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Ex-ante Evaluation

&

Strategic Environmental Assessment

of the

INTERREG North West Europe Programme

(2014-2020)

Final Report (03.09.2014)

Prepared by

EURE CONSULT S.A.
European Policy & Regional Development Consulting

spatial foresight
territorial policy support and research

Dr. Dräger & Thielmann

PartG Geographen

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EureConsult was the main contractor and in charge of coordinating the international consortium. EureConsult also evaluated the programme strategy, the programme's financial allocations and the programme's implementation provisions. Spatial Foresight evaluated the programme indicators, the provisions for monitoring and evaluation as well as the contribution to the Europe 2020 Strategy. Dr. Dräger & Thielmann PartG carried out the entire strategic environmental assessment for the programme.

The ex-ante evaluation team consisted of the study coordinator and senior evaluator Dr. Thomas Stumm (EureConsult), the senior evaluators Dr. Kai Böhme (Spatial Foresight), Dr. Silke Haarich (Spatial Foresight), the senior SEA-experts Dr. Stefan Dräger and Gabriele Thielmann (Dr. Dräger & Thielmann PartG) and the junior expert Sofie Jaeger (Spatial Foresight).

The present final ex-ante evaluation report does not necessarily reflect the opinion of the members of the NWE Programme Preparatory Group (PPG) / INTERREG IVB Monitoring Committee.

This final ex-ante evaluation report exists only in an electronic version.

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Executive Summary

The ex-ante evaluation of the transnational cooperation programme North West Europe 2014-2020 (hereinafter referred to as "NWE-Programme") combined various methods and techniques which are mainly relating to theory-based evaluation and especially to Programme Theory.

The entire ex-ante evaluation and strategic environmental assessment process was truly interactive and also iterative. The independent evaluators worked closely with a number of structures and key actors that were directly involved in the elaboration of the NWE-Programme. The different main elements of the NWE-Programme were in general elaborated successively, which permitted the evaluators to appraise new contents stepwise and also to formulate related recommendations for further improvements.

These recommendations were always presented to and intensively discussed by the "NWE-Programme Preparation Group" and nearby all of them were also considered during the next steps of the programing process.

Programme Strategy

The NWE-Programme contains **an appropriate territorial situation analysis** for the entire cooperation area.[1] It was elaborated on ground of various preparatory analyses which covered all themes addressed by the Europe 2020 Strategy. **The specific objectives of the NWE-Programme are consistent** because they well reflect the NWE key challenges and transnational development needs which are identified in the Programme's territorial situation analysis.

The NWE-Programme shows **a high degree of internal coherence.** This overall conclusion is supported by the following key findings of our in-depth appraisal:

- The wider objective system of the NWE-Programme is reasonable and also logically coherent. The programme strategy consists of four thematic objectives (TO 1, 4, 6, 7), five investment priorities (IP 1b, IP 4e, IP 4f, IP 7c, IP 6f) and five related specific objectives (SO 1 – SO 5) as well as of an overall vision for the long-term development of the NWE territory.
- When looking at the nature of the interdependence relations which exist between the five specific objectives of the NWE-Programme, no conflicts among the specific objectives were observed. The objective-relations are characterised by widespread and positive cross-impacts (extensive complementarity), both for the relations between specific objectives of different Priority Axes (PAs) and for the relations between specific objectives of the same Priority Axis (these exist only in case of PA 2). This means in general that the types of actions realised under a given specific objective can most often also positively contribute to an achievement of other specific objectives.
- We also identified, analysed and validated a larger number of key synergy potentials within the objective system of the NWE-Programme. They can, if pro-actively considered

[1] The eligible area of the NWE-Programme 2014-2020 includes the whole of Ireland, the United Kingdom, Belgium, Luxembourg and Switzerland as well as parts of France, Germany and The Netherlands.

during the future programme implementation, reinforce the overall achievement of results.

The NWE-Programme also shows **a high degree of external coherence.** This overall conclusion is supported by the following key findings of our in-depth appraisal:

- The specific objectives and types of actions of the NWE-Programme consider quite substantially the objectives, principles or actions which are promoted by a number of important European-level policy strategies and programmes.[2] It has therefore clear potentials for making strong complementary contributions which support the realisation of those European-level policy strategies and programmes.
- The NWE-Programme fulfils the Commission's general expectations on the role to be played by transnational cooperation in the funding period 2014-2020. The Programme contains also clear and appropriate provisions showing how complementarity, mutual cooperation and coordination will be achieved in relation to the other ETC-Programmes (cross-border, transnational, interregional).

The intervention logics of the five investment priorities (IPs) of the NWE-Programme are clearly articulated. The logical framework analysis shows that the causal chains which relate the different elements of the IP-intervention strategies (vertical dimension) and the implementation assumptions / potential risks (horizontal dimension) are sufficiently robust and allow achieving the intended results and ultimately also the specific programme objectives. This general conclusion is also confirmed by the findings of a theory of change which was drawn up for Priority Axis 2 "Low Carbon": it shows that the main implementation assumptions under the various types of actions are realistic and that there are also robust and clear causal links in relation to the different types of outcomes which are required for reaching the desired medium- and long-term development goals of the NWE-Programme.

Under all IPs, however, there are smaller risks which can emerge during the future implementation of several types of actions (ToA). They should be carefully observed by the strategic actors of the NWE-Programme (i.e. Joint Secretariat, Monitoring Committee, National Contact Points).

The various preparatory territorial situation analyses of 2012 and 2013 considered adequately **the three horizontal EU-Principles** referred to in Articles 7 and 8 of the Common Provisions Regulation (CPR). These principles **will also be supported by the NWE-Programme in their concrete application, albeit at a variable extent.** The support is strongest in case of the sustainable development principle (i.e. under the specific objectives SO 2-5 by the types of activities ToA 4-9). A still substantial support is also observed for the non-discrimination principle (esp. under SO 1 by ToA 3 and under SO 2 by TOA 4) and for the principle of promoting equal opportunities between men and women and integrating the gender perspective (esp. under SO 1 by ToA 3).

[2] i.e. Commission's Communication of 2010, showing how regional policy can contribute to smart growth; the "Territorial Agenda of the European Union 2020"; the new EU-level programme on business and SME development ("COSME"); the new EU-level R&D framework programme "HORIZON 2020"; the Union's "Roadmap for moving to a competitive low carbon economy in 2050"; the Union's "Roadmap to a resource efficient Europe"; the EU-level strategy for an adaptation to climate change.

Indicator system & arrangements for monitoring and evaluation

The proposed **output and result indicators** for SO 1 – SO 5 and also the indicators for technical assistance **are logic, relevant and clearly defined.** Target values of the output indicators for SO 1 – SO 5 seem to be realistic and strike a balance between ambitious and achievable. The result indicators for SO 1 – SO 5 still lack baselines for 2014 and also target values for 2023. They have to be determined through a survey which will be carried out in 2014, but at date no more substantial information on this survey was available to the evaluators.

The proposed **output and result indicators** for SO 1 – SO 5 **are measurable,** but the NWE-Programme is advised to further elaborate on certain aspects in the forthcoming process of defining the programme's monitoring system. This is particularly important in case of the survey-based data collection process for the proposed result indicators (in 2014, 2018 and 2023), as more detailed background information on the survey design is not yet available (e.g. exact definition of survey target groups, precise focus of survey questions, organisational matters). It is also advised to allocate sufficient funds and human resources to the implementation of a robust survey.

The general provisions for programme-level monitoring and evaluation arrangements are adequate and show that emphasis is put on ensuring an effective progress monitoring and a high quality implementation of the NWE-Programme.

Consistency of the allocation of budgetary resources

The NWE-Programme entirely complies with the requirements as set out by Article 6 (1) of the Regulation on European Territorial Cooperation (ETC-Regulation): 94 % of the total ERDF-funding which is available to the NWE-Programme in the period 2014-2020 is allocated to the four thematic objectives TO 1, TO 4, TO 6 and TO 7.

The proportions of the total ERDF-resources which are allocated to the specific programme objectives reflect in each case the respective scope of transnational development needs considered and also the intensity levels which were observed for this consideration.

Contribution to Europe 2020 & to social, economic and territorial cohesion

The NWE-Programme is expected to make an indirect contribution to the achievement of the Europe 2020 headline targets and thematic actions. The programme contributions focus in particular on sustainable growth. In addition, it will to some extend also contribute to smart growth and to a lesser degree to inclusive growth.

The programme contributes indirectly to social, economic and territorial cohesion, but with an emphasis on economic and territorial cohesion.

Programme delivery mechanisms & structures

Previous evaluations identified some **weaknesses in the management, implementation and decision-making system of the INTERREG IVB NWE Programme (2007-2013)** and also potentials for future improvements. These weaknesses and also the potentials for improvement **were extensively addressed during the preparation of the new implementation provisions for the funding period 2014-2020.**

The described management and control system of the NWE-Programme fulfils to a large extent the content-related expectations which were set out by the European Commission in the commented "Model for the Operational Programme under the ETC-goal" and therefore fully complies with the requirements of Article 8 (4) (a) and (b) of the ETC-Regulation.

The NWE-Programme also identifies **a wide range of adequate actions for reducing the administrative burden on beneficiaries.** Most of these actions aim at considerably simplifying the future project application procedure.

The partnership arrangement adopted for the preparation of the NWE-Programme and also for its future implementation **fulfils the qualitative requirements as set out by the "European Code of Conduct on Partnership".**

The Strategic Environmental Assessment (SEA)

The SEA determined the status of the environment and existing environmental problems and assessed in particular **potential environmental effects**. The NWE-Programme (version dated 4 March 2014) receives an important function for strengthening the framework conditions for the transition towards a resource efficient, low carbon economy ('green economy') and for the establishment of a circular economy. In summary, it can be stated that the NWE-Programme shows a strong potential to generate positive effects on the environment and to contribute to the EU environmental objectives. **The risk of negative effects and contributions is very limited.** Recommendations for the exploitation of potential positive effects and mitigation of potential negative effects were formulated. Decisive tools to exploit the potential of the programme are: a thorough assessment of applications, ensuring the selection of projects with the best possible contribution to environmental, climate and resource protection and an effective monitoring of the implementation of projects.

The SEA-consultation was conducted in each Member State individually according to the respective national legal requirements. 120 authorities, institutions and private persons responded to the pre-formulated yes- or no-questions; comments and suggestions were submitted by a total of 20 authorities, institutions and private persons. The contributions provided cover a wide range of issues and quite a considerable number of comments underline statements provided in the environmental report.

1. Methods and techniques used by the ex-ante evaluation

The European Commission's Directorate General for Regional and Urban Policy (DG REGIO) issued a "Guidance document on ex-ante evaluation",[3] which clearly highlights that the role of ex-ante evaluations is reinforced in the new programming period 2014-2020. The Guidance document sets out qualitative expectations and gives recommendations on how to address the main components of an ex-ante evaluation, with a view to support national and regional authorities in charge of the programming as well as the independent external experts which are appointed to carry out ex-ante evaluations.

For the ex-ante evaluation and the Strategic Environmental Assessment (SEA) of the transnational cooperation programme North West Europe 2014-2020 (hereinafter referred to as "NWE-Programme"), an "Inception Report"[4] was elaborated at the very beginning of the process. It describes the overall procedural and methodological approach of the ex-ante evaluation / SEA and also the specific combination of methods and techniques applied at the level of the five mandatory evaluation components.[5]

In order to fully meet the quality expectations as set out by the Commission's Guidance document, **we combined the following methods and techniques which are mainly relating to theory-based evaluation and especially to Programme Theory:**[6]

- **Document review** and **desk research** were used as a starting point under all components and complemented by shorter interviews with key stakeholders directly involved in the programming process (esp. members of the Joint Technical Secretariat of the INTERREG IVB NWE-Programme).
- **Matrix-based assessment techniques** were used under many components of the ex-ante evaluation in order to organise and compare complex sets of information and to make the evaluator's reasoning more systematic and transparent. They allowed to identify and qualify the extent to which the specific programme objectives are reflecting the identified challenges/needs in NWE (appraisal of the consistency), the nature and scope of the interdependence relations and potential synergies existing between the specific programme objectives (appraisal of the internal coherence) and the contribution of the specific programme objectives / actions to other EU-wide policy strategies or programmes (appraisal of the external coherence).
- **Objective-tree analysis** was used for unveiling the general structure of the wider programme objective system and the hierarchical relations among the individual types of objectives (appraisal of the internal coherence).

[3] European Commission (2013a)
[4] INTERREG IVB NWE Programme (2013a)
[5] The terms of reference for this ex-ante evaluation prescribed the following main components: Evaluation of the programme strategy (Component 1), evaluation of the indicators and the programme provisions for monitoring and evaluation (Component 2), evaluation of the consistency of financial allocations (Component 3), evaluation of the contribution to Europe 2020 strategy and more generally to social, economic and territorial cohesion (Component 4) and evaluation of the programme delivery mechanisms and structures (Component 5).
[6] On theory-based evaluation and Programme Theory, see for example: Cojocaru (2009), European Commisssion (2012d), Mackinnon/Amott/McGarvey (2006), Organizational Research Services (2004), Riché (no date mentioned), Stame (2004), Vogel (2012).

- As the verification of an **existence of potential synergies within the programme objectives system** is only one among the many evaluation questions that have to be addressed in the context of the strategy appraisal, we conceived a pragmatic and interactive process of synergy screening. Based on the definitions for synergy which are given in the MEANS-Handbook and the EVALSED-Guide of DG REGIO,[7] this process covered two out of the three recommended assessment stages (i.e. identification of potential synergies & further analysis of key synergies)[8] and also included a validation of the identified and analysed synergy potentials by members of the Joint Technical Secretariat of the INTERREG IVB NWE-Programme.
- **Logical models** were drawn up for both the evaluation of the programme strategy and the appraisal of the programme-level indicator system. In the first case, a table-based logical framework was drawn up for one investment priority in order to examine its intervention logic (i.e. the vertical means-ends continuum) and the causality relation linking it to important assumptions underlying the future implementation and to potential risks that can negatively influence the realisation of the intervention strategy. In the second case, such models were drawn up for each specific programme objective in order to check the logical linkage of the proposed result and output indicators to other related elements such as the specific needs, the main types of intervention and the envisaged project-level actions.
- A **theory of change** was drawn up for one priority axis of the NWE-Programme and articulated through a visual diagram. It identifies and describes the various types of outcomes that have to be achieved through transnational cooperation along the "pathway of change" towards the NWE-Programme's wider objectives.

In order to further intensify the iterative and interactive nature of the combined programme elaboration and ex-ante evaluation activities, also **two specific "Feedback Workshops" were organised at important stages of the programming process (in September and October 2013 in Lille).** These workshops brought together the ex-ante evaluators, staff of the INTERREG IVB NWE-Programme Joint Technical Secretariat and the experts in charge of drawing up the programme. They allowed discussing in-depth how the intermediate conclusions and recommendations of the ex-ante evaluations' appraisal of the programme strategy (Workshop 1) and of the programme indicator system (Workshop 2) could be put into practice during the subsequent steps of the programming process.

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[7] European Commission, 1996, p.6: *Synergy can be defined simply as the product of a system, the programme, which is aimed at a global impact that is greater as the sum of the individual impacts of different actions within the same programme. The fact that several public interventions (or several components of an intervention) together produce an impact which is greater than the sum of the impacts they would produce alone* (…). European Commission, 2012d, p.112: *Synergy generally refers to positive impacts. However, phenomena which reinforce negative effects, negative synergy or anti-synergy may also be referred to* (…).

[8] The third stage, "empirical verification", is to be carried out only if the previously identified and analysed synergies are essential for the continuation of a programme. The analysis at this stage mainly involves interviews with the targeted beneficiaries of those measures belonging to a "synergy window" (see also: European Commission, 1996, pp.31-33).

2. The ex-ante evaluation process and the improvements made to the various programme drafts

The European Commission's "Guidance Document on ex-ante evaluation" gives practical recommendations for carrying out an interactive and iterative ex-ante evaluation process[9] and also requires that the final evaluation report (…) *should reflect the process* (…), *identify the different parties involved* (…) and (…) *present the changes and improvements to the programme which have been made through the evaluation process.*[10] Due to this requirement, we now provide a summary overview on the entire ex-ante evaluation process for the NWE-Programme which also highlights the improvements that were made to the subsequent programme drafts as a consequence of the ex-ante evaluation and SEA inputs.

