answer to possible new demands for support and assistance. Uncertainties exist in relation to exogenous factors, such as the willingness of mainstream programme authorities to participate in interregional cooperation;

The monitoring, evaluation and control procedures proposed comply with the new regulations and do not show inconsistencies. The provisions related to partnership are satisfactory. They are likely to enable substantial and coherent interactions between the bodies belonging to the implementation system, as well as with a number of authorities and bodies directly or indirectly concerned by the programme. A mandatory mid-term evaluation of the implementation of the O.P., as recommended by the ex-ante evaluators, has been introduced into the final version of the Programme.

French version of the Executive Summary:

Le Rapport Final de l'évaluation ex-ante contient une évaluation en profondeur des différents chapitres disponibles du Programme Opérationnel (Version finale du 26 Juillet 2007). Toutes les observations et recommandations relatives aux versions successives du P.O. jusqu'à la Troisième Version révisée du Programme Opérationnel (publiée le 20 Décembre 2006) sont contenues dans l'Annexe 1 qui fait partie intégrante de l'évaluation ex-ante. La manière dont ces observations et recommandations ont été prises en compte par les auteurs du P.O. sont également décrites dans l'Annexe 1. Les observations relatives à la version finale du P.O. sont contenues dans la partie principale du rapport d'évaluation ex-ante

Analyse de la situation socio-économique et pertinence de la stratégie par rapport aux besoins identifiés

L'analyse socio-économique, territoriale et environnementale effectuée dans le programme a atteint dans la Version finale de ce dernier un degré de maturité élevée et elle reflète correctement les enjeux présents et futurs du développement régional et territorial. Un certain nombre de nouveaux besoins de coopération ont émergé et ont été pris en considération dans les objectifs du programme.

La stratégie du programme, définie par un objectif général et cinq objectifs spécifiques, reflète de manière adéquate les besoins de coopération identifiés dans l'analyse. Elle respecte le principe de solidarité, indiquant explicitement que les bénéficiaires principaux devraient être les régions moins expérimentées. Le programme vise explicitement à améliorer l'efficacité des politiques de développement régional, pour autant que les autorités responsables des programmes relevant des objectifs de la Compétitivité et de la Convergence acceptent les contributions potentielles d'Interreg IVC. Le programme ne vise pas à faciliter l'identification des potentiels régionaux de développement, mais il peut contribuer indirectement efficacement à leur meilleure mise en exploitation. Le programme a opté pour une solution flexible, dans les Initiatives Régionales, par rapport aux différents niveaux d'intensité de la coopération.

Rationalité de la stratégie, sa consistance générale et le degré de risque inhérent au choix des priorités

La rationalité générale de la stratégie du programme est caractérisée par un degré élevé de consistance interne. Les formulations élaborées pour les différents types d'objectifs sont en général suffisamment réalistes et seront donc à même de motiver les partenaires du niveau régional et local pour s'impliquer dans la coopération interrégionale. En raison de cette rationalité assez pragmatique de la stratégie générale, il est également très probable que la plus-value communautaire attendue du programme, se matérialisera progressivement.

Les actions envisagées sous les trois Priorités sont en général bien reliées aux objectifs du programme de niveau supérieur (objectif général, objectifs spécifiques) et montrent également une bonne correspondance avec les objectifs opérationnels respectifs du niveau des Priorités. Elles sont spécifiées plus en détail par le biais d'un nombre plus élevé de dispositions de mise en œuvre qui s'avèrent réalistes et fournissent une information adéquate à ceux qui souhaitent s'impliquer dans la future coopération interrégionale. On peut clairement affirmer que la logique d'intervention du Programme de Coopération Interrégionale est globalement valide.

Le système des objectifs du programme est caractérisé par une absence de conflits entre les objectifs du programme de niveau supérieur et les objectifs opérationnels du niveau des priorités. Le système d'objectifs révèle également un degré élevé de consistance générale et d'interdépendance entre les divers niveaux d'objectifs.

Le Programme de Coopération Interrégionale (INTERREG IVC) du 26 Juillet 2007 a introduit une nouvelle sous-classification / dénomination pour ses 5 « objectifs spécifiques » (c.à.d. « objectifs spécifiques thématiques » et « objectifs spécifiques opérationnels »), par comparaison à la troisième version du P.O.. Bien qu'utile d'une certaine manière, cette dernière dénomination pourrait être changée, dans le cas d'une mise à jour future du programme, en « objectifs spécifiques horizontaux », en particulier pour éviter la confusion avec la dénomination « objectifs opérationnels » qui est utilisée au niveau des priorités thématiques (P1 et P2) du programme.

La cohérence externe de la stratégie du programme avec les Orientations Stratégiques Communautaires

Le Programme de Coopération Interrégionale affiche un degré très élevé de cohérence externe par rapport aux Orientations Communautaires Stratégiques. Ce jugement est motivé

par une absence de toute forme de conflit et l'existence de relations de complémentarité étendues avec un grand nombre d'Orientations Stratégiques / d'Orientations complémentaires. En relation avec tous les thèmes et sous-thèmes groupés sous ces Orientations Stratégiques / Orientations complémentaires, la stratégie du programme fait ressortir clairement des potentialités pour engendrer une importante valeur ajoutée communautaire.

Le Programme de Coopération Interrégionale affiche un degré de cohérence externe assez développé avec une liste de thèmes et d'objectifs congruents poursuivis conjointement dans le cadre de la Stratégie de Lisbonne et Göteborg et des Fonds Structurels de l'UE. En raison des ressources financières limitées du futur programme de coopération interrégionale, les effets directs et indirects soutenant la mise en œuvre des objectifs poursuivis par la Stratégie de Lisbonne et Göteborg et la Politique de Cohésion Communautaire ne s'exerceront qu'à une échelle territoriale assez étroite.

Produits et résultats attendus

L'ensemble des indicateurs tels que définis dans l'Annexe 2 du Programme de Coopération Interrégionale sont tous de nature quantitative et une différence explicite est faite entre les indicateurs mesurant les « performances de gestion du programme » et les indicateurs mesurant la « performance des opérations » à proprement parler.

En appliquant un certain nombre de critères de contrôle de qualité pour évaluer les indicateurs de produits et de résultats proposés, on peut observer que les différents types d'indicateurs sont en général très utiles et affichent un degré satisfaisant de qualité. Dans le cas d'une mise à jour future du programme certaines améliorations finales pourraient être apportées à plusieurs indicateurs de produit et de résultat, en ce qui concerne la « normativité » et la « validité »,.

Considéré dans son ensemble, le système d'indicateurs du Programme de Coopération Interrégionale fait ressortir un niveau de qualité en général satisfaisant. Il est caractérisé par une couverture extensive (les indicateurs sont définis pour les trois Priorités du programme et couvrent 100% des dépenses prévues), une sélectivité bien développée (le système d'indicateurs respecte la capacités des gestionnaires futurs du programme à absorber l'information fournie) et un degré de pertinence élevé (les indicateurs se concentrent sur les priorités qui ont un budget élevé et sur les thèmes qui ont des implications importantes en termes de prises de décisions stratégiques). Le déséquilibre important qui existait dans la Troisième Version du P.O. a été éliminé.

Le système d'indicateurs proposé est suffisamment spécifique pour appréhender de manière adéquate les caractéristiques particulières de la coopération interrégionale. On peut affirmer que les indicateurs retenus (et leurs cibles quantitatives) sont à même de former une base valide pour le futur monitoring du programme et pour les activités d'évaluation afférentes.

Le système de mise en œuvre proposé et sa correspondance avec les nouveaux Règlements du Conseil gouvernant les Fonds Structurels pour la période 2007-2013

Le système de mise en œuvre proposé est largement conforme avec les nouveaux règlements. En ce qui concerne les procédures de sélection des projets, les dispositions

contenues dans la version actuelle du programme sont en général satisfaisantes, mais décrites de manière succincte. Des détails supplémentaires devront être élaborés des les Manuels respectifs du Programme.

Les principaux risques et goulets d'étranglement inhérents à la mise en œuvre du programme se situent essentiellement au niveau des ressources pour l'assistance technique par rapport aux nouvelles tâches et opérations. Dans le budget actuel, il n'existe aucune flexibilité pour répondre à d'éventuelles demandes nouvelles en matière de soutien et d'assistance. Il existe également des incertitudes relatives à des facteurs exogènes, tels que la volonté réelle des autorités responsables des programmes du mainstream de participer à la coopération interrégionale.

Les procédures de monitoring, d'évaluation et de contrôle proposées sont conformes aux nouveaux règlements et ne font pas apparaître d'incohérences. Les dispositions relatives au partenariat sont satisfaisantes. Elles sont de nature à permettre des interactions substantielles et cohérentes entre les différents organismes du système de mise en œuvre, ainsi qu'avec un certain nombre d'autorités et organismes concernés directement ou indirectement par le programme. L'obligation de procéder à une évaluation à mi-parcours de la mise en œuvre du programme, telle que proposée par les évaluateurs ex-ante, a été introduite dans la version finale du programme.

MAIN REPORT

PART I: GENERAL INTRODUCTION & METHODOLOGY

1. The wider background of the ex-ante evaluation

1.1. Experiences made with the current INTERREG IIIC Programme

INTERREG IIIC was part of the EU Community Initiative INTERREG III (2000-2006). This initiative was designed to strengthen Europe's economic and social cohesion by funding operations that would boost cooperation and balanced development across the continent. The INTERREG IIIC cooperation area covered the entire EU territory and some third countries. The running operations involved over 2600 regional and municipal public authorities and public-equivalent institutions from 49 different countries. The majority of project partners came from the 25 EU Member States, nearly one fifth of them from the new Member States. Furthermore, operations involved partners from third countries like the EU candidate countries, Norway, Switzerland and the Mediterranean countries. In total, 264 interregional partnerships were supported under Interreg IIIC. The first INTERREG IIIC operations were approved in 2003. At the end of 2005, some of them were already in the final phase of their work. The last operations were approved in early 2005 and will run until 2007 or 2008.

For programme management purposes, the territory of the EU has been divided into four programme zones – North, East, South and West. Each programme zone had its own management and support structures. A harmonised implementation of the INTERREG IIIC programme with common standards and equal treatment of applicants and project partners was ensured across the four programme zones. The operations funded under INTERREG IIIC cooperate on a number of topics closely related to implementation of EU regional policy. Exchange of experience and networking focused on: Objective 1 and 2 regions, INTERREG programmes, URBAN, Innovative Actions, other appropriate subjects. In addition, the North, East and South programmes included a special priority for border region operations. This priority, with a special budget, was made available to support a smooth enlargement process in regions at the external border of the EU before the Union was enlarged to include ten new Member States in 2004.

The operations address all important areas of public responsibility in regional development. They cluster around the following areas of cooperation:

- Research, Technology and Innovation (9%)
- SME Development and Entrepreneurship (15%)
- Information Society and e-Government (8%)
- Employment, Social Inclusion, Human Resources and Education (6%)
- Environment, Risk Prevention, Energy and Natural Resources (22%)
- Regional Planning, Territorial Regeneration and Urban Development (21%)
- Heritage, Culture and Tourism (15%)
- Accessibility, Mobility and Transport (4%)

There were three different types of operations: Regional Framework Operations, Individual Projects, Networks. Most INTERREG IIIC operations are Individual Projects (52%), followed by Networks (33%) and then by RFOs (15%).

1.2. The basic prescriptions and the initial debate on a new Interregional Co-operation Programme 2007-2013

According to Article 46 (2) of the **EC-Regulation laying down general provisions on the ERDF, ESF and Cohesion Fund**, an ex-ante evaluation has to be carried out for operational programmes with the general purpose of (...) *optimising the allocation of budgetary resources under operational programmes and improve programming quality. It shall identify and appraise the disparities, gaps and potential for development, the goals to be achieved, the results expected, the quantified targets, the coherence, if necessary, of the strategy proposed for the region, the Community value-added, the extent to which the Community's priorities have been taken into account, the lessons drawn from previous programming and the quality of the procedures for implementation, monitoring, evaluation and financial management.*"

The **European Commission's "Draft Working Paper on Ex-ante Evaluation"** stresses that the main concerns are (...) *relevance (of the strategy to needs identified), effectiveness (whether the objectives of the programme are likely to be achieved) and utility (judging the likely impacts against wider social, environmental and economic needs)*. More specific evaluation questions for each ex-ante evaluation are (...) *internal and external coherence and the quality of implementation systems. Internal and external coherence relates to the structure of the strategy and its financial allocations and the linkage of the strategy to other regional, national and Community policies. Of particular importance in relation to external coherence are the Lisbon Agenda and the Community Strategic Guidelines. The quality of the proposed implementation system is important to understand how it may affect the achievement of programme objectives. Finally, ex ante evaluation needs to examine the potential risks for the programme, both in relation to the policy choices made and the implementation system proposed.*

In accordance with the EC Working Paper, the ex-ante evaluation should answer the following questions:

- *Does the programme represent an appropriate strategy to meet the challenges confronting European regions?*
- *Is the strategy well defined with clear objectives and priorities and can those objectives be realistically achieved with the financial resources allocated to the different priorities?*
- *Is the strategy coherent with policies at regional, national and Community level? How will the strategy contribute to the achievement of the Lisbon and Gothenburg strategies?*
- *Are appropriate indicators identified for the objectives and can these indicators and their targets form the basis for future monitoring and evaluation of performance?*
- *What will be the impact of the strategy in quantified terms?*
- *Are implementation systems appropriate to deliver the objectives of the programme?*

Based upon these general prescriptions, **the Terms of Reference (ToR)** have **identified five key elements** that should be addressed by the ex-ante evaluation of the Interreg IVC Programme of Interregional cooperation. In addition, the ToR have also prescribed that the ex-ante evaluation should **include a Strategic Environmental Assessment**, based on the criteria defined by the SEA Directive 2001/42/EC, Art. 3 (5) and Annex II.

In order to fully cover the above-outlined scope of the ex-ante evaluation, **the consortium TERSYN-EureConsult-ECOSYSTEMS has developed a comprehensive approach** that comprises the following modules and tasks:

Module 1: Appraisal of the socio-economic analysis and assessment of the relevance of the strategy to needs

- **Task 1.1:** Appraisal of the socio-economic analysis / the resulting needs assessment and a confirmation of the priority to be assigned to the various socio-economic needs.
- **Task 1.2:** Assessment of the relevance of the strategy for addressing future challenges in the cooperation area.

Module 2: Evaluation of the rationale of the strategy and its consistency (internal coherence)

- **Task 2.1.:** In-depth analysis of the objectives and priorities
- **Task 2.2:** Assessment of the internal consistency of the strategy , including the sufficiency of the allocated financial resources to the strategy proposed
- **Task 2.3:** Assessment of policy risk in the choice of priorities

Module 3: Appraisal of the external coherence of the strategy with regional, national and supra-national policies and the Community Strategic Guidelines

- **Task 3.1:** Examination whether the proposed strategy complies with policies at regional, national and Community level. Examination of the extent to which the programme contributes to achieving the Lisbon and Gothenburg goals
- **Task 3.2:** Assessment whether equality between men and women and non-discrimination issues have been appropriately taken into account

Module 4: Evaluation of expected results and impacts

- **Task 4.1:** Assessment of the appropriateness of the structure and hierarchy of the objectives and the indicators identified as well as the proposed quantification of the indicators, on the basis of past experience and appropriate benchmarks
- **Task 4.2:** Evaluation on whether the proposed system of indicators is manageable and usable

Module 5: Appraisal of the proposed implementation systems

- **Task 5.1:** Assessment of the implementing provisions proposed for managing, monitoring and evaluating the programme
- **Task 5.2.:** Evaluation of the quality and extent of partnership arrangements

Module 6: Strategic Environmental Assessment (S.E.A.)

- **Task 6.1:** Scoping of the Strategic Environmental Assessment
- **Task 6.2:** Strategic Environmental Assessment of the proposed programme and the preparation of a draft Environmental Report

- **Task 6.3:** Assist the management authority in consultation over the proposed programme and environmental report with, inter alia, designated environmental authorities

A number of specific “sub-tasks” had been identified for these main evaluation tasks and various “evaluation questions” were formulated for each sub-task. The sub-tasks were mainly derived from an in-depth review of the Commission’s “Draft Working Paper on Ex-ante Evaluation”, which contains clear expectations in this respect. The evaluation questions, in turn, aim at better taking into account the specific nature of interregional cooperation activities and were elaborated by reviewing previous experiences with the Interreg IIIC programme and the initial debate on a new Interreg IVC programme. These questions shall help focussing each step of the ex-ante evaluation process on specific key issues that are of a particular relevance for the future ESPON 2013 programme. A summary overview on the specific sub-tasks and the related evaluation questions can be found in ANNEX 2 of this report. The most appropriate “methods / techniques” were chosen for accomplishing the above-mentioned main evaluation tasks / sub-tasks.

2. Methods and techniques used in the present ex-ante evaluation

2.1. Approach adopted for the ex-ante evaluation properly speaking

The ex-ante evaluation properly speaking covers all activities that have to be realised in relation to Main Evaluation Tasks 1-5. In practice, the ex-ante evaluation has been carried out in three steps:

1. An “evaluability assessment”, realised at a very early stage of the programming process.
2. An in-depth evaluation of the Second Draft of the Operational Programme realised alongside the generally recommended methods and techniques delivered by November 15th, 2006.
3. A revision of the in-depth evaluation on the basis of the Revised Third Draft of the Operational Programme, in its version of December 20th, 2006

Evaluability Assessment

According to the on-line guide for an evaluation of socio-economic development,¹ this is (...) *an assessment prior to commencing an evaluation to establish whether a programme or policy can be evaluated and what might be the barriers to its effective and useful evaluation. It requires a review of the coherence and logic of a programme, clarification of data availability, an assessment of the extent to which managers or stakeholders are likely to use evaluation findings given their interests and the timing of any evaluation vis-à-vis future programme or policy decisions. In addition to assisting evaluators, 'evaluability assessment' has been acknowledged as useful for policy makers, programme managers and other stakeholders or partners. The process of undertaking an assessment early on can help clarify the logic of programmes and lead to fine-tuning or improvement before the programme has progressed too far.*

An “evaluability assessment” (first analysis) was realised by the ex-ante evaluators in relation to the Outline Document (delivered on 19th June, 2006) and to parts of the First Draft Operational programme (version 21st July 2006). The results of this assessment were

¹ The evaluation of socio-economic development – The Guide. December 2003. (Information on: www.evaled.info).

presented in form of “general observations”, providing practical suggestions for further fine-tuning the 1st Draft Programming Document.

In-depth Evaluations

The “in-depth evaluations” have been realised in relation to the 2nd Draft of the Operational Programme, (considering that the First Draft OP was in many respects not sufficiently elaborated for carrying out such an evaluation) and to the Revised Third Draft of the Operational Programme.

As agreed at the Brussels kick-off meeting in May 2006, an in-depth “Screening Report” has been elaborated reviewing the most important documents to used as reference for the elaboration of the Operational Programme.

The appraisal of the **socio-economic situation / the needs in the eligible area and the analysis of the strategy’s relevance to the needs identified (Main Evaluation Task 1)** have been realised through a “SWOT cross-referencing exercise”. A number of documents with a significant direct/indirect relevance for the new Operational Programme were examined / reviewed alongside the evaluation questions formulated for sub-task 1.1 (see also ANNEX 2). This review allowed isolating various “strategic references” that characterise the past/present situation (Strengths / Weaknesses) and describe future challenges or needs (Opportunities / Threats), which are subsequently presented in a SWOT-list. The SWOT-list of strategic references constitute the analytical baseline against which the socio-economic / territorial analysis of the future Operational Programme are evaluated. During the cross-referencing exercise, the SWOT-list of “strategic references” was systematically compared with the SWOT statements in the 2nd Draft and Revised Third Draft of the Operational Programme. Based upon the result of the cross-referencing exercise, recommendations were formulated for further improving the socio-economic / spatial context analysis of the new Operational Programme. On ground of steps 1-3, a qualitative appraisal of the relevance of the approach underlying the Operational Programme strategy was realised alongside the evaluation questions defined for sub-task 1.2.

For an evaluation of the **internal and external coherence of the Operational Programme strategy (Main Evaluation Tasks 2 & 3)**, we have generally made use of empirical methods and techniques suggested for analysing the synergy of programmes as well as their cross-impacts.²

- Our **analysis of the internal synergy**³ applies most of the generally recommended steps and related evaluation methods / techniques. For an identification of potential synergies, a number of analytical tools such as the “objective tree”, a “table showing the contribution of priority-level objectives to higher ranking programme strategy objectives” and a “table showing the interactions between priority-level objectives” have been used. The assessment of key synergies is mainly realised through an interactive elaboration of a “matrix of cross-impacts”. Based upon this, the evaluators explain synergies / potential negative synergies and elaborate recommendations for improving / introducing synergy effects in the programme. Finally, also a simplified benchmarking exercise has been used for appraising the innovativeness of new programme priorities / actions and for identifying potential risks that could be

² See also European Commission: “Analysing the synergy and cross-impacts of programmes – an empirical method” (MEANS Handbook no. 7, 1996).

³ The issue of internal synergy implies that at least three constituent elements are analysed: (1) The interdependence of programme objectives, i.e. the way how objectives are related to one another. (2) The internal coherence, i.e. the extent to which the priorities / the related actions are relevant as regards the programme objectives. (3) The complementary of priorities / related actions and programme objectives, i.e. the extent to which priorities / actions are mutually supportive in achieving the objectives.

associated to them (i.e. by comparing the new programme to the previous Interreg IIIC programme and its most recent state of experiences).

- Our **assessment of the future Interreg IVC programme's external synergy**⁴ with respect to key Community policies and objectives (as reflected in the Community Strategic Guidelines and in the Lisbon / Gothenburg strategies) again makes use of some of the generally recommended steps and most appropriate evaluation methods / techniques already mentioned above. An identification of potential synergies was achieved by elaborating a "matrix of cross-impacts" between the Operational Programme objectives and the objectives reflected in the Community Strategic Guidelines / the Lisbon-Gothenburg strategies. The analysis of key synergies was realised by an interactive elaboration of a "matrix of cross-impacts" and by finalising the cross-impacts matrix (i.e. calculation of "coefficients of potential synergy").

For verifying the proposed priority-level output / result indicators and their quantification as well as for contributing to the identification of reliable impact indicators at priority level / action-level (Main Evaluation Task 4), different methodological approaches are adopted for ensuring an adequate response to each issue addressed.

- For **evaluating the appropriateness of already elaborated output / result indicators and of the quantification of objectives at priority level**, a "quality assessment approach" was adopted alongside a number of quality control criteria that are highlighted in the on-line evaluation guide of the European Commission⁵.
- To assist **the elaboration of priority-specific impact indicators with (possibly) quantified targets**, a specific process combining desk-research and interactive elements was applied that generally follows a method developed by MEANS for creating generic impact indicators. Desk research: The evaluators examine the programme document and identify all sentences describing objectives, the performance and the expected or real impacts. From the quotations taken from the documents, the evaluators select those statements concerning impacts and elaborate a provisional list of "specific impacts".
- To assist **the identification of action-level indicators**, an interactive approach similar to the one described above (for the impact indicators) has been applied that also took into consideration the quality control criteria used for evaluating priority-level outputs/results.

Our appraisal of the proposed implementation system (Main Evaluation Task 5) was realised by a desk research based "cross-referencing process". It compared in a systematic way the suggested provisions of the future Operational Programme with the formal requirements as laid down in the new EU-Structural Funds regulations (2007-2013) and with previous experiences made under the Interreg IIIC programme (while considering eventual changes and new elements introduced into the new Interreg IVC programme management / implementation system).

⁴ The issue of external synergy generally consists of two sub-categories: (1) The contextual synergy, which results from interactions of the programme with its surroundings. (2) The synergy with other policies, which results from the programme's effects of complementary or conflict with other European interventions or national / local initiatives.

⁵ Although there is no standard method for this quality control, an approach is proposed in the on-line guide that is based on two groups of different criteria: (1) Quality criteria applicable to each indicator and (2) quality criteria applicable to the entire system. More information on: www.evaled.info.

2.2. Approach adopted for the Strategic Environmental Assessment of the Interreg IVC Operational Programme

The SEA Directive which entered into force in July 2004 requires that all plans and programmes likely to have a significant environmental impact are assessed already at an early planning stage to ensure that a high level of environmental protection is taken fully into account whilst the plans are actually being developed and before they are adopted.

For the first time, plans and programmes co-financed by the European Community under the new financial perspectives (2007-2013) are required to undergo a Strategic Environmental Assessment as well. A SEA at the scale of Interreg IVC Programme needs to take into consideration the very broad geographical area concerned, the type of activities funded (information exchange and cooperation rather than investment projects) and the fact that environmental issues are likely to already form part of the programme objectives in their own right.

In undertaking this work we have followed the guidance provided in the working paper on ex-ante evaluations of Community Structural interventions (2007-2013) and the extensive guidance provided by DG Environment on undertaking SEAs⁶. This involves the following activities:

- Identifying the environmental problems (they are already for the most part identified so there is more a question of updating and consolidating the existing information and focusing on the interregional nature of the programme)
- Cross referencing the programme with latest information regarding Community environmental policies
- Setting SEA objectives
- Testing the proposed programme against the SEA objectives
- Identifying synergies and inconsistencies
- Proposing alternatives /improvements
- Proposing measures to monitor the environmental effects of the programme implementation

As with the ex-ante evaluation, it has been proposed realising the SEA as an “iterative and interactive process”, working closely with the management authorities and the ex-ante evaluation itself. Moreover, as the environmental report needed to be put out for public consultation it was important that this be written clearly and in a relatively concise and focused way. Once the consultation phase is over and the environmental report finalized, it will be necessary to further develop the monitoring indicators for any significant environmental effects identified and to make recommendations on how the SEA conclusions can be further integrated into the proposed programme. Finally, in accordance with the SEA Directive a statement needs to be prepared summarizing how the environmental report and the opinions expressed during the consultation phase have been taken into account in the proposed programme.

⁶ Commission guidance on the implementation of Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment; Handbook on environmental assessment on Regional Development plans and EU structural Funds programmes SEA and the integration of Environment into Strategic decision making

3. Work organisation for this ex-ante evaluation and summary appraisal of the interactive and iterative evaluation process

A detailed time-schedule for the entire working process (elaboration of the Operational Programme, ex-ante evaluation and S.E.A.) has been defined at an early stage of the process. The introduction of the initiative “Regions for economic change” into the Operational programme has however caused significant delay and the time-schedule had to be revised. **The work-organisation of the ex-ante evaluation has been structured alongside 3 operational phases:**

- **Preparation Phase (June 2006):** The ex-ante evaluation started in May 2006 with a kick-off meeting organised in Brussels between the evaluators, representatives of the Reference Group, of the Managing Authority and the consultants elaborating the Operational programme. A “Screening Report” of 90 pages was realised, aiming at providing the authors of the Operational Programme with sufficient reference information. A large number of scientific and policy documents were “screened”.
- **Ex-ante Evaluation Phase (July-December 2006):** At an early stage, the evaluators assisted the Reference Group on a future Interreg IVC Programme and elaborated a first analysis of the Outline document and 1st Draft of the Programme, presented in July in form of an “evaluability assessment” and in August as a First Draft ex-ante Evaluation Report. Subsequently, the evaluators elaborated “preliminary recommendations” on the 2nd Draft of the Operational Programme (serving the elaboration of the Draft Final Interreg IVC Programme) and also the “S.E.A.”. In November 2005, a Second Draft ex-ante evaluation report was delivered. During the entire phase, a number of working meetings are organised between the evaluators and the Reference Group.
- **Synthesis phase (January-August 2007):** After the delivery of the revised Third Draft of the Operational Programme (3^{20th} December 2006) and of the final version of the O.P. (26 July 2007), the ex-ante evaluators have carried out a revised in-depth evaluation and delivered the Draft and the Final ex-ante evaluation report.