The Strategic Environmental Assessment (SEA) was carried out in parallel to the ex-ante evaluation process mainly between August 2013 and August 2014 according to its specific own procedural rationale. The SEA-process was truly interactive because the responsible experts worked closely with the above-mentioned key actors and structures which were directly involved in the elaboration of the NWE-Programme. A short summary overview on the SEA-process and its main findings is provided in a specific chapter at the end of the present ex-ante evaluation report (**see: Chapter 8**).

Main features of the ex-ante evaluation process

The entire ex-ante evaluation process was truly interactive, because the team of independent evaluators worked closely with a number of key actors and structures that were directly involved in the elaboration of the NWE-Programme. These were namely the eight Partner States which are fully or partly covered by the NWE Programme (i.e. Ireland, the United Kingdom, Belgium, Luxembourg, Switzerland, France, Germany, The Netherlands), the Managing Authority (MA) and the Joint Technical Secretariat (JTS) of the INTERREG IVB NWE-Programme, the NWE Contact Point Network, Interact and finally also the team of external experts in charge of drafting the programme. These actors were represented on the "Programme Preparation Group" (PPG), which was set up in February 2012 and met in total 19 times (PPG 1 – PPG 19) until the NWE-Programme's formal submission to the European Commission. The PPG generally steered the preparation of the programme, discussed all content-related contributions from the NWE Member States including the findings of the ex-ante evaluation and the SEA and also decided on the way how such contributions and recommendations of the evaluators (incl. SEA) should be followed-up in the next draft of the NWE-Programme. From spring 2013 onwards, the ex-ante evaluators took part in most of the organised PPG-meetings.

The entire ex-ante evaluation process was also truly iterative, because the different main elements of the NWE-Programme were in general elaborated successively.[11] This permitted the

[9] It is (…) good practice that the ex ante evaluators work in close interaction with the authority responsible for the preparation of the programme (…) and that they (…) undertake work in stages, depending on when elements of the programme are available and give their feedback to the programmers. European Commission (2013a), p.19

[10] European Commission (2013a), p.22

[11] I.e. assessment of needs/challenges → specific programme objectives & related types of intervention → related programme indicators → financial allocation & programme delivery structures.

evaluators to appraise new contents stepwise and also to formulate related recommendations for further improvements. From the perspective of the ex-ante evaluation, this iterative process can be sub-divided into three different phases:

- an initial evaluation phase (spring to early summer 2013),
- a main evaluation phase (late summer 2013 to spring 2014),
- a final evaluation phase (spring to late summer 2014).

Initial ex-ante evaluation phase

In early 2013, the drafting team of the NWE-Programme elaborated a **"Reviewed SWOT-Analysis"**[12] alongside the three main priorities of the Europe 2020 Strategy ("smart growth", "sustainable growth", "inclusive growth") with a view to provide a comprehensive territorial situation analysis for North West Europe. The reviewed SWOT-analysis integrated the findings of two previously realised external studies[13] and carried out further thematic, territorial or sector-specific assessments for issues relating to smart and sustainable growth on ground of more recent studies and data.[14] The reviewed SWOT-analysis also formulated conclusions on aspects for which transnational cooperation would be of added value.

The ex-ante evaluators appraised the quality of the reviewed SWOT-analysis in an "Informal Feedback Note". We concluded that the analysis, despite some punctual weaknesses relating to the availability of adequate territorial data for specific issues, (…) *has been thoroughly prepared and provides a good background for the next programming steps and the selection and justification of the programme strategy etc.* [15]

Shortly afterwards, the drafting team elaborated **two important discussion papers for the 9th and 10th meetings of the PPG.** The first paper **"**Vision and Programme Strategy Intervention Logic"[16] described the six "key challenges" relating to the cross-cutting objectives of the NWE Vision Statement (i.e. innovation, sustainability and cohesion), defined a limited number of specific challenges and needs for each of the three Europe 2020 priorities and suggested a set of potentially well-corresponding thematic objectives and investment priorities for the future strategy. After further discussions in the PPG, the second paper "Intervention Logic Investment Priorities"[17] then selected the most relevant challenges and territorial development needs and allocated those to the investment priorities and specific objectives which were proposed for the future NWE programme strategy (also presented through a "core scenario" and two alternative constellations).

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[12] INTERREG IVB NWE Programme (2013b)

[13] Already in 2012, the PPG commissioned two external studies which considered a wide range of different sources and data in order to draw up a comprehensive picture of the general challenges and needs prevailing in the transnational NWE cooperation area. Firstly, an external study analysed theme-specific data and the wider policy context of NWE alongside the smart, sustainable and inclusive growth priorities of the Europe 2020 Strategy (INTERREG IVB NWE Programme, 2012c). Secondly and in parallel, an externally coached work process was realised among the PPG-members alongside the 11 thematic objectives of the future EU-Cohesion Policy which was summarised through a "provisional SWOT-analysis for NWE" (INTERREG IVB NWE Programme 2012d).

[14] i.e. various thematic ESPON 2013 research projects (e.g. KIT, Climate, Transmec, DEMIFER), the fact sheet on North West Europe elaborated under the ESPON 2013 project TERREVI as well as data of the Regional Innovation Platform (RIM), the European Cluster Observatory and the Eco-innovation scoreboard.

[15] INTERREG IVB NWE Programme (2013c). The content-related appraisal of the reviewed SWOT-analysis was carried out by Spatial Foresight in order to avoid a conflict of interest due to the prior involvement of EureConsult in one of the preparatory studies carried out in 2012.

[16] INTERREG IVB NWE Programme (2013d)

[17] INTERREG IVB NWE Programme (2013e)

The content of these discussion papers **was appraised by the ex-ante evaluators in a "Working Paper"[18] prepared for 10th PPG-meeting of June 2013.** As a basic decision on the set-up of the programme strategy was not yet taken, only the further elaboration of the situation analysis was commented on. We observed that all statements on the now prioritised key challenges and specific challenges/needs in NWE were clearly related to the main priorities of the Europe 2020 Strategy, but also recommended that a less diversified denomination of those challenges/needs and also a more straightforward presentation style should be adopted in the future programme description. These recommendations of the ex-ante evaluators were presented at the PPG 10 meeting in Dublin and duly taken into account during the following steps of the programming process.

Main ex-ante evaluation phase

The **2nd draft version of the NWE-Programme 2014-2020**[19] was transmitted to the evaluators by mid of August 2013. It described the six "key challenges" for NWE and identified in relation to each of them a limited number of "specific territorial development needs". Furthermore, it contained the justification for a selection of thematic objectives/investment priorities, the specific objectives, a description of the expected results and of the envisaged types of actions and also still provisional output and result indicators for most of the specific objectives.

The ex-ante evaluators appraised the 2nd draft NWE-Programme version in their 1st Interim Report.[20] This report carried out an in-depth appraisal of the programme strategy alongside the four mandatory main elements (i.e. consistency, internal & external coherence, intervention logic, EU-principles) and formulated a larger number of recommendations (**see: Annex 1**). The report also formulated observations with respect to the still provisional set of output and result indicators. The main findings and recommendations of the 1st Interim Report were intensively discussed among the evaluators and the JTS/programmers at the 1st Joint Workshop in Lille (5th September 2013) and also presented at the 11th PPG-meeting in Brussels (10th September 2013).

On ground of the PPG 11 decisions,[21] a **3rd draft version of the NWE-Programme**[22] was presented at the end of September 2013. It took into account nearby all of the previously formulated recommendations on the programme strategy. On the 3rd of October 2013, a 2nd Joint Workshop among the evaluators and the JTS/programmers was organised in Lille. It focussed mainly on further developing an appropriate set of indicators for the NWE-Programme.

The **2nd Interim Report of the ex-ante evaluators**[23] reviewed the new strategy description in the 3rd draft NWE-Programme in order to highlight some still existing weaknesses that should be corrected for the following programme version. The report also summarised the outcome of the 2nd Joint Workshop on programme indicators. The report was presented and discussed at the

[18] INTERREG IVB NWE Programme (2013f)
[19] INTERREG IVB NWE Programme (2013g)
[20] INTERREG IVB NWE Programme (2013j)
[21] INTERREG IVB NWE Programme (2013k)
[22] INTERREG IVB NWE Programme (2013l)
[23] INTERREG IVB NWE Programme (2013m)

PPG 12 meeting in Saint-Malo (F) on 16th October 2013, however with a focus on issues related to the programme indicator system.

Following the decisions taken at the PPG 12 meeting,[24] a **4th draft version of the NWE-Programme[25]** was presented. It took into account nearby all of the recommended text modifications for the strategy description and also followed the basic design-proposal of the ex-ante evaluation for an appropriate set of output and result indicators.

The 4th draft version of the NWE-Programme was **appraised by the ex-ante evaluators in an "Update of the 2nd Interim Report",[26]** which was meant to provide an input for decision-making at the PPG 13 meeting in Cardiff (UK) on 4th of December 2013. The update, firstly, presented a summary of the main conclusions for the different elements of the strategy appraisal and elaborated some further recommendations in order to support the finalisation of the strategy description under sections 1 and 2 of the programming document. Secondly, the update addressed some of the core evaluation questions relating to the proposed indicator system of the NWE-Programme and formulated further recommendations in order to support the development of an appropriate set of indicators for the NWE-Programme.

Intense discussions among and further commenting by the NWE Member States took place in the period between mid-December 2013 and end of February 2014. This led to the presentation of a **5th, 6th and 7th draft version of the NWE-Programme.[27]** Furthermore, on 30th and 31st of January 2014, a 14th meeting of the PPG was organised in Brussels which also included two specific workshops. They aimed at discussing potential gaps or overlaps among the different Types of Actions and at achieving a common understanding of the definitions of outputs/results and of the wider programme indicator system. After a 15th meeting of the PPG at the end of February, **the 8th draft version of the NWE-Programme[28]** was presented in early March 2014 and subsequently used for the public consultation process.

Final ex-ante evaluation phase

The **ex-ante evaluators appraised the 8th draft version of the NWE-Programme in their Draft Final Report.[29]** This report carried out, for the first time, a complete appraisal covering all five mandatory ex-ante evaluation components and formulated a number of recommendations to guide the finalisation of the programme document (**see: Annex 2**). The ex-ante evaluators presented their main findings and recommendations at the PPG 16 meeting, which took place in London on the 9th and 10th of April 2014 in London. It was decided at PPG 16 that the ex-ante recommendations, together with comments emerging from the public consultation process, are taken on board in a revised programme version which will be elaborated by the JTS until the PPG 18 of July 2014.[30]

[24] INTERREG IVB NWE Programme (2013n)
[25] INTERREG IVB NWE Programme (2013o)
[26] INTERREG IVB NWE Programme (2013p)
[27] INTERREG IVB NWE Programme (2014a); (2014b); (2014c)
[28] INTERREG IVB NWE Programme (2014d)
[29] INTERREG IVB NWE Programme (2014e)
[30] INTERREG IVB NWE Programme (2014f)

At the 17th meeting of the PPG in Brussels (12 June 2014), further discussions and decisions took place on various other aspects of the VB Programme (e.g. result indicator methodology, communication strategy, evaluation requirements, Guidance Notes, technical assistance budget).

On ground of the decisions taken at PPG 16 and PPG 17, the **Final Draft Cooperation Programme INTERREG VB North West Europe**[31] was presented on 26th June 2014 and submitted for approval to the NWE Member States. An overview table prepared by the JTS shows[32] that the ex-ante recommendations were nearby in full considered in the Final Draft Cooperation Programme (i.e. only for the improvement of ToA5 "measures to combine adaptation/mitigation", a different but fully adequate alternative solution was adopted).

For the PPG 18 meeting on 10th July in Brussels, **the ex-ante evaluators prepared an "Update Note" to their Draft Final Report of March 2014.**[33] This note observed that the positive conclusions on most aspects of the NWE-Programme remain valid (i.e. appraisal of the programme strategy; appraisal of the programme-level indicator system and the arrangements for monitoring and evaluation; contribution to the Europe 2020 Strategy) and suggested some final improvements on specific aspects that should be considered:

- Consistency of the allocation of budgetary resources: with respect to the current "0 amount" of ERDF-funding shown table 18 under Section 3 of the Programme document, we advised the NWE-Programme to consider some categories of intervention under Section 2 that have a positive effect on supporting climate change objectives.
- The programme's implementation provisions and the requirements for programme-level partnership: beyond some smaller text adaptations, we also suggested that a list of the most relevant actors responding to the public consultation is provided (e.g. under Sub-Section 9.3) and that a concise but informative analysis of the impact of the received comments from this consultation is elaborated in the Programme document.

After some smaller text adaptations and changes which also took into account the above-mentioned final suggestions of the ex-ante evaluators, **the definitive version of the Final Draft Cooperation Programme INTERREG VB North West Europe**[34] was approved by the NWE Member States at the PPG 19 meeting in Brussels on 9th September 2014 and subsequently submitted to the European Commission.

[31] INTERREG IVB NWE Programme (2014g)
[32] INTERREG IVB NWE Programme (2014h)
[33] INTERREG IVB NWE Programme (2014i)
[34] All of the now following footnotes will refer to this definitive version as follows: INTERREG IVB NWE Programme (2014g)

3. Appraisal of the programme strategy

The European Commission highlights in the "Guidance document on ex-ante evaluation" that Cohesion Policy (…) *must be strongly orientated towards results in order to contribute to the Union strategy for smart, sustainable and inclusive growth (Europe 2020 Strategy). To this end the regulation increases the importance of well-designed programmes taking into account European, national and regional needs, and focused on the results they want to achieve* (…).[35]

These remarks clearly show that the appraisal of the programme strategy is a particularly important component of any ex-ante evaluation. Evaluators are therefore expected to address a larger number of specific questions which are relating to the consistency of the programme objectives, the internal and external coherence of the programme, the intervention logic of the programme (i.e. linkage between actions, outputs and results) and the horizontal EU-principles.

The intervention strategy of the NWE-Programme consists of the following main structural elements (see: Annex 3):

- three Priority Axes (Innovation, Low Carbon, Resource & Materials Efficiency) with four related thematic objectives (TO 1, TO 4, TO 7, TO 6);
- five investment priorities (IP 1b, IP 4e, IP 4f, IP 7c, IP 6f) with five related specific objectives (SO 1 – SO 5);
- nine types of action (ToA) which are meant to deliver the outputs for achieving the intended results and the specific objectives.

3.1. Consistency of the programme objectives

The ESI-Funds Regulations for the period 2014-2020 do no longer require programmes to include a full socio-economic analysis. According to Article 8 (2) (a) of the ETC-Regulation, however, a cooperation programme shall set out (…) *a justification for the choice of thematic objectives, corresponding investment priorities and financial allocations, having regard to the Common Strategic Framework* (…), *based on an analysis of the needs within the programme area as a whole and the strategy chosen in response to such needs,* (…), *taking into account the results of the ex-ante evaluation* (…).[36] Due to this, our appraisal will focus on the following three main evaluation questions:

(1) Are the EU-wide challenges/needs and targets of the Europe 2020 Strategy sufficiently well analysed for the territorial context of NWE and what are they given in the Programme's situation analysis?
(2) Are the specific objectives of the Programme aligned with the identified transnational challenges and needs in NWE?
(3) Are the specific objectives sufficiently precise to demonstrate how the Programme can contribute to the Europe 2020 Strategy while addressing the identified transnational challenges/needs in practice?

[35] European Commission (2013a)
[36] European Parliament / Council of the European Union (2013a)

Analysis & weighting of the Europe 2020 challenges & needs

The eligible area of the NWE-Programme 2014-2020 includes the whole of Ireland, the United Kingdom, Belgium, Luxembourg and Switzerland as well as parts of France, Germany and The Netherlands. The transnational area covers a surface of 845,000 km^2 and hosts a population of about 190 million people.

It appears from our review of the Programme's sub-section 1.1.3 that **an appropriate analysis of the challenges and needs within the transnational NWE area was carried out.** This section summarises the main findings from more extensive territorial situation analyses which were realised during the preparation phase (**see: Chapter 2**), takes into account the Country-specific recommendations of the European Commission which are relevant for European Territorial Cooperation (ETC) and includes also a clear prioritisation of the challenges and needs prevailing in NWE. It identifies and describes a total of six over-arching "key challenges" in NWE which are connected to one or more of the three main priorities of the Europe 2020 Strategy (i.e. smart, sustainable and inclusive growth). In relation to each key challenge, various "specific territorial development needs" are listed which indicate issues that are particularly relevant to transnational cooperation in NWE.

The identified key challenges and territorial development needs in NWE address to a variable extent and at different levels of intensity the nine "fields of action" which are mentioned by the Europe 2020 Strategy.[37]

High weight is given to the Europe 2020 fields of action "Innovation" (smart growth), "Combating climate change" and "Clean and efficient energy" (sustainable growth). The EU-wide challenges/needs and targets relating to these fields of action are extensively and directly addressed through the territorial development needs under the NWE key challenges "Boosting knowledge flows", "SMEs innovative capabilities", "Resource and materials efficiency", "Energy security and supply" and "Vulnerability to climate change events".

Medium weight is given to the Europe 2020 fields of action "Competitiveness" (sustainable growth), "Employment" and "Fighting poverty" (inclusive growth). The EU-wide challenges/needs and targets relating to these fields of action are still strongly and directly addressed through the territorial development needs under the key challenge "SMEs innovative capabilities" which do not directly refer to the role of SMEs in R&D/innovation and through some territorial development needs under the NWE key challenge "Inclusion".

The Europe 2020 fields of action "Skills" (inclusive growth), "Education, training and lifelong learning" and "Digital Society" (smart growth) and the related EU-wide challenges/needs and targets are not addressed by the key challenges and territorial development needs of NWE. However, the NWE-Programme provides an adequate justification for this non-consideration: (…) *the challenges within these fields require a more regional and national approach and the added value of transnational cooperation is limited. Accordingly, they can be better dealt with by other European programmes such as the European Social Fund, the*

[37] Although the notion "field of action" does not directly appear in the Europe 2020 Strategy (European Commission, 2010a), it can be derived from the phrases which are always preceding the main bullet points in the three sections describing smart, sustainable and inclusive growth (i.e. "*Europe must act*"). Always three fields of action are related to smart growth ("Innovation", "Education, training and lifelong learning", "Digital Society"), to sustainable growth ("Competitiveness", "Combating climate change", "Clean and efficient energy") and to inclusive growth ("Employment", "Skills", "Fighting Poverty").

Horizon 2020 and Erasmus+ or by national programmes and instruments.[38]

The identified challenges/needs and the specific programme objectives

We now examine if the specific objectives of the NWE-Programme are also consistently reflecting the "key challenges" and "specific territorial development needs" which were identified in the transnational cooperation area in relation to the main priorities and headline targets of the Europe 2020 Strategy.

The NWE-Programme explicitly mentions in this respect that the intervention strategy cannot address all of the identified territorial development needs. Four reasons are provided to justify this. *Firstly, the programme has limited resource and financial capacity. Secondly, there is an increased need to ensure the generation of results in the strategic fields of choice. Thirdly, the programme takes into account the successes of the previous programme and needs to elaborate on these successes to obtain the best results. Lastly, national support is essential for successful implementation of the programme.*[39] This justification is adequate and in line with the provisions on a stronger result-orientation and thematic concentration in the CPR, the ERDF-Regulation and the ECT-Regulation.[40]

Bearing the above-said in mind, we still have to examine in how far the specific programme objectives are aligned with the identified NWE-key challenges and territorial development needs. For this purpose, a matrix-based comparison of both dimensions was drawn up which reveals the following overall situation (**see: Annex 4**):

- The five specific objectives of the NWE-Programme consider directly nearby all territorial development needs from the five key challenges "Boosting knowledge flows", "SMEs innovative capabilities", "Resource and materials efficiency", "Energy security and supply" and "Vulnerability to climate change events". This consideration is most often extensive in the case of a thematically corresponding SO (i.e. all or most needs of a given challenge are considered) whereas in the case of other SOs it is in general of a more focussed nature (i.e. one or two needs of a given challenge are considered).
- Only two specific objectives (SO 1 & SO 2) consider directly and in a rather focused manner the territorial development needs from the key challenge "Inclusion".

From the above-said it appears that **the identified territorial development needs in NWE are adequately addressed by the specific programme objectives** and that **the observed levels of consideration are also clearly reflecting the high and medium weight that is given to the EU-wide challenges/needs and targets of the six Europe 2020 fields of action** "Innovation", "Combating climate change", "Clean and efficient energy", "Competitiveness", "Employment" and "Fighting poverty".

Moreover, it appears from a comparison of the five specific programme objectives and of the most important needs and potentials in NWE which were mentioned for justifying the selection

[38] INTERREG IVB NWE Programme (2014g), p.11
[39] INTERREG IVB NWE Programme (2014g), p.10
[40] European Parliament / Council of the European Union (2013a), European Parliament / Council of the European Union (2013b), European Parliament / Council of the European Union (2013c)

of TOs and IPs (**see: Annex 5**) that **the specific programme objectives are sufficiently precise and thereby demonstrate that they are able to address the related transnational needs/potentials in practice.**

3.2. Internal coherence of the programme

An appraisal of the internal coherence usually looks at the wider objective system of a programme in order to provide information on whether the different objective-levels are coherently linked to each other and on how each of the specific programme objectives contributes to the achievement of higher-ranking programme objectives or of other specific programme objectives. To achieve this, we will examine the strategy of the NWE-Programme alongside the following three main evaluation questions:

(1) What are the hierarchical relations within the wider objective system of the NWE-Programme?
(2) Which interdependence relations exist between the specific objectives of each Priority Axis and between the specific objectives of the different Priority Axes?
(3) Which synergy potentials exist within the programme objective system that should be considered later during the programme implementation process?

Before examining these questions in detail, however, we briefly review the overall quality of the programme strategy in order to see if it meets the basic EU-level requirements and if the specific programme objectives were also carefully elaborated.

Quality of the programme strategy

The ESI-Funds Regulations for the period 2014-2020 and an earlier commented version of the "Draft Template and Guidelines for the Content of the Cooperation Programme"[41] set out a number of formal requirements and content-related expectations which have to be met by ETC-Programmes. Due to this, we briefly review in the following whether the most important provisions and expectations are actually met by the NWE-Programme.

(1) Allocation of TOs to the PAs and selection of IPs from the TOs: The overall set-up of the main strategy elements is in line with the formal requirements of the EU-regulations. The Priority Axes 1 and 3 of the NWE-Programme relate to one thematic objective and comprise each one investment priority which was rightly chosen from the corresponding thematic objective. The Priority Axes 1 and 3 are therefore fully in line with the general requirements as set out by Article 96 (1) of the CPR and Article 8 (1) of the ETC-Regulation. Priority Axis 2 of the NWE-Programme relates to two thematic objectives (TO 4 and TO 7) and combines three investment priorities which were rightly chosen from their corresponding thematic objective. The combination of investment priorities from different thematic objectives is in line with the provisions of Article 8 (1) of the ETC-Regulation and also the justification provided for this combination under section 2.A.0 of the Programme is sufficiently robust to demonstrate that this

[41] European Commission (2013c)

thematically coherent approach is able to increase the impact and effectiveness of that Priority Axis. However, it is not fully clear whether the regulatory provisions allow that a Priority Axis is related to two thematic objectives (i.e. the general rule is that "*a priority axis shall correspond to a thematic objective*").

(2) Justification for the choice of the three TOs and the five IPs: The selection of appropriate TOs and IPs for the NWE-Programme was transparent and also logically coherent. Extensive discussions among the Member States of NWE took place on this matter during the preparation phase. The final choice of the TOs and IPs was done on ground of a multi-criteria approach[42] which shows that the strategy definition process was at the same time evidence based and also policy based.

(3) Formulation of the specific programme objectives: The commented version of the "Draft Template and Guidelines for the Content of the Cooperation Programme" highlighted that a (…) *specific objective must be consistent with the investment priority in question, defining it as necessary to target the particular development needs of the programme area* (…) and that a (…) *specific objective cannot be broader than the investment priority in question.*[43] From a strictly formal point of view, we have to observe that these expectations are only partially met by the five specific objectives of the NWE-Programme. The specific objectives SO 2-4 are consistent with their corresponding IPs and they are also detailing further the respective IPs. The specific objectives SO 1 and SO 5 are also consistent with their corresponding IPs, but their rather broad formulations are at a fist glance not detailing the IPs further. In our view, however, the use of such broad SO-formulations is appropriate. This conclusion can be supported by the following three arguments:

- In relation the themes addressed by both SOs, it should be considered that the programme covers a vast territory with a high degree of diversity as regards the region-specific situations, the applied policies and the involved types of actors. In order to match this diversity in the context of future transnational cooperation projects, the SO-formulations have to remain somewhat more general.
- In relation to SO 1 more particularly, it should be considered that "enhanced innovation performance" is further defined in the programme.[44] If this definition and also our first argument are taken into account, then one can consider that the SO-formulation is sufficiently detailing further the IP 1 (b).
- In relation to SO 5 more particularly, the programme states that it aims to improve the resource and materials efficiency and as a consequence to contribute to the transition to a circular economy. If this focus and also our first argument are taken into account, then one can consider that the SO-formulation is sufficiently detailing further the IP 6(f).

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[42] The selection was carried out by using the following criteria: (1) The relevance of the TOs to the key challenges and most important transnational development needs identified under each of the overarching objectives of the EU2020 strategy (territorial and statistical evidence) within the NWE area. (2) The potential added value of adopting a transnational approach for the implementation of actions under the TO, to address issues identified under the objective (transnational cooperation potentials). (3) The financial capacity of the programme and its potential to generate impact on the identified needs and challenges. (4) The complementarity and potential overlaps between IPs under different TOs and the possibility to regroup IPs under a single TO. (5) Lessons drawn from the NWE IVB programme and activities. INTERREG IVB NWE Programme (2014g), p.12

[43] European Commission (2013c),p.8

[44] INTERREG IVB NWE Programme (2014g), p.20: *Enhanced innovation performance in NWE is defined as better exploitation of research outcomes for the development of new technologies, products, processes and services generating an impact on the social, demographic, spatial, economic and environmental conditions of NWE territories. High innovation capacity, for example having the applied knowledge, skills, tools and networks in order to develop new ideas that deliver short and long-term profits to an organisation in NWE, will be a pre-requisite to achieve this result.*

Hierarchical relations among the various objectives of the programme

The wider objective system of the NWE-Programme consists of various types of objectives to which the Programme is expected to contribute. If these objectives are aligned according to their basic hierarchical relations, then one obtains **an objective system with five different levels** (**see: Figure 1**).

The **first two levels** of the wider objective system cover only the objectives which are directly and in a "visible" manner[45] related to the NWE-Programme's intervention strategy. At the **lowest level,** there are **the five specific objectives** which detail the five investment priorities. They are expected to contribute, at the **next higher level,** to an achievement of the **four thematic objectives,** which define the overall intervention focus of each Priority Axis.

- Priority Axis 1 (Innovation) focuses on the thematic objective "Strengthening research, technological development and innovation" (TO 1), which is expected to be achieved by the lower-ranking specific objective SO 1.
- Priority Axis 2 (Low Carbon) focuses on the thematic objectives "Supporting the shift towards a low-carbon economy in all sectors" (TO 4) and "Promoting sustainable transport and removing bottlenecks in key network infrastructures" (TO 7), which are expected to be achieved by the lower-ranking specific objectives SO 2, SO 3 (TO 4) and SO 4 (TO 7).
- Priority Axis 3 (Resource & Materials Efficiency) focuses on the thematic objective "Preserving and protecting the environment and promoting resource efficiency" (TO 6), which is expected to be achieved by the lower-ranking specific objective SO 5.

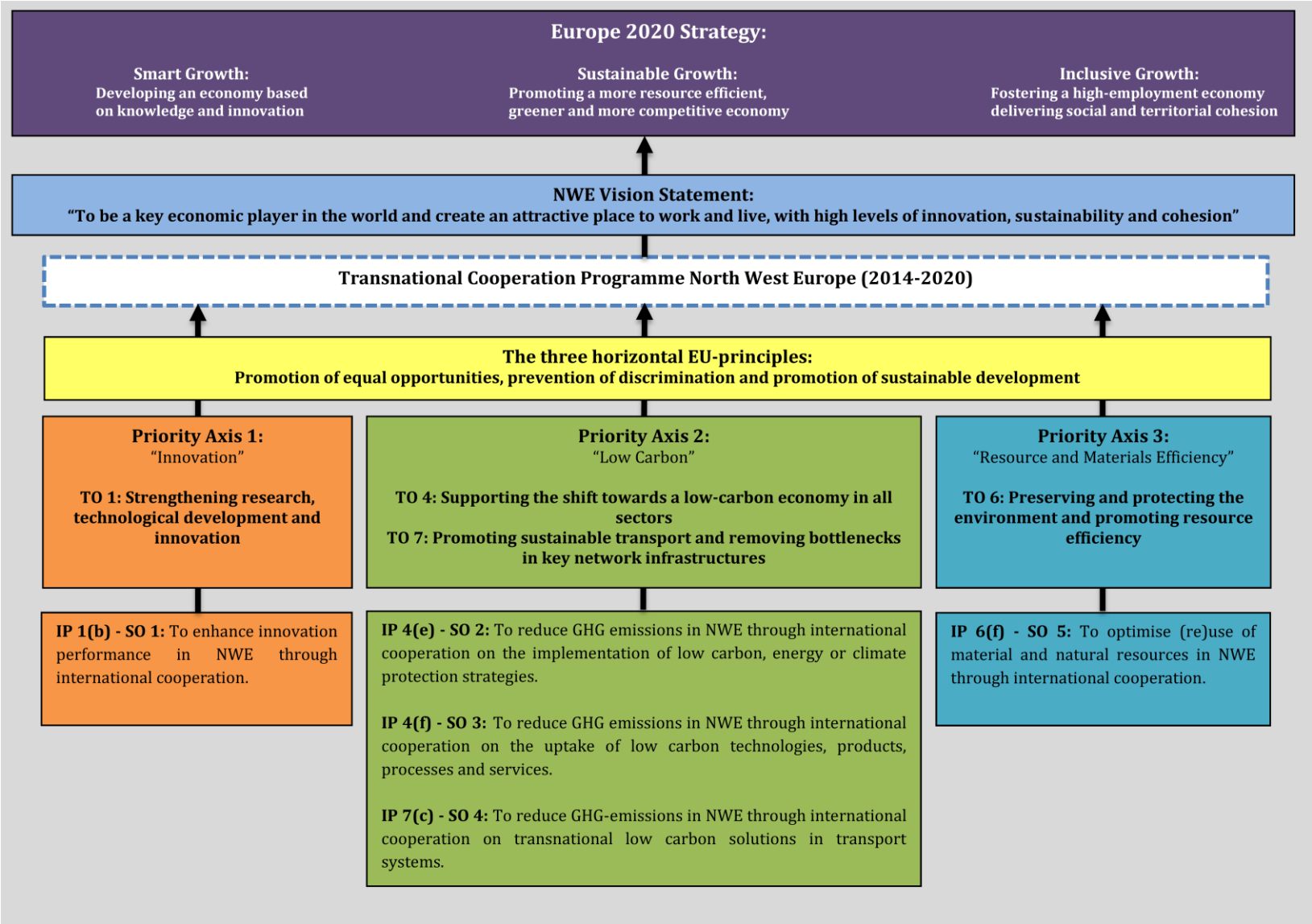
The **third level** consists of the **three horizontal EU-principles,** which are ranking higher than the thematic and operational programme objectives due to the over-arching provisions set out by Articles 7 and 8 of the CPR: the implementation of programmes during the years 2014 to 2020 and thus also the delivery of their thematic and specific programme objectives shall promote equality between men and women and the integration of gender perspective, prevent any discrimination and has to be pursued in line with the principle of sustainable development.

At the **fourth level** we have put the **overall vision on the future territorial and socio-economic development of the NWE area,** which was defined by the Member States involved in the Programme. This vision is ranking higher than the thematic and operational programme objectives or the horizontal EU-principles, because by focussing on and investing in the six connected key challenges through the Programme's medium-term intervention strategy, a positive contribution will be made to realise this long-term ambition.[46]

[45] We are aware that the NWE-Programme also considers the Inclusive Growth dimension as a "horizontal and cross-cutting issue within the selected TOs in order to promote the inclusion of vulnerable social groups and territories". From a formal point of view, however, this horizontal and cross-cutting issue cannot be considered a proper objective of the Programmes' intervention strategy, because it is neither addressed by an appropriate Thematic Objective (TO 8, TO 9, TO 10) nor by one of the related Investment Priorities.

[46] INTERREG IVB (2014g), p.7

Figure 1: The wider objective system of the NWE-Programme



By pursuing all the previously mentioned programme objectives, principles and long-term development goals during the years 2014 to 2020, the NWE-Programme will at the **fifth level** also contribute to deliver **the three EU-wide and mutually reinforcing main priorities of the Europe 2020 Strategy (i.e. smart, sustainable and inclusive growth)** within the transnational cooperation area.