The Commission’s “Draft Working Paper on Ex-ante Evaluation” clearly states that (...) *ex-ante evaluation should be an interactive process whereby judgement and recommendations are provided by experts on the content of programmes drawn up by those responsible for their composition. It should be also an iterative process whereby the recommendations of the experts are taken into account by the planners in subsequent drafts of different parts of programmes. In this regard, it is important to facilitate a constructive dialogue between the people responsible for programme formulation and the experts.* This general orientation has also been taken over by the ToR, which prescribed that the evaluation process should involve direct and regular contacts between the evaluators and the reference Group of the programme.

Despite the relatively tight time planning set out for this evaluation and the revision made necessary by the introduction of “regions for economic changes” into the Operational Programme, the above-mentioned recommendations of the Commission were observed as much as possible during the entire work process.

Main characteristics of the interactive process between programme elaboration and ex-ante evaluation

The ex-ante evaluators delivered a substantial “Screening report” (June 2006) before the process of programme elaboration started. The purpose of this report was to screen a number of strategic documents and to identify important information and messages likely to facilitate the elaboration of the Operational programme. Main strategic items identified and screened were:

- The context of regional development issues and disparities in Europe;
- The Lisbon Strategy;
- The local and regional dimension of the European employment strategy;
- The energy efficiency;
- Climate change and natural hazards;
- The environment.

The ex-ante evaluators formulated a number of observations and suggestions following each version of the O.P., starting with the “Draft Outline Document” (June 2006). An “Evaluability Assessment document” was delivered by the ex-ante evaluators in July 2006, a First Draft ex-ante Evaluation Report in August 2006, a Second Draft ex-ante Evaluation Report in November 2006 and a Draft Final ex-ante Evaluation Report in January 2007.

The meetings with the Programming Committee and with the Reference Group were also used as a significant opportunity to contribute to the improvement of the Draft O.P., especially in Stockholm, Helsinki and Brussels. In parallel to the “All Zones Meeting” in Stockholm, an intensive working meeting between the evaluators and the programme drafting team has also taken place that aimed at further highlighting important aspects relating to the logic / consistency of the future programme structure.

Further details on the interaction process between programme elaboration and ex-ante evaluation are provided in Annex 1.

PART II: EX-ANTE EVALUATION OF THE INTERREGIONAL CO-OPERATION PROGRAMME 2007-2013

4. Appraisal of the analysis of the socio-economic and territorial situation and relevance of the strategy

4.1. Evaluation issues on the analysis of the socio-economic and territorial situation

Task 1.1.: Appraisal of the socio-economic analysis and of the resulting needs for interregional cooperation

Relevance of the sources of information upon which the socio-economic analysis is based

The socio-economic, territorial and environmental analysis is largely based on the Screening Report elaborated by the ex-ante evaluators at the initial stage of programme elaboration. This report has considered the most strategic documents published in recent years at EU level and has provided a summary of the most relevant sections. More specifically, the analysis (Second Draft Operational programme) has considered and quoted the following documents:

- "Facing the Challenge. Report of the High level Group Kok". November 2004;
- "Cohesion policy in support of Growth and Jobs. Community support guidelines 2007-2013". EC July 2005;
- "Regionalised Lisbon Performance". ESPON Project 2.4.2.. BBR. 2005.
- "The growth and Jobs Strategy and the reform of European Cohesion Policy. Fourth Progress Report on cohesion". EC June 2006.
- "Creating an innovative Europe". Report of the independent expert group on R&D and innovation led by Mr. Aho. January 2006.

The analysis makes also reference, without quoting them explicitly, to a number of other documents, among which the ESPON project 3.2. "Long-term scenarios for the European territorial development" and to the environmental report elaborated in the context of the SEA preparation.

Need to consider in the appraisal of the socio-economic situation, other quantitative baseline data / other research-based findings

The analysis carried out in the Second Draft Operational Programme is of cross-sectoral nature and it considers the most relevant aspects of the socio-economic, territorial and environmental situation in Europe. The preparation of a Screening report by the ex-ante evaluators has made possible to cover a wide range of issues in the analysis. There is therefore no need to consider additional information sources.

Analysis of the current situation of European regions in terms of disparities, gaps and development potentials

The Second Draft / revised Third Draft O.P. make reference to the ESPON Study regarding “regionalized Lisbon performance” which shows the disparities among European regions with regard to their characteristics in relation with the Lisbon Strategy (performance and potential), using a set of five indicators. In addition to the ESPON Study, the Fourth Progress report on Cohesion is also mentioned with regard to regional R&D intensities. The analysis of the environmental situation and of natural risks makes reference not to individual regions, but rather to member countries or to European macro-spaces. This level appears sufficient at the scale of the Operational Programme.

It can therefore be concluded that the analysis of the current situation of European regions and of their disparities is sufficiently worked out for the needs of the Programme.

Existence of additional future territorial challenges for European regions which are likely to result from an accentuation of some long-term trends or new exogenous factors

The analysis of future territorial challenges to which European regions are likely to be confronted in future appears adequate at the stage of the revised Third Draft O.P.. Significant improvement have been made in this section in the context of the interaction with the ex-ante evaluators. These have drawn the attention of the programme redactors on the major future territorial challenges to be considered:

- The acceleration of globalization and the resulting need for stronger European competitiveness;
- Population ageing and demographic decline in Europe with negative impacts on the regional labour markets;
- The changes towards a new energy paradigm, implying the strengthening of energy savings and the need to develop alternative energy sources;
- The acceleration of climate change, implying the application of the Kyoto Protocol and the need to develop prevention and mitigation measures.

It does not seem necessary to refer to additional challenges for European regions in the Operational Programme, as the above-mentioned challenges cover a wide range of future-relevant issues.

Existence of significant changes in the needs for interregional cooperation

Changes in the global context and in the evolution perspectives imply necessarily changes in the needs for interregional cooperation. The revised Third Draft O.P. takes these changes adequately into account and draws the attention on two major areas where the intensity of interregional cooperation should be strengthened: the activities in relation with the Lisbon Strategy (innovation, entrepreneurship, information society) and the activities in relation with the impacts of natural hazards related to climate change (prevention and mitigation measures). The needs for interregional cooperation in relation with the new energy paradigm are equally mentioned. In addition to this, cooperation needs with a more conventional character (needs already considered in previous programmes of interregional cooperation) are also mentioned.

The programme contains therefore provisions for a continuation of cooperation needs, but takes also into account new emerging cooperation needs.

Concluding observations:

The socio-economic, territorial and environmental analysis carried out in the programme has reached in the revised Third Draft O.P. a mature character and reflects correctly the existing and future-oriented issues of regional and territorial development. A number of new cooperation needs have emerged and have been taken into consideration in the programme objectives

4.2. Evaluation issues on the relevance of the strategy

Task 1.2.: Relevance of the strategy for addressing future challenges in the cooperation area

Existence of a suitable strategy to meet the previously identified challenges and needs

The programme strategy is based upon one overall objective and five specific objectives:

“Overall objective:

To improve the effectiveness of regional development policies and to contribute to economic modernisation and increased competitiveness in Europe in the areas of innovation, knowledge economy, environment and risk prevention by means of interregional cooperation.

“Specific objectives:

1. *To improve regional and local policies in the field of innovation and the knowledge economy, more specifically focussing on regional capacities for research and technology development, support to entrepreneurship and SMEs, support to business development and innovation initiatives, promotion of the use of ICTs and support to employment, human capital and education*
2. *To improve regional and local policies in the field of environment and risk prevention, more specifically focussing on prevention and management of natural and technological risks water and coastal management, waste management, biodiversity and preservation of natural heritage, energy efficiency and renewable energies, clean and sustainable public transport, cultural heritage.*
3. *To enable actors at the regional and local level from different countries across the EU to exchange their experiences and knowledge.*
4. *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.*
5. *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.*

The issues addressed in the overall objective and in the specific objective correspond largely to the challenges and to the needs for interregional cooperation identified in the analysis.

Respect of the principle of solidarity

The principle of solidarity is addressed by two of the specific objectives:

- *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.*

It can be considered that there is no need to strengthen more the principle of solidarity at the level of programme objectives.

Generation of activities improving the effectiveness of policies and instruments for regional development and cohesion

The programme is meant “To improve the effectiveness of regional development policies and to contribute to economic modernisation and increased competitiveness in Europe” (overall objective). The objective of economic modernisation has been added in the Third Draft O.P. relation with the initiative “Regions for economic change”.

The programme is likely to favour access to the experience of others. This is explicitly mentioned in the third specific objective: “To enable actors at the regional and local level from different countries across the EU to exchange their experiences and knowledge”.

The programme takes account of the need of dissemination in order to generate learning effects. The fifth specific objective indicates: “To ensure that the good practices identified within interregional cooperation projects are made available to other regional and local actors.”

The programme is expected to facilitate the delivery of existing regional development programmes. The fifth thematic objective stipulates that the programme is “To ensure that the good practices identified within interregional cooperation projects are made available and are transferred into Convergence and Competitiveness programmes.”

A further aim of the programme is to improve regional and local policies in the field of environment and risk prevention.

Role of the programme for facilitating a better exploitation of regional potentials

The programme is not meant to facilitate the identification of regional potentials. None of the objectives refers to this. Under the condition that the regional potentials have been properly identified by the regional authorities concerned, the programme can indirectly contribute to facilitate a better exploitation of such potentials through the exchange of knowledge on the ways similar potentials have been successfully exploited by other regions. In this way, the programme can indirectly contribute to a better exploitation of potentials in a variety of fields, such as the development of SMEs through technology and the improvement of professional skills, the improvement of the environment and of the related attractiveness of regions for the location of activities and tourism, the exploitation of renewable energy sources etc.

The programme strategy is likely to address all types of areas through the fact that the whole EU territory (+ Norway and Switzerland) is eligible. The programme generally does not address, however, specific types of regions (such as border regions, rural areas etc.). An exception is the case of coastal areas, as coastal management is explicitly mentioned in the specific objective N°2. It would be beneficial if the programme would indicate more clearly which types of disadvantaged areas would be the main beneficiaries of interregional cooperation projects.

With regard to the various levels of cooperation intensity corresponding to various levels of needs, the programme has opted, after testing different possibilities, for a flexible solution in the Regional Initiatives. The programme stipulates (Section 4.4.1.), that: *« there is no further subdivision in different types of operations. Instead various grades of intensity will be allowed »*:

“Projects can support a variety of activities related to sharing experiences and instruments of regional policies. These may range from lower intensity activities like the exchange and dissemination of information and experience, enhancing the knowledge and capacity of the partners involved, without directly changing policy instruments or new projects, to higher intensity activities including the transfer of instruments or project results or the development of entirely new approaches or tools, including the implementation of new policy elements as pilot schemes in one or more regions involved.

At the top end of this range of intensities, partnerships may develop a joint framework for interregional cooperation that will be implemented through a limited number of sub-projects that are developed via calls for proposals in the participating regions. »

This strategy aims at making possible the continuation under Interreg IVC of various R.F.O.s which were carried out under Interreg IIIC, but within a less intricate procedural framework.

In Fast Track Actions, which by definition have to be carried out within a short time span, no differentiation has been made in terms of levels of cooperation intensity. This seems appropriate.

Concluding observations

The programme strategy, defined by an overall and five specific objectives, reflects adequately the cooperation needs identified in the analysis. It respects the principle of solidarity, indicating explicitly that the main beneficiaries should be in less experienced regions. The programme explicitly aims at improving the efficiency of regional development policies, provided the authorities responsible for the Convergence and Competitiveness programmes accept the potential contributions of Interreg IVC. The programme is not meant to facilitate the identification of regional potentials, but it can indirectly efficiently contribute to their better exploitation. The programme has opted for a flexible solution, in the Regional Initiatives, with regard to different grades of cooperation intensity.

5. The rationale of programme strategy, its internal coherence and the degree of risk involved in the choice of priorities

According to the overall approach adopted for this ex-ante evaluation, the evaluators are required to provide an in-depth analysis of the objectives and priorities of the Interregional Cooperation Programme (**Task 2.1**), to assess the internal consistency of the strategy, including the sufficiency of the allocated financial resources to the strategy proposed (**Task 2.2**) and to assess the potential policy risk associated to the choice of programme priorities (**Task 2.3**).

To address the above-mentioned tasks, the main elements of the Interregional Co-operation Programme's strategy (Chapters 4 & 5) are examined in order to appraise the rationale / validity of the wider intervention logic and to analyse the interdependencies between the various programme objectives, the complementarity of priority-level actions as regards an achievement of programme-level objectives, potential policy risks and the appropriateness of financial allocations across the different programme priorities.

The following sub-sections 5.1-5.4 present an in-depth analysis of the Interregional Cooperation Programme (26th July 2007) alongside the above-mentioned ex-ante evaluation tasks.

5.1. The rationale of the Interregional Cooperation Programme's strategy and the validity of its intervention logic

The rationale of the strategy is spelled out through an introductory statement specifying the wider purpose of the Interregional Co-operation Programme and through the various statements for the different objectives that altogether make up the objective system of the programme.

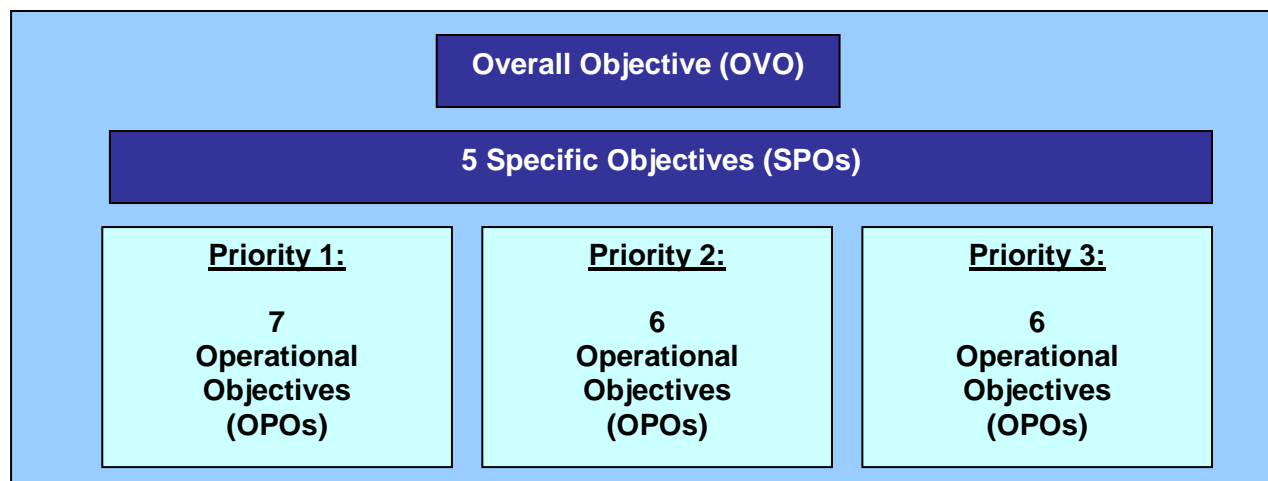
The **wider purpose** of the Interregional Co-operation Programme is to (...) *enable interregional co-operation by bringing together regional and local authorities from different countries in projects to exchange and transfer their experiences in regional policy and jointly improve and develop regional policy approaches and instruments (...)*.⁷

The **objective system** of the Interregional Co-operation Programme **covers 25 different objectives** that are allocated to two main hierarchical layers (**see: figure 1**):

1. **A set of 6 higher-ranking objectives for the entire programme**, which consists of one "Overall Objective" (OVO) and 5 "Specific Objectives" (SPOs).
2. **A set of 19 priority-level "Operational Objectives" (OPOs)**, which are distributed as follows: Seven OPOs under Priority 1, six OPOs under Priority 2 and six OPOs under Priority 3.

Compared to the 3rd Draft Operational Programme, various objective–statements were further fine-tuned (SPOs, OPOs). These changes have especially in case of the "specific objectives" often resulted in more straight-forward and direct formulations, which were partly inspired by suggestions elaborated by the evaluators. Below, **a presentation of all objective statements** can be found (**see: overview table 2**).

⁷ Objective 3 Territorial Cooperation: INTERREG IVC Interregional Cooperation. Revised 3rd Draft Operational Programme (20th December 2006), p. 4

Figure 1: Objective system of the Interregional Co-operation Programme**Overview Table 2: Objective statements in the final Operational Programme**

Higher-ranking programme objectives: Overall Objectives & Specific Objectives	
OVO	To improve, by means of interregional co-operation, 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 and increased competitiveness of Europe.
SPO 1	To improve regional and local policies in the field of innovation and the knowledge economy, more specifically focussing on regional capacities for research and technology development, support to entrepreneurship and SMEs, support to business development and innovation initiatives, promotion of the use of ICTs and support to employment, human capital and education.
SPO 2	To improve regional and local policies in the field of environment and risk prevention, more specifically focussing on prevention and management of natural and technological risks water and coastal management, waste prevention and management, biodiversity and preservation of natural heritage, energy efficiency and renewable energies, clean and sustainable public transport, cultural heritage.
SPO 3	To enable actors at the regional and local level from different countries across the EU to exchange their experiences and knowledge.
SPO 4	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.
SPO 5	To ensure that the good practices identified within interregional cooperation projects are made available to other regional and local actors and are transferred into and are transferred into regional policies in particular into Structural Funds mainstream programmes.
Operational Objectives, Priority 1 (“Innovation & Knowledge Economy”)	
OPO 1	Improving the capacity of regions for strengthening research, technology and innovation.
OPO 2	Promoting and enabling entrepreneurship and the development of new business initiatives in all sectors of relevance to regional economies, in particular those that are knowledge based and innovative.
OPO 3	Facilitating businesses, and in particular SMEs, to develop and grow in a more sustainable and innovative way through the transfer of specific services and the creation of shared facilities.
OPO 4	Helping to restructure regions most heavily dependent on traditional industries, including renewal of industrial zones for new business.
OPO 5	Promoting the use of new information and communication technologies by businesses, public services and the general public, especially in rural areas.
OPO 6	Improving regional policies for employment, skills development, training and education.
OPO 7	Creating the necessary framework conditions for regional economies to adapt to major socio-economic changes, notably globalisation and demographic challenges.

Operational Objectives, Priority 2 (“Environment & Risk Prevention”)	
OPO 8	Developing plans and measures to prevent and cope with natural and technological risks.
OPO 9	Promoting the enhancement of water management activities.
OPO 10	Promoting the development of sustainable waste prevention and management activities and the movement to a recycling society.
OPO 11	Promoting the development of actions linked to biodiversity and the preservation of natural heritage, especially in NATURA 2000 sites and promoting the development of integrated coastal management activities.
OPO 12	Stimulating energy efficiency and the development of renewable energies as well as better coordinated efficient energy management systems and promoting sustainable transport.
OPO 13	Enhancing the attractiveness of the territory in support of socio-economic development and sustainable tourism by protecting the cultural heritage and landscape.
Operational Objectives, Priority 3 (“Technical Assistance”)	
OPO 14	Supporting project generation and providing advice to project applicants.
OPO 15	Ensuring the evaluation of applications, preparing the approval decisions and contract approved projects.
OPO 16	Ensure monitoring of and advice to running operations.
OPO 17	Ensuring capitalisation of operations’ results for both types of intervention.
OPO 18	Organisation of meetings and events for applicants, partners, auditors, experts, Member States and other bodies to inform about the programme, to discuss specific aspects of its implementation, disseminate and capitalise on operations’ results.
OPO 19	Reporting to the Member States and the European Commission.

An **in-depth appraisal of all the above-mentioned objective statements** shows the following key features:

- **The overall rationale of the programme strategy is characterised by a significant degree of internal consistency.** The 25 programme objectives are generally well-defined and structured alongside a clear hierarchy. It starts with a rather general statement specifying the “overall objective”, continues with a limited number of “specific objectives” defining the main focus of the programme and ends with a larger number of statements on “operational objectives” at priority-level that specify what the programme interventions are expected to achieve in the future. As such, the wider objective system of the programme is well-integrated and shows clear logical links between the higher-ranking programme objectives and lower-level operational objectives defined for the 3 priorities.
- The **individual statements elaborated for the different objective-types** are in general **sufficiently realistic and pragmatic**, wherefore **they will be able to motivate stakeholders at the regional and local levels to become involved in future interregional co-operation activities.**
- This pragmatic rationale of the overall programme strategy **allows in general that the expected Community added value as defined under section 4.1 will materialise over time.**

Final Recommendation:

The Interregional Cooperation Programme (INTERREG IVC) of 26th of July 2007 has introduced a new sub-classification / denomination for its 5 “specific objectives” (i.e. “specific thematic objectives” and “specific operational objectives”), if compared to the 3rd draft programme. In case of a future updating of the O.P., the latter denomination could be changed into “specific horizontal objectives”, mainly to avoid confusion with the denomination

“operational objectives” that is used at the level of the thematic programme priorities (P1 & P2).

The **intervention logic** of the Interregional Co-operation Programme **is made up of the “objective system” and of the wider set of “programme actions”** that will be realised across the three programme priorities (i.e. types of intervention for Priorities 1 & 2, activities under Priority 5).

The set of envisaged programme actions has been further streamlined / simplified in the final version of the Interregional Co-operation Programme. A summary overview on the new set of envisaged programme actions can be found in the overview table below at the end of this section (**see: overview table 3**).

- In case of **Priorities 1 and 2, two “types of interventions” are envisaged by the programme (i.e. Regional Initiatives-Type 1; Capitalisation, including Fast Track Projects-Type 2).** Slight changes have been made in the final programme if compared to the situation prevailing under the 3rd draft programme version. The denomination of Type 2 has been changed and the capitalisation activities that were to be carried out under “Regional Initiatives” have been deleted.
- **These changes have provided more clarity with respect to the overall purpose of each type of intervention.** Co-operation activities launched under the heading **“Regional Initiatives”** aim at exchanging experience, knowledge and good practice in order to develop new tools and approaches and at transferring instruments or project results. **(b) Under “Capitalisation / Fast Track Projects”,** future co-operation activities are targeted towards a collection, analysis and dissemination of already identified good practices in the policy area in question and a transfer of results and tools developed into Regional Competitiveness and Employment and European Territorial Cooperation programmes. .
- **In case of Priority 3, the number and content of actions envisaged have been slightly changed** (i.e. more straight-forward formulation of actions). They have a clear and logic link with the respective higher-ranking programme objectives (SPOs 3-5) and a consistent relation with the operational objectives defined for Priority 3.

By relating this revised set of envisaged actions to the above-described programme objective system, one can elaborate the following **final observations on the overall validity of the programme’s intervention logic**:

- **The actions envisaged under the 3 priorities are generally well-linked to the higher-ranking programme objectives (i.e. overall objective, specific objectives) and are also strongly corresponding to the respective priority-level operational objectives.** If one considers the relatively clear prescriptions that were formulated for interregional co-operation in the new ERDF-regulation, the proposed intervention logic of the most recent Draft does therefore provide for sufficient flexibility and openness as regards future interregional co-operation.
- **The types of intervention envisaged under Priorities 1 and 2 continue to focus on 10 particular sub-themes, i.e. 4 sub-themes for Priority 1 and 6 sub-themes for Priority 2.** These priority-level sub-themes are **well related to the key issues mentioned in the socio-economic analysis** (Chapter 3 of the programme) and are

also **strongly corresponding to the aspects mentioned in the statements of the related specific objectives** (i.e. SPOs 1 & 2)

- **The actions envisaged under the 3 programme priorities were further specified / adapted**, which means that some previously existing weaknesses have now been tackled.
- Considering the above-said, one can **clearly affirm that the Interregional Co-operation Programme's intervention logic as a whole is valid.**

Overview Table 3: Envisaged programme actions, specified by priority

Priorities and related sub-themes / topics	Action Reference	Programme interventions / actions
Priority 1: Innovation & Knowledge Economy Related sub-themes are: <ol style="list-style-type: none"> 1. Innovation, research and technology development. 2. Entrepreneurship and SMEs. 3. The information society. 4. Employment, human capital and education. 	P1-A1	Regional Initiatives (Type 1) Focus on: <ul style="list-style-type: none"> • Exchange of experience, knowledge and good practice in order to develop new tools and approaches. • Transfer of instruments or project results.
	P1-A2	Capitalisation, including Fast Track Projects (Type 2) Focus on: <ul style="list-style-type: none"> • Collection, analysis and dissemination of already identified good practices in the policy area in question. • Transfer of results and tools developed into Regional Competitiveness and Employment and European Territorial Cooperation programmes.
Priority 2: Environment & Risk Prevention Related sub-themes are: <ol style="list-style-type: none"> 1. Natural and technological risks. 2. Water management. 3. Waste prevention and management. 4. Biodiversity and preservation of natural heritage. 5. Energy and sustainable transport. 6. Cultural heritage and landscape. 	P2-A1	Regional Initiatives (Type 1) Focus on: <ul style="list-style-type: none"> • Exchange of experience, knowledge and good practice in order to develop new tools and approaches. • Transfer of instruments or project results.
	P2-A2	Capitalisation, including Fast Track Projects (Type 2) Focus on: <ul style="list-style-type: none"> • Collection, analysis and dissemination of already identified good practices in the policy area in question. • Transfer of results and tools developed into Regional Competitiveness and Employment and European Territorial Cooperation programmes.
Priority 3: Technical Assistance Related topics are: <ul style="list-style-type: none"> • Effective and smooth management and implementation of the programme through a competent and efficient day-to-day work. • Identification of actors and partners who are suitable to work with and can decisively contribute to a result-oriented programme (Fast Track approach). • Organise and facilitate the capitalisation on the main results of the selected operations (Fast Track approach). • Ensure the dissemination of project results and activities in a systematic and targeted way (Fast Track approach). 	P3-A1	Activity covering basic tasks of project assistance, organising project assessment, monitoring of projects, financial programme management and financial control
	P3-A2	Activity covering external advice that is needed to assist in the gathering and processing of data, in implementing a computerised management system and on specific questions of managing a programme to assist international cooperation (e.g. the development of projects, the drafting of the legal documents that form the basis for the organisational framework of the cooperation projects).
	P3-A3	Activity covering an expert pool for assessing applications and for specific issues concerning Lisbon and Gothenburg issues.
	P3-A4	Activity covering information & advice to potential applicants, a sound capitalisation on the results gained under INTERREG IIIC / IVC and a broader dissemination of the achievements of this programme.
	P3-A5	Activity covering the evaluation of the INTERREG IVC programme

5.2. The relations between the various programme objectives and the contribution of priority-level actions to achieve these programme-level objectives

The present section **focuses**, firstly, **on an analysis of the relationships between the different objective layers** of the Interregional Co-operation Programme. This relationship-analysis generally aims at revealing how programme objectives condition one another (interdependencies) and to what extent programme objectives are supporting each other (mutual reinforcement). On ground of this examination of interdependencies and of mutual reinforcement effects between higher-ranking programme objectives and operational objectives at priority-level, one can pin-point potential inconsistencies or objective-conflicts within the wider programme objective system.

Secondly, this section realises **an analysis of the complementarity of actions envisaged at priority level**. This complementarity-assessment generally intends revealing whether / to what extent several actions contribute to achieve the same objective and thus are aimed at solving the same problem. In our case, the complementarity-analysis will examine the contribution of priority-level actions to an achievement of higher-ranking programme objectives and to a realisation of operational objectives.

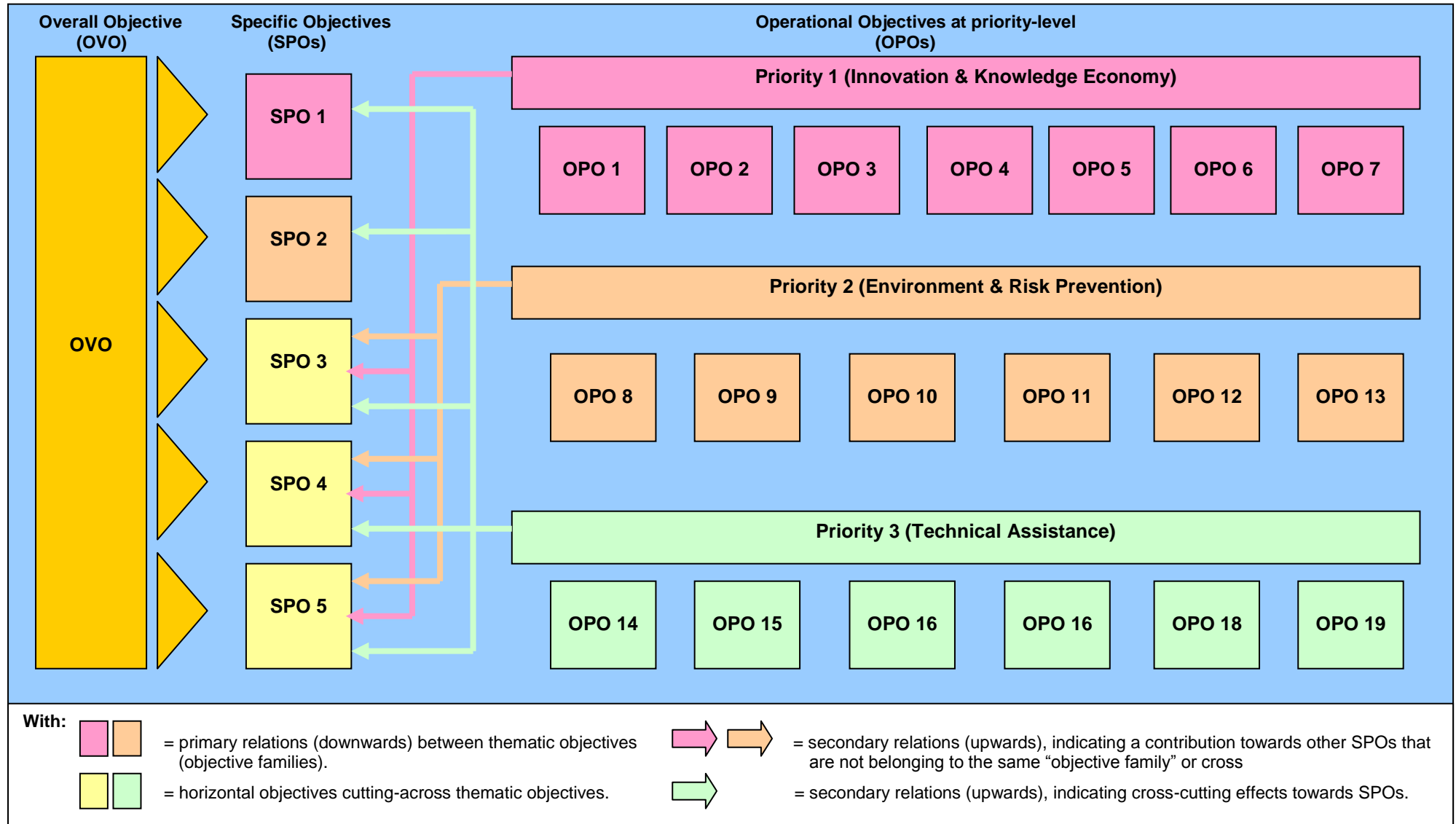
Interdependencies between the various programme objectives

The relationship-analysis makes use of an objective tree diagram to illustrate existing interdependencies among the different types of programme objectives (OVO, SPOs, OPOs), both in a downward and in an upward direction (**see: figure 2**).

The objective tree allows revealing the following **main features that characterise the relations between the various programme objectives**:

- The “Overall Objective” is made further concrete through 5 “Specific Objectives”, which themselves are either of a thematic or of a horizontal nature. The thematic SPOs (SPO 1 & SPO 2) are directly connected through solid primary relations - in a downward direction – to the operational objectives defined for the corresponding thematic programme priorities (SPO 1 → Priority 1; SPO 2 → Priority 2). This allows identifying 2 “objective families”, which group together various objectives at different levels that are related to one another through clear and logic links (SPO 1 → OPOs 1-7; SPO 2 → OPOs 8-13). The horizontal SPOs (SPO 3, SPO 4, SPO 5) can not be directly related to one of the above-mentioned “objective families”, as they develop effects (in a downward direction) that are somehow cross-cutting the various operational objectives defined for the three programme priorities.
- The secondary relations (in an upward direction) indicate potential additional contributions / reinforcement effects that the various operational objectives under the three programme priorities make to an achievement of other higher-ranking programme objectives. The operational objectives defined for Priority 1 (OPOs 1-7) and for Priority 2 (OPOs 8-13) tend to make additional strong contributions that now support an achievement of all horizontal SPOs. The contributing effects of the operational objectives defined for Priority 5 (OPOs 14-19) are much more generalised, as they tend to support the achievement of all SPOs. Therefore, OPOs 14-19 need also to be considered horizontal objectives at a lower level that are of a vital importance for the success of the entire programme.

Figure 2: “Objective tree”, illustrating the relations existing between the various programme objectives



Based upon the above-made relationship analysis, **one can elaborate the following concluding remarks:**

- **The programme objective system** is characterised by **an absence of conflicts** between higher-ranking programme objectives (OVO, SPOs) and priority-level operational objectives (OPOs). **The objective system also shows a well-developed level of overall consistency and a high degree of interdependence among the various objective-levels.** The large majority of programme objectives below the OVO (15 out of 24) are linked to one another through solid logical links that allow grouping them together into 2 thematic “objective families” (primary relations). The theme-specific operational objectives at priority-level also tend to develop relatively strong mutual reinforcement effects in relation to other higher-ranking programme objectives (SPOs 3-5). The remainder horizontal objectives (9 out of 24) develop cross-cutting effects either in a downward direction (SPOs 3-5) or in an upward direction (secondary relations of OPOs 14-19).
- Despite the fact that the current thematic focus of the Interregional Cooperation Programme is narrower if compared to the one adopted under INTERREG IIIC, **one can assume that especially the theme-specific objective-strings (SPO 1 → OPOs 1-7; SPO 2 → OPOs 8-13) will be easily understandable by regional and local-level actors and thus motivate their active participation in future project activities.**

Complementarity of priority-level actions as regards the achievement of the various programme objectives

The complementarity-assessment intends to show how each priority (and its actions) as well as the combination of priorities (and their actions) contribute(s) to achieve the wider strategic objectives (SPOs) and the priority-level objectives (OPOs) of the Interregional Cooperation Programme. For this purpose, a cross-referencing exercise has been realised that aimed at determining a degree of contribution for each of the envisaged actions with respect to all of the above-mentioned objectives.

The overall result is presented in a **specific matrix (see: figure 3)**, in which only the highest contribution levels were earmarked by colours in order to facilitate a quick visual appraisal of the most significant complementarities.

This matrix-based mapping approach allows revealing the following **main features that characterise the complementarity-relations between the envisaged actions and the various levels of programme objectives:**

- **As concerns the five “Specific Objectives” (SPOs), the most significant level of complementarity can be observed in case of SPOs 3, 4 and 5.** All of the envisaged priority-level actions contribute either very strongly or strong to an achievement of these horizontal objectives. “Regional Initiatives” under both priorities are expected to make a very strong contribution to enable actors at the regional and local level from different countries across the EU to exchange their experiences and knowledge (SPO 3), whereas the “Fast Track Option” under Priorities 1 and 2 contribute very strongly 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 (SPO 4). But also for the cross-cutting SPO 5, the level of complementarity is relatively high. Very strong contributions can – on the one hand - be expected to come from the “Fast Track Option” under Priorities 1 & 2, due

to the specific operational provisions defined in this respect (i.e. direct transfer, capitalisation and capacity building). On the other hand, also some of the Priority 5 actions will make an important supportive contribution to the achievement of SPO 5. This effect can mainly be attributed to the important role of activities covering analysis, studies, information and publicity for ensuring a sound capitalisation of the results gained under IIIC and during IVC as well as a broader dissemination of the achievements of this programme (P3-A4). Compared to this, the level of complementarity is relatively lower in case of SPOs 1 and 2. Very strong contributions to an achievement of these thematic objectives are in each case only developed by the two types of intervention foreseen under the corresponding thematic priority of the programme. This clear separation confirms the result of the relationship analysis (i.e. the objective tree), where strong primary relations have been detected between SPO1 and the operational objectives of Priority 1 as well as between SPO 2 and the operational objectives of Priority 2. Priority 3 actions tend however to make a strong supportive contribution to achieve SPOs 1 & 2 due to their facilitating nature.

- **With respect to the thematic “Operational Objectives” defined for Priorities 1 and 2 (OPOs 1-13),** the overall level of complementarity is relatively low. In both cases, only the entire set of actions envisaged under one thematic Priority makes a very strong contribution to the achievement of the related thematic operational objectives of this priority (i.e. strong “primary relations”). A support of actions envisaged under one thematic to achieve the operational objectives of the other thematic priority does not exist (i.e. absence of “secondary relations”). The only strong supportive effect comes in both cases again from various Priority 3 actions, which can be explained by their cross-cutting nature and their general facilitator role within the programme.
- **Also in case of the horizontal “Operational Objectives” defined for Priority 3 (OPOs 14-19),** the level of complementarity is in general relatively low. Very strong contributions to an achievement of these objectives are only developed by the actions of the technical assistance priority. Very interesting is however the higher level of complementarity that can be observed under OPO 17. In this case, it is very likely that the various actions envisaged under Priorities 1 & 2 tend to make a strong supportive contribution for actually achieving a sound capitalisation of the operations’ results.

The above-realised analysis of complementarities allows **elaborating the following concluding remarks:**

- One can observe that **no negative contributions of actions to an achievement of the wider programme objectives could be detected (absence of programme-internal conflicts).** As such, one can consider that the current combination of priorities and related actions is generally adequate for achieving the programme’s wider objectives.
- **The entire programme strategy is generally characterised by a medium level of overall complementarity.** Only at the level of “Specific Objectives” (SPOs 1-5), each priority (and its related actions) as well as the combination of all priorities (and of all actions) make significant joint contributions to achieve the stated higher-ranking objectives of the Interregional Cooperation Programme. At the level of “Operational Objectives” (OPOs 1-19), a relatively clear “division of labour” prevails in general between the specific types of intervention under Priority 1 and 2, while all actions envisaged under Priority 3 tend to develop a strong supportive effect. Only in case of Priority 3, all programme actions tend to develop simultaneously very strong / strong contributions to achieve a sound capitalisation of the operations’ results (OPO 17).

Figure 3: Contributions of the envisaged actions to various types of programme objectives

Contribution of ...	Priority 1		Priority 2		Priority 3 Actions
	P1-A1 Regional Initiatives	P1-A3 Fast Track Option	P2-A1 Regional Initiatives	P2-A2 Fast Track Option	
To achieve ...					
Specific Objectives					
SPO 1: To improve regional and local policies in the field of innovation and the knowledge economy, more specifically focussing on regional capacities for research and technology development, support to entrepreneurship and SMEs, support to business development and innovation initiatives, promotion of the use of ICTs and support to employment, human capital and education.	+++	+++	0	0	++
SPO 2: To improve regional and local policies in the field of environment and risk prevention, more specifically focussing on prevention and management of natural and technological risks water and coastal management, waste prevention and management, biodiversity and preservation of natural heritage, energy efficiency and renewable energies, clean and sustainable public transport, cultural heritage.	0	0	+++	+++	++
SPO 3: To enable actors at the regional and local level from different countries across the EU to exchange their experiences and knowledge.	+++	++	+++	++	++
SPO 4: 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.	++	+++	++	+++	++
SPO 5: 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 Structural Funds mainstream programmes.	+	+++	+	+++	+++
Priority 1, Operational Objectives					
OPO 1: Improving the capacity of regions for strengthening research, technology and innovation.	+++	+++	0	0	++
OPO 2: Promoting and enabling entrepreneurship and the development of new business initiatives in all sectors of relevance to regional economies, in particular those that are knowledge based and innovative.	+++	+++	0	0	++
OPO 3: Facilitating businesses, and in particular SMEs, to develop and grow in a more sustainable and innovative way through the transfer of specific services and the creation of shared facilities.	+++	+++	0	0	++
OPO 4: Helping to restructure regions most heavily dependent on traditional industries, including renewal of industrial zones for new business.	+++	+++	0	0	++
OPO 5: Promoting the use of new information and communication technologies by businesses, public services and the general public, especially in rural areas.	+++	+++	0	0	++
OPO 6: Improving regional policies for employment, skills development, training and education.	+++	+++	0	0	++
OPO 7: Creating the necessary framework conditions for regional economies to adapt to major socio-economic changes, notably globalisation and demographic challenges.	+++	+++	0	0	++
With: +++ = very strong contribution (main impact) ++ = strong contribution (important support) + = limited contribution 0 = no contribution / neutral - = negative contribution (conflict)					

Contribution of ...	Priority 1 Actions		Priority 2 Actions		Priority 3 Actions
	P1-A1 Regional Initiatives	P1-A3 Fast Track Option	P2-A1 Regional Initiatives	P2-A2 Fast Track Option	
To achieve ...					
Priority 2, Operational Objectives					
OPO 8: Developing plans and measures to prevent and cope with natural and technological risks	0	0	+++	+++	++
OPO 9: Promoting the enhancement of water management activities.	0	0	+++	+++	++
OPO 10: Promoting the development of sustainable waste prevention and management activities and the movement to a recycling society.	0	0	+++	+++	++
OPO 11: Promoting the development of actions linked to biodiversity and the preservation of natural heritage, especially in NATURA 2000 sites and promoting the development of integrated coastal management activities.	0	0	+++	+++	++
OPO 12: Stimulating energy efficiency and the development of renewable energies as well as better coordinated efficient energy management systems and promoting sustainable transport.	0	0	+++	+++	++
OPO 13: Enhancing the attractiveness of the territory in support of socio-economic development and sustainable tourism by protecting the cultural heritage and landscape.	0	0	+++	+++	++
Priority 3, Operational Objectives					
OPO 14: Supporting project generation and providing advice to project applicants.	0	0	0	0	+++
OPO 15: Ensuring the evaluation of applications, preparing the approval decisions and contract approved projects.	0	0	0	0	+++
OPO 16: Ensure monitoring of and advice to running operations.	+	+	+	+	+++
OPO 17: Ensuring capitalisation of operations' results for both types of intervention.	++	++	++	++	+++
OPO 18: Organisation of meetings and events for applicants, partners, auditors, experts, Member States and other bodies to inform about the programme, to discuss specific aspects of its implementation, disseminate and capitalise on operations' results.	+	+	+	+	+++
OPO 19: Reporting to the Member States and the European Commission.	+	+	+	+	+++
With: +++ = very strong contribution (main impact) ++ = strong contribution (important support) + = limited contribution 0 = no contribution / neutral - = negative contribution (conflict)					

- Due to above-said, **one can identify two constellations where clear synergy potentials do exist within the Interregional Cooperation Programme:** Firstly in case of SPOs 3 and 4, where all programme activities make very strong/strong contributions to achieve these objectives alongside their specific “task assignment”. Secondly, in case of the strong symmetrical complementarity⁸ between Priority 3 actions and all Priority 1 & 2 actions. Technical assistance actions develop a strong supportive effect that helps to achieve the thematic objectives under Priorities 1 and 2 (i.e. naturally intended function of TA), whereas “Regional Initiatives” and the “Fast Track Option” under Priorities 1 and 2 support the achievement of OPO 17 under Priority 5.

5.3. An assessment of potential policy risks that are related to the actual choice of programme priorities

The proposed objectives at various levels of the programme (i.e. higher ranking objectives, priority-level objectives) and the selected priority-level actions do not reveal an obvious risk that needs to be tackled before the final adoption of the programming document. The same holds true for the different concepts used in the programme (i.e. “main theme and related sub-themes of a priority”; “types of intervention” etc.), as they are clearly defined and thus do not show any risk of confusion. Both judgements are also clearly supported by the findings of our previous analysis. It has been shown that the overall rationale of the programme strategy is characterised by a significant degree of internal consistency and that the programme’s intervention logic is also generally valid. The objective system is characterised by an absence of conflicts between objectives, a well developed level of overall consistency and a high degree of interdependence among the various objective-levels. In addition, no negative contributions of actions to an achievement of the wider programme objectives could be detected and the entire programme strategy is generally characterised by a medium level of overall complementarity.

As regards the complementarity with “mainstreamed” interregional co-operation activities, the Interregional Cooperation Programme now contains a clear text reference that allows establishing a link towards future interregional co-operation activities carried out under the “mainstream programmes”. The paragraph under section 8.1.1 (see: box below) closely follows the formulation suggested in our previous ex-ante assessment and helps avoiding the risk of double work that might occur in case of co-operation projects being realised in both contexts on very similar topics.

Section 8.1.1.

“Complementarity with the strand “interregional co-operation” developed under some Convergence/ Competitiveness and Employment programmes”

This complementarity will be ensured through a focus on the involvement of those responsible for the Convergence and Competitiveness programmes, making them aware of good practice developed within the interregional cooperation programme. Such a link will, firstly, allow the exchange of basic information about activities implemented in both contexts (e.g. via a joint project-database) and will, secondly, support a transfer of project-related contents for commonly shared co-operation themes (i.e. dissemination of know-how, good practice, innovative approaches). This will create an additional source of inspiration that could help orientate the Fast Track approach of the Interregional Cooperation Programme and - at the same time - avoid a duplication of projects that might be realised in both contexts on very similar topics.

⁸ When actions of the same priority generate positive / supportive effects on objectives of another priority, with the opposite also being true.

5.4. An appraisal of the adequacy of financial allocations to the different programme priorities

In the context of Chapter 7, the most recent version of the programming document now contains three detailed budgetary tables that specify the allocation of financial resources across the different programme priorities. The first one (Table 5) specifies the annual breakdown of the ERDF-contribution across the various programme priorities. The second one (Table 6) shows the financial plan of the INTERREG IVC programme for the whole programming period. The third one (Table 7) shows the distribution of the total eligible budget between the three priorities of the programme. In addition, also a more simplified breakdown of financial allocations per priority axes can be found in Chapter 4 of the programming document.

Based upon the more detailed information contained in budget tables 5 & 6, **one can summarise the current situation as follows:**

- Considering the **total ERDF-contribution to the programme**, the respective budget shares of the individual programme priorities are the following: **Priority 1 obtains 55%** and **Priority 2 accounts for 39%**, whereas **Priority 3 is allocated a share of 6%**. These figures fully correspond with the share-indications as presented in the short table included in Chapter 4.
- Considering the **total eligible funding for the programme (i.e. without contribution from Norway & Switzerland)**, the respective budget-shares of the individual programme priorities are the following: **Priority 1 obtains 54.53%** and **Priority 2 accounts for 38.67%**, whereas **Priority 3 is allocated a share of 6.8%**. These shares do not substantially change if one takes into consideration the contribution of Norway and Switzerland to the future Interregional Co-operation Programme.

Based upon the above-said, we will now **briefly appraise the adequacy of the financial allocations across the different programme priorities:**

- **Considering only the Interregional Co-operation Programme's higher ranking objectives and its operational objectives defined at priority level, the envisaged total programme budget of around € 411.000.000 (by taking into consideration the Norwegian and Swiss contribution) seems to be sufficient for meeting the stated ambitions.** This judgement is also supported by the clear definition in the programme document, which type of project activities will be undertaken especially in the context of Priorities 1 and 2 (i.e. no huge material investments, but rather light co-operation activities such as study visits, staff exchanges, studies & reports, meetings & events, development of conceptual/methodological frameworks, pilot activities etc). **Further expectations beyond this level such as a generation of substantial territorial effects in the context of the envisaged thematic co-operation foci are not at all realistic, due to the very limited programme budget that is considerably below the financial resources of a typical "mainstream programme".**
- **The current distribution of the total programme budget across the 2 thematic priorities clearly favours those issues that are closely related to the renewed Lisbon-Strategy (Priority 1, Innovation & Knowledge Economy: 54.5%), whereas topics that are related more or less to the Gothenburg-Strategy appear to be in solid second position (Priority 2, Environment & Risk Prevention: 38.7%).** This clear ranking seems to be a deliberate (political) choice made by the Member States

and the Commission, as the previous INTERREG IIIC experience would have supported a more equal balance between the two priorities. The analytical chapter of the programme (Chapter 3) highlights in fact that among the 75% of all INTERREG IIIC projects addressing themes directly related to the future thematic priorities, 38% addressed topics that will be covered by Priority 1 (i.e. R&D, innovation, information society, SMEs, employment and education) and 37% focussed on aspects now included under Priority 2 (i.e. environment and risk prevention, energy and natural resources as well as heritage and culture). Due to the fact that a simple extrapolation of previous co-operation experience does not generate a sufficiently solid argument to put into question this political choice, **one can say that the current financial distribution across the thematic programme priorities is largely appropriate.**

- **The share of the programme's total ERDF-contribution that is allocated to Priority 3 "Technical Assistance" (6%) is yet fully consistent with the regulatory requirements of Article 46 (1) in the General Regulation of the Structural Funds (EC No 1083/2006).**⁹ Due to the new and ambitious approach adopted by the INTERREG IVC Programme, it is absolutely necessary to earmark as much financial resources possible (and legally justifiable) for technical assistance activities (i.e. staffing of a single Joint Technical Secretariat in Lille and of three "external" Information Points in Rostock, Valencia, Katowice; realisation of a wide range of usual day-to-day programme implementation activities such as financial & administrative management, monitoring, evaluation, information & communication; realisation of a larger number of new actions that are crucial for making the programme a real success such as a sound capitalisation on interregional co-operation results and a support to realise / implement the newly introduced "Fast Track Projects"). More detailed comments on these issues will be elaborated in Chapter 8 of this ex-ante evaluation.

Concluding observations
All modifications and improvements proposed in the Draft Final ex-ante Evaluation Report (p. 41) have been taken into consideration by the authors of the Operational Programme

⁹ Technical assistance at the initiative of the Member States shall be within the limits of 6% of the total amount allocated to an operational programme under the "Territorial Co-operation Objective".

6. The external coherence of the strategy with the “Community Strategic Guidelines”

According to the overall approach adopted for this ex-ante evaluation, the evaluators are required to examine whether the proposed strategy complies with policies at regional, national and Community level and whether the programme contributes to achieving the Lisbon and Gothenburg goals (**Task 3.1**) and to appraise whether equality between men and women and non-discrimination issues have been appropriately taken into account (**Task 3.2**).

To address these tasks, the main elements of the Interregional Co-operation Programme’s strategy are assessed against the Community Strategic Guidelines (CSG) for Cohesion Policy 2007-2013 and the most important over-arching EU-policy objectives that can be found in various documents relating to the Lisbon / Gothenburg strategies.

The following sub-sections 6.1-6.3 present an in-depth analysis of the Interregional Cooperation Programme (26th July 2007) alongside the above-mentioned ex-ante evaluation tasks and elaborate a number of related recommendations that might be considered before finalising the programme elaboration process.

6.1. The “external coherence” of the programme strategy with respect to the Community Strategic Guidelines (CSG)

In July 2006, the Commission has presented a proposal for a Council Decision on “Community Strategic Guidelines” (CSG) for the cohesion policy’s programming period 2007-2013.¹⁰ According to this document, these Guidelines represent (...) *a single framework which Member States and regions are invited to use when developing national, regional, and local programmes, in particular with a view to assessing their contribution to the objectives of the Union in terms of cohesion, growth and jobs. The Guidelines are a necessary condition, but not the only condition for achieving the right level of concentration on key priorities for each Member State and region in accordance with the renewed Lisbon Agenda.*

The **CSG-document** draws the attention to four over-arching principles¹¹ that should be observed during the programming process and **sets out three key priorities**, on which national, regional, and local programmes co-financed through the Community’s cohesion policy should seek to target their resources:

1. Improving the **attractiveness of Member States, regions and cities** by improving accessibility, ensuring adequate quality and level of services, and preserving the environment.
2. Encouraging **innovation, entrepreneurship** and the growth of the **knowledge economy** by research and innovation capacities, including new information and communication technologies.

¹⁰ COM(2006)386 final

¹¹ These are: (1) Cohesion policy should focus to a greater extent on knowledge, research and innovation, and human capital in the light of the renewed Lisbon strategy for growth and jobs. (2) The objective of sustainable development shall be pursued and synergies between the economic, social and environmental dimensions shall be boosted. (3) The objective of equality between men and women shall be pursued. (4) Appropriate steps to prevent any discrimination on the basis of gender, race or ethnic origin, religion or belief, disability, age or sexual orientation shall be taken.

3. Creating **more and better jobs** by attracting more people into employment or entrepreneurial activity, improving adaptability of workers and enterprises and increasing investment in human capital.

Alongside these key priorities, the CSG-document subsequently elaborates **3 “Strategic Guidelines”** and a larger number of **related guidelines for action (see: Annex 3)**.