Overall, we consider the above-described **wider objective system of the NWE-Programme to be reasonable** (i.e. appropriately differentiated according to the requirements for the period 2014-2020), **logic** (i.e. there is a clear hierarchy among the different objective levels) **and thus also coherent.**

Interdependence relations between the specific programme objectives

For appraising the different types of interdependence relations[47] which can exist between the specific objectives of the NWE-Programme, we examined the types of actions (ToA) under each specific programme objective and then made assumptions about their potential impacts[48] on the achievement of specific objectives from the same Priority Axis and from other Priority Axes. These potential impacts were also qualitatively weighted and the result of this weighting was finally included into a programme-wide matrix of cross-impacts (**see: Table 1**).

Interdependence relations between specific objectives from the same Priority Axis solely exist in the case of Priority Axis 2 "Low Carbon", because Priority Axes 1 and 3 consist each of only one specific objective. The **relations** between the three specific objectives of Priority Axis 2 (SO 2, SO 3, SO 4) **are characterised by a high level of complementarity,** as no neutral or conflictive relations are observed. This means that the various types of actions under the three specific objectives can generate a strong positive impact which supports the achievement of the respective other specific objectives from this Priority Axis, for example,

- if an implementation of low carbon strategies, energy strategies or climate protection strategies by public authorities implementing also stimulates the implementation of existing low carbon products, technologies or solutions (SO 2 → SO 3) or if an integrated territorial strategy for lower-carbon transport also forms part of a wider transnational solution (SO 2 → SO 4);
- if the demonstration and rollout of low carbon technologies and solutions also inspires development of integrated territorial low carbon, energy or climate protection strategies (SO 3 → SO 2) or if demonstrations and rollout is carried out by private transport operators which are also relevant for the delivery of transnational solutions for lower-carbon transport and optimised traffic management in NWE (SO 3 → SO 4);
- if transnational solutions for lower-carbon transport and optimised traffic management

[47] There are basically three types of interdependence relations: (1) Complementarity, which means that a given specific objective is positively impacting the achievement of another specific objective or that specific objectives are even mutually reinforcing their achievement. (2) Conflict, which means that a specific objective is negatively impacting the achievement of another specific objective. (3) Neutrality, which means that a specific objective has neither a positive nor a negative impact on the achievement of another specific objective.

[48] For transnational ETC-programmes, such assumptions on potential cross-impacts are much more speculative than for regional-level or cross-border programmes. This is mainly due to the much larger territory covered by transnational programmes (i.e. wide spread of project partners & projects effects) and because of the high level of uncertainty which exists about the very nature of future projects (i.e. their thematic focus & concrete actions).

in NWE also inspire development of integrated territorial low carbon strategies (SO 4 → SO 2) or stimulate an uptake of low carbon technologies and solutions by private actors of the NWE transport sector (SO 4 → SO 3).

The interdependence relations between specific objectives from different Priority Axes are characterised by widespread complementarity, which is in more than half of the cases **at a high level and in the remaining cases at a low level.** Again, no neutral or conflictive relations are observed.

SO 1 under Priority Axis 1 "Innovation" can generate a strong positive impact supporting the achievement of specific objectives from other Priority Axes if, in particular, the up-building of capacity of regions and territories to improve their innovation performance (ToA 1) and cooperative actions taking forward the development of specific products, services or processes to a stage of market-readiness (ToA 2) also increases the capacities and cooperation

- in the fields of low carbon, energy or climate protection, leading to new solutions which can be integrated into or inspire the development of integrated territorial low carbon, energy or climate protection strategies by public authorities (contribution to SO 2);
- in the fields of low carbon and energy, leading to new technologies, products, services or solutions which can be taken up by public and especially by private stakeholders such as enterprises, industries or housing developers etc. (contribution to SO 3);
- in the field of low carbon transport, leading to new technologies, products or services which can be used for developing wider transnational solutions for lower-carbon transport and optimised traffic management in NWE (contribution to SO 4);
- in the fields of eco-innovation/resource efficiency, leading to new technologies, products, services or solutions which can be taken up by economic stakeholders (contribution to SO 5).

Under Priority Axis 2 "Low Carbon", the various types of actions under the three specific objectives can generate a strong positive impact supporting the achievement of SO 1 if

- integrated territorial low carbon, energy or climate protection strategies point to new products, services & processes required for carbon reduction or mitigation and adaptation (contribution of SO 2);
- demonstration projects and rollout inspires the development of new low carbon technologies, products & solutions (contribution of SO 3);
- transnational solutions for lower-carbon transport and optimised traffic management in NWE stimulate the development of new technologies, products and solutions in the field of transport (contribution of SO 4).

Under Priority Axis 3 "Resource & Materials Efficiency", the type of action under specific objective SO 5 can generate a strong positive impact supporting the achievement of SO 1 if an implementation of technologies, services, products and processes to improve resource efficiency will also stimulate the development of new technologies, services, products and processes in this field.

Table 1: Interdependence relations between the specific objectives of the NWE-Programme

Likely impact of Types of Action (ToA) under SO(x) ...		... on the achievement of SO(y)	PA 1 (TO 1)	PA 2 (TO 4 & TO 7)			PA 3 (TO 6)	Sum of cross-impacts		
			SO 1	SO 2	SO 3	SO 4	SO 5	Σ int. (*)	Σ ext. (**)	Σ tot. (***)
PA 1 (TO 1)	**SO 1:** To enhance innovation performance in NWE through international cooperation	**ToA 1:** Building the capacity of regions and territories to improve their innovation performance. **ToA 2:** Improving the competitiveness of enterprises, through cooperative actions that take forward the development of specific products, services or processes to a stage of market-readiness. **ToA 3:** Delivering societal benefits through innovation.		**++** more capacities & cooperation on low carbon, energy or climate protection; new solutions for strategies	**++** more capacities & cooperation on low carbon & energy; new products, services & processes for uptake	**++** more capacities & cooperation on low carbon transport; new products, services & processes for uptake	**++** more capacities & cooperation on eco-innovation / resource efficiency; new products, services & processes for uptake	**0**	**8**	**8**
PA 2 (TO 4, TO 7)	**SO 2:** To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies	**ToA 4:** Promoting carbon reduction in cities and regions through the implementation of emerging or existing low carbon, energy or climate protection strategies. **ToA 5:** Implementing combined mitigation and adaptation solutions, to demonstrate feasibility and refine design and development plans for the future.	**++** strategies point to new products, services & processes for carbon reduction or mitigation & adaptation		**++** strategies stimulate implementation of existing low carbon products, technologies, or solutions	**++** integrated territorial strategy for lower-carbon transport forming part of a wider transnational solution	**+**	**4**	**3**	**7**
	SO 3: To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services	**ToA 6:** Implementing low carbon technologies and solutions through demonstrations and rollout of existing low carbon products, technologies, or solutions.	**++** demonstrations and rollout can inspire development of new low carbon technologies, products & solutions	**++** demonstrations and rollout can inspire development of low carbon, energy or climate protection strategies		**++** demonstrations and rollout is done by private transport operators being key actors of the transnational transport system	**+**	**4**	**3**	**7**
	SO 4: To reduce GHG-emissions in NWE through international cooperation on transnational low carbon solutions in transport systems	**ToA7:** Implementing transnational solutions for low carbon transport systems to reduce GHG emissions. **ToA8:** Implementing solutions for optimised traffic management to enhance capacity and to show tangible transfer to lower-carbon forms of transport, in order to reduce GHG emissions.	**++** transnat. solutions stimulate development of new low carbon transport technologies, products & solutions	**++** transnat. solutions for lower-carbon transport inspire development of integrated territorial strategies	**++** transnat. solutions for lower-carbon transport stimulate uptake of low carbon technolo-gies or solutions by private actors of the transport sector		**+**	**4**	**3**	**7**
PA 3 (TO 6)	**SO 5:** To optimise (re)use of material and natural resources in NWE through international cooperation	**ToA 9:** Implementing new technologies, services, products and processes to improve resource efficiency. Transfer and implementation of for example new technologies and solutions is required to optimise the use of material resources.	**++** further stimulates development of eco-innovation & new technologies & processes for higher resource efficiency	**+**	**+**	**+**		**0**	**5**	**5**

Significance of the potential cross-impact:
++ = strong positive impact (high level of complementarity) **+ =** weak positive impact (low level of complementarity) **0 =** no impact (neutrality) **- =** negative impact (conflict of objectives)

Sum of cross-impacts:
(*) Σ internal = all cross-impacts of a specific objective in relation to other specific objectives of the same Priority Axis
(**) Σ external = all cross-impacts of a specific objective in relation to the specific objectives of the other Priority Axes
(***) Σ total = all cross-impacts of a specific objective in relation to all specific objectives of the Priority Axes 1-3

Synergy potentials within the programme objective system

Our pragmatic and interactive synergy screening process (**see: Chapter 1**) allowed us to identify, analyse and validate a number of **synergy potentials**[49] **within the objective system of the NWE-Programme.**

For an **identification of significant synergy potentials**, we took the matrix of cross-impacts as a point of departure (**see: Table 1**) and considered only the highest levels of complementarity which exist between the specific objectives from different Priority Axes.[50] This shows that the most important synergy potentials tend to exist between SO 1 and the specific programme objectives from Priority Axes 2 and 3 (SO 2-5) as well as between the latter and SO 1.

For a **further analysis of these key synergy potentials,** we have drawn up a table which compares the different types of actions applied under the concerned specific objectives to the expect results of the other specific programme objectives and then developed a detailed assumption for each key synergy potential. These assumptions were subsequently transmitted to the JTS of the INTERREG IVB NWE Programme for commenting in order to confirm their realism.

The validated synergy potentials which tend to exist in the context of SO 1 (**see: Annex 6**) and also in the context of the specific objectives SO 2-5 (**see: Annex 7**) **should be pro-actively considered by the NWE-Programme during the future implementation process.** In this respect, the following **overall conclusions** can be formulated:

- **Synergy potentials under SO 1 which can positively impact the result-achievement under the specific objectives SO 2-5** exist only in case of future projects addressing ToA 1 and ToA 2, whereas projects in the field of social innovation (ToA 3) have no visible synergy potentials. To fully reap these positive effects, an establishment of transnational partnerships of innovation stakeholders and of cooperation projects taking forward the development of market-ready products, services or processes should be pro-actively encouraged in the thematic fields addressed by SO 2-5. This can be achieved by setting out specific provisions for the periodic calls for applications, which would help to further re-enforce the focus on innovation that is already at the heart of the NWE-Programme strategy.
- **Synergy potentials under the specific objectives SO 2-5 which can positively impact the result-achievement under SO 1** exist under all ToA, but they are all of a more "indicative" nature: this means that the projects implementing the ToA 4-9 should – where possible - also identify further problems / needs or development opportunities which require new technologies, products, processes and services to be developed by new issue-specific transnational partnerships of innovation stakeholders (ToA 1) or by new transnational cooperation taking forward the development of market-ready products, services or processes (ToA 2). Such information is nonetheless important

[49] A "synergy potential" is the theoretically achievable effect, resulting from the interaction of multiple elements in a system (here: the specific objectives and types of activities) under optimal conditions, which is different from or greater than the sum of the individual effects of these elements. A "synergy effect", on the contrary, is the effect which is actually produced by the real-life interaction of multiple elements in a system. As such real-life interactions do not yet exist, it is evident that ex-ante evaluations can only identify and analyse synergy potentials.

[50] The contributions of a specific objective to the expected result of other specific objectives within the same Priority Axes are indeed of interest, but they are far more obvious and often also explicitly envisaged.

because it can be used by the Monitoring Committee for an on-going strategic guidance and orientation of future transnational cooperation under Priority Axis 1. Moreover, this information can also be gathered quite easily and systematically, for example, through the future progress reports (e.g. in a specific text box requesting projects to indicate further development needs or problems requiring new solutions and additional transnational cooperation opportunities).

3.3. External coherence of the programme

An appraisal of the external coherence usually examines in how far the strategy of a programme is also connected to other relevant policy strategies, programmes and instruments which exist at the European, national or regional levels.

As the NWE-Programme covers a large cooperation area which includes the whole of Ireland, the United Kingdom, Belgium, Luxembourg, Switzerland and parts of France, Germany and The Netherlands, it is literally impossible to appraise in-depth the influence of all existing national or regional-level policy strategies and support programmes on the expected results of the NWE-programme. This is also the case for the many other EU-support programmes which will be implemented in NWE during the period 2014-2020 (i.e. regional-level Growth & Jobs programmes; other ETC-programmes especially for cross-border cooperation). Due to this, our appraisal will mainly focus on the following two main evaluation questions:

(1) In how far does the NWE-Programme consider and possibly contribute to other important EU-level strategies and policies which are closely related to the themes addressed by the thematic and specific objectives of the programme?
(2) Does the NWE-Programme adequately reflect the specific role which the EU-level expects transnational programmes to play in the wider context of ETC and are the relations between the NWE-Programme and other ETC-programmes (cross-border and interregional) complementary?

Consideration of and contribution to other EU-level strategies and policies

Since the publication of the Europe 2020 Strategy in 2010, a large number of European-level policy documents, strategies and programmes were issued. They further specify most often the delivery of the Union's smart, sustainable and inclusive growth strategy or address its territorial cohesion dimension. The documents, strategies and programmes which are most relevant to the themes addressed by the TOs and SOs of the NWE-Programme are

- the Commission's Communication of 2010, showing how regional policy can contribute to smart growth;[51]
- the "Territorial Agenda of the European Union 2020",[52] agreed by the Ministers responsible for Spatial Planning and Territorial Development at their informal meeting in Gödöllő (Hungary) in 2011;

[51] European Commission (2010b)
[52] Informal Council of Ministers responsible for Spatial Planning and Territorial Development (2011)

- the 2011 regulation proposal for a new EU-level programme on business and SME development "COSME";[53]
- the 2011 regulation proposal for the new EU-level R&D framework programme "HORIZON 2020";[54]
- the 2011 Communication of the European Commission on a "Roadmap for moving to a competitive low carbon economy in 2050";[55]
- the 2011 Communication of the European Commission on a "Roadmap to a resource efficient Europe";[56]
- the 2013 Communication of the European Commission on a EU-level strategy for an adaptation to climate change.[57]

Those EU-level policy strategies and programmes were compared in-depth with the intervention strategy of the NWE-Programme and the result reveals a high degree of external coherence. The issues which are addressed by the objectives and actions or principles of these EU-level documents are considered either extensively or in a focussed manner[58] by the specific programme objectives and types of actions of the NWE-Programme, albeit at a variable scope. The scope of consideration is very substantial in those cases where several specific programme objectives are addressing a larger number of the objectives and actions or principles that are promoted by a given EU-level strategy or programme (e.g. Territorial Agenda of the European Union 2020; HORIZON 2020; Low Carbon Roadmap). A still substantial scope of consideration is observed for those cases where only one or two of the specific programme objectives are addressing a few of the objectives, actions or principles that are promoted by a given EU-level strategy or programme (e.g. Regional Policy Contribution to Smart Growth; Resource Efficiency Roadmap; Climate Change Adaptation Strategy). In all cases where objectives and actions or principles of those European-level policy strategies and programmes are considered extensively or in a focussed manner, the NWE-Programme has clear potentials for making a strong direct contribution to support their realisation.

The links to the above-mentioned EU-level strategies and programmes (i.e. consideration) **and** also **the existing potentials** for contributing to a realisation of their objectives and actions or principles **are adequately acknowledged at various places of the programme document.** Within Section 1, these EU-level Strategies and Programmes are directly referred to in the description of the wider European policy context for the NWE-Programme ("*The European framework*") and are again mentioned when the Programme's contribution to the three main priorities of the Europe 2020 Strategy (i.e. smart, sustainable and inclusive growth) and to the

[53] European Commission (2011c)
[54] European Commission (2011b)
[55] European Commission (2011d): The roadmap sets out key elements that should shape the EU's climate action, helping the EU to become a competitive low carbon economy in the long term. This Roadmap is also a key deliverable under the "Resource Efficiency Flagship Initiative" of the Europe 2020 Strategy.
[56] European Commission (2011a): The roadmap is closely connected to the Europe 2020 flagship initiative on "A Resource Efficient Europe", which called for a roadmap to define medium and long term objectives and means needed for achieving them.
[57] European Commission (2013d): This Strategy sets out a framework and mechanisms for bringing the EU's preparedness for the current and future impacts of climate change up to a new level. It is proposed to do this by encouraging and supporting action by the EU Member States on adaptation, by creating a basis for better informed decision-making on adaptation in the years to come, and by making key economic and policy sectors more resilient to the effects of climate change.
[58] "Extensively" means that the full range of issues addressed by a particular objective/principle/action under those EU-level strategies and programmes is considered by a given SO, while "focused" means that only parts of the issues addressed are considered by a given SO.