In addition, the **CSG-document also formulates a number of “Additional Guidelines” that aim at promoting territorial cohesion and at making European territorial co-operation objective a success (see: Annex 3)**. Due to the fact that cohesion policy is capable of adapting to the particular needs and characteristics of specific geographical challenges and opportunities, the territorial dimension will strongly matter in the future. An active promotion of territorial cohesion¹² under the next generation of programmes (2007-2013) will therefore be part of the effort to ensure that all areas of the Community territory have the opportunity to contribute to the growth and jobs agenda. The European territorial co-operation objective will complement the wider effort to promote territorial cohesion, as it has an important role to play for ensuring a balanced and sustainable development of the Community territory.¹³

While taking into consideration the above-said, **one can observe that the Interregional Cooperation Programme is firmly anchored in the wider context of the Community’s cohesions policy for the years 2007-2013**. This statement is confirmed when reviewing the various chapters of the revised 3rd Draft Programme. The introduction (Chapter 2, section 2.3) briefly describes the new context of the EU’s Cohesion Policy for 2007-2013 as outlined in the Community Strategic Guidelines and the socio-economic analysis (Chapter 3, sections 3.3. & 3.4) focuses – beyond an enumeration of a number of general trends and developments - on an in-depth assessment of key issues that are at the heart of the sustainable growth and employment development strategy (Lisbon & Gothenburg Objectives). This thematic focus is subsequently taken up in a coherent manner throughout the core chapters describing the wider intervention strategy of the Interregional Cooperation Programme (Chapter 4 & 5). **Seen as a whole**, one can say already at this stage of the assessment that **the programme is able to develop a wide range of complementary relations with respect to the Community Strategic Guidelines**.

In order **to assess further these complementarity relations** between the priorities / actions of the Interregional Cooperation Programme and the wider set of guidelines as stated in the CSG-document, **a cross-referencing exercise is realised. It aims at mapping “direct” and “indirect” support effects that might result from the future Interregional Cooperation Programme**. This mapping is realised for the three “strategic guidelines” (including the related “guidelines for action”) as well as for the “additional guidelines” focussing on a promotion of territorial cohesion and the European territorial co-operation objective. The results of this cross-referencing exercise are summarised in a matrix showing the magnitude of potential “indirect” or “direct” support effects **(see: figure 4)**.

From this matrix showing **potential indirect / direct support effects of the Interregional Co-operation Programme in relation to the “Strategic Guidelines” for Cohesion Policy**

¹² When developing their programmes and concentrating resources on the three key priorities, Member States and regions should pay particular attention to these specific geographical circumstances. Taking on board the territorial dimension will help them to develop sustainable communities and to prevent uneven regional development from reducing overall growth potential. This means however also that a different meaning should be given to territorial cohesion, linked to each Member State’s history, culture or institutional situation.

¹³ Closer cross-border and transnational co-operation across EU regions (including maritime co-operation where appropriate) that follows shared development strategies for the different territories concerned and interregional networking, especially to ensure a transfer of ideas to mainstream national / regional cohesion programmes, can help speeding up economic development and the achievement of higher growth.

2007-2013 and the “Additional Guidelines” focussing on the territorial dimension of cohesion policy, the following key features can be derived:

- The priorities and actions of the Interregional Co-operation Programme show **no evident conflict with one of the “Strategic Guidelines” / “Additional Guidelines” stated in the CSG-document**. They either develop positive relations of complementarity at different degrees, or generate no effect at all. With the exception of Priority 3 actions having a specific programme-related operational purpose that somehow limits their capacity for establishing external links to the stated guidelines, all other **programme actions (Priority 1 & 2) develop limited and also strong support effects that are partly of an indirect and partly of a direct nature**.
- **Potential indirect support effects** tend to emerge in the context of the “Fast Track Option” that will be realised under Priorities 1 & 2 (P1-A2, P2-A2). The direct transfer of best practice to all regions, capacity building and a capitalisation of interregional experiences / knowledge resulting in regional action plans can help improving the effectiveness of regional-level (and / or national) policies that are implemented in the context of the future Convergence, Competitiveness and Employment programmes. The policy actors benefiting from these actions might in turn be able to act better and more effectively alongside the stated Community Guidelines. **Strong and widespread indirect support effects tend to emerge from the Interregional Co-operation Programme across all of the 3 “Strategic Guidelines” mentioned in the CSG-document**. All themes of Guideline 2 (*“Improving knowledge and innovation for growth”*) are covered by P1-A2. Nearby all themes of Guideline 3 (*“More and better jobs”*) are covered by P1-A2 and most themes of Guideline 1 (*“Making Europe and its regions more attractive places to invest and work”*) are jointly covered by P1-A2 / P2-A2. **For a number of “Additional Guidelines” on the territorial dimension of Cohesion policy, one can also observe sometimes strong and widespread indirect support effects**. The most widespread effects tend to emerge under the **additional guideline 2** (*“support the economic diversification of rural areas, fisheries areas and areas with natural handicaps”*), where P1-A2 & P2-A2 jointly cover all topics that should be addressed. In addition, strong indirect support effects can also be expected in the context of **additional guidelines 3 & 4** (*“cross-border co-operation”, “transnational co-operation”*), where P1-A2 & P2-A2 jointly cover a larger share of the topics that should be addressed. This represents a noteworthy improvement compared to the previous Draft, as the programme now explicitly encourages (...) *co-operation among cross-border and transnational programme areas in order to enable an exchange of experience / a transfer of best practices on specific topics related to “innovation & the knowledge economy” and “environment & risk prevention”* (see Chapter 8 of the programme, sub-section 8.1.2).
- **Potential direct support effects** tend to emerge mostly in case of “Regional Initiatives” that will be realised under Priorities 1 & 2 (P1-A1, P2-A1), as future co-operation projects certainly involve concrete realisations that will generate material / immaterial improvements in the regional and local context. Due to the relatively limited budgetary envelope dedicated to the Interregional Cooperation Programme, the expected tangible effects tend however to be relatively limited if compared to those of mainstream interventions realised under the Convergence and Competitiveness programmes.¹⁴ Under the **Strategic Guidelines 1-3**, one can **observe strong and widespread direct support effects potentially generated by future “Regional Initiatives” (P1-A1, P2-A1) for nearby all issues to be**

¹⁴ Baring in mind these financial restrictions, our matrix classification still distinguishes between strong and limited direct effects. Strong direct effects are considered to be those effects, which are most likely to emerge and tend to produce some kind of a visible or noticeable output/result.

addressed. The coverage is complete under Guideline 2 (*“Improving knowledge and innovation for growth”*) and nearby complete in case of Guideline 3 (*“More and better jobs”*) and Guideline 1 (*“Making Europe and its regions more attractive places to invest and work”*). The contribution to this overall result is much stronger in case of Priority 1-Regional Initiatives (P1-A1) than in case of Regional Initiatives to be realised under Priority 2 (P2-A1). **Strong and widespread direct support effects can again be observed for a number of “Additional Guidelines” on the territorial dimension of Cohesion policy.** The most extensive effects tend to emerge in the context of **additional guideline 2** (*“support the economic diversification of rural areas, fisheries areas and areas with natural handicaps”*), where P1-A2 & P2-A2 jointly cover in a balanced way all topics that should be addressed. But also in the context of **additional guidelines 3 & 4** (*“cross-border co-operation”, “transnational co-operation”*), P1-A2 & P2-A2 will generate strong direct effects and jointly cover a larger share of the topics that should be addressed. This positive development is again a direct outcome of the improved programme provisions specifying the complementarity with other EU-programmes and policies (Chapter 8 of the Draft). **A specific case is the additional guideline 5** (*“interregional co-operation”*), where **widespread and strong direct support effects** tend to emerge across “Regional Initiatives” and the “Fast Track Option”. This is mainly due to the fact that the programme in question belongs to the range of activities that will be realised under this particular heading of the CSG.

- The **weakest indirect and direct support effects** that tend to emerge from the different types of interventions **can be observed in case of the additional guideline 1 “Contribution of cities to growth and jobs”**. This is somehow understandable, as the Interregional Co-operation Programme adopts a relatively “low profile” with respect to urban themes in order to establish a clear division of labour with respect to the future URBACT II programme.

To conclude on this first part of the external coherence-assessment, the following **final comments** can be elaborated:

- **The Interregional Co-operation Programme shows a very high level of external coherence with respect to the “Community Strategic Guidelines”.** This judgement is underpinned by an absence of any constellation of conflict and the existence of widespread complementarity-relationships with most of the stated strategic guidelines / additional guidelines. Particularly solid complementarity-relationships, which are characterised by the existence of strong direct & indirect support effects, can be found under all Strategic Guidelines (*“Making Europe and its regions more attractive places to invest and work”*; *“Improving knowledge and innovation for growth”*, *“More and better jobs”*). But also in case of most of the Additional Guidelines that address the territorial dimension of cohesion policy (*“support the economic diversification of rural areas, fisheries areas and areas with natural handicaps”*; *“cross-border co-operation”*; *“transnational co-operation”*; *“interregional co-operation”*), solid and more or less widespread complementarity-relationships do exist.
- **In relation to all the topics / sub-themes grouped under the above-mentioned strategic guidelines / additional guidelines of the CSG-document, the programme strategy shows clear potentials for generating an important Community added value.** Due to this, no evident need can be identified that would require a further strengthening of the Interregional Co-operation Programme’s external coherence with respect to the CSG-document.

Figure 4: Potential indirect / direct effects supporting the realisation of “strategic guidelines” for Cohesion Policy 2007-2013 and “additional guidelines” focussing on the territorial dimension of cohesion policy

Contribution of ... To achieve ...	Priority 1		Priority 2		Priority 3 Actions
	P1-A1 Regional Initiatives *)	P1-A2 Fast Track Option **)	P2-A1 Regional Initiatives *)	P2-A2 Fast Track Option **)	
GUIDELINE 1: Making Europe and its regions more attractive places to invest and work					
1.1. Expand and improve transport infrastructures	0	0	D+	I+	0
1.2. Strengthen the synergies between environmental protection and growth	D++	I++	D++	I++	0
1.3. Address Europe's intensive use of traditional energy sources	0	0	D++	I++	0
GUIDELINE 2: Improving knowledge and innovation for growth					
2.1. Increase and better target investment in RTD	D++	I++	D+	I+	0
2.2. Facilitate innovation and promote entrepreneurship	D++	I++	D+	I+	0
2.3. Promote the information society for all	D++	I++	0	0	0
2.4. Improve access to finance	D++	I++	0	0	0
GUIDELINE 3: More and better jobs					
3.1. Attract and retain more people in employment and modernise social protection systems	D++ only for employment	I++ only for employment	0	0	0
3.2. Improve adaptability of workers and enterprises and the flexibility of the labour market	D++	I++	0	0	0
3.3. Increase investment in human capital through better education and skills	D++	I++	0	0	0
3.4. Administrative Capacity	D+	I+	0	0	0
3.5. Help maintain a healthy labour force	D++	I++	0	0	0
1. The contribution of cities to growth and jobs (Promoting territorial cohesion)					
1.1. Promote entrepreneurship, innovation and the development of services, including producer services.	D++	I++	0	0	0
1.2. Promote internal cohesion inside the urban areas that seek to improve the situation of crisis districts (including a rehabilitation of the physical environment and a re-development of brownfield sites).	D+	I+	0	0	0
1.3. More balanced, polycentric development by developing the urban network at national and Community level.	0	0	0	0	0
1.4. Preparation of medium- to long-term development plans for sustainable urban development.	0	0	D++	I++	0
With: I = Indirect effect D = Direct effect			++ = potentially strong effect + = potentially limited effect 0 = no effect / neutral - = relation of conflict		
*) By taking into consideration also the suggested co-operation activities for Regional Initiatives (see: sections 5.2.4 & 5.3.4 of the programme).			**) By taking into consideration also the possible themes for Fast Track Networks (see: Annex 3 of the programme).		

Contribution of ... To achieve ...	Priority 1		Priority 2		Priority 3 Actions
	P1-A1 Regional Initiatives *)	P1-A2 Fast Track Option **)	P2-A1 Regional Initiatives *)	P2-A2 Fast Track Option **)	
2. Support the economic diversification of rural areas, fisheries areas and areas with natural handicaps (Promoting territorial cohesion)					
2.1. Investing in development poles in rural areas (for example in small and medium-sized towns).	D++	I++	D++	I++	0
2.2. Developing economic clusters based on local assets combined with the use of new information technologies.	D++	I++	D+	I+	0
2.3. Integrated tourism development approaches.	0	0	D++	I++	0
3. Cross-border co-operation					
3.1. Strengthening the competitiveness of border regions.	D++	I++	D+	I+	0
3.2. Contribute to economic and social integration, especially where there are wide economic disparities on either side of a border.	D+	I+	0	0	0
3.3. Existing basic conditions: assistance should focus on actions that bring added value to cross-border activities	D++	I++	D++	I++	0
3.4. Particular attention to be paid to the changing external borders of the Union following enlargement.	D+	I+	D+	I+	0
4. Transnational co-operation					
4.1. Improvement of the physical interconnection of territories	0	0	D+	I+	0
4.2. Improvement of intangible connections.	D++	I++	D++	I++	0
4.3. The prevention of natural hazards and water management at river basin level.	0	0	D++	I++	0
5. Interregional co-operation					
5.1. Focus on the Growth and Jobs Agenda.	D++	D++	0	0	0
5.2. Exchanges of experiences and best practices (urban development, modernisation of public sector services, implementation of co-operation programmes) and studies and data.	D++	D++	D++	D++	0
5.3. Exchanges of experiences and best practices (urban development, social inclusion, relationship between cities and rural areas, implementation of co-operation programmes).	D++	D++	D++	D++	0
With: I = Indirect effect D = Direct effect	++ = potentially strong effect + = potentially limited effect 0 = no effect / neutral - = relation of conflict				
*) By taking into consideration also the suggested co-operation activities for Regional Initiatives (see: sections 5.2.4 & 5.3.4 of the programme).	**) By taking into consideration also the possible themes for Fast Track Networks (see: Annex 3 of the programme).				

6.2. The potentials of the Interregional Cooperation Programme to deliver aspects of the Lisbon / Gothenburg Strategies

At the **Lisbon European Council of March 2000**, the European Union has set itself a new strategic goal for the next decade: to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion. Around this strategic goal, the Lisbon Strategy was designed to enable the EU regaining the conditions for full employment and to strengthen cohesion by 2010.

Shortly afterwards, the **Gothenburg European Council of 2001** agreed on a “Sustainable Development Strategy” (SDS) that sets out the policy framework within which European Union action should operate in order to fulfil the long-term vision of sustainability, where economic growth, social cohesion and environmental protection should go hand in hand in a mutually supporting way. In this respect, the SDS underpins the whole of the Lisbon Strategy and adds to it an environmental strand.

Following the **mid-term review of the Lisbon Strategy** conducted by an independent High Level Group¹⁵, the Commission presented a Communication on growth and jobs (February 2005)¹⁶ that argued towards a new start for the Lisbon strategy refocusing efforts on two goals: delivering a stronger, lasting growth and more and better jobs.

The **overall ambition** of these wider policy strategies is to direct EU-Member State activities towards creating high-performance societies that are based upon (...) *a knowledge intensive, high-growth and at the same time environmentally sustainable economy with employment for the great majority of the population in the working age and with financially sustainable social systems to care efficiently for the needy non-employed.*¹⁷

In relation to this wider ambition, a **set of global objectives** is defined that forms the core of the Lisbon Strategy and which the Union seeks realising by the year 2010:¹⁸

- a growing European economy,
- an internationally competitive European business sector,
- a knowledge-intensive European economy,
- an economy with a high level of employment for both sexes and all age groups (70% for all by 2010, 67% by 2005, 60% for women by 2010, 50% for 55-64 year olds by 2010),
- an economy with a low level of social exclusion and poverty,
- a social system which is financially sustainable in the medium and long term,
- an economy which does not degrade health or the environment and which promotes safety.

Below these global objectives, a large number of more specific objectives are formulated (often involving quantitative targets) and the various Lisbon Strategy documents also define objectives for creating a fully operational internal market, including measures for the restructuring and increasing liberalisation of product and capital markets, for adequate and sustainable pensions, and for reform of the formal education systems of the Member States.

¹⁵ “Facing the Challenge. The Lisbon Strategy for growth and employment”. Report from the High Level Group chaired by Wim Kok. November 2004.

¹⁶ “Working together for growth and jobs: A new start for the Lisbon Strategy”. Communication to the Spring European Council. COM(2005)24.

¹⁷ European Commission: Thematic Evaluation of the Structural Funds’ Contributions to the Lisbon Strategy. Synthesis Report, February 2005.

¹⁸ These global objectives were isolated by reviewing the various Presidency Conclusions.

The **Interregional Cooperation Programme** makes explicitly reference to the Lisbon / Gothenburg strategies in its introductory description of the wider policy context (Chapter 2, sub-section 2.3.1) and identifies a number of fields where interregional cooperation can clearly contribute to the achievement of the Lisbon and Gothenburg strategy in its socio-economic analysis (Chapter 3, sections 3.3. & 3.4). These are also coherently taken up throughout the entire core chapters making up the wider programme strategy (Chapter 4 & 5).

Any attempt to assess the actual contribution of the Structural Funds and of the related programmes to an achievement of the Lisbon and Gothenburg objectives should however take into consideration a number of general features that have been revealed by a recent thematic evaluation realised on this topic:¹⁹ There is a considerable congruence between the overall Lisbon-objectives and the Structural Funds objectives²⁰, but also the various specific objectives of the Lisbon Agenda and the Structural Funds reveal a number of complementarities and congruencies. In addition, it has become evident that the Structural Fund's contribution is most relevant in case of those overall/specific objectives whose realisation involves or requires the allocation of funds for investment or may be facilitated by such investment.²¹ This is because the Structural Funds by definition operate through the allocation of funds.

Against this wider background, **it becomes quickly evident that the future interventions under the Interregional Cooperation Programme will not be able to deliver substantial parts of the Lisbon / Gothenburg Strategies.** As already stated before, this is mainly a consequence of the very limited budgetary resources allocated to this programme. Therefore, programme interventions will not significantly influence upon the wider economic growth, social cohesion or sustainability of the European Union as a whole.

What can indeed be expected from the Interregional Cooperation Programme are potential "indirect" and "direct" effects, which might support an achievement of elements mentioned in the Lisbon / Gothenburg strategies at a narrow geographical scale. This is likely to be the case when an exchange of experience and good practice or the development of new policy tools between regions / local authorities as well as a wider dissemination and a transfer of best practice / knowledge towards the Convergence and Competitiveness programmes enables the concerned actors to better deliver specific elements of the Lisbon / Gothenburg Strategies.

In order to **localise such "indirect" and "direct" support effects that might potentially result from the envisaged interventions of the Interregional Cooperation Programme,** a cross-referencing exercise is carried out. It relates the priorities and related actions of the programme in a very general way to a list of congruent themes and objectives²² that

¹⁹ European Commission: Thematic Evaluation of the Structural Funds' Contributions to the Lisbon Strategy. Synthesis Report, February 2005.

²⁰ Economic growth is a shared objective, as are the objectives of high employment and low unemployment. The Structural Funds and the Lisbon Agenda also share the premise that growth and development should not be achieved at the cost of environmental degradation. Economic development should be environmentally sustainable.

²¹ Examples for a number of issues addressed by these objectives are the following: The overall economic policy mix, IT infrastructure investment, investment in R&D, investment in human capital, lifelong learning, skills for the information society, enlarging the workforce, increasing employability through active labour market policies, investment in business development, social inclusion and sustainable environmental development.

²² This list was elaborated in the "Thematic Evaluation of the Structural Funds' Contributions to the Lisbon Strategy" on ground of a detailed analysis of the specific objectives of the Lisbon Strategy and all the Structural Funds. The starting points have been the relevant Lisbon Strategy objectives and the parenthesis indicates in which of the Structural Funds the overlapping / complementary objectives can be found. Whereas the exact formulation of the objectives may differ between the formulations of the Lisbon Strategy and those of the Funds, the fundamental content of most objectives is identical.

integrates the core of the Lisbon / Gothenburg Strategy objectives and the EU-Structural Funds objectives. The result of this cross-referencing exercise is resumed in a matrix that shows the magnitude of potential “indirect” and “direct” support effects originating from the different programme interventions (**see: figure 5**).

From this matrix showing **potential indirect / direct support effects of the Interregional Co-operation Programme in relation to the Lisbon / Gothenburg Objectives**, the following key features can be derived:

- The priorities and actions of the Interregional Co-operation Programme show **no evident conflict with one of the congruent themes / objectives jointly pursued under the Lisbon / Gothenburg Strategies and the EU-Structural Funds**. They either develop positive relations of complementarity at different degrees, or generate no effect at all. **The programme actions under Priorities 1 & 2** develop limited and also strong support effects, which are partly of an “indirect” and partly of a “direct” nature. **The Priority 3 actions** are an exception to this, as they have a specific programme-related operational purpose that limits their capacity for establishing external links to the stated guidelines.
- **Indirect support effects** generally tend to emerge from the “Fast Track Option”, which will be implemented under Priorities 1 and 2 (P1-A2, P2-A2). We assume that Fast Track activities will help improving the effectiveness of regional-level (and / or national) policies that are implemented in the context of the future Convergence, Competitiveness and Employment programmes and thus enable policy actors to deliver more efficiently issues related to the Lisbon/Gothenburg Strategies. **The strongest and most widespread “indirect” support effects concentrate on those objectives that are most closely related to the main thematic priorities of the Interregional Co-operation Programme and to the possible future actions mentioned in sections 5.2.4, 5.3.4 and Annex 3 of the programme**. In case of the objectives grouped under the general headings “*infrastructure investment*”, “*investment in research & development*”, “*investment in human capital*” and “*social inclusion*”, these strong effects tend to be generated by Fast Track Actions that will be implemented under Priority 1 (P1-A2). In case of the objectives grouped under the general heading “*sustainable development*”, these strong effects tend to be generated by Fast Track Actions that will be implemented under Priority 2 (P2-A2).
- **Direct support effects** only tend to emerge in the context of “Regional Initiatives” (P1-A1, P2-A1), as they are most likely to include realisations that will generate concrete material / immaterial improvements in the regional and local context. **The strongest and most widespread “direct” support effects again concentrate on those objectives that are most closely related to the main thematic priorities of the Interregional Co-operation Programme and to the possible future actions mentioned in sections 5.2.4, 5.3.4 and Annex 3 of the programme**. In case of the objectives grouped under the general headings “*infrastructure investment*”, “*investment in research & development*”, “*investment in human capital*” and “*social inclusion*”, these strong effects tend to be generated predominantly by Regional Initiatives that will be implemented under Priority 1 (with one exception, where P2-A1 tends also to generate an additional strong effect). In case of the objectives grouped under the general heading “*sustainable development*”, strong effects tend only to be generated by Regional Initiatives that will be implemented under Priority 2 (P2-A1). And also here, all of the above-mentioned direct effects resulting from future interregional actions tend to be rather marginal (localised) if compared to those mainstream interventions that will be realised under the Convergence and Competitiveness programmes.

- **Relatively limited “indirect” and “direct” effects can only be observed in case of the objectives grouped under the general heading “Employment”.** We do however not consider this a fundamental weakness of the future Interregional Cooperation Programme, as its limited financial envelope will not allow substantially increasing the overall employment level or the levels of employment for women and for older workers.

To conclude on this second step of the external coherence assessment, the following **final comments** and **general recommendations** can be elaborated:

- **The Interregional Co-operation Programme shows a very high level of external coherence with respect to a list of congruent themes / objectives that are jointly pursued under the Lisbon / Gothenburg Strategies and the EU-Structural Funds.** This judgement is underpinned by an absence of any constellation of conflict and the existence of widespread and solid complementarity-relationships (i.e. existence of strong direct & indirect support effects), which cover nearby all objectives grouped under the general headings *“infrastructure investment”, “investment in research & development”, “investment in human capital”, “social inclusion”* and *“sustainable development”*.
- **Due to the limited financial resources of the future Interregional Cooperation Programme, the above-mentioned direct & indirect effects supporting a delivery of policy objectives jointly pursued by the Lisbon / Gothenburg Strategies and the Community’s Cohesion policy will however “only” materialise at a very narrow geographical scale.** This realistic view is sufficiently well reflected in a short section of the programming document that specifies the expected results and impacts (see: section 4.5 of the revised 3rd Draft).

Figure 5: Potential indirect / direct effects supporting the realisation of strategic policy objectives jointly pursued under the Lisbon /Gothenburg Strategies and the Structural Funds

Contribution of ... To achieve ...	Priority 1		Priority 2		Priority 3 Actions
	P1-A1 Regional Initiatives *)	P1-A2 Fast Track Option **)	P2-A1 Regional Initiatives *)	P2-A2 Fast Track Option **)	
Employment (ERDF, EAGGF-Guidance, FIGG, ESF, EQUAL)					
Increasing overall employment levels	D+	I+	0	0	0
Increasing levels of employment for women	D+	I+	0	0	0
Increasing levels of employment for the 55-64 year olds	D+	I+	0	0	0
Infrastructure Investment (ERDF)					
Widening access to communications infrastructure (broadband, etc.) for businesses, public administrations and citizens	D++	I++	0	0	0
Investment in Research and Development (ERDF)					
Increasing spending on research and technological development and innovation	D++	I++	0	0	0
Strengthened co-ordination and transfer of technology between public and private-funded research	D++	I++	0	0	0
Promote development and application of new environmental technologies	D++	I+	D++	I+	0
Investment in Human Capital/HRD (ESF, EQUAL, EAGGF)					
Increase investment in human capital	D++	I++	0	0	0
Reduction of the share of 18 to 24 years olds with only secondary level education	D++	I++	0	0	0
Promotion of training, education and counselling to improve / maintain lifelong learning	D++	I++	0	0	0
Integration into the labour market, employability and job mobility	D++	I++	0	0	0
Innovation and adaptability in work organization	D++	I++	0	0	0
Skills for the information society	D++	I++	0	0	0
Adaptation of education and training systems to the demands of the knowledge society	D++	I++	0	0	0
Schools and training centres developed to multi-purpose local learning centres facilitating learning partnerships	D++	I++	0	0	0
Promote entrepreneurship	D++	I++	0	0	0
Enhance competitiveness of enterprises	D++	I++	0	0	0
Support activities of SMEs via training, consultancy, investment aid technology dissemination	D++	I++	0	0	0
Furthering the capacity of SMEs to adapt technologies	D++	I++	0	0	0
With: I = Indirect effect D = Direct effect ++ = potentially strong effect + = potentially limited effect 0 = no effect / neutral - = relation of conflict					
*) By taking into consideration also the suggested co-operation activities for Regional Initiatives (see: sections 5.2.4 & 5.3.4 of the programme).			**) By taking into consideration also the possible themes for Fast Track Networks (see: Annex 3 of the programme).		