Territorial Agenda of the European Union 2020 is described.[59] Also Section 2 makes reference to some of the thematically most relevant EU-level Strategies and Programmes, mainly under the guiding principles for a selection of operations ("external coherence").[60] Finally, section 6 on "Coordination" describes the correspondence of the NWE-Programme with some of those EU-level Strategies and Programmes (i.e. COSME, HORIZON 2020) and also with other European programmes (i.e. Life+ Programme, Connecting Europe Facility-CEF).[61]

The role of the NWE-Programme in ETC and its relations to other ETC-programmes

The role of transnational cooperation within European Territorial Cooperation is generally described in Annex II of the Common Strategic Framework[62] (**see: Box 1**) and defined more closely by the provisions of the ETC-Regulation, especially the "whereas" (6) and the Articles 2 (2), 6 (1) and 7(1) (b).

The EU-level expectations can be summarised as follows: transnational programmes should aim to strengthen cooperation among national, regional and local partners within larger transnational territories that also include maritime cross-border cooperation (if not covered by cross-border cooperation programmes), with a view to achieving a higher degree of territorial integration of those territories. While taking into account the general cooperation themes suggested by the Common Strategic Framework and also the potential of transnational programmes to provide a framework for supporting the implementation of macro-regional and sea-basin strategies, this integrated territorial development should be pursued by selecting a limited number of thematic objectives and corresponding investment priorities from the Union's cohesion policy priorities in accordance with the needs-analysis for the entire programme area.

The NWE-Programme clearly fulfils the Commission's general expectations on the role to be played by transnational cooperation in the funding period 2014-2020. The NWE-Programme addresses some of the generally suggested cooperation themes in accordance with the particular challenges and transnational development needs prevailing in NWE, while taking into account the Commission's country-specific recommendations for all types of ETC programmes which are included in the position papers on the development of the NWE-Member States' Partnership Agreements. On ground of this, a limited number of thematic objectives and corresponding investment priorities were selected which altogether represent an integrated territorial development approach that allows addressing the main challenges and needs in NWE. Also the relations of the NWE-Programme to existing macro-regional and sea-basin strategies are briefly and adequately considered under Sub-section 4.2 of the programme document. However, an implementation of formal coordination mechanisms is not foreseen at this stage for the following reasons: the Danube Macro-Regional Strategy covers only a very small part of the NWE eligible area (Germany: Baden-Württemberg and parts of Bavaria), whereas the indeed wider territorial coverage in case of the Atlantic Sea-basin Strategy (France, Ireland, and UK) is less important for the NWE-Programme because of a lacking thematic relevance (i.e. the NWE-Programme does not focus on maritime issues).

[59] INTERREG IVB (2014g), pp.5, 15-17
[60] INTERREG IVB (2014g), pp.24, 34, 38, 42, 50
[61] INTERREG IVB (2014g), pp.82-84
[62] European Commission (2012b)

Under section 6 of the programme document, **the relations of NWE-Programme to other ETC-Programmes** (cross-border, transnational, interregional) **are appropriately described and clear provisions on mutual cooperation and coordination are set out.** The Member States involved in the NWE-Programme will mainly be responsible for national coordination and information dissemination as well as for assuring complementarity within their organisations, while a more pro-active exchange with and information of other EU-Programmes is mainly the task of the Managing Authority, the Joint Secretariat and NWE Contact Points.

Box 1:
Expectations on transnational cooperation in the Common Strategic Framework (Annex II)

Transnational cooperation under the ERDF:
(…) *transnational areas that share major geographical features (lakes, rivers, sea basins or mountain ranges) should support the joint management and promotion of their natural resources, protect biodiversity and ecosystem services, develop integrated cross border natural risk management, address pollution of these areas and implement joint climate change adaptation and risk prevention and management measures, in particular in relation to flood protection and coastal defence.*
To achieve critical mass, cooperation can be particularly effective in the field of research and innovation and ICT, by supporting innovative clusters, centres of competence and business incubators and smart connections between the business sector and the research and higher education centres. The development of joint smart specialisation approaches, regional partner facilities and platforms for co-investment should also be promoted. Supporting partnerships among educational institutions and exchanges of students and teachers also contribute to achieving critical mass.
The economies of scale that can be achieved by (…) *transnational cooperation are relevant to investment related to the shared use of common public services, particularly in the field of waste and water treatment, health infrastructure, education facilities and equipment, accessibility, social infrastructure, ICT, research and innovation infrastructure, green infrastructure, disaster management systems and emergency services. Promoting soft cooperation in these areas (health insurance, developing joint educational and training schemes, harmonising schedules and ticketing, or introducing new public transport connections, risk assessment procedures) can further enhance savings and quality of life.*
In the area of cross-border network infrastructure, transnational cooperation programmes could focus on providing support for the coherent planning of transport infrastructure (including TEN-T) and the development of environmentally friendly and interoperable transport modes in larger geographical areas. (…) *The development of electricity networks to enable a larger take-up of electricity produced with renewable sources could be enhanced by both transnational and cross-border cooperation in investing in specific sections of infrastructure networks.*

Contribution to macro-regional strategies and sea-basin strategies:
The objective of macro-regional strategies is to organise cooperation between countries or territories by mobilising local and regional actors to align policies and funding and to identify common issues, solutions and actions. Similarly, sea-basin strategies are key contributors to the successful implementation of the Integrated Maritime Policy. Effective macro-regional and sea-basin strategies require the successful mobilisation of EU funding. Programmes co-financed by all the CSF Funds should therefore prioritise operations deriving from the strategies, organise specific calls, or give priority to these operations in the selection process. Transnational programmes can provide the necessary framework to support the range of policies and funds needed to implement macro-regional and sea-basin strategies.

3.4. Intervention logic of the programme

Cohesion Policy for the period 2014-2020 must be strongly orientated towards results in order to contribute to the Europe 2020 Strategy. This requires that programmes dispose of an intervention logic that is clearly articulated.[63] As a consequence, our appraisal will mainly focus on the following four main evaluation questions:

(1) Are the proposed actions to be supported in each Priority Axis, the specific territories targeted, the types of beneficiaries and the main target groups identified and sufficiently described and will the proposed actions lead to the expected outputs and intended results?
(2) How will the expected outputs contribute to the intended results (i.e. are the outputs conducive to results and to what extent?) and what is the change that the programme intends to bring in the cooperation area?
(3) Which are the causal links between the proposed actions, their outputs and the intended results?
(4) Were external factors that could influence the intended results identified and are the policy assumptions underpinning the programme logic backed up by evidence (e.g. from previous experiences, evaluations or studies)?

In order to address these evaluation questions coherently, we have carried out a logical framework analysis for each of the five investment priorities and elaborated also a "theory of change" for the most complex Priority Axis of the NWE-Programme (i.e. PA 2 on Low Carbon).[64] The first approach allows examining most of the issues which are raised under the four evaluation questions, while the second approach illustrates from a more strategic viewpoint which types of changes have to occur on the way towards reaching the wider programme goals.

Intervention logic of the Investment Priorities

In order to appraise the intervention logic of the investment priorities (IPs) under the NWE-Programme, we first developed a basic model for the logical framework analysis (**see: Annex 8**). Then, a table-based logical framework was elaborated for each IP. An example for one of these tabular frameworks is given at the end of this report (**see: Annex 9**).

On ground of a summary analysis of all these tabular logical frameworks, we can draw the **following overall conclusions across all five IPs:**

The vertical elements of the different IP-intervention strategies are logically interlinked. This means that the nine proposed types of actions will lead to the expected outputs and that these outputs will contribute to the intended result, which in turn allows achieving the specific objectives that are formulated for these IPs.

The basic assumptions underlying the future implementation, being implicitly presumed by the programme stakeholders or explicitly stated in the programme document, **are in general**

[63] European Commission (2013a), p.7
[64] Drawing up a theory of change also for the other two Priority Axes of the NWE-Programme would not be of significant added value, because they consist each of only one investment priority.

valid at each level of the different IP-intervention strategies. This judgement is mainly supported by the details provided under each IP-description and by the funding practice of the INTERREG IVB NWE Programme 2007-2013, but also by the findings of a recent external study carried out for the INTERREG IVC Programme which analysed learning processes under interregional and transnational cooperation.[65]

With respect to **potential implementation risks** that can exist at different levels of the IP-intervention strategies, we observe **that there are no major factors** more or less under direct control of the future programme management (not considered are "unmanageable risks") **which will have a significantly negative influence on the achievement of the expected outputs/intended results and ultimately also of the specific objectives.** However, smaller risks can emerge under several types of actions from all IPs. This is mainly due to the combined effect of the changed framework conditions for support in the period 2014-2020 and of a lacking funding experience in the period 2007-2014 which exists in relation to some of the newly introduced topics or focuses (**see: Box 2**). As the introduction of new funding topics or focuses always entails potential future risks, we think that the orientation of the different IP-intervention strategies should remain as it is. Nonetheless, we recommend that the strategic actors of the NWE-Programme (i.e. Joint Secretariat, Monitoring Committee, National Contact Points) keep an eye on the evolution of these aspects during the future implementation process.

Despite the smaller risks which might emerge during the future implementation of some types of actions, we can **conclude the following: the causal chain which relates the different elements of the intervention strategy** (vertical dimension) **to the implementation assumptions / potential risks** (horizontal dimension) **is sufficiently robust under each IP and ensures that the respective specific objective can be attained.** This overall conclusion is now further substantiated by an exemplary theory of change which was drawn up for Priority Axis 2 "Low Carbon".

Box 2:
Smaller implementation risks which should be observed in the future

Investment Priority IP 1(b): The INTERREG IVB programme 2007-2013 has already funded many R&D- and innovation-related projects under the priority "capitalising on innovation", for which the entire NWE-territory was eligible. In the period 2014-2020, projects should match stronger and weaker regions by including partners from different types of innovation territories, as defined by the Regional Innovation Scoreboard (i.e. innovation leader, innovation follower, moderate innovator and modest innovators) The newly adopted focus might complicate the setting up of project partnerships under ToA1 and ToA2, which can create a certain risk for achieving the related outputs/results and the expected contribution to the achievement of the specific objective SO 1.

Investment Priority IP 4(e): The INTERREG IVB programme 2007-2013 has already funded many projects under the priority "managing natural resources and risks", among which also several directly address climate change mitigation or adaptation (e.g. AMICE, FUTURE CITIES, FLOODRESILIENCITY, SCALDWIN or SIC ADAPT! etc.). In the period 2014-2020, the main focus is now on implementing *combined mitigation and adaptation solutions* which is explicitly recognised by the NWE-Programme to be challenging. Due to this, there can be a certain risk under ToA5 for getting a sufficient number of projects which adequately meet this new focus and thus also a risk for achieving the related outputs/results and the expected contribution to the achievement of the specific objective SO 2.

[65] INTERREG IVC Programme (2013)

Investment Priorities 4(f) and 6(f): The INTERREG IVB programme 2007-2013 has funded many projects under the priorities "managing natural resources and risks" and "capitalising on innovation", among which also several correspond to the new focus on *implementing low carbon technologies and solutions through demonstrations and rollout of existing low carbon products, technologies, or solutions* (e.g. GREENOV) and on *implementing new technologies, services, products and processes to improve resource efficiency* (e.g. GREENCOOK, BIOREFINE, COMBINE). Both IPs strongly address private sector stakeholders, but the overall economic conditions will strongly condition the involvement of enterprises and especially the willingness of SMEs to realise related investments. Due to this, there can be a certain risk for getting a sufficient number of projects on ToA6 and ToA9 and thus also for achieving the outputs/results and for reaching the specific objectives SO 3 and SO 5.

Investment Priority 7(c): Under the priority "improving connectivity", the INTERREG IVB programme 2007-2013 has funded a larger number of projects promoting a more environmentally friendly uni-modal or multi-modal transport (passenger and freight), sometimes also on larger corridors within NWE (e.g. CODE 24). During in the period 2014-2020, however, the support will only focus on *promoting transnational solution for low carbon transport and optimised traffic management with the ultimate aim of reducing GHG emissions* (instead of supporting regional or local "stand-alone" approaches). Due to this indeed valuable but rather challenging focus, a certain risk can emerge under ToA7 and ToA8 for getting a sufficient number of adequate projects and thus also a risk for achieving the related outputs/results and the specific objective SO 4.

A theory of change drawn up for Priority Axis 2 "Low Carbon"

Our theory of change was developed on ground of a number of basic methodological elements and is articulated through a visual diagram (**see: Annex 10**). This "outcome map" includes the different specific objectives (i.e. SO 2- SO 4) and the related types of actions (i.e. ToA 4-8) as well as the main assumptions underlying their implementation. It also depicts the causal links in relation to the various types of intended outcomes that must occur[66] in order to reach the desired medium- and long-term development goals of the NWE-Programme. We now examine the realism of the main implementation assumptions and the robustness of the observed causal links in order to see if the various types of planned outcomes are actually able to support a transition towards a low carbon economy in NWE and also in the EU28.

If a look is taken at the outcome map for this Priority Axis, then it appears that **the main implementation assumptions under the various types of actions are realistic** and that **there are** also **robust and clear causal links which indicate a "pathway of change" with four different levels:**

(1) Changes will emerge already at an early stage of the projects and **directly affect the individuals who are working on the projects and the involved project partner organisations.** The capacities of the persons who are active within the projects and of the public or private project partner organisations are improved, mainly through individual or group learning processes and also through more wide-ranging organisational learning processes. These changes are an important first step and allow the directly involved actors to better deliver further project activities which are usually geared towards achieving more tangible outputs and results. This conclusion is supported by the evidence from past evaluations and analyses on all types of European Territorial Cooperation. They documented that capacity improvement through learning is an important element of the overall outcome achieved by cooperation

[66] By using this formulation, we acknowledge that even more outcomes/changes can emerge (e.g. unintended outcomes) which, however, cannot all be included into our programme-wide outcome map.

projects[67] and a recent INTERREG IVC study has also examined more in-depth the very nature and scope of such learning processes, mainly by looking at the exchange of experience process under interregional cooperation projects and by summarising past experiences from transnational cooperation projects.[68]

(2) Once the projects have finalised their activities and produced their expected deliverables, **more direct changes will emerge in the involved partner organisations and also in the concerned project partner areas.** The overall result of the cooperation-based learning process can lead to changes in the policy delivery practices of the involved partner organisations (e.g. modification of an organisations' policy concepts, organisational settings or implementation processes), while the implementation of concrete measures or the realisation of investments can induce concrete physical or non-physical changes in the environmental context of the partner areas (e.g. less energy consumption and an increased use of renewable energy; regions or cities are more resilient to the effects of climate change; energy and economic savings in the project partner areas; less carbon intensive transport on the component of the NWE transport system).

(3) The aggregated result of all supported projects should also induce **other general or specific transnational changes,** because the outcome of a single project might often not be enough to achieve positive and lasting improvements with respect to the challenges and needs addressed. This can include, for example, changes in the general public or political awareness about an issue at stake (e.g. change in behaviour and also a broader public or sector-specific acceptance of the low carbon shift in NWE), changes in the concrete actions which are undertaken by other public and private actors or societal groups that are not directly benefitting from or intentionally targeted by the projects and also physical or non-physical changes in the transnational problem context (e.g. reduced GHG emissions in NWE; improved energy accessibility & affordability in NWE; reduced climate change risks in NWE reduced pollution in NWE; optimised energy consumption and production in NWE).

(4) If all the previously mentioned changes materialise, then also **more a strategic change will emerge in relation to the transnational and EU-wide context.** The Priority Axis will help to achieve a more resource efficient, greener and also more competitive economy in NWE (i.e. contribution to the medium-term EU28 goal of the Europe 2020 priority "Sustainable Growth") and generate a higher level of sustainability in the transnational area, thus making NWE a more attractive place to work and live (i.e. contribution to the long-term vision for the future territorial and socio-economic development of NWE).

3.5. The horizontal EU-principles

This part appraises to what extent the NWE-Programme complies with the provisions set out by Articles 7 and 8 of the CPR in relation to the three principles of equality between men and women, non-discrimination and sustainable development. These articles require that the three principles are taken into account during the preparation of programmes and that during the

[67] See for example the EU-wide ex-post evaluation on INTERREG III (European Commission, 2010c) and more specifically various studies on transnational cooperation: Hachmann (2008), Lähteenmäki-Smith/Dubois (2006), Colomb (2007), Böhme (2005), Lähteenmäki-Smith/Böhme (2004), Böhme/Josserand/Haraldsson/Bachtler/Polverari (2003).
[68] INTERREG IVC Programme (2013)

future implementation equality between men and women and the integration of gender perspective is promoted, any discrimination is prevented and that support is delivered in line with the principle of sustainable development. Therefore, our appraisal will mainly focus on the following two main evaluation questions:

(1) To what extend did the preparatory territorial situation analyses for NWE consider the three horizontal EU-principles?
(2) Will the future implementation of the NWE-Programme actively promote equal opportunities between men and women and sustainable development and help to prevent discrimination?

Consideration during the programme preparation process

For the preparation of the NWE-Programme, various territorial situation analyses were realised in 2012 and 2013: two external studies of 2012 analysed theme-specific data and the wider policy context of NWE[69] and established a "Provisional SWOT-Analysis for NWE"[70], whereas the "Reviewed SWOT-Analysis"[71] of early 2013 integrated the findings of these previous studies and further deepened the analysis for certain issues. These territorial situation analyses considered the three horizontal EU-principles quite differently.

The principles of equality between men and women and non-discrimination were neither explicitly assessed by the external studies of 2012 nor by the "Reviewed SWOT-Analysis" of 2013. However, all documents examined aspects which are closely connected to those horizontal EU-principles such as group-specific employment or unemployment (e.g. employment rates of women and elderly people, long-term unemployment) or territorial patterns of education and social exclusion (e.g. early school leavers, population at risk of poverty or social exclusion, urban dimension of poverty).

A broad variety of aspects relating to the principle of sustainable development were extensively assessed by the three preparatory analyses and core issues, being addressed both from a more general and also from a territorial perspective (where possible), included

- renewable energy consumption,
- greenhouse gas emissions;
- the types, frequency and scope of extreme natural events or hazards and risk management;
- air pollution and the pollution of rivers and lakes and other freshwater resources;
- waste generation and the recycling of packaging waste;
- basic land cover features, changes in land use and of landscapes diversity;
- biodiversity;
- resource efficiency and energy efficiency;
- environmental impact of transport.

[69] INTERREG IVB NWE Programme (2012c)
[70] INTERREG IVB NWE Programme (2012d)
[71] INTERREG IVB NWE Programme (2013b)

Promoting equality between men and women & integrating the gender perspective

From an in-depth review of the NWE-Programme's strategy description under Sections 1 and 2 and of the description under Section 8, it appears that the horizontal principle of equality between men and women and of integrating the gender perspective is adequately considered and also pro-actively supported during the future implementation through some of the specific programme objectives.

An adequate consideration is mainly achieved through general provisions which make this principle directly relevant for all project applicants[72] and through assessing the effects of approved projects on promoting this principle in the context of the NWE-Programme's evaluation. Also pro-active support is envisaged, as the NWE-Programme explicitly states that (…) *specific actions of projects in order to support the participation and situation of women are welcome and might be reflected in selection criteria, especially for TO1.*[73] However, it does not become fully clear from this sentence if the notion of "selection criteria" refers to the "guiding principles" under Section 2 of the NWE-Programme (where no reference can be found) or if such criteria will only be elaborated at a later stage within the secondary programme documentation (i.e. the programme's "Guidance Notes").

Preventing discrimination

Discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation must be prevented during the future implementation of programmes. It appears from an in-depth review of the description of the NWE-Programme strategy under Sections 1 and 2 that this horizontal principle is adequately considered and also pro-actively supported during the future implementation through some of the specific programme objectives.

"Inclusion" is explicitly recognised as one of the six NWE key challenges, because the (…) *economic crisis and the accompanying austerity measures have had a negative impact on economic and social inclusion ('inclusive growth') for communities under pressure and excluded population or population at risk for exclusion. Within this context, the gap between the advantaged and the disadvantaged is likely to increase.*[74] As a consequence, the Inclusive Growth dimension of the Europe 2020 Strategy is considered a "horizontal and cross-cutting issue" within the NWE-Programme strategy in order to actively promote the inclusion of vulnerable social groups and territories.

The NWE-Programme also highlights under Section 8 that the principle of non-discrimination is embedded (…) *in the laws of the individual Member States in the NWE region* (…) which allows ensuring that special attention is given to person groups which are facing economic and social problems or are threatened by exclusion. Furthermore, it is also foreseen that this principle is directly relevant for all project applicants and that (…) *the contribution of the NWE programme*

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[72] INTERREG IVB (2014g), pp.87 & 88: Project proposals are only eligible if the project objectives and activities are not in conflict with the principles of equality between men and women, as defined by the programme. Following this, the applicants are obliged to confirm in their application form in that their projects contribute to this principle. By signing the application form, applicants automatically agree with this principle.

[73] INTERREG IVB (2014g), p.88: This precise TO-reference is important and relevant, because the ToA 3-projects on social innovation might indeed offer certain potentials for directly supporting activities in this respect.

[74] INTERREG IVB (2014g), p.10

to the promotion of (…) *non-discrimination will be part of the NWE programme evaluation.*[75]

Also pro-active support of this principle is foreseen under two of the five specific programme objectives, as concrete interventions are envisaged (i.e. types of actions) and because specific project selection criteria are defined which help to prevent discrimination of excluded populations or of vulnerable social groups at risk of exclusion (e.g. young, elderly, migrants, individuals suffering from economic or social difficulties).

- Under SO 1 and ToA 3, societal benefits will be delivered through supporting the development, testing and implementation of innovative solutions for social needs and problems (social innovation) and the actions aim in particular at excluded population or population at risk for exclusion and communities under pressure. Future project applications should, among other aspects, also demonstrate that they contribute to one or more key social, economic or environmental challenge of the NWE area.
- Under SO 2 and TOA 4, the development of innovative approaches to deliver localised energy distribution and micro generation for example in social housing estates and also the delivery of integrated strategies which focus on areas where households / inhabitants are facing problems with energy affordability /accessibility are foreseen. Future projects should, in order to maximise the benefits for citizens, target socially deprived areas and excluded population or population at risk for exclusion.

Under the other specific programme objectives of the NWE-Programme (SO 3-5), however, the non-consideration of this horizontal principle is justified due to their particular thematic focus and because the related types of actions do not entail an evident risk of discrimination.

Promoting sustainable development

Article 8 of the CPR requires that the implementation of programmes promotes a wide range of different aspects which are closely related to sustainable development, namely environmental protection, resource efficiency, climate change mitigation and adaptation, biodiversity, disaster resilience and risk prevention and management.

An in-depth review of the description of the NWE-Programme strategy under Sections 1 and 2 and of the description under Section 8 reveals that this horizontal principle is adequately considered and also extensively promoted during the future implementation through most of the specific programme objectives.

Among the six NWE-key challenges identified, three are directly related to the principle of promoting sustainable development (i.e. “Energy security and supply”, “Vulnerability to climate change events”, “Resource and materials efficiency”) and other key challenges also identify related transnational development needs (e.g. implementation of new technologies, products and services creating an impact on environmental problems and challenges; uptake of eco-innovation in SMEs).

[75] INTERREG IVB (2014g), pp.87 & 88:

An adequate consideration is achieved through specific provisions which make this principle directly relevant for all project applicants and approved projects,[76] but also through an appraisal of NWE-Programme's contribution to the promotion of sustainable growth which will be part of the future programme-level evaluation.

During the programme implementation, a large majority of the specific objectives (SO 2-5) and types of actions (ToA 4-9) will make a very strong contribution to actively promoting sustainable development in NWE. The specific objective SO 1 and its types of actions (ToA 1-3) will promote sustainable development in a more focussed and indirect way, as the NWE-Programme's definition of innovation explicitly includes "eco-innovation" as a main pillar (besides "technology innovation" & "social innovation")[77] and because a high level of complementarity exists between SO 1 and the other specific programme objectives.

[76] INTERREG IVB (2014g), p.87: Project proposals are only eligible if the project objectives and activities do not conflict with the principles of sustainable development, as defined by the programme. Projects must comply with all EU and national environmental legislations and standards. By signing the application form, applicants automatically agree with the principle of sustainable development. Furthermore, the applicants are obliged to define in their application how their projects contribute to environmental challenges in NWE.

[77] INTERREG IVB (2014g), pp.14 & 15

4. Appraisal of the programme-level indicator system and the arrangements for monitoring and evaluation

The Commission highlights in various guidance documents issued for the programming period 2014-2020 that with the increased focus on results also the identification of indicators and the arrangements for monitoring and data collection gain an increased importance. This is also underlined by Commission's new approach on viewing the intervention logic of ESI-Funds programmes: it is now less linear than in the past and more in line with the reality of policies and how they interact with other policies and general developments in the context of a programme.[78]

The new approach significantly changes the way how programme indicators and the programme-level arrangements for monitoring and evaluation have to be designed. This represents a real challenge especially for the ETC-Programmes. The ex-ante evaluation of the NWE-Programme is therefore expected to address a larger number of evaluation questions relating to

(1) the programme indicator system (esp. relevance & clarity of the proposed programme indicators, relevance of the quantified baseline and target values, suitability of the milestones);
(2) the programme-level arrangements for monitoring and data collection (i.e. measurability of indicators & data collection method, suitability of procedures, adequacy of human and administrative capacity) and for evaluation (i.e. types of evaluation envisaged).

4.1. Programme indicator system

This section provides an assessment of the output and result indicators suggested by the NWE-Programme, for which the table below provides an overview (**see: Table 2**). Our assessment is based on the following distinction between output and result indicators:

- Outputs are the direct products of programmes and they are linked to activities. They are intended to contribute to the results. The baseline for programme output indicators is always zero. To define output indicators, programmes should first look at and select from the common output indicators (annexed to the ETC-Regulation) where they apply. Where these cannot cover the scope of programme activities, programme-specific output indicators should be developed. In the case of interregional cooperation, output indicators are mainly to be defined programme specific.
- Results are defined as the specific dimension of well-being and progress for people that is intended to be changed with the contribution of the interventions designed. The contribution of other factors affecting the change is also taken into consideration. Result indicators, in turn, are variables that provide information on specific aspects of this result that lend themselves to be measured (either in qualitative or quantitative terms). In other words, programme result indicators should cover a dimension of the result

[78] European Commission (2012c); European Commission (2013a); European Commission (2013b)

which programme interventions could influence and which can be measured and captured. Furthermore, a result indicator should show what the situation is like when the programme starts (i.e. show why interventions are needed) and how the situation evolves as the programme progresses.

Table 2: Indicators under the thematic Priority Axes of the NWE-Programme (excl. Technical Assistance)

Axes	Specific Objectives	Output Indicators	Result Indicators
PA 1	**TO 1 - Strengthening research, technological development and innovation**		
	SO 1 - To enhance innovation performance in NWE through international cooperation	- Number of new or enhanced transnational clusters or innovation networks - Number of new or improved infrastructure sharing schemes for research and innovation - Number of technologies, products, services and processes developed and tested in real life conditions - Number of pilot actions implementing social innovation - Number of (social) enterprises supported with enhanced innovation performance	- Share of innovation stakeholders in NWE benefiting from international cooperation
PA 2	**TO 4 - Supporting the shift towards a low carbon economy in all sectors**		
	SO 2 – To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies	- Number of solutions facilitating the delivery of existing or emerging low carbon, energy or climate protection strategies - Number of combined mitigation-relevant adaptation solutions implemented	- Share of stakeholders in the energy sector in NWE benefiting from international cooperation
	SO 3 – To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services	- Number of adopted or applied low carbon technologies - Number of enterprises supported implementing low carbon technologies	- Share of stakeholders in the low carbon sector in NWE benefiting from international cooperation
	TO 7 - Promoting sustainable transport and removing bottlenecks in key network		
	SO 4 – To reduce GHG emissions in NWE through international cooperation on transnational low carbon solutions in transport systems	- Number of implemented low carbon solutions in transport - Number of new or improved transport management systems - Number of transport operators supported implementing low carbon solutions	- Share of stakeholders in the (transnational) transport sector in NWE benefiting from international cooperation
PA 3	**TO 6 - Preserving and protecting the environment and promoting resource efficiency**		
	SO 5 – To optimise (re)use of material and natural resources in NWE through international cooperation	- Number of efficient natural and material resources solutions implemented and tested - Number of innovative uses of waste processes/ products/ services from waste materials - Number of enterprises supported applying new eco innovation solutions	- Share of organisations working on the (re)use of material and natural resources in NWE benefiting from international cooperation

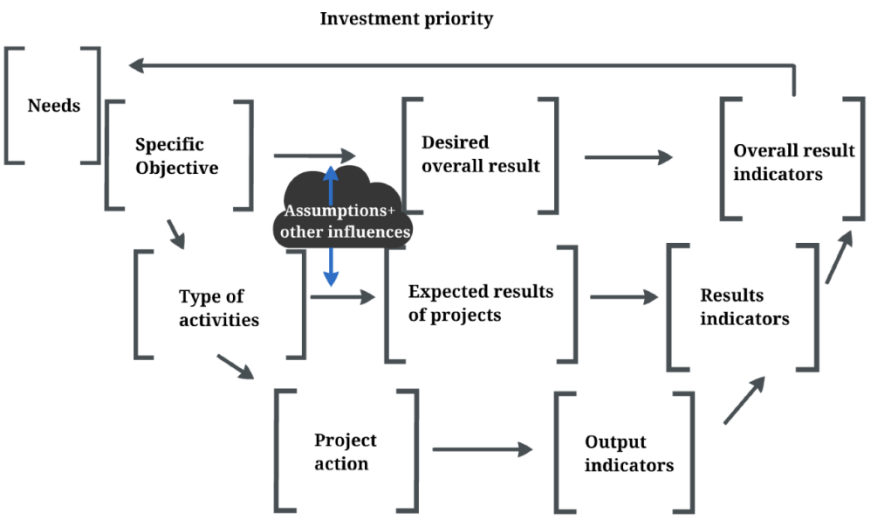
Indicators in an ETC-programme face specific challenges as they are supposed to measure thematic outputs, process-related progress (learning, capacity-building, networking) as well as programme-related results that are probably less observable than in regional or national Jobs- and Growth programmes. The assessment of indicators needs to take into account these specific challenges and possible structural constraints.

A model for checking the logic of indicators

To get a better overview on the logic of the proposed indicators and to check the coherence between supported actions, expected outputs and results with the proposed indicators, the ex-ante evaluation employed a logical model that outlines the links between the different elements of each specific objective (**see: Figure 2**).

The model has both a horizontal and vertical logic. The horizontal logic focuses on the processes in the programme implementation and the vertical logic focuses on the level of detail and influence. The vertical logic goes from needs and actions to the indicators of the programme, while the horizontal logic addresses more abstract or more concrete and modifiable actions, results and indicators by the programme. A more detailed description of the model is provided in **Annex 11**.

Figure 2: Model for checking the logic of the indicators



Relevance of the proposed programme indicators

Overall, **the output indicators for SO 1 – SO 5 are logic and relevant.** They allow to link outputs with the results and thus the change measured by the result indicators. The output indicators are not meant to cover all possible outputs of a programme, and the proposed output indicators are defined in a way that they do not cover all activities supported.

The result indicators for SO 1 – SO 5 are in general logic and relevant. For each specific programme objective, one result indicator addresses directly the main result envisaged by the

programme, i.e. it targets the share of relevant stakeholders or organisations benefitting from international cooperation in the field addressed by the specific programme objective. Basing the result indicators on surveys is an appropriate approach, given the types of results envisaged by the programme. However, it requires also considerable efforts as regards the development of the survey and the identification of the stakeholders to be addressed. This will be further discussed later on.

The result and output indicators for technical assistance (Priority Axis 4) are logic and relevant.

Clarity of the proposed programme indicators

The detailed description of the types of actions and of the beneficiaries enables a good understanding and assessment of the proposed programme indicators, but there are a few minor points left for consideration.

All of the proposed **output indicators are clearly defined** and there is a coherent logic linking the proposed types of actions, the targeted outputs and the related indicators. The detailed description of the types of actions gives a clearer impression of what is understood by the specific terms used in the output indicator statements. However, the elaboration of an additional document with specific and more detailed definitions of all the indicators would be beneficial to ensure robust and useful indicators. This will be further discussed in section 4.2.

The **result indicators are clearly defined** and there is a coherent logic linking the specific programme objectives, the intended results and the related indicators. However, the elaboration of further and complementary indicators for the monitoring system would be beneficial to keep track of other effects and tangible results achieved. Further observations in this respect will be outlined below and in section 4.2.