Contribution of ... To achieve ...	Priority 1		Priority 2		Priority 3 Actions
	P1-A1 Regional Initiatives *)	P1-A2 Fast Track Option **)	P2-A1 Regional Initiatives *)	P2-A2 Fast Track Option **)	
Social inclusion (ERDF, ESF, EQUAL)					
Promoting equal opportunities for being active in the labour market	D++	I++	0	0	0
Reducing gender gaps in employment	D++	I++	0	0	0
Reducing occupational segregation	D++	I++	0	0	0
Reducing the number of people at risk of poverty and social exclusion	D++	I++	0	0	0
Address regional employment disparities	D++	I++	0	0	0
Sustainable development (ERDF, ESF, FIG, EAGGF, INTERREG, COHESION FUND)					
Environmental degradation and resource consumption should be de-coupled from economic growth and social requirements.	0	0	D++	I++	0
Protecting human health	D+	I+	D++	I++	0
Furthering investments in new environmentally-friendly technologies	D+	I+	D++	I++	0
Managing natural resources	0	0	D++	I++	0
Prudent and rational utilisation of natural resources	0	0	D++	I++	0
Protection and restoration of habitats and natural systems	0	0	D++	I++	0
Sustainable fisheries to reverse the decline in stocks and to ensure healthy marine ecosystems	0	0	D++	I++	0
Reducing road transport while furthering rail, water and public passenger transport	0	0	D++	I++	0
With: I = Indirect effect D = Direct effect			++ = potentially strong effect + = potentially limited effect 0 = no effect / neutral - = relation of conflict		
*) By taking into consideration also the suggested co-operation activities for Regional Initiatives (see: sections 5.2.4 & 5.3.4 of the programme).			**) By taking into consideration also the possible themes for Fast Track Networks (see: Annex 3 of the programme).		

6.3. The consideration of issues related to “equality between men and women” and “non-discrimination”

The issues of “equality between men and women” and “non-discrimination” are explicitly considered in the revised 3rd Draft of the Interregional Cooperation Programme as potential co-operation for both Regional Initiatives (P1-A1) and the Fast Track Option (P1-A2).

Beyond the above-mentioned aspects, the revised 3rd Draft also contains an improved Chapter 8 in which at least the issue of “equality between men and women” is sufficiently well taken into consideration (section 8.3). It clearly states that projects supported under this programme “*should contribute to equal opportunities for men and women*” and that the “*Monitoring Committee is responsible for ensuring that this requirement is fulfilled*”.

Final observation

A short text reference has been introduced, as recommended in the Draft Final ex-ante Evaluation report, in the context of Chapter 8 / section 8.3 that specifies that the principle of “non-discrimination” will be respected.

7. The expected outputs and results

The quantification of objectives is a crucial issue that allows defining “what a programme is supposed to achieve”. Indicators and the related quantifications should normally not only reflect the outputs and results of a programme, but also provide insight into the expected impact of the programme.

Since the start of the programme elaboration process in May/June 2006, none of the Draft versions presented did contain sufficiently precise information on the expected outputs / results / impacts and on the associated indicators / the related quantitative target values that would have permitted the evaluators to analyse their appropriateness or to elaborate recommendations in this respect.

Only in the 3rd revised Draft of the Interregional Cooperation Programme (20th December 2006), a short section briefly introducing the result and impact indicators (section 4.5 of the programme) as well as a complete set of indicators with the related quantitative target values (Annex 2 of the programme) was elaborated.

Before finalising the above-mentioned elements in the 3rd revised Draft, a brief discussion on whether or not the programme should also contain precise information on the expected impacts has taken place in December 2006. Jointly with DG REGIO of the Commission, it was agreed that the future Interregional Cooperation Programme should only focus on output / result indicators and should to omit a quantification of the expected impacts.

Based upon this common position, a major input has subsequently been made by the current INTERREG IIIC JTS in Lille for elaborating feasible output / result indicators and related target values. This contribution departed from the assumption that potential programme indicators should be formulated in a way to allow for an easy generation of the relevant data/information and that the related quantification (i.e. definition of target values) are mainly to be elaborated by using the experience gained with a monitoring of the current INTERREG IIIC Programmes “North”, “West”, “South” and “East”.

According to the overall approach adopted for this ex-ante evaluation, the evaluators have been required to provide an assessment of the appropriateness of the structure and hierarchy of the objectives and the indicators identified as well as the proposed quantification of the indicators on the basis of past experience and appropriate benchmarks (**Task 4.1**) and to evaluate whether the proposed system of indicators is manageable and usable (**Task 4.2**).

To address the above-mentioned tasks, the ex-ante evaluation first of all examined the overall consistency of the short explanatory text reference on the proposed set of output/result indicators, which was included into the Interregional Co-operation Programme (Section 4.5). Subsequently, a comprehensive quality assessment has been carried out on the proposed set of programme indicators and their respective quantification (Annex 2), which - among other aspects –also appraised the manageability / usability of the proposed programme indicator system.

The following sub-sections 7.1-7.3 present the findings of an in-depth analysis carried out on the final Interregional Cooperation Programme (INTERREG IVC) of 26th of July 2007 alongside the above-mentioned ex-ante evaluation tasks and also a number of concluding remarks that might be considered before finalising the programme elaboration process.

7.1. The overall consistency of the explanatory statement on the proposed set of output / result indicators

The explanatory statement of the final Interregional Cooperation Programme (section 4.5 entitled "*Expected programme effects and output/result indicators*") elaborates a kind of "realistic positioning" with respect to the effects that can be expected to emerge from the future programme interventions.

Seen as such, but also by considering our remarks on this issue elaborated during previous steps of this ex-ante evaluation, the explanatory statement can be considered appropriate and consistent.

Concluding observation

All recommendations formulated in the Draft final ex-ante Evaluation Report regarding the overall consistency of the explanatory statement on the proposed set of output/ results indicators were considered by the authors of the Operational programme.

7.2. The quality of the proposed set of output / result indicators and of the related quantification

Although there is no general standard evaluation method for verifying the appropriateness of output / result indicators and their quantification, we will apply - as a benchmark - the **quality assessment approach** that is proposed in the on-line evaluation guide of the European Commission.

Before starting this quality assessment, **two aspects have to be mentioned that should be born in mind when examining the proposed programme indicator system.**

The **first aspect** has – despite a significantly developed experience in practically monitoring the various INTERREG IIIC Programmes - still some kind of wider validity. As already highlighted in the mid-term evaluation of the INTERREG IIIC Programme,²³ past experience shows that a quantification of programme objectives is much more difficult to achieve under co-operation programmes than for any other category of Structural Funds programmes. With reference to INTERREG IIIC and interregional co-operation, various explanations for this had been given:

- *There are certain programme objectives and actions which are intangible (e.g. “to promote inter-regional co-operation”, “disseminating experience regionally”).*
- *Many of the effects (results/impacts) are of indirect nature and can only be seen in the medium to long-term (e.g. “to create co-operation networks”, “changes in political and institutional structures”).*
- *Given the emphasis on building on previous experience (e.g. from Objective 1 and 2, INTERREG, etc), it is difficult to distinguish the effects of INTERREG IIIC from effects caused by other programmes.*
- *Heterogeneity of regions and proposed actions (topics of co-operation) and dispersal of projects makes it more difficult to aggregate outputs/results/impacts through the use of a small number of quantitative indicators.”*

The **second aspect** is certainly influenced by the afore-mentioned one and has already been highlighted in our brief introduction to this chapter: It relates to the jointly agreed position not to define impact indicators for the future INTERREG IVC Programme.

The following quality assessment of the stated programme-level output and result indicators will make use of a larger number of **quality-assessment criteria**, which can be allocated to two main groups: **(1)** Quality-assessment criteria applicable to each indicator type and **(2)** quality-assessment criteria applicable to the entire indicator system.

²³ MID-TERM EVALUATION OF THE INTERREG IIIC PROGRAMME. Final Report submitted to the INTERREG IIIC North Managing Authority by LRDP LTD (8 December 2003), pp. 21-25

Quality assessment for each indicator type

The usefulness and quality of the stated output- and result-indicators normally depend upon the availability of data, the sensitivity of indicators to the intervention, their reliability & credibility, their comparability, their normativity & validity and their meaning. Our in-depth evaluation realised alongside these quality assessment criteria reveals the following key features that characterise the different types of indicators making up the current indicator system of the Interregional Cooperation Programme.

Availability of data: The first quality criterion for an indicator is the capacity for it to be quantified at regular intervals, wherefore the availability of data to allow quantification is the primary factor to be considered here. **The set of output / result indicators defined in Annex 2 of the Interregional Cooperation Programme are all of a quantitative nature and are capable of measuring the operations' performance and the programme's management performance.** Their definition clearly prescribes what should be quantified and what kind of information should be produced, wherefore they can easily be quantified at regular intervals.

Sensitivity: When programme effects are evaluated, the indicators chosen must be such that the programme is capable of bringing about a change in the indicator value. **The capacity of the different interventions envisaged under the Interregional Cooperation Programme to impact on all of the output and result indicators as mentioned in Annex 2 can be considered very high.** All output / result indicators chosen are conceived in a way that the programme interventions are capable of bringing about changes in the respective indicator values during the respective phases of the programme implementation process.

Reliability & Credibility: The results produced by applying the indicators need to be reliable and credible. Reliability tends to apply to facts and figures, and can be defined as the fact that the same measurement, taken by two different people under identical conditions, will produce the same value for the indicator. Credibility tends to depend on the soundness of the method, although the independence and reputation of the evaluation team may also be important. **The information that will be produced by applying the stated set of output / result indicators as defined in Annex 2 of the Interregional Cooperation Programme tends to be highly reliable and credible.** This means that the same measurement, taken by two different evaluator teams under identical conditions, will produce the same value for the respective indicators.

Comparability: The usefulness of an indicator depends largely on whether it allows for internal comparisons between different priorities of a programme or inter-regional external comparisons. **The set of output / result indicators intended to measure the management performance of the Interregional Cooperation Programme are closely related to the operational objectives / actions defined for Priority 3.** Their main purpose is less oriented towards ensuring a programme-internal comparison between the different priorities (or even an inter-programme comparison), wherefore an application of the quality assessment criterion is not considered relevant in this particular context. **Different to the aforementioned case, the set of output / result indicators intended to measure the operations' performance was elaborated in a way that it jointly covers the two thematic priorities of the Interregional Cooperation Programme (Priority 1 & 2).** Due to this, it is generally relevant to check whether and how they will allow realising programme-internal comparisons between these two priorities. Seen as such, the indicators elaborated for measuring the operation's contribution to the 5 "specific programme objectives" (SPOs 1-5) and to horizontal EU-policies (equal opportunities, environment) are in general all appropriate for establishing comparisons between Priorities 1 and 2. In case of an existing thematic differentiation (i.e. indicators measuring the contribution to SPOs 1 & 2), this outcome is nearly automatic at the first stage of the information gathering process. In case

of indicators that are not specified according to a specific thematic priority (i.e. indicators measuring the contribution to the horizontal SPOs 3-5 and to horizontal EU-policies), a comparison between Priorities 1 and 2 operations can only be established in a second step after the gathering of primary data. To achieve this, the primary data collected need to be further differentiated according to their priority-specific origin, i.e. data coming from Priority 1 operations should be aggregated separately from those relating to Priority 2 operations.

Normativity & Validity: A good indicator should relate to achievements that can be judged to be satisfactory (or not) and avoid ambiguity in this respect. Any indicator must therefore be developed in relation to a specific normative concept such as a programme objective that should be met (normativity), accurately reflect this normative concept and specify a realistic target value that can possibly be attained in this respect (validity). **The set of output / result indicators as defined in Annex 2 of the Interregional Cooperation Programme are in general all related to a specific normative concept (i.e. the 5 specific objectives of the programme; principles defined by horizontal EU-policies; operational objectives of Priority 3) and are all accompanied by a clear target value to be attained.** However, as some of the output/result indicators do not yet accurately reflect the related normative concept to be measured and sometimes are also not very realistically specified in terms of quantitative targets that should be attained, some improvements could be made in case of a future updating of the O.P. :

- Some of the current indicators measuring the “programme management performance” (see: section 2 of the Annex 2 table in the O.P.) do not accurately reflect the related normative concept to be measured. This is the case under 2.4, where the output-indicator “*number of approved operations building on previous INTERREG IIIC experience*” and the result indicator “*number of good practices identified under previous INTERREG IIIC operations that are transferred to new regions*” are not very helpful for measuring the success of technical assistance activities that aim at ensuring a capitalisation of operations. They better fit into the set of indicators that measure the performance of operations, wherefore we recommend including both indicators under sub-section 1.1.3 (i.e. within the corresponding indicator categories).
- Some of the current indicators measuring the “programme management performance” (see: section 2 of the Annex 2 table) are somewhat misleading in their formulation / not realistic with respect to their quantitative target value or do actually belong to another indicator type. Under sub-section 2.3, the output indicator “*average number of days needed to check reports*” and its related quantification (30) are misleading. If one relates this indicator to the previous output indicator “*no of project reports checked*” and its quantification (1,200), this would mean that during one day a total of 40 reports will be checked. It is therefore recommended to make the indicator formulation more precise or to adapt the quantitative target value. Under sub-section 2.4, the output-indicator “*estimated no. of participants in events participated in*” is actually a results indicator and should therefore be transferred to this heading (i.e. a similar indicator is already included here).

Final observations

In case of a future updating of the O.P., the above-mentioned improvements could be made in order to streamline the coherence of the system of indicators.

Meaning: A good indicator must be understood by everyone who has to use it, i.e. the meaning of the indicator must be the same for both decision-makers and the public as for the programme managers. **Across the entire set of output / result indicators as defined in Annex 2 of the Interregional Cooperation Programme, we could not identify an indicator definition for which potentially different meanings could emerge.** This means that the current indicator definitions are all likely to be understood in the same way by the different user-groups mentioned above.

Quality assessment for the entire programme indicator system

The entire programme indicator system should ideally provide for coverage, balance, selectivity and relevance. Our in-depth evaluation realised alongside these quality assessment criteria reveals the following key features that characterise the current indicator system of the Interregional Cooperation Programme.

Coverage: The selected indicators should normally cover a sufficiently large proportion of the programme's priorities and this coverage should be equal to or greater than three-quarters of the planned expenditure. **With respect to the entire output / result indicator system as defined in Annex 2 of the Interregional Cooperation Programme, one can state that it covers all of the 3 programme priorities and that this level of coverage concerns 100% of the planned programme expenditure.**

Balance: The system should normally consist of a good balance between indicators in the different categories (outputs, results impacts), but in particular the result and impact indicators should be the most numerous. **Despite the fact that it was jointly agreed not to elaborate impact-indicators for the Interregional Cooperation Programme, one can observe a relatively fair balance between output- and result-indicators.** The indicator system in the final programme version consists of 36 output-indicators and 31 result-indicators. This means that the considerable imbalance still existing under the 3rd Draft has been eliminated (i.e. 36 output-indicators and 16 result-indicators).

Selectivity: The system of indicators should normally be simple, which means that the programme managers' capacity to absorb information is respected (i.e. it is generally recommended that information is retrieved on a maximum of a few dozen indicators). **Even if one considers the above-mentioned increase of result-indicators in the final programme version, one can state that the entire indicator system is still sufficiently simple and will not overpass the future programme managers' capacity to absorb the related information.**

Relevance: The relevance criterion implies that indicators are developed primarily for those priorities with a very high budget, but also for themes and innovative measures that have significant implications in terms of strategic decision-making. **The whole indicator system of the Interregional Cooperation Programme is highly relevant, as output- and result-indicators were developed for all of the 3 priorities, thus covering the entire programme budget. Nearly half of the existing output- and result-indicators (32 out of 67) are related to the two strategic themes of the programme, for which operations will be implemented in the future (Priorities 1 & 2).**

7.3. Concluding remarks on the expected outputs and results of the Interregional Cooperation Programme

If one considers the previous steps of our in-depth analysis on the indicator system as defined in Annex 2 of the Interregional Cooperation Programme, the following concluding remarks can be formulated:

- **The current set of indicators as defined in Annex 2 of the Interregional Cooperation Programme are all of a quantitative nature and make a clear difference between indicators measuring the “performance of operations”** (i.e. thematic focus of projects, achievements of co-operation activities realised, project management, communication/information and dissemination) and **indicators measuring the “programme management performance”** (i.e. indicators for financial management, initial support to operations and selection/approval of operations, communication/information and publicity measures etc.).
- **By applying a number of quality control criteria for assessing the currently defined output- and result indicators** (i.e. availability of data, sensitivity of indicators, reliability & credibility, comparability, normativity & validity, meaning), **one can observe that the individual indicator types are in general very useful and show a high level of quality. Only with respect to “normativity” and “validity”, some final improvements for several output- and result-indicators should be made.**
- **Seen as a whole, the indicator system of the Interregional Cooperation Programme also displays a high level of quality.** It is characterised by an extensive coverage (i.e. indicators are defined the 3 programme priorities and cover 100% of the planned expenditure), a well-developed selectivity (i.e. the indicator system respects the future programme managers' capacity to absorb the related information), a good balance between output and result indicators and a high level of relevance (i.e. indicators focus on those priorities with a very high budget and on the themes that have significant implications in terms of strategic decision-making).
- **The current system of indicators is sufficiently specific for adequately addressing the particular features of interregional cooperation.** Provided that the above-suggested final modifications are realised, **one can state that the identified indicators (and their targets) are able to form a sound basis for future programme monitoring and programme evaluation activities.**

8. Appraisal of the proposed implementation system

Task 5.1. Assessment of the implementation provisions proposed for managing, monitoring and evaluating the programme

a) Management

Consideration of lessons learned from previous experience gained with the implementation systems of the Interreg IIIC programmes

In the template “Main lessons learnt from the Interreg IIIC experience” (final version of the O.P.), a specific section is devoted to the programme management and evaluation. It states that the management system organized in four zones had the advantage of clear geographic closeness as well as institutional and cultural proximity, facilitating regular contacts with project promoters. It also stresses that there is a need for more efficient and harmonized auditing at the MS level, for simplified application provisions (forms, procedures), simplified reporting, greater budget flexibility at the programme level.

As the management system of the Interreg IVC Programme will not be divided in four zones, the new programme has to develop mechanisms compensating for the lack of geographical proximity. In the final version of the O.P., provisions have been included for the establishment of four Information Points located in Katowice (Poland), Lille (France), Rostock (Germany) and Valencia (Spain). Their task will be to assist the Joint Technical Secretariat in many respects, including the information of applicants and the communication about the programme. The programme indicates also the possible establishment of National Contact Points (to be decided by each member state), which will also benefit from the support of the four Information Points. The combination of the four Information Points and of the National Contact Points should ensure sufficient capillarity and geographical proximity to enable a successful generation of valuable projects and implementation of the programme, especially for the Regional Initiatives, as was the case under Interreg IIIC. In the case of Fast Track Actions, however, the involvement of external specialized experts appears necessary, both for the identification of transferable experiences and for the elaboration and implementation of the action programmes.

With regard to the simplification of procedures (application, reporting), the final version of the O.P. complies with the new regulations, but contains only general principles. Further details will be provided by the Rules of Procedures and the Programme Manuals which will be elaborated and adopted by the Monitoring Committee only after the approval of the O.P.

It must also be considered that the introduction of new types of operations (Fast Track Actions) into the programme will generate new procedures which will differ from those previously applied under Interreg IIIC. The implementation system of the Interreg IVC programme must therefore go beyond the lessons learnt from Interreg IIIC.

Appropriateness of the proposed implementation provisions for managing / monitoring and evaluating the future programme to deliver its objectives

With regard to the management system, the management provisions at programme level reflect quite precisely the new regulations (especially the general regulation Art. 58-65).

With regard to the procedures for project selection (Section 6.2. of the O.P.), the provisions as laid down in the Revised Third Draft are less concrete in describing the “modus operandi” of the implementation process than they were in the Second Draft O.P.. The programming

authorities have preferred to include the necessary detailed provisions into the Programme Manual to be elaborated later on. The ex-ante evaluators do not consider this as a major problem likely to weaken the programme implementation.

Clarity in the roles and responsibilities of the respective management structures

The description of the roles and responsibilities of the respective management structures is closely respecting the provisions of the regulations (especially the General Regulation). Unclear aspects or competing roles and responsibilities among the various management structures could not be identified.

Existence of provisions for maintaining proximity and contacts with project developers

Provisions for maintaining proximity and contacts with project developers are described in the organisation of the JTS (Section 6.1.6.) and of National Contact Points (Section 6.1.7.). This issue has already been mentioned above in the section related to the lessons learnt from Interreg IIIC. The evaluators consider that the combination of the four Information Points and National Contact Points makes possible to maintain sufficient proximity and contacts with project developers. It must however be considered that physical proximity, with only four Info-Points in the European programme area, is not really guaranteed, considering the long distances existing within the areas of influence of the Info-Points (for instance between Greece and Spain). Cultural proximity appears more important in this respect, but it can also be ensured through telecommunication systems, irrespectively of the location of persons providing information. In addition, the introduction of Fast Track Actions calls for new types of contacts with information providers at the service of project developers, which are of a very different nature from those required by projects under the Regional Initiatives. In terms of contact needs, it seems that a “specialist” approach will have to develop, at the expense of a more traditional “generalist” approach.

Existence of provisions for an efficient technical assistance

According to the financial tables of Section 7.2., the total budget for technical assistance for the period 2007-2013 will amount to € 27,541,866, with an ERDF contribution of € 19,279,306. With regard to the debate about the financing of the JTS and of the Information Points which has taken place during the programme elaboration, it is clear that the budget for technical assistance is likely to cover the needs of the JTS only under the condition that a very strict management takes place. There is no room for any type of flexibility. If additional demands emerge, the question can be raised, how appropriate answers and support can be delivered.

Because of the introduction of theme-related operations (“Regions for Economic Change”) under the Fast Track Actions, technical assistance resources in terms of theme-related expertise should be strengthened, compared with the Interreg IIIC programme. The reduction of the budget for external expertise during the negotiations on the budget for the JTS (which does not appear as such in the financial tables of Section 7.2.) may however raise some concern about the availability of sufficient resources for external expertise, and therefore for the success of the Fast Track Actions.

It must be taken into account that the European Commission is prepared to allocate resources from its own technical assistance budget (ERDF) to support a number of activities under the Fast Track Actions, especially the organization of seminars and thematic

conferences. It is not clear, however, if the involvement of external expertise will also be supported.

Existence of potential risks and bottlenecks that might impede an overall management of the programme or of its project-based implementation process

Various types of risks may impede a successful implementation of the programme:

- The budget of technical assistance available (see above). The introduction of new dimensions into the programme (new themes, new types of operations) will generate a stronger demand for technical assistance. In case no sufficient resources are available, delays will be unavoidable, with the risk of loss of resources through decommissioning (N+2 rule). The experiences made with the introduction of RFOs under Interreg IIIC should be considered in this respect.
- The success of operations related to the mainstream programmes (Fast Track Actions) depend upon exogenous factors (willingness of the mainstream programme authorities to be involved in Interreg IVC cooperations), which the implementation system of the Interreg IVC programme itself can hardly influence.
- The introduction of new themes under “regions for economic change” which, possibly, do not belong to the traditional fields of regional development policies and of interregional cooperation, although they are forward looking and relevant for territorial development, may generate delays or competition with other EU programmes which will generate challenges for and put pressure on the implementation system of Interreg IVC.

Appropriateness of the proposed project selection procedures and criteria to implement the programme strategy

In the context of Interreg IVC, the procedures used for project selection vary according to the types of operations carried out. The Operational Programme does not contain, however, the selection criteria. These will be elaborated at a later stage and approved by the Monitoring Committee.

For the Regional Initiatives, the procedures will not significantly differ from the ones applied under Interreg IIIC. The possibility of applying a two-step procedure for project generation and selection is also foreseen.

In the case of Fast Track actions under “Regions for Economic Change”, the European Commission will play a specific part at the initial stage of actions, in inviting regions to make applications for networks. As such, the procedure as described in the O.P. is rather vague. Because of the innovative character of such actions, learning by doing will certainly be necessary and it is highly probable that procedures will have to be adapted or modified over time. This is why the details of procedures and criteria are left to the Monitoring Committee and are not included in the O.P. itself. In addition, the success depends also upon the willingness of “demand regions” to participate, which is an exogenous factor .

b) Monitoring, evaluation and control procedures

The provisions of the Operational Programme with regard to monitoring, evaluation and control procedures comply with the new regulations, especially with the regulations (EC) 1080/2006 and (EC) 1083/2006. In the Revised Third Draft O.P., the provisions are sufficiently detailed, especially in the case of monitoring, and no obvious contradiction can be observed.

Existence of a specific methodology with detailed provisions for data collection at programme and project level for monitoring and evaluation purposes

The monitoring system complies with EU regulations, especially with the Structural Fund Regulation Art. 23. It is foreseen that a computerized data base will be prepared for the input and processing of a series of data at project level as well as at project partner level, and for the input and processing of information received by the Lead Partner's activity and financial reports. The proposed database will contain information also at project partner level. It appears to be sufficiently detailed and comprehensive for an efficient monitoring and reporting of the programme implementation.

Level of clarity of reporting procedures

The cornerstone of the reporting system will be the preparation of Annual and Final Implementation Reports which will be submitted to the European Commission. The Revised Third Draft O.P. describes the procedure of reporting, which appears adequate.

Level of clarity of prescriptions for evaluation at programme and at project/operation level

The provisions for the programme evaluation comply with Art. 47 and 48 of the Regulation (EC) 1083/2006.

Efficiency of the proposed financial control procedures

The financial control procedures proposed comply with the Regulation (EC) 1080/2006 (Article 16). The multi-country nature of operations supported by the programme raises however the issue of the geographical competence of financial controllers. The experience of past years in some multi-country programmes has shown that financial control in an international context may generate difficulties. The programme contains a provision in this respect which stipulates that "*Member States may decide to designate a single controller for the whole programme area*". While the provisions of the final version of the Operational Programme appear sufficient, the ex-ante evaluators encourage the Member States to ensure the practicability of multi-country financial control, for instance through the designation of experienced controllers.

Task 5.2. Evaluation of the quality and extent of partnership arrangements

Nature and quality of interaction and cooperation mechanisms between the various structures of the implementation system

The cooperation mechanisms between the various structures of the implementation system are mainly those foreseen in the regulations:

The Managing Authority:

- Ensures that the Certifying authority shall receive all necessary information on the procedures and verifications carried out in relation to expenditure for the purpose of certification;
- Guides the work of the Monitoring Committee and provides it with the documents required to permit the quality of the implementation of the O.P. to be monitored in the light of its specific goals;

- Draws up and, after approval by the Monitoring Committee, submits to the Commission the annual and final reports on implementation;
- Provides the Commission with information to allow it to appraise major projects;
- Ensures all new tasks of animation of the programme, including the coordination of experts and National Contact Points.

The Certifying Authority:

- Draws up and submits to the Commission certified statements of expenditure and applications for payment;
- Ensures for the purpose of certification that it has received adequate information from the Managing Authority;
- Takes account for the purpose of certification of the results of all audits carried out by or under the responsibility of the Audit Authority;
- Maintains accounting records in computerized form of expenditure declared to the Commission;
- Receives the payments made by the Commission and makes payments to the beneficiaries.

The Audit Authority:

- Presents to the Commission within nine months of the approval of the Operational Programme an audit strategy;
- By 31 December each year from 2008 to 2015 submits to the Commission an annual control report and issues an opinion as to whether the management and control system functions effectively;
- Submits to the Commission at the latest by 31 March 2017 a closure declaration.

The Monitoring Committee:

- Considers and approves the annual and final reports prepared by the Managing Authority before they are sent to the Commission;
- May propose to the Managing Authority adjustments or reviews of the assistance and of its management;
- Liaises with other relevant Community programmes;
- Adopts an information and publicity plan to be implemented by the Managing Authority/JTS;
- Approves the work plan of the JTS.

The Task Force:

- Can make proposals to the Monitoring Committee on issues related to programme implementation

The Joint Technical Secretariat:

- Assists the Managing Authority, the Certifying authority, the Audit Authority, the Monitoring Committee and the Task Force in carrying out their duties;
- Liaises with the implementing authorities and the European Commission;
- Cooperates with organizations, institutions and networks relevant for the objectives of the programme;
- Ensures the coordination of the pools of experts and of National Contact Points.

The Information Points:

- Provide support to the JTS and to the National Contact Points;
- Provide support to the Lead Applicants

The rationale of interactions between the various structures of the implementation system in terms of cooperation and partnership appears satisfactory. The reciprocal relationships are adequately described and do not reveal inconsistencies or possible conflicts.

In Section 6.4., the final version of the O.P. indicates in addition that a close partnership will be maintained with the competent regional and local authorities' representatives, the economic and social partners and other appropriate bodies, especially environmental partners and bodies responsible for promoting equality between men and women. Furthermore, the participating countries will ensure at national level that all competent partners will be involved, as far as the implementation, monitoring and evaluation of the programme are concerned, in accordance with national rules and practices.

The various provisions of the programme appear sufficient to ensure that adequate partnership takes place within the programme implementation system itself, with external bodies (local and regional authorities etc.) and also at national level for the implementation of specific tasks.

Existence of national support structures

In Section 6.1.7., the final version of the O.P. indicates that the participating countries may decide to set up a National contact Point. Such a decision is voluntary and the related expenses will not be covered by the Technical Assistance budget of the programme. The programme stresses however that the National Contact Points may have an important role in promoting the programme among potential project applicants and in supporting them in generating projects. It can be expected that most participating countries will establish a National Contact Point and the ex-ante evaluators encourage them to do so.

Participation of representatives of regional authorities, NGOs, economic and social partners in the management structure

With regard to the composition of the Monitoring Committee, the O.P. (final version) stipulates “up to two representatives per country” and “in duly justified cases and upon approval by the Monitoring Committee, a third representative can be admitted”. It is likely that, in a limited number of cases (Federal States), country representatives can be representatives of regional authorities. Except this particular case, the participation of regional authorities, NGOs and economic and social partners is not formally foreseen in the management structures. The final version of the O.P. mentions however that the JTS cooperates with organizations, institutions and networks relevant for the objective of the programme. Under Section 6.4. (see above), close partnership has to be pursued with regional and local authorities, economic and social partners and other appropriate bodies. This makes various forms of informal cooperation with external bodies possible.

Concluding observations

The implementation system proposed complies largely with the new regulations. The formulation of Point b of the tasks of the Managing Authority has been put into conformity with Art 60, Point b of the General Regulation on Structural Funds;

With regard to the procedures for project selection, the provisions as laid own in the current version of the programming document are in general satisfactory, but only succinctly described. Further details have to be worked out in the respective Programme Manuals;

Main risks and bottlenecks in implementing the programme are primarily the level of resources for the technical assistance with regard to the new tasks and operations. In the present budget, there is no flexibility to answer to possible new demands for support and assistance. Uncertainties exist in relation to exogenous factors, such as the willingness of mainstream programme authorities to participate in interregional cooperation;

The monitoring, evaluation and control procedures proposed comply with the new regulations and do not show inconsistencies. A mandatory mid-term evaluation of the implementation of the O.P., as recommended by the ex-ante evaluators, has been introduced into the final version of the Programme.

The provisions related to partnership are satisfactory. They are likely to enable substantial and coherent interactions between the bodies belonging to the implementation system, as well as with a number of authorities and bodies directly or indirectly concerned by the programme.

As the concept of “Pool of independent experts” has disappeared from the description of supported activities under Priority 3, the recommendations of the ex-ante evaluators regarding the role of the Task Force and of the JTS in relation with this pool of experts are not topical anymore and were not taken into consideration.

Provisions for evaluation at project/operation level, as recommended by the ex-ante evaluators, are not included as such in the O.P., but can be carried out in the context of further evaluations carried out by Member States (Section 6.3.4. of the O.P.)

PART III: THE ENVIRONMENTAL EFFECTS OF THE PROGRAMME ON INTERREGIONAL CO-OPERATION 2006-2013

Strategic Environmental assessment (S.E.A.)

After delivery of the Scoping Document related to the SEA, an in-depth Environmental Report and various revised versions of this report were delivered by Ecosystems Ltd (Brussels), respectively in September, October, November and December 2006. Assistance was provided to the Programme Managing Authorities for the preparation of the public consultation in the member states which presently takes place. The final version of the Environmental Report of December 2006 has been transmitted separately to the programming Committee. The key conclusions drawn in this report are:

- none of the operational objectives are incompatible with the 6th EAP priorities of thematic strategies;
- the assessment concludes that there are unlikely to be any significantly or moderately negative effects of the INTERREG IVC Operational programme. On the contrary, many aspects under the second priority axis 'environment and risk prevention' are likely to have positive effects on the environment;
- there is lack of any indications that there may be potentially negative environmental effects. Therefore, it is extremely difficult to propose monitoring measures that might pick up unforeseen adverse effects.

The Environmental Report was put out to consultation on December 20th 2006, together with the Operational Programme. Public consultation was done via the INTERREG website <http://www.interreg3c.net> whilst consultation with the Environmental Authorities and national public of the Member States was done via the National Contact Points responsible for the Operational Programme within the different Member States. A deadline of 14th February was set for comments from the general public and the majority of Member States. For the Netherlands, Slovenia, Germany and the UK, the deadline was set at 14th March and for Greece at 20th April 2007. More than 300 comments were received from 46 authorities of 15 countries. About 100 of these contained opinions on environmental issues with the Operational Programme and on the strategic environment assessment as well as the Environmental Report and its recommendations.

ANNEX 1 : RESULTS OF THE INTERACTIVE PROCESS BETWEEN PROGRAMME ELABORATION AND EX-ANTE EVALUATION

1. Chapters 2 and 3 of the Operational Programme (Introduction and Analysis)

a) Introductory section of the O.P.

Observations of the evaluators on the Outline Document:

The “introduction” chapter of the Draft Outline Document (pp.3-4) only contained some basic text elements that aimed at sketching the new context of / challenges to be faced by the EU’s Cohesion Policy during the years 2007-2013. In order to make the current introduction more “robust” (extended to app. 3-4 pages), it was recommended that the following “general observations” should be taken into consideration when drafting an up-graded version of the programming document:

Additional information on important aspects characterising the current situation, the changing EU-wide policy context and emerging major macro-challenges / related territorial development trends should be included in the introduction. The following issues should at least be briefly mentioned:

- A brief text block generally referring to the current inter-regional co-operation experience (INTERREG IIIC).
- Basic orientations of the Lisbon & Gothenburg Agendas (and their recent update).
- Future-oriented key findings of recent ESPON research should briefly be highlighted (see also our “Screening Report”). At least the general pattern of development perspectives challenging regional development policy in the coming decade should be sketched out. This pattern is likely to include (1) a continuation of the catching up process in central and eastern Europe, (2) a stronger development of metropolitan areas both in the East and the West, (3) growing negative impacts of the demographic evolution (population ageing) on regional labour markets and finally (4) growing pressures on a number of rural areas (production of energy crops, intensification of agriculture in fertile rural areas, migration of retirees towards rural areas etc.).
- With regard to the strong increase of disparities resulting from the recent EU-enlargement of 2004 and its continuation in 2007, some illustrative examples for regional imbalances that characterise the present situation and the near future (trends) should be briefly be mentioned. If existing, also examples for significant catching up process in the territorial development of the new member countries should be mentioned.
- It would also be wise highlighting that the overall situation described significantly challenges the EU’s territorial cohesion and also calls for more intensive interregional cooperation to improve the quality of EU regional policy interventions.
- Basic orientations of the Rotterdam Agenda on territorial cohesion (and follow up).
- A slightly more extensive presentation of the “Community Strategic Guidelines” (CSG).

Observations of the evaluators on the First Draft Operational Programme:

In the First Draft Operational Programme (version 21-7-2006), the Introduction had not yet been worked out, but a certain amount of additional information requested by the evaluators was introduced into the “Analysis” chapter.

Observations of the evaluators on the revised First Draft Operational Programme:

In the revised version of the first Draft O.P. delivered on September 8th, 2006, a substantial introductory chapter had been added. As it was not totally coherent in its structure, an adaptation seemed necessary along the following lines:

Section 2.1. Interregional cooperation

The title could be “Interregional cooperation in a changing context”

Two first paragraphs: O.K.

Last paragraph should be more developed and mention:

- The need for continuity of interregional cooperation considering the positive results achieved up to now;
- The need to take into account new global and territorial challenges in Europe;
- The need to take into account new major orientations in the EU policy context

Section 2.2. (new): Changes in the global and territorial context

- EU enlargements (2004, Romania and Bulgaria, possible other enlargements up to 2013);
- Increased globalization;
- Acceleration of climate change and related territorial impacts;
- Population ageing and impacts on labour markets;
- Trends in regional and territorial development (catching up process in central and eastern Europe, stronger development of metropolitan areas)

Section 2.3. Changes in the policy context

- 2.3.1. Updated Lisbon and Gothenburg Strategy
(existing text until “some of the highest growth rates))
- 2.3.2. Cohesion policy 2007-2013
(existing text until “environment and risk prevention”)
- 2.3.3. (new) The Territorial Agenda
(a few sentences on the Territorial Agenda to be adopted under German presidency in 2007)

Section 2.4. (restructured) General orientations and area of application of the Interreg IVC O.P. “Interregional Cooperation”

- Articulation of the programme strategy and priorities along the two main themes, but consideration of all important existing and emerging challenges in relation to these two main themes;

- Adaptation of the programme with the introduction of a top-down dimension
- Description of the Programme area

Observations of the evaluators on the Second Draft Operational Programme:

The observations and suggestions of the ex-ante evaluators about the improvement of the introduction aiming at indicating the most strategic changes in the global and territorial context and not only in the policy context have been adequately taken into account.

b) Analysis of the socio-economic and territorial situation

Structure of the chapter:

Observations of the evaluators on the Outline Document:

The “analysis” chapter of the Draft Outline Document (pp.5-19) only realised a rather basic assessment for the main themes that are relevant for future inter-regional co-operation (“innovation & knowledge economy”; “environment & risk prevention”). Existing text elements were not very logically linked among each other and a “red tape” was missing in the analytical reasoning. Especially the section on “environment & risk prevention” was yet very weak. Before dealing with the preliminary socio-economic analysis that was realised in relation to these two strategic themes, it was recommended by the evaluators that the following “general observations” relating to the presentation of the entire chapter should be taken into consideration:

(a) In order to increase the logic of analysis and subsequent reasoning, the entire chapter should be presented according to a revised structure (see box below). The chapter should start with a short stock-taking of the current situation of inter-regional co-operation (i) and continue with a brief strategic positioning that refers to major macro-challenges of the future and to related territorial imbalances in Europe (ii). Then, a more extensive assessment of the two key themes for future inter-regional co-operation should be provided (iii & vi). Finally, a comprehensive summary SWOT analysis should be realised that takes up major elements of the previous assessments (v).

STRUCTURE FOR PRESENTING CHAPTER II:

- (i) The current situation of inter-regional co-operation
- (ii) Strategic positioning
- (iii) Assessment for theme 1: Innovation & the knowledge economy
- (iv) Assessment for theme 2: Environment & risk prevention
- (v) Summary SWOT analysis, including the most important aspects from sections (ii), (iii) and (iv) that are relevant for future inter-regional co-operation (2007-2013).

Observations of the evaluators on the First (and revised) Draft Operational Programme:

The new structure of the O.P. reflects the suggestions of the ex-ante evaluators.

Strategic positioning:

Observations of the evaluators on the Outline Document:

The strategic positioning should – in a medium / long-term perspective - briefly sketch out the major macro-challenges that will have significant territorial impacts in the European Union and beyond. The main purpose of this section is:

- to highlight that territorial development policies at all levels (EU, national, regional/local levels) will have to cope with these challenges and are required to find innovative solutions for responding to the related problems / needs;
- to create a wider and somehow cross-cutting reference framework that “sets the scene” for a subsequent in-depth assessment of the two key themes on which future inter-regional co-operation should focus on.

In order to elaborate this new section, the evaluators recommended that the following “general observations” should be taken into consideration when drafting an up-graded version of the programming document:

- The text should highlight some of the most important examples for future macro-challenges as well as their related territorial impacts, which will challenge territorial development policies at all levels (EU, national, regional/local levels). General information can be derived from the preliminary results of the ESPON Study Project 3.2 on long-term scenarios, showing different territorial development trends up to 2015 and 2030 (an overview of text examples was presented by the evaluators).
- The performances of Europe with regard to the theme “innovation & the knowledge economy” should be placed in a broader international context (USA, Japan). General information can be obtained e.g. by using the results of the recent “Scoreboard on innovation”, pin-pointing the strategic challenges to which Europe is and will be confronted in future, and by referring back to various Commission documents (an overview of text examples was presented by the evaluators).
- With regard to the theme “environment & risk prevention”, the text should highlight the current environmental situation and pin-point future challenges e.g. by making reference to some of the most important EU-documents that. (an overview of reference documents was presented by the evaluators).

Observations of the evaluators on the First (and revised) Draft Operational Programme:

With regard to the section “General trends and developments”, a significant improvement has been made in this section, taking into account extensively the future territorial challenges resulting from Espon Project 3.2. The evaluators recommend however that before describing the future challenges of the European territory, a section should be added summarising the recent trends of regional development in Europe (3rd Cohesion Report etc.) as suggested in our previous document (last bullet p.4 and top of p. 5), showing the evolution of regional disparities in Europe, also in relation with the last EU enlargement and in the perspective of the future enlargement to Romania and Bulgaria.

The concluding paragraph of section 3.2 should be somewhat expanded, indicating more in detail the potential role of interregional cooperation in contributing to answers to the regional issues and challenges identified. This concluding paragraph should also create a link with the two following sections “Innovation and knowledge economy” and “environment and risk prevention”.

Thematic analysis of main issues:

- ***Theme 1: “Innovation & the knowledge economy”***

Observations of the evaluators on the Outline Document:

In order to further sharpen the analytical profile of the current section in the Draft Outline Document (pp. 6-8), the evaluators recommended that the following “general observations” should be taken into consideration when drafting an up-graded version of the programming document:

- The new section focusing on theme 1 should organise its analysis alongside the following sub-headings:
 - Assessment of the present situation (strengths/weaknesses).
 - Assessment of future trends (opportunities / threats).
 - Brief review of thematic co-operation experience made under INTERREG IIIC.
 - Orientations for future inter-regional co-operation (2007-2013).
- In the context of the SWOT-like assessment (1st and 2nd bullet points), the sub-themes mentioned in the ERDF-regulation should be used as a structuring reference framework for presenting the in-depth analysis.
- Due to the fact that the new programme is valid until 2013, not only the present situation should be taken into consideration in the socio-economic analysis (strengths / weaknesses). Also future trends and long-term evolutionary perspectives for the next decade (e.g. by using forecasts and foresight research studies) should be mentioned for the sub-themes mentioned in the ERDF-regulation, where possible.
- A brief summary review of the thematic co-operation experience made under INTERREG IIIC should be elaborated, i.e. by using and further developing existing text and maps presented on pp.12-14 of the current “Draft Outline Document”.
- An important aspect at the end of the thematic assessment would be to give a brief outlook on potential co-operation issues that could be addressed in the years to come.

Observations of the evaluators on the First Draft Operational Programme:

The issues are correctly described.

It seems appropriate to have a similar structure to that of the section “Environment and risk prevention”, where the sub-section “The state of play” is itself divided in “Present situation” and “Future trends and long-term evolutionary perspectives for the next decade”.

The content of pages 8, 9 and first half of P.10 correspond mainly to the “Present situation”. A new sub-section on “Future trends and long-term evolutionary perspectives” should be written (it does not need to be long), insisting on the risks of territorial polarisation and of

increasing disparities in the field of innovation and knowledge economy. A final paragraph should create a link with the “Strategy” and should highlight the potential contribution of interregional cooperation to addressing the issues identified.

A brief outlook on potential co-operation issues in the field of innovation and knowledge economy has not yet been introduced.

Observations of the evaluators on the Second Draft Operational Programme:

The extension of section 3.3.2. (State of Play) and the inclusion of considerations on the evolution of employment and on the need to invest in human capital and education are welcome and correspond both to the observations of the ex-ante evaluators and to the debates of Helsinki and Brussels (Reference group).

- Theme 2: “Environment & risk prevention”

Observations of the evaluators on the Outline Document:

In order to upgrade the analytical profile of the yet very weak section in the Draft Outline Document (pp. 9-11), the evaluators recommended that the following “general observations” should be taken into consideration when drafting an up-graded version of the programming document:

- The new section focusing on theme 2 should organise its analysis alongside the following sub-headings:
 - Assessment of the present situation (strengths/weaknesses).
 - Assessment of future trends (opportunities / threats).
 - Brief review of thematic co-operation experience made under INTERREG IIIC.
 - Orientations for future inter-regional co-operation (2007-2013).
- In the context of the SWOT-like assessment (1st and 2nd bullet points), the sub-themes mentioned in the ERDF-regulation should be used as a structuring reference framework for presenting the in-depth analysis.
- Due to the fact that the new programme is valid until 2013, not only the present situation should be taken into consideration in the socio-economic analysis (strengths / weaknesses). Also future trends and long-term evolutionary perspectives for the next decade (e.g. by using forecasts and foresight research studies) should be mentioned for the sub-themes mentioned in the ERDF-regulation, where possible.
- A brief summary review of the thematic co-operation experience made under INTERREG IIIC should be elaborated, i.e. by using and further developing existing text and maps presented on pp.12-14 of the current “Draft Outline Document”.
- An important aspect at the end of the thematic assessment would be to give a brief outlook on potential co-operation issues that could be addressed in the years to come. For starting this selection / identification process, especially the following aspects should be seriously considered (see comments in the text box below). When it comes to a more in-depth screening of potential co-operation issues that might also link up to the elaboration of a future programme priority on the topic “environment & risk prevention”, we suggest taking into consideration our specific “briefing note” (annexed to the Evaluability report).

Observations of the evaluators on the First Draft Operational Programme:

In the sub-section “3.4.1 Strategic context”, it would be wise to present things in a chronological order: So after the first paragraph on p.10, the paragraph on the Cardiff European Council (on p.12) should be inserted and subsequently the paragraph referring to the EU’s sustainable development strategy (on p.12). Then it should be continued with the Gothenburg Council of 2001.

The paragraph on ‘sustainable development requires global solutions’, it is correct but may not be relevant in this context and could be deleted (end of p.10)

The descriptions of the key EU priorities for environment are correctly described. Nevertheless, under the ‘protecting nature and biodiversity’ bullet, it would be worth expanding and generalising the text to not just concentrate on desertification and pharmaceutical products (latter is more relevant for tropical countries). For instance: a healthy natural environment plays an important role in our economy and helps improve the quality of our lives. It provides a number of ecological services: these can include providing a quality water resource and maintaining the water balance, supporting soils via nutrition retention and erosion control, flood protection and storage, shoreline protection, nutrient cycling/storage and pollution abatement or retention, carbon storage, the provision of a rich variety of valued species (e.g; nurseries for fish stocks) for food, timber and other products. Safeguarding these ecological functions has important environment and economic benefits (e.g. allowing space for wetlands along river flood zones to absorb excess water is more cost-effective than building expensive hard engineering flood barriers. Protecting fish nursery grounds increases substantially the yield in fish resources.)

Under waste it could be worth mentioning the concept of waste hierarchy: ideally, prevent waste, and what cannot be prevented such be re-used, recycled and recovered as much as is feasible, with landfill being only the last option. This is the cornerstone of EU waste policy but so far poorly implemented.

Section 3.4.2 Biodiversity: 2nd paragraph –the last sentence referring to species declines should be moved to first paragraph and the text on major delays in implementation of the Directive should be adjusted: this was true a few years ago but the network is now almost complete and the key challenges are now in managing the sites within the network and integrating Natura2000 into other land use activities and policies to achieve sustainable development – this is where the real challenge lies

Bullet under natural and technological risks: future trends could be expanded a bit to cover not just desertification, but also fires, flooding and coastal erosion, basically climate change is likely to be a problem across EU.

The section should be concluded by a paragraph creating a link with the Strategy, highlighting the potential contribution of interregional cooperation to addressing the issues identified.

Observations of the evaluators on the Second Draft Operational Programme:

The restructuring of sections 3.4.2. and 3.4.3., emphasizing more natural and technological risks and hazards (floods, forest fires etc.) brings a clear added value to the O.P. and puts it more in line with general priorities prevailing at EU and Member State level.

Similarly, the extension of the section on waste management draws the attention on a serious issue, especially for the New Member States, in which horizontal cooperation between regional and local authorities should prove very fruitful.

Current situation of inter-regional co-operation (Section 3.5. of the O.P.):

Observations of the evaluators on the Outline Document:

In the Draft Outline Document, one could already find some text segments (pp. 12-17) useful for describing the current situation. In order to further improve this section, it was recommended by the evaluators that the following “general observation” should be taken into consideration when drafting an up-graded version of the programming document. The new section analysing the current inter-regional co-operation experience should further streamline the entire analysis (compared to the Draft Outline Document) and focus on a number of general key aspects. The following sub-headings are suggested:

- Experiences made in relation to the co-operation themes addressed under INTERREG IIIC.
- Experiences made in relation to the types of action supported under INTERREG IIIC.
- Experiences made in relation to strategic level co-operation (at the level of the programmes) and project level co-operation.
- Experiences made in relation to the wider management context.

Observations of the evaluators on the First (and revised) Draft Operational Programme:

On p.16, there should be a short text providing an interpretation / analysis of the various “key figures” presented on pp. 16-17.

Template “Main lessons learnt from the Interreg IIIC experiences:

The terminology of the column titles should be modified, in order to avoid redundancy with the SWOT template. “Strengths” should be replaced by “Positive outcomes of Interreg IIIC”, “Weaknesses/aspects to be improved” should be replaced by “Shortcomings and aspects to be improved”.

The two sub-sections “Innovation and the knowledge economy” and “Environment and risk prevention” contain quite extensive statistical information, but could be more explicit in evaluative terms. A final paragraph in each sub-section could indicate which cooperation activities are the most likely to contribute to territorial development and to sustainability and could, for instance, be of support to mainstream programmes (in the perspective of the new priorities set to interregional cooperation).

In the revised First Draft O.P., the modification of the terminology has been carried out.

Observations of the evaluators on the Second Draft Operational Programme:

No further observation

Summary SWOT analysis:

Observations of the evaluators on the Outline Document:

Concerning the current SWOT-analysis as presented in the “Draft Outline Document” (pp.18-19), one could observe that there was still a lot of confusion regarding its exact objectives in the context of a new programme.

In order to improve this situation, the evaluators recommended that the following “general observations” should be taken into consideration:

- The SWOT should refer to both the socio-economic situation of the European territory and to the experience gained with inter-regional co-operation under the previous Interreg IIIC programme. It has to be elaborated as a prolongation of the related sections of the socio-economic analysis and should summarise its most important aspects. By pin-pointing these important key issues that influence on / challenge inter-regional regional for territorial development in Europe, the summary SWOT analysis is able to pave the way for designing the strategic orientations of the future Interreg IVC programme.
- The above-mentioned SWOT-assessments need to observe the generally known minimum-standards that are defined for this method. While formulating the respective SWOT statements, a number of general rules should be observed that were summarised in schemes provided by the evaluators.

Observations of the evaluators on the First Draft Operational Programme:

After the introductory paragraph on p.23, a kind of brief summary should be elaborated that isolates the most important strategic key messages that can be derived from a cross-cutting assessment / analysis of the SWOT-table on the following pages.

SWOT template:

- The introduction of the first column (socio-economic analysis) has filled an important gap when compared with the SWOT template of the Outline Document.
- The titles of the columns “derived from the socio-economic analysis” and “derived from the Interreg IIIC experience” could be replaced by “Related to the socio-economic situation and evolution of the European territory” and “Related to interregional cooperation activities”.
- Under opportunities it may be worth adding a sentence about the benefits of ecosystems functions and environment services

Observations of the evaluators on the revised First Draft Operational Programme:

The ex-ante evaluators welcome the introduction of a new column “Environment and risk prevention” in the SWOT template (“Socio-economic situation and evolution of the European territory p. 26/27) which creates a balance between the two priorities of the programme and an efficient bridge between the global analysis of the European territory and of its evolution perspectives and the strategy and priorities chosen.

Observations of the evaluators on the Second Draft Operational Programme:

No further observation

2. Chapter 4 of the Operational Programme (Programme Strategy)

Section 4.1. of the O.P.: Overall Objective

Observations of the evaluators on the revised First Draft Operational Programme:

The evaluators recommend to include a text-component in the programming document that highlights very clearly what the expected Community added value of interregional co-operation will be. In our opinion, such a paragraph could best be elaborated in the context of the section specifying the overall objective

Observations of the evaluators on the Second Draft Operational Programme:

The addition of the paragraph after the presentation of the overall objective makes more explicit the potential role and contribution of the Interreg IV programme with reference to both the Lisbon Agenda and the cohesion Policy.

Section 4.2. of the O.P.: Specific Objectives

Observations of the evaluators on the revised First Draft Operational Programme:

- the future Interregional Programme should – in the context of its thematic focus – provide for co-operation options on local employment development (LED) in order to better address Guideline 3 of the CSG-document.
- the future Interregional Programme should more explicitly provide for co-operation among cross-border and transnational programme areas in order to enable an exchange of experience / a transfer of best practices on specific topics related to “innovation & the knowledge economy” and “environment & risk prevention”.

Observations of the evaluators on the Second Draft Operational Programme:

- The reformulation of the second specific objective and the addition of “support to employment, human capital and education” in the first specific objective are in line with the improvement of Chapter 3 and with the debates of Helsinki and Brussels (Reference group).
- The restructuring and improvement of the various sub-themes for priorities 1 and 2 is coherent with the reformulation of the specific objectives. The indication that operations can address simultaneously various sub-themes is important for carrying out comprehensive cooperation projects of territorial development.

Section 4.4.1. of the O.P.: Regional and Local Initiatives

Observations of the evaluators on the Second Draft Operational Programme:

The integration of Option 1 and Option 2 into a single formulation corresponds to the priority of having more simple procedures for project implementation but leaves also the door open for a follow-up of some R.F.Os.

Section 4.4.2. of the O.P.: Strategic Interregional Actions

Observations of the evaluators on the revised First Draft Operational Programme:

The formulation of the sentence “All operations that will be developed under the local and Regional Initiatives type of intervention and the Fast Track Actions will be obliged to provide input on their result to the thematic Interregional Networks related to their respective subjects” is too strong and could prove to be counterproductive. A softer formulation like “will be encouraged” or “will be warmly invited” seems more appropriate.