Relevance of the target values and of the quantified baseline

The **target values of the output indicators for SO 1 – SO 5 seem to be realistic** and strike a balance between ambitious and achievable. They also reflect the difference in the allocation of the budgetary programme resources over the priority areas. Furthermore, as the allocation of funding and target values is based on experience from the previous programming period, achieving the targets seems likely.

The **result indicators for SO 1 – SO 5** measure the share of NWE stakeholders or organisations active in the respectively addressed thematic fields which are benefiting from international cooperation between 2014 and 2020. In the final NWE-Programme, however, no baselines are indicated because they still have to be determined through a survey which will be carried out in 2014. The frequency of the planned survey is sensible (2014, 2018, 2023), but the NWE-Programme is advised to devote sufficient resources, time and attention to the development of a robust and meaningful survey and a careful selection of the target groups to which the surveys will be sent. Otherwise, there is a risk that the survey will not result in any usable information.

Moreover, also the target values for 2023 are not yet defined in the final NWE-Programme and it is recommended to use percentage change in relation to the baseline.

Finally, to assess positively the future evaluability of the impact (i.e. contribution of the NWE-Programme to the result indicator change), it is advised to focus the questions in the survey on contributions and impacts from different factors (e.g. international cooperation in general, territorial cooperation under INTERREG, and the NWE-Programme in particular) and also to define different types of contributions in the survey. Looking at different types of contributions would allow for a more nuanced understanding of how stakeholders are benefitting from international cooperation.

Suitability of the milestones

In the performance frameworks of the three Priority Axes, always "0" milestones for 2018 are presented for the output indicators. However, the NWE-Programme adequately explains this by the fact that no operation (=project approved) is expected to be finished by the end of 2018.[79]

4.2. Programme-level arrangements for monitoring/data collection and evaluation

A Cohesion Policy that is more strongly oriented towards results requires adequate human resources and administrative capacity as well as suitable procedures for programme-level monitoring and data collection. Also adequate provisions for ensuring high quality evaluations to assess the effectiveness, efficiency and impact for each programme have to exist. The following paragraphs therefore review the provisions for monitoring, data collection and evaluation activities of the NWE-Programme.

Measurability of the indicators

The proposed output and result indicators are in general considered measurable, but some unsolved aspects remain. They need to be paid attention to in the continuous work on the programme monitoring system.

The output indicators are measurable, but it is advisable to further elaborate on a clear definition of the indicators in an additional document. This would facilitate the collection, as well as making the interpretation and continuous monitoring of the programmes progress more meaningful. Basically, each output indicator would benefit from a more precise definition of the output addressed (e.g. the indicator "pilot action implementing social innovation", could be clarified in terms of "What is a pilot action?", "What defines that an action is implemented?"). The description of types of actions would be a natural starting point for such a document,

[79] The following explanation can be found under all performance framework tables: *Based on IVB experience, the average duration of a IVB project was more than 4 years. Taking this into account, the first VB projects are expected to close at the end of 2019 the earliest. For this reason, key implementation steps are introduced which count the projects approved by the end of 2018 which will directly lead to the selected output indicators in the performance framework.*

however the additional document should include more detail on what types of actions should be considered, and perhaps where applicable which types of actions should not be included in the output indicators.

Likewise **we consider the result indicators for SO 1-SO 5** "*Share of [relevant stakeholders]* (…) *in NWE benefitting from international cooperation*" **measurable,** but a clearly defined source of data (i.e. the programme generally indicates "own survey") and also more detailed information on the content and focus of this survey is missing in the programme description (i.e. method for information collection & definition of the target groups, see also below).

Data collection method

An adequate and standardised data collection process for output indicators is foreseen to support decision-making, programme-level reporting, monitoring and evaluation of the NWE-Programme. It draws upon an annual provision of information by the beneficiaries (i.e. projects). Furthermore, the NWE-Programme indicates that projects will be obliged to report (…) *on the effects and tangible results achieved by the cooperation actions developed by the partnerships* (…) and (…) *will be required in these reports to provide strong evidence of the changes that derive from their actions.*[80]

Data for the proposed result indicators will be collected on ground of a survey which is to be carried out in 2014, 2018 and 2023. A survey is a good tool to monitor the result achievement progress under the NWE-Programme, but it can also be rather expensive and demanding in terms of organisation and content. However, more detailed background information on the survey organisation and its precise focus (e.g. survey target groups, survey questions) was not available to the evaluators.

The NWE-Programme is therefore advised to develop a coherent overall framework for information collection on result indicators and to design in more detail the method for the envisaged survey. This could be done in an additional secondary programme document to be produced in the near future (e.g. an Indicator or Monitoring Manual).

This document should clearly define the survey target groups for each indicator and also elaborate well-targeted and clearly formulated survey questions in order to ensure a consistent and robust data collection on result indicators. Furthermore, a procedure for smoothly running the survey process and for timely producing high quality data should be defined (i.e. detailed organisation of the data collection process for the result indicator survey). The document should also give clear instructions on how to assess survey data and how to permit normative interpretation (e.g. qualitative values, Lickert scale, or other) or describe if also other complementary information sources might be used (e.g. self-assessments, studies, etc.). This is especially important in case of the NWE-Programme, since there is obviously no official data source for the indicator estimation. Finally, the document should also ensure that sufficient financial resources that are allocated to the surveying process.

[80] INTERREG IVB NWE Programme (2014g), p.75

Adequacy of the monitoring and evaluation provisions

In accordance with Article 125 (2) (d) and (e) and Article 125 (8) of the CPR, the Managing Authority is formally responsible for establishing a computerised information system with data on the operations that are necessary for monitoring, evaluation, financial management, verification and audit and - subsequently - also for collecting, entering and storing data in this monitoring system which have to correspond to the delegated acts that are issued by the European Commission.

In the context of the NWE-Programme, these monitoring tasks and also the related control and implementation reporting tasks are in the responsibility of the Managing Authority and of the Joint Secretariat. Especially the latter will play a key role in this context as it will have to establish the online project monitoring system, collect and compile information from the projects' progress reports and draw up the annual and final implementation reports. Furthermore, the responsibility of the Joint Secretariat will presumably also include the preparation and running of the survey to collect data on the result indicators. It is therefore advisable to have some points clearly defined with respect to the survey already in the programme document: who is responsible for the survey and what is the timeframe for the preparation and implementation of the survey? So, far the responsibility and resources needed for the survey are only addressed indirectly.

It is positive that the NWE-Programme puts emphasis on the importance of monitoring to ensure a high quality and effective implementation of the programme. Given the character of the NWE-Programme, it is recommended that this monitoring will not only focus on the output and result indicators as presented in the Programme but also considers a number of other relevant indicators which are located in-between the output and result indicators. The Programme already contains a clear indication that efforts will be made in this direction: it states that in addition to the set of programme-level result and output indicators (…), *the INTERREG NWE programme may define complementary indicators that will enable the programme bodies to effectively monitor the progress and quality of programme and project implementation.*[81] To ensure that a suitable monitoring system is built up, this work should start rather swiftly after the submission of the NWE-Programme.

The described **overall framework for project reporting and a further compilation and evaluation of the evidence are sensible.** Also the described preparation and submission of the annual and final implementation reports are in line with the provisions of the ETC-Regulation.

It is difficult to make a more substantial assessment of the adequacy at this point, as a detailed description of the administrative provision and processes for monitoring and of the data collection process is lacking at the moment. The same difficulty appears when it comes to appraising if sufficient resources are allocated to monitoring, although this is an essential aspect for ensuring a robust monitoring result. The evaluators cannot assess this aspect because an overview on the allocation of Technical Assistance funding to the different monitoring task is not available in the programme.

[81] INTERREG IVB NWE Programme (2014g), p.75

5. Appraisal of the consistency of the allocation of budgetary resources

Article 92 (9) of the CPR specifies the global resources which are available for budgetary commitment from the Funds for the ETC goal (2.75% or a total of EUR 8,948,259,330) and Article 4 (1) (b) of the ETC-Regulation sets out the share and amount which is dedicated to the all transnational cooperation programmes (i.e. 20.36 % or a total of EUR 1,821,627,570).

Against this wider background, the ex-ante evaluation now appraises the consistency of the allocation of budgetary resources under the NWE-Programme. Due to the specificity of this programme, only two of the generally recommended evaluations questions need to be taken into consideration:

(1) Is the allocation and presentation of the financial programme resources in line with the provisions of the relevant EU-Regulations?
(2) Are the financial allocations to each Priority Axis concentrating on the most important objectives and are they in line with the identified challenges and needs?

Our appraisal is not yet fully complete because Section 1 of the current draft programme does not yet provide the required "justification of the financial allocation" (sub-section 1.2).

Compliance with the provisions of the EU-regulations

The financing plan of the NWE-Programme under Section 3 adequately specifies the amount of the total financial appropriation of the support from the ERDF and the national co-financing for each year, for the whole programming period, for the cooperation programme and for each Priority Axis. The presentation therefore meets the requirements set out by Article 8 (2) (d) (ii) of the ETC-Regulation.

In the period 2014-2020, total ERDF-funding of EUR 396,134,342 will available to the NWE-Programme. Of this total ERDF-funding, 94 % is allocated to the four selected thematic objectives (TO 1, TO 4, TO 7, TO 6) which are grouped under the three Priority Axes. The individual shares of the TOs in the total ERDF-funding are the following:

- 33 % for TO 1 under Priority Axis 1 ("Strengthening research, technological development and innovation").
- 25 % for TO 4 under Priority Axis 2 ("Supporting the shift towards a low carbon economy in all sectors).
- 12 % for TO 7 of Priority Axis 2 ("Promoting sustainable transport and removing bottlenecks in key network infrastructures").
- 24 % for TO 6 of Priority Axis 3 ("Preserving and protecting the environment and promoting resource efficiency").

The remaining 6 % of the total ERDF-funding is allocated to the fourth Priority Axis on Technical Assistance.

Article 6 (1) of the ETC-Regulation requires that at least 80 % of the ERDF-allocation to each transnational programme shall be concentrated on a maximum of four of the thematic objectives as set out in the first paragraph of Article 9 of the CPR. As the NWE-Programme has anyway chosen only four TOs from the eleven TOs suggested by Article 9, it can easily be seen that the above-shown distribution fully meets the formal regulatory requirements.

If one considers the largely adequate thematic concentration on only four TOs which receive 94 % of the total ERDF-funding, then it can be concluded **that the NWE-Programme entirely complies with the requirements as set out in the ETC-Regulation.**

Concentration on the most important objectives & needs/challenges

In order to see if the specific programme objectives are able to address and tackle the most important transnational development needs from the six NWE key challenges with their respective ERDF-resources, we compared the levels of consideration of those transnational development needs by the specific objectives to the envisaged breakdown of the financial resources for the specific objectives (**see: Table 3**).

From this comparison it becomes evident that **the proportions of ERDF-resources allocated to the different specific programme objectives are in line with the respectively addressed NWE key challenges and transnational development needs.**

- With 33 % of the total ERDF-resources, SO 1 is allocated the largest budgetary share among all five SOs of the NWE-Programme. This share reflects consistently the wide range of transnational development needs which SO 1 considers from the different NWE key challenges and also the intensity levels which were observed for this consideration.
- 24 % of the total ERDF-resources are allocated to SO 5, which represents the second largest budgetary share among all five SOs of the NWE-Programme. This share reflects consistently the range of transnational development needs which SO 4 considers from the different NWE key challenges and also the intensity levels which were observed for this consideration.
- Altogether 37 % of the total ERDF-resources are allocated to the three specific objectives of Priority Axis 2, with the overall volume being spread into nearby equal proportions among the objectives (i.e. 12% to SO2 and to SO4; 13% to SO 3). The overall volume and the SO-specific shares reflect consistently the very wide range of transnational development needs which are considered from the different NWE key challenges and also the intensity levels which were observed for this consideration.

Table 3: Consistency of the allocation of ERDF-resources to the specific programme objectives

Priority Axes (PA), Thematic Objectives (TO) and Specific Objectives (SO)	Results of the strategy appraisal (*) Levels of consideration of transnational development needs under the NWE key challenges by the specific objectives	Share in the total available ERDF resources for 2014-2020 (**)	Conclusion of the assessment
PA 1: **SO 1 (TO 1):** To enhance innovation performance in NWE through international cooperation	Key Challenge 1 "Boosting knowledge flows" (+++) Key Challenge 2 "SMEs innovative capabilities" (+++) Key Challenge 6 "Inclusion" (++)	**33 %**	**Consistent**
PA 2: **SO 2 (TO 4):** To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies.	Key Challenge 4 "Energy security and supply" (+++) Key Challenge 5 "Vulnerability to climate change events" (+++) Key Challenge 6 "Inclusion" (++)	**12 %**	**Consistent**
SO 3 (TO 4): To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services.	Key Challenge 4 "Energy security and supply" (++) Key Challenge 1 "Boosting knowledge flows" (++) Key Challenge 2 "SMEs innovative capabilities" (++)	**13 %**	**Consistent**
SO 4 (TO 7): To reduce GHG-emissions in NWE through international cooperation on transnational low carbon solutions in transport systems.	Key Challenge 1 "Boosting knowledge flows" (++) Key Challenge 4 "Energy security and supply" (++)	**12 %**	**Consistent**
PA 3: **SO 5 (TO6):** To optimise (re)use of material and natural resources in NWE through international cooperation.	Key Challenge 3 "Resource and materials efficiency" (+++) Key Challenge 2 "SMEs innovative capabilities" (++)	**24 %**	**Consistent**

(*) For further details see also section 3.1 and Annex 4.
Levels of consideration: +++ = Extensive and strong direct consideration ++ = Focussed and strong direct consideration

(**) Shares calculated according to the breakdown in Table 2 of the programme document ("Overview of the programme investment strategy).

6. Appraisal of the programme's contribution to the Europe 2020 Strategy and to social, economic and territorial cohesion

Article 4 of the CPR states that the ESI-Funds and their programmes shall provide support (…) *to deliver the Union strategy for smart, sustainable and inclusive growth, as well as the Fund specific missions pursuant to their Treaty based objectives, including economic, social and territorial cohesion taking account of the relevant Europe 2020 Integrated Guidelines and the relevant country specific recommendations adopted* (…).

Accordingly, but different to the previous parts of this evaluation which examined the correspondence of the challenges/needs and objectives or the intended results with the Europe 2020 Strategy (e.g. appraisal of the consistency and the intervention logic), this section appraises the actual contribution of the NWE-Programme to the following two main aspects:

(1) What is the likely contribution of the Programme to achieving the common objectives, headline targets and flagship initiatives of the Europe 2020 Strategy?
(2) What is the likely contribution of the Programme to social, economic and territorial cohesion?

Contribution to the Europe 2020 Strategy

Due to the context and capacity of the NWE-Programme (i.e. width of the covered area; small overall financial volume in relation to the area covered), the assessment of the extent to which the programme will contribute to the Europe 2020 Strategy has to differ from the one recommended for appraising the Growth and Jobs programmes. Instead, an alternative and qualitative approach with two steps is carried out.

i. An assessment of direct or indirect relations between the specific programme objectives and the priorities of the Europe 2020 Strategy (smart, sustainable and inclusive growth).
ii. An assessment of potential impacts of the desired overall result on the headline targets, thematic actions and flagship initiatives of the Europe 2020 Strategy.

Tables 4 and 5 present the contribution of the NWE-Programme to the Europe 2020 headline targets and thematic actions. Although the characteristics of the NWE-Programme imply a limited direct relationships between the specific programme objectives and the Europe 2020 priorities, all headline targets, thematic actions and flagship initiatives have been included in the assessment, although this might have resulted in relative more indications of '0' (no / minor contribution) in the matrices. The tables show the contribution in a summarised approach.

The types of actions and desired results are to a large extent similar between the specific programme objectives, i.e. increase the share of stakeholders benefiting from international cooperation. However, one specific programme objective might contribute more (or less) to specific headline targets, thematic actions or flagship initiatives from the Europe 2020 Strategy.

Since there are no contradictions between the specific programme objectives, their desired overall results and the priorities of the Europe 2020 Strategy, the **main points from the assessment** can be summarised as follows:

- Most promising contributions can be expected for the sustainable growth priority of Europe 2020. Various specific objectives (mostly linked to low-carbon and resource efficiency) contribute to the objectives, headline targets and flagship initiatives under the sustainable growth priority. It is furthermore linked in the actions of the specific objectives to innovation.
- The specific objectives 2, 3, 4 and 5 seem to be able to make a more direct contribution to the 20/20/20 targets for sustainable growth.
- The specific objective 1 focuses on innovation, and is thereby the specific objective which contributes most directly to smart growth.
- Contributions to 'more jobs' objective / perspective of Europe 2020 are mainly expected to be of indirect nature.
- The programme is expected to make a small contribution to inclusive growth, e.g. with the ToA3 on delivering social benefits through innovation.
- The specific objectives are general highly targeted towards a single focus (e.g. 1 headline target, or 1 flagship initiative, or 1 thematic action).