Observations of the evaluators on the Second Draft Operational Programme:

- The observation of the ex-ante evaluators (Brussels 11 October) on the need to emphasize the role of interregional cooperation in strengthening the links and synergies between the cohesion policy and other EU policies (thematic approach) has been adequately taken into consideration in the formulation chosen.
- The suggestion of the ex-ante evaluators related to a less rigid formulation of the links between the outputs of Regional and Local Initiatives and the Fast Track Actions (“will be strongly encouraged” instead of “will be obliged”) has been taken into consideration.

Section 4.8. of the O.P.: Integration of the SEA results into the Programme Strategy

Observations of the evaluators on the Second Draft Operational Programme:

The section summarizes adequately the provisional findings of the SEA. Most recommendations of the SEA concerning the reformulation, addition or suppression of text segments have been integrated into the Second Draft O.P.

3. Chapters 4 and 5 of the O.P. (Internal coherence)

Although the **Draft Outline Document (June 2006)** has presented in **Part III** the “Strategy Orientations” only at a discussion stage, one could already observe a clear hierarchy among the envisaged programme objectives (“*strategic objective*” → “*overall objectives*” → “*specific objectives*”). A brief review of the objective statements revealed however that most of them were not yet elaborated / allocated in an appropriate way.²⁴ With respect to **Part IV** (“Priority Axes”), the Outline Document did not yet contain text segments that describe / further specify the precise contents of the individual programme priorities.

Due to these weaknesses, a number of “general observations” providing overall guidance / support had been formulated by the evaluators that should be taken into consideration during the next stage of the programme-elaboration process (**see box below**).

Observations on the Draft Outline Document

On Part III, “Strategy Orientations”:

- *The current statements elaborated for the specific objective-types at all levels should be reviewed / further improved with respect to their adequate position and their clarity / consistency.*
- *Once the statements for the different objective-types are elaborated (“strategic objective”, “overall objectives”, “specific objectives”), it is recommended to check again whether the entire objective system clearly presents the overall rationale of the programme strategy / its wider*

²⁴ i.e. statement for “strategic objectives” mostly reflects an “overall objective”; statements on “specific objectives” mostly reflect “strategic objectives”.

intervention logic.

On Part IV, “Priority Axes”:

- *Each sub-section referring to one of the future programme priorities should be elaborated alongside a homogenous and well-differentiated formal structure (introduction, objectives at priority level, target groups & beneficiaries, main types of action, operational provisions, expected outputs/results/impacts).*
- *The operational objectives at priority-level should – at the same time – establish a coherent / logic link in relation to some of the higher ranking “specific objectives” as well as in relation to the objectives pursued at the level of the envisaged main types of action.*
- *The profile of the respective target group addressed by each priority should be very well described and – if necessary or appropriate - be further differentiated / sharpened at the level of the envisaged main types of actions.*
- *While formulating adequate statements on expected outputs / results / impacts at the level of each programme priority, the following basic recommendations should be observed.*
- *In addition, an effort should be made for elaborating an adequate statement on the overall expected programme impact.*

The 1st Draft Operational Programme (21st of July 2006) had only slightly improved Part IV on “Strategy Orientations”. Especially the “strategic objectives” and the “specific objectives” still needed to be further elaborated, as a clear set of well-defined objectives were essential for further continuing the ex-ante evaluation (i.e. they determine the overall rationale of the interregional co-operation approach to be adopted during the years 2007-2013 and – together with the priorities - the intervention logic of the programme). Compared to that, the entire Part V “Priority Axes” has been significantly elaborated further, but there is still scope for substantial improvements (i.e. more logical presentation, over-ambitious/optimistic objectives for future projects etc.).

Due to this, a number of “additional observations” have been formulated by the evaluators that should be taken into consideration during the next stage of the programme-elaboration process (**see box below**).

Observations on the 1st Draft Operational Programme

On Part III, “Strategy Orientations”:

- *The sub-section entitled “Identification of priority axes and their justification” is still somehow confusing, as a coherent logic among the paragraphs written is still missing. Various modifications regarding the presentation had been suggested.*
- *The 3 different “approaches” should be linked more coherently with the “types of action”, as yet no clear correspondence can be derived from the existing text.*

On Part IV, “Priority Axes”:

- *Under both thematic priorities, the sub-section on “general purpose” should be reviewed once the “strategic objectives” and the “specific objectives” are elaborated (ensure a logic internal link).*
- *With respect to the “operational objectives” under both thematic priorities (text-boxes), we strongly doubt in several cases whether the expected contribution of future projects is very realistic.*
- *As regards Priority 2, there is no mention of waste even though it is one of the 4 EU environmental priorities.*
- *Under both thematic priorities, a sub-section presenting again the possible “types of actions” that will be realised in this context is still missing.*
- *Under both thematic priorities, the tables in the sub-sections indicating the activities supported should be presented in a similar manner.*

- *Under examples of activities for rehabilitation of the physical environment, the wish to bring in cooperation on waste management methods is to be welcomed but is not coherent with rehabilitation of the physical environment.*
- *The examples for activities on biodiversity are not yet really appropriate. Management plans are site specific and very much linked to the specific local conditions (not important for interregional cooperation). What would be more relevant are species or habitat action plans that set management priorities for Natura2000 species across their entire natural range in EU (no money has been earmarked so far for this vital exercise under RDP, LIFE+ etc.). Also the "overall coherence of the network", which is the ultimate objective in achieving no biodiversity loss, is forgotten.*

The **updated 1st Draft Operational Programme (8th of September 2006)** presented a considerably improved Chapter 4 (Programme Strategy) and a profoundly reviewed operational part under Chapter 5 (Priority Axes). As such, one can say that the previously made observations of the ex-ante evaluators on the 1st Draft were carefully taken into consideration.

- **A hierarchical system of 23 objectives** has been elaborated that are generally well-defined and structured in a logic manner (Chapter 2). Only the envisaged Community added value was not yet explicitly stated in this version of the programming document. Due to this, it was recommended to include a text-component in the context of the section specifying the overall objective (programme section 4.1) that highlights very clearly what the expected Community added value of future interregional co-operation will be.
- With respect to **the priority-level actions** (Chapter 5), some uncertainties regarding the exact number of actions to be implemented by the programme did persist. This was partly because different "options" had been proposed under Priorities 1 & 2 and partly because under Priority 3 the description of actions was still rather vague (**see overview table below**).

Due to the fact that the financial provisions (Chapter 7) were not yet completed in this Draft of the Interregional Co-operation Programme, a comprehensive appraisal of the adequacy of financial allocations to the different programme priorities had to be realised at a later stage of the ex-ante evaluation process.

Overview Table: Actions envisaged under the different programme priorities (1st Draft of 8th September 2006)

Priority	Reference	Types of action
Priority 1 (Option 1):	P1-A1	Regional & Local Initiatives
	P1-A2	Thematic Interregional Networks
	P1-A3	Fast Track Actions
Priority 2 (Option 1):	P2-A1	Regional & Local Initiatives
	P2-A2	Thematic Interregional Networks
	P2-A3	Fast Track Actions
Priority 1 (Option 2):	P1-A1	Regional & Local Initiatives – Interregional Projects
	P1-A2	Regional & Local Initiatives – Regional Framework Operations
	P1-A3	Regional & Local Initiatives
	P1-A4	Thematic Interregional Networks
Priority 2 (Option 2):	P2-A1	Regional & Local Initiatives – Interregional Projects

	P2-A2	Regional & Local Initiatives – Regional Framework Operations
	P2-A3	Regional & Local Initiatives
	P2-A4	Thematic Interregional Networks
Priority 3:	P3-A1	Basic tasks of project selection, monitoring of projects, financial programme management and financial control
	P3-A2	External advice may be needed (i.e. for a gathering and processing of data and implementing a computerised management system; for specific questions of managing a programme to assist international cooperation concerning the development of projects and drafting of the legal documents that form the basis for the organisational framework of the cooperation projects).
	P3-A3	An expert pool for specific issues concerning Lisbon and Gothenburg issues may be needed
	P3-A4	Activities relating to analysis, studies, information and publicity for ensuring a sound capitalisation of the results gained under IIC and during IVC as well as a broader dissemination of the achievements of this programme.
	P3-A5	Evaluation of the INTERREG IVC programme

A preliminary in-depth analysis was realised for the **2nd Draft Interregional Cooperation Programme (20th of October 2006)** alongside the prescribed ex-ante evaluation tasks. It examined the Interregional Co-operation Programme strategy's rationale, the validity of its wider intervention logic, the various relationships between the programme objectives and the envisaged priority-level actions (i.e. in terms of interdependencies and complementarities) as well as the potential policy risks. The appropriateness of financial allocations could not yet be appraised, as a sufficient degree of completeness of the programming document was not reached at this stage.

In the following, the main findings and the related observations / recommendations (**see box at the end of this section**) are briefly summarised for the different dimensions of the provisional internal coherence assessment:

- The programme strategy continued to consist of 23 objectives (i.e. 6 higher-ranking objectives for the entire programme, 17 priority-level "Operational Objectives"). Compared to the 1st Draft Operational Programme, however, the various objective-statements were further fine-tuned and also the number of Operational Objectives has been changed under some priorities. As such, the **overall rationale of the programme strategy** was already characterised by a significant degree of internal consistency. The individual objective-statements were in general sufficiently realistic and will therefore be able to motivate stakeholders at the regional and local levels to become involved in interregional co-operation. Due to this pragmatic rationale of the strategy, it is also very likely that the programme will generate most of the expected Community added value that was now elaborated more explicitly in the current programming document (i.e. under section 4.1). Yet, the description of the Community added value should be slightly more realistic and highlight only those issues to which the programme's actions it can really make a direct contribution.
- **The intervention logic** of the Interregional Co-operation Programme (i.e. made up of the "objective system" & of the wider set of "programme actions") **can largely be considered valid, provided however that some further changes are realised**. The envisaged actions under the 3 priorities are generally well-linked to the higher-ranking programme objectives (i.e. overall objective, specific objectives) and are also strongly corresponding to the rest of the wider objective system (i.e. priority-level operational objectives). Three **types of intervention** (i.e. Thematic Interregional Networks, Fast Track Actions) shall be realised in the context of Priorities 1 and 2, which are grouped under the wider headings "Regional & Local Initiatives" and "Strategic Interregional Actions". Compared to the previous version of the programme (8th September 2006),

sufficient clarity is now provided on the precise number actions to be realised in the future (**see overview table below**). The programme also envisages a **fair balance between bottom-up and top-down interventions**, as it defines indicative financial shares that should go to “Regional & Local Initiatives” (60%) and to “Strategic Interregional Actions” (40%).²⁵ The reference baseline for determining these shares should however not be the overall programme budget (i.e. covering Priorities 1-3), but the aggregated budget allocated to Priorities 1 and 2 (i.e. 95% of the programme budget). **The 10 priority-level sub-themes that were defined for interventions / actions under Priorities 1 and 2** (i.e. 4 sub-themes for P1; 6 sub-themes for P2) are well linked to the key issues mentioned in the socio-economic analysis (Chapter 3 of the programme) and are also strongly corresponding to the aspects mentioned in the statements of the related specific objectives (i.e. SPOs 1 & 2). **The implementation provisions defined for interventions / actions under Priorities 1 and 2** are in most cases realistic and do normally provide valuable information for those wishing to become involved into future interregional co-operation. Some of the general provisions defined for “Regional & Local Initiatives” (i.e. total number of partners involved in a project; overall budget per project; duration of the project) should however be reviewed.²⁶ **Under Priority 3**, at least five different activities shall be realised (P3-A1 to P3-A5) to support the overall implementation of the programme. Despite their clear and logic link with the respective higher-ranking programme objectives (SPOs 3-5) and their consistent relation towards the operational objectives defined for Priority 3, the formulation of the actions should be more straight-forward.

Overview Table: Envisaged programme actions, specified by priority (2nd Draft Interregional Cooperation Programme of 20th of October 2006)

Priorities and sub-themes	Reference	Programme interventions / actions
Priority 1: Innovation & Knowledge Economy Sub-themes are: 5. Innovation, research and technology development. 6. Entrepreneurship and SMEs. 7. The information society. 8. Employment, human capital and education.	P1-A1	Regional & Local Initiatives
	P1-A2	Thematic Interregional Networks
	P1-A3	Fast Track Actions
Priority 2: Environment & Risk Prevention Sub-themes are: 7. Natural and technological risks. 8. Water management. 9. Waste management. 10. Biodiversity and preservation of natural heritage. 11. Energy and sustainable public transport. 12. Cultural heritage.	P2-A1	Regional & Local Initiatives
	P2-A2	Thematic Interregional Networks
	P2-A3	Fast Track Actions
Priority 3: Technical Assistance	P3-A1	Activity covering basic tasks of project assistance, project selection, monitoring of projects, financial programme management and financial control
	P3-A2	Activity covering external advice that may be needed for a gathering and processing of data and

²⁵ See text specification on p. 34 of the 2nd Draft INTERREG IVC Programme.

²⁶ See text specification on p. 35 of the 2nd Draft INTERREG IVC Programme.

		implementing a computerised management system as well as for specific questions of managing a programme to assist international cooperation concerning the development of projects and drafting of the legal documents that form the basis for the organisational framework of the cooperation projects.
	P3-A3	Activity covering the expert pool for specific issues concerning Lisbon and Gothenburg issues, which may be needed.
	P3-A4	Activity covering analysis, studies, information and publicity for ensuring a sound capitalisation of the results gained under IIC and during IVC as well as a broader dissemination of the achievements of this programme.
	P3-A5	Activity covering the evaluation of the INTERREG IVC programme

- **The programme objective system** is characterised by **an absence of conflicts** between higher-ranking programme objectives and priority-level operational objectives. It also shows an **already well developed level of overall consistency** as well as a **high degree of interdependence** among the various objective-levels. The definition of co-operation themes at the level of Priorities 1 and 2 can therefore be considered relevant to meet the objectives of the programme.
- Already at this stage, **no negative contributions of the envisaged actions to an achievement of the wider programme objectives could be detected** (absence of programme-internal conflicts). The entire **programme strategy is generally characterised by a medium level of overall complementarity and shows several constellations where clear programme-internal synergy potentials do exist.**
- **The proposed objectives at various levels of the programme and the selected priority-level actions do not reveal an obvious risk that needs to be tackled before the final adoption of the programming document.** The same holds true for the **different concepts used in the programme** (i.e. “main theme and related sub-themes of a priority”; “types of intervention” etc.), as they **are clearly defined and thus do not show any risk of confusion.** The 2nd Draft of the Interregional Cooperation Programme did however **not yet contain explicit provisions on how a potential interaction between INTERREG IVC-based co-operation activities and future “mainstreamed” interregional co-operation activities (i.e. those included in the Objective 1 & 2 Programmes) could be organised.** In principle, we considered that some kind of link or exchange between both interregional co-operation dimensions has to be established. Such a link should at least allow exchanging basic information about activities realised in both contexts (e.g. via a joint project-database) and supporting a transfer of project-related contents for commonly shared co-operation themes (i.e. dissemination of know-how / good practice / innovative approaches). By this, one can create an additional source of inspiration that could help orientating the top-down approach of the Interregional Cooperation Programme and - at the same time - avoid the risk of duplication among projects that are realised on very similar topics in both contexts.

Observations on the 2nd Draft Interregional Co-operation Programme

- Elaborate a slightly more realistic statement specifying the expected Community added value generated by the Interregional Co-operation Programme.
- Elaborate a more precise text formulation that specifies the indicative budgetary shares to be allocated to “Regional & Local Initiatives” and to “Strategic Interregional Actions”.
- Consider revising some of the general implementation provisions defined for “Regional & Local Initiatives” especially in case of small-scale projects (e.g. by raising minimum threshold of ERDF co-financing per project).
- Elaborate clear and affirmative mission-statements for the individual actions to be realised under Priority 5 (i.e. avoid expressions such as “may be needed”).
- Elaborate a text provision for the document that allows establishing a link between the Interregional Cooperation Programme and “mainstreamed” interregional co-operation activities.

Observations of the evaluators on the revised Third Draft Operational Programme:

In case of **Priorities 1 and 2**, only two “types of intervention” (i.e. Regional Initiatives-Type 1; The Fast Track Option-Type 2) are now envisaged by the revised 3rd Draft of the programme. This represents a major change compared to the situation prevailing under the previous programme version (2nd Draft, 20th September 2006).²⁷ Beyond this, the new programme version has also deleted the indicative financial shares allocated to “Regional & Local Initiatives” (60%) and “Strategic Interregional Actions” (40%) that had been mentioned in the 2nd Draft. This modification eliminates somehow our previous recommendation for changes, but it also has the disadvantage that the balance between “Regional Initiatives” and the “Fast Track Option” can not be appraised.

Under Priorities 1 and 2, the above-mentioned restructuring effort has provided more clarity with respect to the overall purpose of each type of intervention. Although “capitalisation on previous interregional experiences” is a shared focus under both types of intervention, their differences are now clearly pin-pointed: **(a)** Co-operation activities launched under the heading “**Regional Initiatives**” aim at generating good practice on approaches and tools within the network and at transferring these approaches and tools to partners of the network. **(b)** Under the “**Fast Track Option**”, future co-operation activities are targeted towards a direct transfer of best practice and capacity building to actively stimulate the adoption of innovative regional development strategies (and best practice) in the Competitiveness and Convergence programmes.

In case of Priority 3, the number and content of actions envisaged have remained unchanged. Despite their clear and logic link with the respective higher-ranking programme objectives (SPOs 3-5) and their consistent relation towards the operational objectives defined for Priority 3, the formulation of actions is still not sufficiently straight-forward. In order to achieve this, we again recommend that expressions such as “*may be needed*” are replaced by a clear and affirmative statement (i.e. “*are needed*”).

²⁷ The 2nd Draft defined three types of intervention, which should be realised in the context of Priorities 1 and 2: “Regional & Local Initiatives” and “Strategic Interregional Actions”, with the latter again being split up into “Thematic Interregional Networks” and “Fast Track Actions”.

Observations on the 3rd Draft Interregional Co-operation Programme

- Elaborate slightly more straight-forward objective statements for OPOs under Priority 3. Concrete suggestions for this can be found hereafter:
 - Support project generation and provide advice to project applicants.
 - Ensure the evaluation of applications, prepare the approval decisions and contract approved projects.
 - Ensure monitoring of and advice to running operations.
 - Ensure capitalisation of operations' results for both types of intervention.
 - Organise meetings and events for applicants, partners, auditors, experts, Member States and other to inform about the programmes, to discuss and exchange on specific aspects of the implementation, for decision making and for the dissemination and capitalisation of operations results.
 - Ensure reporting to the Member States and the European Commission.
- Elaborate a slightly more extended statement for the expected Community added value that should be generated by the Interregional Co-operation Programme. This statement should also mention *“the development of new and/or innovative approaches and problem solutions”*.
- Elaborate clear and affirmative mission-statements for some of the actions to be realised under Priority 3 (i.e. avoid expressions such as “may be needed”).
- Elaborate a more precise explanation for the simplified tabular breakdown of financial allocations per priority axes as presented under Chapter 4. The explanatory statements to this table should at least briefly highlight that the shares of the respective priorities reflect the distribution of the total ERDF-contribution for the programme.

4. Chapters 4, 5 and 8 of the O.P. (External coherence)

Neither the **Draft Outline Document (June 2006)** nor the **1st Draft Operational Programme (21st of July 2006)** were completed at a level that allowed the ex-ante evaluators to formulate general observations on the compliance with policies at Community, national and regional level. In other parts of the ex-ante evaluability assessment and its update, however, some more substantial observations had been formulated that concern the themes / issues to be covered in order to contribute better to an achievement of the Lisbon and Gothenburg goals (i.e. assessment of the programme's SWOT-like situation / context analysis).

The **updated 1st Draft Operational Programme (8th of September 2006)** showed significant improvements in the introduction setting the wider policy context (Chapter 2), the socio-economic analysis (Chapter 3), the programme strategy (Chapter 4) and the envisaged operational priorities (Chapter 5). Due to this, a preliminary examination of the external coherence could be started.

- In case of the **Community Strategic Guidelines (CSG)**, this first check already highlighted a somehow problematic issue: The nearby not existing contribution of future interregional co-operation to the CSG's employment policy agenda (Guideline 3).

- A relatively similar weakness could also be observed in case of a list of **congruent themes and objectives that integrates the core of the Lisbon / Gothenburg Strategy objectives and the EU-Structural Funds objectives**. Here again, the objectives grouped under the general heading “*investment in human capital*” were only partly addressed by the future interregional co-operation activities.

Even if **in both cases** the related issues / objectives will mostly be addressed by future ESF-interventions, **we considered that the future programme should – in the context of its proper thematic focus – provide for more explicit co-operation options on employment-related issues**. This general issue had already been pin-pointed in our “screening report” prepared in the context of this ex-ante evaluation.²⁸ It focussed in one chapter on the local and regional dimension of the “European Employment Strategy” and highlighted the particularly important role of regional and local authorities in matters related to decentralised employment development (or: local employment development - LED).

As an **intermediate conclusion**, we therefore suggested to include additional examples of potential co-operation projects for some of the stated CSG-guideline themes / strategic objectives. These project examples should however be well-g geared towards the key issues pursued under the future Interregional Cooperation Programme (e.g. strategies to increase investment in R&D related human capital; support to female entrepreneurship; strategies that improve general skills to favour access to the information society; strategies to optimise / enhance the use of new environmentally friendly technologies etc.)

A preliminary in-depth analysis was realised for the **2nd Draft Interregional Cooperation Programme (20th of October 2006)** alongside the prescribed ex-ante evaluation tasks. It examined the main elements of the Interregional Co-operation Programme’s strategy against the Community Strategic Guidelines (CSG) for Cohesion Policy 2007-2013 and the most important over-arching EU-policy objectives relating to the Lisbon / Gothenburg strategies that can be found in various documents. Compared to the previous version, one could notice that a stronger emphasis was now given to interregional co-operation on issues related to “employment, human capital and education” under Priority 1, which actually puts into practice our previously formulated observations.

In the following, the main findings and the related observations / recommendations (**see box below**) are briefly summarised for both dimensions of this provisional external coherence assessment:

- The 2nd Draft Interregional Cooperation Programme shows already a well developed level of **external coherence with respect to the “Community Strategic Guidelines”** defined for the cohesions policy during the years 2007-2013 and will be able to develop a wide range of complementary relations (i.e. “direct” and “indirect” support effects that might result from the future programme). In a number of cases, however, we recommended that already existing but still relatively weak complementarity-relations should be further strengthened (additional guidelines “*Cross-border co-operation*” and “*Transnational co-operation*”). The future Interregional Co-operation Programme should more explicitly provide for co-operation among cross-border and transnational programme areas in order to enable an exchange of experience / a transfer of best practices on specific topics related to “innovation & the knowledge economy” and “environment & risk prevention”.

²⁸ Screening of strategic European documents for the purpose of facilitating the elaboration of the Operational Programme (Final Version).

- The strategy of the Interregional Cooperation Programme shows already a **well developed level of external coherence with respect to** a list of congruent themes / objectives that are jointly pursued under the **Lisbon and Gothenburg Strategies** and the EU-Structural Funds. Solid complementarity-relations (i.e. particularly strong direct & indirect support effects) can be observed for the objectives grouped under the general headings “*infrastructure investment*”, “*investment in research & development*”, “*investment in human capital*” and “*sustainable development*”. The future interventions of the programme will however not be able to deliver substantial parts of the Lisbon / Gothenburg Strategies (i.e. due to the very limited budgetary resources), wherefore it would be wise highlighting this more realistic vision throughout the different chapters of the programming document (in the beginning of Chapter 3 and especially in Chapter 4).
- The horizontal issues “**equality between men and women**” and “**non-discrimination**” were not yet explicitly considered in the 2nd Draft Interregional Cooperation Programme. This shortcoming has already become evident while analysing the external coherence of the Programme with respect to a list of congruent themes and objectives that integrates the core of the Lisbon / Gothenburg Strategy objectives and the EU-Structural Funds objectives. It has been revealed that the weakest “indirect” and “direct” support effects exist in case of those objectives grouped under the general headings “*Employment*” and “*Social inclusion*”. These objectives actually address aspects that are related to “equality between men and women” and “non-discrimination” in a wider sense. As a consequence of the above-said, we recommend that this weakness should be eliminated in the next version of the programming document.

Observations on the 2nd Draft Interregional Co-operation Programme

- *The future Interregional Cooperation Programme should more explicitly provide for co-operation among cross-border and transnational programme areas in order to enable them realising an exchange of experience / a transfer of best practices on specific topics related to “innovation & the knowledge economy” and “environment & risk prevention”.*
- *The Interregional Cooperation Programme should subscribe to a more realistic vision of its potential contribution to deliver themes / objectives contained in the Lisbon and Gothenburg Strategies. Potential “indirect” and “direct” effects of the Interregional Co-operation Programme will only emerge in case of a limited number of themes / objectives that are closely related to the main thematic programme priorities. These effects will support a concrete achievement of themes / objectives contained in the Lisbon and Gothenburg Strategies only at a narrow geographical scale. The above-mentioned aspects should be better highlight in the relevant chapters of the programming document.*
- *The Interregional Cooperation Programme should contain brief text references clearly stating that issues relating to “equality between men and women” and to “non-discrimination” are duly taken into consideration.*

Observations of the evaluators on revised Third Draft Operational Programme

A clear text reference in the context of Chapter 8 / section 8.3 relating to the respect of the principle of “non-discrimination” is still missing. This should be introduced into the final programme version in order to eliminate this minor weakness.

Observations on the revised 3^d Draft Interregional Co-operation Programme

Introduce a short text reference in the context of Chapter 8 / section 8.3 that specifies that the principle of “non-discrimination” will be respected.

5. Chapter 6 of the O.P. (Implementation system)

Section 6.1.1. of the O.P.: Managing authority

Observations of the evaluators on the revised Third Draft Operational Programme:

With regard to the management system, the management provisions at programme level reflect quite precisely the new regulations (especially the general regulation Art. 58-65). An exception is the description of the programme provisions relating to the tasks of the Managing Authority (Point b) which differs slightly from the formulation contained in the General Regulation (Art. 60 Point b). It should be verified if this change in the formulation is compatible with the spirit of the General Regulation and will not cause problems for the approval of the programme.

With respect to the sub-section describing the “Task Force” (6.1.5), it could be wise considering that the “Pool of Independent Experts” mentioned under Priority 3 has an advisory / supporting status with respect to and identification of key themes / best practice projects and projects partners (point “b”) and with respect to an identification of supply regions for Fast Track Actions (point “c”).

With respect to the sub-section describing the “Joint Technical Secretariat” (6.1.6), it could be wise including more precise provisions setting out that the JTS will be responsible for organising the work process / input provision process (and not only the coordination) of the “Pools of Independent Experts”.

Section 6.1.3. of the O.P.: Audit authority

Observations of the evaluators on the Second Draft Operational Programme:

The introduction of a section on annual control reports and the issuing of opinions upon the effectiveness of the management and control system strengthens the quality of the programme management in line with the new regulations.

Section 6.1.4. of the O.P.: Monitoring Committee

Observations of the evaluators on the Second Draft Operational Programme:

The decision-making process (consensus; qualified majority) related to programme management and to operations seems, as a principle, valid and efficient. Further details on the functioning are needed in the Rules of Procedures.

Section 6.1.5. of the O.P.: Task Force

Observations of the evaluators on the Second Draft Operational Programme:

The addition of a specific section on the Task Force emphasizes the importance of a good preparation of the decisions of the Monitoring Committee. The proposal of the ex-ante

evaluators about the possible participation of external experts as advisers in the Task Force has been taken into consideration in the more open formulation chosen.

Section 6.2. Procedure for project selection

Proposal of the ex-ante evaluators regarding the selection of Fast Track Actions (following the meeting of the Reference Group on 24th November 2006)

The ex-ante evaluators have made the following proposal for the process of Fast Track Actions:

“The process of fast track actions should differ from that of Regional Initiatives, because the purpose of such actions is different. The main difference is that the regions should not be put into competition against each other from the very beginning of the process. The following phases could be envisaged:

- Definition of a precise topic for fast track actions. Each topic should correspond to one of the themes mentioned in “Regions for Economic Change” and selected in the O.P. but should be more specialized and precise.
- Identification of available best practices and innovative knowledge related to the topic selected. This could happen through both a call for expression of interest (addressed to “donor” bodies and “demand” regions) and the involvement of external experts carrying out quick surveys;
- Assessment by external experts of the cases of best practice and innovative knowledge identified and selection of those which are worth being included in fact track actions;
- Negotiations between the JTS and the regions interested by the topic about the setting up of one or more networks (choice of lead partners and network members). The European Commission (geographical units of DG Regio) should incite the mainstream programme authorities to join the networks.
- Presentation of the projects of fast-track networks to the Monitoring Committee for approval. In the budget structure of the networks, the operations corresponding to “donor bodies” (expertise) should be financed to 100% and be included in the “expenditure” side of the network budget, while the contributions of “demand” regions (co-financing) should be included in the “income” side of the budget.
- After approval by the Monitoring Committee, the fast track actions should be carried out in a reasonable time period, which may vary upon the nature and the size of the networks.”

The formulation was integrated into the Third Draft O.P. (version of December 4th, 2006). Considering that it was too detailed and that practice may lead to changes in the procedures governing the Fast Track Actions, the Programming Committee decided at his meeting of December 12th to opt for a much shorter formulation and to leave the details to the Monitoring Committee.

Section 6.3.4. of the O.P.: Evaluation

Observations of the evaluators on the revised Third Draft Operational Programme (6th December 2006)

With regard to evaluation, the realization of a mid-term evaluation is not prescribed any more by the regulations and the decision is left, in the Revised Third Draft Operational Programme, to the Monitoring Committee. Considering the long duration of the programme and the introduction of new types of operations, the ex-ante evaluators encourage the programming authorities to include into the programme a mandatory intermediate assessment of the programme implementation. This intermediate assessment should scrutinize in particular the use of the technical assistance budget. Cost-benefit analyses could determine how to optimize the use of available resources, considering the needs of the JTS and those for external expertise. It must be considered that in the mid-term (around 2010) the need for capitalizing on current experiences will be maximum and that sufficient expertise resources will have to be allocated to this important task.

A minor improvement should be made in the second sentence of Section 6.3.4. "Evaluation": "The recommendations of this evaluation have been taken into account during the drafting of this programme, as described in paragraph 4.6. (*instead of 4.7.*) of this programme"

The programme does not contain provisions for evaluation at project/operation level. The question can be raised if the programme should contain a sentence indicating that this issue will be explicitly decided upon by the Monitoring Committee at a later stage (for instance in the adoption of the Programme Manuals).

6. Chapter 4 of the O.P. and Annex II. Expected programme effects and output/results indicators

Observations of the evaluators on the revised Third Draft Operational Programme (6th December 2006)

a) Overall consistency of the explanatory statement on the proposed set of output/result indicators

Although generally appropriate, **the entire explanatory statement and especially the 2nd paragraph of the text show a number of inconsistencies** that should be corrected before finalising the programme document.

- The title of section 4.5 should be adapted in order to reflect more accurately the subsequent contents. A suggestion in this respect could be the following: "*The expected programme effects and output/result indicators to measure the programme achievements*".
- When comparing the paragraph explaining the approach adopted for elaborating the various programme indicators with the tabular presentation in Annex 2, it becomes evident that the coherence should be improved in order to make things more understandable. In this view, either the text description should start with the first category of output/result indicators (those measuring the programme management performance) in order to be in line with the tabular presentation under Annex 2, or it should revise the order of the tabular presentation under Annex 2 in order to be in line with the text description (i.e. starting with the Operation's Performance).

- There is also a slight error in the text description relating to the output/result indicators to be used for measuring the programme management performance. These indicators are not developed by referring back to the specific objectives defined for Priority 5, but by referring back to the operational objectives defined for Priority 5.

Recommendation

Realise the above-described modifications in order to raise the overall consistency / coherence of these parts in the programme.

b) Quality of the proposed set of output/result indicators and of the related quantification

Quality assessment for each indicator type

The set of output / result indicators as defined in Annex 2 of the Interregional Cooperation Programme are in general all related to a specific normative concept (i.e. the 5 specific objectives of the programme; principles defined by horizontal EU-policies; operational objectives of Priority 3) and are all accompanied by a clear target value to be attained. However, some of the output/result indicators do not yet accurately reflect the related normative concept to be measured and sometimes are also not very realistically specified in terms of the quantitative targets that should be attained. With respect to these shortcomings, our in-depth evaluation has revealed the following critical issues that should be corrected before finalising the programme:

- **Several of the current indicators measuring the “management performance” of the Interregional Cooperation Programme (see: section 1 of the Annex 2 table) do not accurately reflect the related normative concept.** This observation holds true for the **output-indicators**, as some aspects mentioned in the OPOs of Priority 3 are not reflected in a sufficiently clear / transparent way by the stated indicator definitions (e.g. measurement of how a capitalisation of operations’ results is produced; measurement of the reporting to Member States & Commission). It is therefore recommended to re-arrange the output-indicators in a way that a clearer link between them and the respective OPOs is established. This could be done by creating 5 different sub-sections, i.e. one for each of the 5 OPOs mentioned under Priority 3. A very similar observation can be made for the **result-indicators**. They are in general too little in number and their definition should also better address the corresponding OPOs mentioned under Priority 3. It is recommended that any improvement is made only once the above-suggested re-arrangement of output-indicators has been finalised. In doing so, particular attention should be devoted to design at least one appropriate result-indicator per OPO, which well-reflects the corresponding normative concept and the related outputs.
- **Some of the quantitative target values elaborated for output / result indicators measuring the “management performance” of the Interregional Cooperation Programme (see: section 1 of the Annex 2 table) can not be considered fully valid.** Under the current sub-section 1.3 (communication, information, publicity), we consider that the number of press-releases (20) and the number of press articles published / media appearances realised (20) is quantified at a too low level. The programme is expected to run from 2007 to 2013 and even beyond, wherefore the planned annual average would be barely beyond 2 press-releases / publications / appearances per year. Due to this, we recommend that the quoted indicator values

are reviewed and adapted to a level that better reflects what could (and should) actually be achieved in reality.

- **Some of the current indicators measuring the “operation’s performance” of the Interregional Cooperation Programme (see: section 2.1 of the Annex 2 table) do not accurately reflect the related normative concept.** The current set of output / result indicators listed under sub-section 2.1.2 reflects in an appropriate way the specific objective 3 (“*To enable actors at the regional and local level from different countries across the EU to exchange their experiences and knowledge*”), but only very marginally the particular focus adopted by specific objective 4 (“*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*”). It is therefore recommended to elaborate new / additional output- and result-indicators that establish a clearer link towards SPO 3 and to create for them a separate sub-section in the table.
- **A larger number of quantitative target values elaborated for output / result indicators measuring the “general performance of operations” (see: section 2.2 of the Annex 2 table) cannot be considered fully valid.** If one shares the assumption that a total of 240 applications (projects) will be contracted under the future programme, then it appears that the target values of many output- and result-indicators are too low (e.g. 1 steering committee meeting per project and year; 2 brochure editions created per project; 4 newsletters per project; 1 dissemination event per project and year; 2 press releases per project; average of app. 4 visits per month on the website of one operation). Due to this, we recommend that the quoted indicator values are reviewed and adapted to a level that better reflects what could (and should) actually be achieved in reality. Such a more ambitious position is particularly recommended in case of the indicators belonging to the sub-section “dissemination”, as substantial activities in this respect are of crucial importance for the wider success of the Interregional Cooperation Programme.

Recommendation

Realise the above-described modifications in order to further improve the normativity and validity of the programme indicator system.

Quality assessment for the entire programme indicator system

Balance: The system should normally consist of a good balance between indicators in the different categories (outputs, results impacts), but in particular the result and impact indicators should be the most numerous. **Despite the fact that it was jointly agreed not to elaborate impact-indicators for the Interregional Cooperation Programme, one can still observe a considerable imbalance between output- and result-indicators.** The current indicator system consists of 36 output-indicators and 16 result-indicators. This not a very positive situation and corrections should be made, especially by creating additional result-indicators for measuring the “programme’s management performance” (see: section 1 of the Annex 2 table) and for measuring the “general performance of operations” (see: section 2.2 of the Annex 2 table). Suggestions in this respect have already been made above in our comments on “Normativity & Validity”.

ANNEX 2: Summary presentation of main evaluation tasks / sub-tasks and related evaluation questions

Module 1: Appraisal of the socio-economic situation of the eligible area, analysis of the needs, and the relevance of the strategy to the needs identified	
Tasks	Related evaluation questions
<p>Task 1.1: An appraisal of the socio-economic analysis / the resulting needs assessment and a confirmation of the priority to be assigned to the various socio-economic needs.</p>	<ul style="list-style-type: none"> • Which are the main sources of information upon which the socio-economic analysis is based? • Are there other quantitative baseline data / other research-based findings that should have been taken into consideration in the appraisal of the socio-economic situation? • Which is the current situation of European regions in terms of disparities, gaps and development potentials (expressed in strengths and weaknesses) and which are the immediate trends in this respect (expressed in opportunities and threats)? • Do additional future territorial challenges exist for European regions, which are likely to result from an accentuation of some long-term trends or new exogenous factors? • Are there significant changes in the needs for interregional cooperation?
<p>Task 1.2: An assessment of the relevance of the strategy for addressing future challenges in the cooperation area.</p>	<ul style="list-style-type: none"> • Does the programme represent a suitable strategy to meet the previously identified challenges that are to be confronted by the area? Are the strategy's objectives and its priorities to achieve these objectives relevant to the previously identified needs? • Does the programme respect the principle of solidarity (cooperation between less developed/peripheral and more developed regions)? • Is the programme likely to generate activities improving the effectiveness of policies and instruments for regional development and cohesion: <ul style="list-style-type: none"> - to favour access to the experience of others? - to generate learning effects multiplied by disseminating experience interregionally? - changes on the level of operations (improving the delivery of existing programmes)? - changes on the level of policies (improving policies through changes in political and institutional structures)? • Is the proposed strategy likely to facilitate a better exploitation of territorial potentials? • Is the programme likely to address all types of areas (less-developed regions, border regions, urban areas, rural areas etc.)? • Does the programme respond to different levels of needs regarding cooperation intensity?

Module 2: Evaluation of the rationale of the strategy, its overall consistency and the degree of risk involved in the choice of priorities	
Tasks	Related evaluation questions
Task 2.1.: In-depth analysis of the objectives and priorities	<ul style="list-style-type: none"> • Does the programme strategy contain well-defined and clear objectives likely to motivate the stakeholders of the regional and local levels? • Does the programme provide in its objectives and priorities sufficient evidence for generating Community added value? • What is the overall rationale of the objectives and priorities and of their main intervention logic? Is the rationale of intervention logic and valid? • Does the proposed strategy provide for sufficient flexibility and openness? • Are the objectives sufficiently realistic in terms of feasibility?
Task 2.2: Assessment of the internal consistency of the strategy, including the sufficiency of the allocated financial resources to the strategy proposed	<ul style="list-style-type: none"> • How do the individual priorities contribute to the overall policy goals of the programme strategy? • What are the relationships in terms of complementarities / synergies between the different priorities? Are there any conflicts between priorities? • To which extent is the definition of themes of cooperation relevant to meet the objectives of the programme? Are the former topics of cooperation of Interreg IIC (innovative actions, Interreg etc.) replaced in the new programme by thematic fields, which are easier to understand? • Does the programme provide for sufficient clarity between the various types of operations? • Is there an alternative combination of policy priorities ("policy mix") that might be more likely to achieve the programme's overall objectives? • Are the envisaged overall financial resources available to the new programme sufficient to meet the ambitions of the programme's overall objectives and priorities? • What kind of interventions / types of transnational activities can realistically be realised within the allocated overall financial resources?
Task 2.3: Assessment of policy risk in the choice of priorities	<ul style="list-style-type: none"> • To what extent are risks implicit in the proposed objectives at various levels and how can these risks be minimised? • How is the complementarity with the "mainstreamed" interregional cooperation activities likely to be organised? • Is there a risk of confusion between the concepts used ("topics for cooperation", "thematic focus", "priorities" etc.)? • Does the programme contain specific provisions for the participation of candidate countries, which will possibly join the EU during the period 2007-2013?

Module 3: Appraisal of the external coherence of the strategy with Community Strategic Guidelines	
Tasks	Related evaluation questions
<p>Task 3.1: Examination whether the proposed strategy complies with policies at regional, national and Community level. Examination of the extent to which the programme contributes to achieving the Lisbon and Gothenburg goals</p>	<ul style="list-style-type: none"> • Is the programme strategy coherent with policy strategies at regional and national level, especially the key aspects of National Strategic Reference Frameworks? • Are the intervention logic and the priorities of the programme consistent with the policies referred to in the Community Strategic Guidelines? • Are the programme objectives consistent with the objectives and priorities of Structural Funds: <ul style="list-style-type: none"> - Employment (social inclusion, adaptability, entrepreneurship, life-long learning, equal opportunities) - Sustainable development and the environment; - Research and development; innovation; - Enterprise development; - Urban and rural development. • Does the programme contain provisions for coordination between interregional cooperation and the Community Neighbourhood Policy and other policies and programmes concerning third countries (TACIS etc.)? • Is there a risk of overlapping with other EU-supported programmes? • What is the Community added value that can be expected from the programme? • How will the strategy contribute to the achievement of the Lisbon and Gothenburg strategies? • What are the synergies / potentials of the OP to deliver relevant elements of the Lisbon and Gothenburg strategies?
<p>Task 3.2: Assessment whether equality between men and women and non-discrimination issues have been appropriately taken into account</p>	<ul style="list-style-type: none"> • Have equality between men and women and non-discrimination issues been appropriately taken into account?

Module 4: Evaluation of expected results and impacts	
<p>Task</p> <p>Assessment of the appropriateness of the structure and hierarchy of the objectives and the indicators identified as well as the proposed quantification of the indicators, on the basis of past experience and appropriate benchmarks</p>	<p>4.1:</p> <ul style="list-style-type: none"> • Does the structure and hierarchy of objectives distinguish between the strategic objectives of the programme and more operational objectives for operations? Is this distinction reflected in the system and hierarchy of indicators proposed? • Does the system of indicators show a high level of consistency with the programme objectives and are the links between programme objectives and indicators explicitly described? • Is the structure and hierarchy of objectives and indicators supported by lessons learned from present and past experience? • In how far is the scale of the operational programme adapted to the frame of the proposed system of indicators (Principle of proportionality; Art 11 bis of the Regulation)? • Can the identified indicators and their targets at priority level form a sound basis for future programme monitoring activities? • Is a common set of programme level indicators developed and synchronised with a common set of operation/project level indicators? Does the system of indicators proposed make a clear difference between: <ul style="list-style-type: none"> - Indicators measuring the programme management performance (such as: financial management, operations related activities, communication/information and publicity measures); - Indicators measuring the performance of operations and projects (such as: accessing the experience of other partners, expanding the effects of Structural Funds and/or other regional development programmes, improving regional policies and instruments, contribution to horizontal EU priorities, management and coordination, dissemination) • Does the system of indicators proposed for the programme level and operation level make possible an aggregation ensuring consistency between programme level and operation level monitoring and evaluation? • Is the system of indicators proposed sufficiently specific for interregional cooperation? • Is the evaluation of projects and operations a fundamental requirement of the programme? • Are there specific provisions for objectives and indicators for RFOs, which involve both programme and project level issues that need to be evaluated separately? • What are relevant findings from the work of the Interreg IIIC mid-term evaluation and of its update that should be taken into consideration in a further development of these indicators? • What are relevant aspects in the EC draft working paper on “Indicators for Monitoring and Evaluation” that should be taken into consideration in a further development of these indicators? • Are there clear definitions and distinctions between result, output and impact indicators? • Is there a distinction between quantitative and qualitative indicators? • Are management and dissemination indicators also proposed?

<p>Task 4.2: Evaluation on whether the proposed system of indicators is manageable and usable</p>	<ul style="list-style-type: none"> • Can the identified indicators and their targets at priority level form a sound basis for a future evaluation of the programme's and projects' performance? • Is the system of indicators manageable and usable in day-to-day practice? Are the indicators proposed sufficiently precise and not too ambitious or general? Is there redundancy between several indicators?
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Module 5: Appraisal of the proposed implementation systems, compliance with Council Regulation laying down general provision on the ERDF, the ESF and the Cohesion Fund.	
Tasks	Related evaluation questions
<p>Task 5.1: Assessment of the implementing provisions proposed for managing, monitoring and evaluating the programme</p>	<ul style="list-style-type: none"> • What lessons can be learned from previous experience gained with the implementation systems applied under the INTERREG IIIC programmes? • Are the proposed implementing provisions for managing / monitoring and evaluating the future programme appropriate to deliver its objectives? <p>Management:</p> <ul style="list-style-type: none"> • Does the future programme provide for clarity in the roles and responsibilities of the respective management structures? • Does the programme contains provisions for maintaining proximity and contacts with project developers in order to compensate for a more centralised management structure? • Does the programme contain provisions for an efficient technical assistance? Are technical assistance resources adequate and sufficient in relation to the workload of implementation structures (JTS, external experts, monitoring, audit, financial control, studies, information, evaluation, Managing Authority, Paying Authority)? • What are potential risks / possible bottlenecks that might impede an overall management of the programme or its project-based implementation process? Does the programme provide for sufficient flexibility in management issues (change of budget within budget lines)? • Are the proposed project selection procedures and criteria appropriate to implement the programme strategy (core criteria, specific arrangements for innovative operations)? <p>Monitoring, evaluation and control procedures</p> <ul style="list-style-type: none"> • Does the programme contain a specific methodology with detailed provisions for data collection at programme and project level for monitoring and evaluation purposes? • Are the reporting procedures clearly described in the programme? • Does the programme contain clear prescriptions for evaluation at programme and project/operation level? • Are the proposed financial control procedures and mechanisms efficient and likely to be accepted by all participating countries? Does the programme envisage nationally harmonised auditing systems?
<p>Task 5.2.: Evaluation of the quality and extent of partnership arrangements</p>	<ul style="list-style-type: none"> • Are the proposed cooperation mechanisms between the Managing Authority, the Paying Authority and the Joint Technical Secretariat precisely described and convincing? • Are national support structures envisaged in the programme (contact points etc.)? • Does the programme make the participation of representatives of regional authorities, NGOs, economic and social partners possible in the management structure? If yes, in which function?

Module 6: Application of the SEA Directive (EC 2001/42) to the ESPON II programme	
Tasks	Related evaluation questions
Task 6.1: Scoping of the Strategic Environmental Assessment	<ul style="list-style-type: none"> - What scope and level of detail should the SEA have? - What baseline data is needed (what to collect, from where,...)? - How does the programme relate to other relevant plans, programmes and environmental protection objectives? - Views of the Authorities' appointed under art 6(3)
Task 6.2: a Strategic Environmental Assessment of the proposed programme and the preparation of a draft Environmental Report	<ul style="list-style-type: none"> - What are the main environmental issues and problems of the region? - What predicted effects will the proposed programme have on the current environmental situation? - What alternatives are there and what would their effects be? - what are the potential synergies or inconsistencies of the proposed programme in relation to key environmental concerns and EU environmental policy/legislation? - how can they be improved? - what monitoring is required to assess the environmental impact of the programme during implementation?
Task 6.3: Assist the management authority in consultation over the proposed programme and environmental report with, inter alia, designated environmental authorities	<ul style="list-style-type: none"> - who will be consulted ? - how will they be consulted ? - how will comments be recorded and analysed?
Task 6.4: prepare a summarising statement on the Strategic Environmental Assessment / Environmental Report Propose monitoring	<ul style="list-style-type: none"> - feedback from the SEA process into the draft programme - prepare a summarizing statement - how will the environmental effects be monitored during implementation? - how can these monitoring effects be integrated with the overall performance indicators identified through the ex ante evaluation?

ANNEX 3: Summary overview on the various guideline statements in document “Community Strategic Guidelines”

GUIDELINES FOR COHESION POLICY, 2007-2013	
Guideline	Guidelines for action
GUIDELINE 1: Making Europe and its regions more attractive places to invest and work	
1.1. Expand and improve transport infrastructures	30 projects of European interest; complementary investment in secondary connections; support for rail infrastructure; promotion of environmentally sustainable transport networks particularly in urban areas; improving the connectivity of landlocked territories to the TEN-T; development of the “motorways of the sea” and to short-sea shipping
1.2. Strengthen the synergies between environmental protection and growth	investment in infrastructure in the convergence regions and in the new Member States; attractive conditions for businesses and their highly-skilled staff; investments that contribute to the EU Kyoto commitments; risk prevention measures through improved management of natural resources; more targeted research and better use of ICTs; more innovative public management policies
1.3. Address Europe’s intensive use of traditional energy sources	improve energy efficiency; development and use of renewable and alternative technologies; development of networks for traditional energy sources where there is evidence of market failure mostly in convergence regions
GUIDELINE 2: Improving knowledge and innovation for growth	
2.1. Increase and better target investment in RTD	creation of regional and trans-regional clusters of excellence; supporting RTD activities in SMEs and technological transfer; support for regional cross-border and transnational initiatives aimed at strengthening research collaboration and capacity building in priority areas of EU research policy; strengthen R&D capacity building, including ICT; research infrastructure and human capital in areas with significant growth potential
2.2. Facilitate innovation and promote entrepreneurship	establishing poles of excellence; providing business support services to enable enterprises and in particular SMEs to increase competitiveness and to internationalise; full exploitation of European strengths in the area of eco-innovations; promoting entrepreneurship facilitating the creation and the development of new firms
2.3. Promote the information society for all	balanced support for the supply and demand of ICT products and both public and private services including increased investment in human capital; ensuring availability of ICT infrastructure and related services where the market fails to provide it at an affordable cost
2.4. Improve access to finance	support to non-grant instruments; developing an integrated approach that simultaneously supports innovation, its transfer into new commercial activity and the availability of risk capital; outreaching to young or female entrepreneurs or disadvantaged groups
GUIDELINE 3: More and better jobs	
3.1. Attract and retain more people in employment and modernise social protection systems	implement employment policies aimed at achieving full employment, at improving quality and productivity at work, and strengthening social and territorial cohesion; promote a life-cycle approach to work; ensure inclusive labour markets, enhance work attractiveness, and make work pay for jobseekers including disadvantaged people and the inactive; improve matching of labour market needs
3.2. Improve adaptability of workers and enterprises and the flexibility of the labour market	promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners; ensure employment-friendly labour cost developments and wage-setting mechanisms
3.3. Increase investment in human capital through better education and skills	expand and improve investment in human capital; adapt education and training systems in response to new competence requirements
3.4. Administrative Capacity	support good policy and programme design; enhance capacity building in the delivery of policies and programmes
3.5. Help maintain a healthy labour force	preventing health risks to help raise productivity levels; filling the gaps in health infrastructure and promoting efficient provision of services where the economic development of less prosperous Member States and regions is being affected

THE TERRITORIAL DIMENSION OF COHESION POLICY	
Issue	“Additional Guidelines”
Promoting territorial cohesion	
1. The contribution of cities to growth and jobs	<p>1.1. Promote entrepreneurship, innovation and the development of services, including producer services.</p> <p>1.2. Promote internal cohesion inside the urban areas that seek to improve the situation of crisis districts (including a rehabilitation of the physical environment and a re-development of brownfield sites).</p> <p>1.3. More balanced, polycentric development by developing the urban network at national and Community level including links between the economically strongest cities and other urban areas including small and medium-sized cities.</p> <p>1.4. Preparation of medium- to long-term development plans for sustainable urban development.</p>
2. Support the economic diversification of rural areas, fisheries areas and areas with natural handicaps	<p>2.1. Investing in development poles in rural areas (for example in small and medium-sized towns).</p> <p>2.2. Developing economic clusters based on local assets combined with the use of new information technologies.</p> <p>2.3. Integrated tourism development approaches dedicated to quality, focusing on consumer satisfaction and based on the economic, social and environmental dimensions of sustainable development.</p>
European territorial co-operation objective (complementary support to a promotion of territorial cohesion)	
3. Cross-border co-operation	<p>3.1. Strengthening the competitiveness of the border regions.</p> <p>3.2. Contribute to economic and social integration, especially where there are wide economic disparities on either side of a border.</p> <p>3.3. Where basic conditions for cross-border co-operation already exist, cohesion policy should focus assistance on actions that bring added value to cross-border activities (e.g. increasing cross-border competitiveness through innovation and research and development; connecting intangible networks / services or physical networks - also transport - to strengthen cross-border identity as a feature of European citizenship; the promotion of cross-border labour market integration; cross-border water management and flood control).</p> <p>3.4. Particular attention needs to be paid to the challenges and opportunities presented by the changing external borders of the Union following enlargement.</p>
4. Transnational co-operation	<p>4.1. Improvement of the physical interconnection of territories (e.g. investments in sustainable transport, creation of European transport corridors and particularly cross-border sections).</p> <p>4.2. Improvement of intangible connections (R&D/innovation networks, exchanges between regions and between the parties involved, integrated maritime co-operation).</p> <p>4.3. The prevention of natural hazards and water management at river basin level.</p>
5. Interregional co-operation	<p>5.1. Focus on the Growth and Jobs Agenda (i.e. strengthening innovation, SMEs and entrepreneurship, the environment and risk prevention).</p> <p>5.2. Encouragement of exchanges of experiences and best practices regarding urban development, modernisation of public sector services (such as health and government using ICT) and the implementation of co-operation programmes as well as studies and data.</p> <p>5.3. Encouragement of exchanges of experiences and best practices regarding urban development, social inclusion, relationship between cities and rural areas, and the implementation of co-operation programmes.</p>