To conclude, while considering the specific character and overall capacity of the programme, **the NWE-Programme offers an indirect potential (rather than a direct potential) for contributing to an achievement of the headline targets and thematic actions of the Europe 2020 Strategy.** The overall contribution to the Europe 2020 Strategy can be described as follows:

- The programme brings about **mainly indirect contributions to smart, sustainable and inclusive growth**. It does so by focusing on international cooperation for the defined challenges in the programme area.
- There is a **reinforcing effect between the specific objectives**. One specific objective can contribute to different aspects of the Europe 2020 objectives, even though it is targeted towards a single focus. Therefore the specific objectives contributing more to targets, flagship initiatives and objectives under sustainable growth also contribute to smart growth, for example through eco-innovation or through new concepts for energy through international cooperation.
- There are **no contradictions between the specific objectives**, their desired overall results and the objectives of Europe 2020. However the specific objectives do not contribute in equal terms to all aspects of the Europe 2020 Strategy. In this respect it can be concluded that the programme contribute most to sustainable growth, slightly less to smart growth and only has a minor contribution to inclusive growth.

Table 4: Potential contribution of the NWE-Programme to the headline targets of the Europe 2020 Strategy

	Headline Targets						
	75% of the 20-64 year-old population to be employed.	3% of the EU's Gross Domestic Product to be invested in R&D.	20% reduction in greenhouse gas emissions.	20% of energy from renewable sources	20% increase in energy efficiency	At least 40% of 30-34 year-old population completing third level education.	At least 20 million fewer people in or at-risk-of-poverty and social exclusion.
SO 1	(0)	(++)	(0)	(0)	(0)	(+)	(+)
SO 2	(0)	(0)	(+)	(+)	(++)	(0)	(0)
SO 3	(0)	(0)	(+)	(+)	(+)	(0)	(0)
SO 4	(0)	(0)	(++)	(+)	(+)	(0)	(0)
SO 5	(0)	(0)	(+)	(+)	(++)	(0)	(0)

Table 5: Potential contribution of the NWE-Programme to the thematic actions of the Europe 2020 Strategy

	Thematic Actions													
	Research / Innovation	Education, training & life-long learning	Digital Society	More competitive low carbon economy	Protecting the environment	Efficient smart electricity grids	Harnessing EU-scale networks	Helping consumers	Improving the business environment	New green technologies	More and better jobs	Investment in skills & training	Modernising	Benefits of growth reach all
SO 1	(+++)	(+)	(+)	(0)	(0)	(0)	(+)	(0)	(+)	(0)	(0)	(0)	(0)	(+)
SO 2	(0)	(0)	(0)	(+)	(+)	(++)	(0)	(+)	(0)	(+)	(0)	(0)	(0)	(0)
SO 3	(0)	(0)	(0)	(+++)	(+)	(0)	(0)	(+)	(0)	(++)	(0)	(0)	(0)	(0)
SO 4	(0)	(0)	(0)	(+++)	(+)	(0)	(0)	(0)	(0)	(++)	(0)	(0)	(0)	(0)
SO 5	(0)	(0)	(0)	(++)	(+)	(0)	(0)	(0)	(0)	(+)	(0)	(0)	(0)	(0)

Contribution to social, economic and territorial cohesion

Due to the already mentioned specificity of the NWE-Programme, it is not very likely that any "measurable" contributions to these wider treaty objectives can be achieved. The contributions to social, economic and territorial cohesion will thus be of indirect rather than of a direct nature.

One overall aim of the NWE-Programme is to enable and facilitate an increase in international cooperation. In doing so, it contributes to increasing the capacities of the involved regions for better face a number of challenges that targets economic, social and territorial cohesion.

The specific programme objectives of the NWE-Programme contribute to these aspects of cohesion differently, but without contradicting each other:

- **SO 1 makes a clear contribution to economic cohesion,** mainly by focussing on enhancing the innovation performance in the NWE area. The other specific objectives contribute to a lesser extent to economic cohesion.
- **All specific programme objectives contribute to territorial cohesion,** albeit at a variable scope. The external coherence appraisal has already shown that the specific programme objectives address many issues raised under the development priorities of the "Territorial Agenda of the European Union 2020".
- **SO2, SO3, SO4 and S05 contribute to achieve a sustainable dimension of cohesion.** All specific objectives do this by focussing on resource efficiency and a low-carbon economy. These are major societal challenges and ideas how to cope with it will be shared and developed internationally.
- Only with respect to **social cohesion** and its constituent elements such as social inclusion, social capital and social mobility, **the NWE-Programme will not make a significant contribution.**

7. Appraisal of the programme's implementation provisions and of the requirements for programme-level partnership

Cohesion Policy programmes with a much stronger orientation on results need to have adequate administrative capacity and human resources for delivering their day-to-day management and control activities, but also efficient structures and procedures to ensure smooth implementation and strategic decision-making process. This is of particular importance for all ETC-Programmes. Different to the regional- or national-level Growth and Jobs Programmes, ETC-Programmes have to cope with the complexity that is inherent to a joint delivery of all aspects relating to administrative and financial management, control and strategic monitoring.

Bearing this in mind, our appraisal of the NWE-Programme's delivery structures and mechanisms will therefore mainly focus on the following four evaluation questions:

(1) Considering the experiences from the previous INTERREG IVB NWE funding period 2007-2013, are there any persisting bottlenecks which might also impede the management and implementation of the NWE-Programme?
(2) Are the NWE-Programme arrangements for the management, implementation and control system in line with what is required by the EU-Regulations and are the processes conceived in a way to ensure a smooth and sound delivery of the Programme?
(3) Does the NWE-Programme include actions to achieve a reduction of the administrative burden on beneficiaries?
(4) Does the NWE-Programme adequately translate the regulatory principle on partnership and multi-level governance into its own context?

The following sections will not cover the programme-level provisions on monitoring and evaluation, because they were already appraised under Chapter 4 of the present report.

Experiences from the previous INTERREG IVB NWE-Programme

In October 2011, the INTERREG IVB NWE-Programme commissioned two external studies which reviewed the effectiveness and efficiency of the INTERREG IVB North West Europe Programme management structures and procedures[82] and the efficiency and effectiveness of the INTERREG IVB NWE's project development and selection procedures.[83] The conclusions and recommendations of both studies focussed mostly on the 2007-2013 funding period, but some of them also addressed aspects which are of relevance to the management and implementation of the NWE-Programme for the period 2014-2020.

The **review of the INTERREG IVB NWE Programme management structures and procedures** addressed four tasks[84] and concluded that in general the Programme was managed efficiently and effectively and in accordance with the requirements of the relevant existing EC-

[82] INTERREG IVB NWE Programme (2012a)
[83] INTERREG IVB NWE Programme (2012b)
[84] Task 1: "Analysis of programme bodies". Task 2: "Relevance of Role and Functional Links of each Programme Body". Task 3: "Adequacy of Governing Rules of Procedure or Other Agreements". Task 4: "Effectiveness of Interactions with other EU Funding Instruments".

Regulations. However, a number of aspects were identified which are relevant to the future and should therefore be addressed in the 2014-2020 programming period:[85]

- **Relevance of role and functional links of each Programme body (Programme Monitoring Committee & Programme Steering Committee):** *There are separate committees for the PMC and PSC with decision-making on projects delegated to the PSC by the PMC. However, around 80% of membership is common (most Member States have the same representative on both) which potentially disadvantages those Member States with separate representatives and results in no clear line of accountability from the PSC to the PMC as membership is largely common. For the next Programme, the current PMC/PSC arrangement should be reviewed and a firm decision made to have either one joint committee or two clearly separate committees comprising different representatives, with full separation of functional responsibilities between the two.* (…) *Whilst the skills and experience of individual PMC and PSC members have not been reviewed as part of this evaluation, it is suggested that the membership of management bodies for the next Programme should be reviewed to ensure that Member State representatives have appropriate skills, knowledge and expertise, particularly due to the change to a much greater thematic focus around specific topics. The emphasis on value-added rather than simple representation should be maintained.*
- **Effectiveness of interactions with other EU Funding instruments:** *The Strategic Initiatives have involved significant investment from Member States, the CPs and particularly the JTS. Only five were funded, the majority were not recommended for funding by the JTS, but the PSC chose to support them to maintain the Programme's credibility. In addition, several Member State representatives had significant involvement in the development of specific Strategic Initiatives, which they were then involved in approving suggesting that the essential separation between project development and project selection was not maintained. Finally, the JTS do not have the skills, knowledge or confidence to develop/manage strategic, technical projects and should not be expected to without addition support.* (…) *If Strategic Initiatives are taken forward in the future, it is recommended that these should be progressed on a 'bottom-up' basis only, unless dedicated, additional resource is provided to the JTS to support the process.*

The **review of the efficiency and effectiveness of the INTERREG IVB NWE Programme's project development and selection procedures** addressed six tasks[86] and concluded that the procedures are broadly efficient and effective. However, a total of 20 recommendations were formulated in relation to project development guidance and tools, to project development in practice, to the complementarity between the advice provided by the JTS and the Contact Points and to the project selection which should be addressed in the 2014-2020 programming period (**see: Annex 12**).

The JTS of the INTERREG IVB NWE Programme provided the ex-ante evaluators with detailed information on the follow-up that was given to the recommendations formulated by both

[85] INTERREG IVB NWE Programme (2012a), p.35

[86] Task 1: "Assessment of the Effectiveness of Project Development Tools and Practices". Task 2: "Assessment of the efficiency of project development tools as carried out by the JTS and CPs". Task 3: "Assessment of the Complementarities of the JTS and CPs". Task 4: "Assessments of the Perception of the Programme's Assistance and Comparison of Resources with those of other Transnational Programmes". Task 5: "Assessment of the Efficiency of the Project Selection Procedure". Task 6: "Assessment of the Project Development of Strategic Initiatives".

assessments. Our review of the PPG's decisions shows that **nearby all aspects with relevance for the future have been taken into account during the preparation of the NWE-Programme.** Most of the issues will be defined in secondary programme documents that still have to be elaborated (e.g. Monitoring Committee's internal rules of procedure; Programme Manual giving support and advice to applicants, Service Level Agreement for the Programme etc.), but some important changes can already be identified when looking at described implementation provisions for the NWE-Programme:

- There will only be a Monitoring Committee but not any longer a separate Programme Steering Committee.
- Top-down "Strategic Initiatives" will not exist any longer due to the stronger thematic focus of the Programme, but the formation of thematic clusters among projects could be continued in the period 2014-2020.
- The project application phase will be profoundly revised and one core element of this is the introduction of a "two-step application process" (for further details see below: *„Reduction of the administrative burden on beneficiaries"*).

Programme-level management and implementation arrangements

Many articles of the general and specific ESI-Funds regulations contain provisions relating to the monitoring, management and control system to be established by the operational programmes. The most important general provisions defining the scope of the management, implementation and control tasks and also the functions of the involved actors/structures are laid down in Part IV of the CPR (Articles 122-148). The specific provisions for arrangements to be adopted by cooperation programmes are set out by Chapter VI of the ETC-Regulation (Articles 21-25) which, in accordance with Article 8 (4) (a) and (b) of this regulation, have to be described by each cooperation programme.

The implementation provisions for the NWE-Programme are set out in Sub-section 5.1 of the programme document. They identify the bodies acting as Managing Authority (MA), Certifying Authority (CA), Audit Authority (AA) and Joint Secretariat (JS), define in detail the tasks of each of the bodies including the Monitoring Committee (MC) and also describe the relations between the different bodies within the various programme implementation processes. More specifically, the elaborated text describes

- very briefly the procedure for setting up the Joint Secretariat, because the 2007-2013 arrangements for the JTS were kept;
- in detail the role and tasks of the MA, the JS, the CA, the AA and the "Group of Auditors, the MC and the network of Contact Points;
- in detail the organisation of the assessment and selection of operations and the resolution of complaints;
- in detail the procedure for the signature of the document setting out the conditions of support ("subsidy contract") and the financial control of beneficiaries;
- in detail the provisions on monitoring, both at the programme and the project level,
- the provisions on annual and final implementation reporting and on the closure of the programme;

- the provisions on programme-level evaluation;
- the provisions on computerised exchange of data;
- in detail the mobilisation of the programme funding, both for the contributions of the various EU-Member States to the financing of the programme's thematic interventions and for the mobilisation of resources for technical assistance, also including the specific provisions for Switzerland;
- in much detail the main stages of the flows of Community funding from the MA/CA to the lead partners of the projects, also including the specific provisions for Switzerland;
- the relation to Member States outside the NWE eligible area
- in detail the Programme's information and communication activities;
- in detail the approach for an apportionment of liabilities among the participating Member States in case of financial corrections imposed by the MA or the Commission (i.e. for the reduction and recovery of payments from beneficiaries as well as for liabilities and irregularities);
- the use of the Euro.

The description under Sub-section 5.1 **fulfils to a large extent the content-related expectations** which were set out in the commented version of the Commission's "Model for the Operational Programme under the ETC-goal" (Version 2 of May 2013) **and** also **fully complies with the requirements of Article 8 (4) (a) and (b) of the ETC-Regulation.**

Reduction of the administrative burden on beneficiaries

According to Article 27 (1) of the CPR, each programme shall include (…) *actions to achieve a reduction of the administrative burden on beneficiaries.* Of particular relevance in this wider context are also the formal requirements for establishing a complete electronic data exchange under the ESI-funds in the period 2014-2020. The most relevant provisions for this are set out by Article 72 (d), Article 74 (4), Article 122 (3) and Article 125 (2) (d) of the CPR[87] as well as by the requirements of the e-Cohesion initiative for electronic data exchange under the ESI-Funds.

The NWE-Programme provides a summary assessment of the administrative burden of beneficiaries on ground of the main findings of a previous mid-term evaluation[88] **and then identifies a wide range of concrete actions which are adequate for further reducing the administrative burden on beneficiaries.** Some of these actions take forward simplification measures which were started already in the IVB programming period (i.e. an online reporting form for payment claims and progress reports of approved operations), but most of them aim at considerably simplifying the future project application procedure (e.g. use of Simplified Cost

[87] **Article 72 (d):** Management and control systems shall, in accordance with Article 4(8), provide for (…) computerised systems for accounting, for the storage and transmission of financial data and data on indicators, for monitoring and for reporting. **Article 74 (4):** All official exchanges of information between the Member State and the Commission shall be carried out using an electronic data exchange system. The Commission shall adopt implementing acts establishing the terms and conditions with which that electronic data exchange system is to comply. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 150(3). **Article 122 (3):** Member States shall ensure that no later than 31 December 2015, all exchanges of information between beneficiaries and a managing authority, a certifying authority, an audit authority and intermediate bodies can be carried out by means of electronic data exchange systems. **Article 125 (2) (d):** As regards the management of the operational programme, the managing authority shall (…) establish a system to record and store in computerised form data on each operation necessary for monitoring, evaluation, financial management, verification and audit, including data on individual participants in operations, where applicable.

[88] INTERREG IVB NWE Programme (2012b)

Options; introduction of a web-based application form which is harmonised with the INTERACT standard application form; elaboration of a single reference document for project guidance; introduction of a new "two-step application process"). The latter aspect is certainly the most important novelty, as future applicants will only need to fill in a short Application Form in Step 1 and Member States will then give green light before they can fill in the full Application Form needed for Step 2. This process is (…) *aimed to make efficient use of applicants' resources during the application phase and to attract newcomers and front runners. The two-step application process will create more opportunities to better steer project development from start to finish, thus, beneficiaries will have feedback on their ideas in an early stage of project development.*[89]

The NWE-Programme also devotes sufficient attention to e-Cohesion. The rather concise description is adequate, because the electronic data exchange system already operated under the NWE IVB Programme largely in line with the norms set out by the Commission's e-Cohesion initiative. Still, it is clearly highlighted that the future NWE-Programme (…) *will continue to operate fully in line with these principles from the start of the programme period*. [90]

Programme-level partnership arrangement

Article 5 of the CPR defines the principle of "partnership and multi-level governance" under the ESI-Funds which is relevant for both the Member States' Partnership Agreement and the individual operational programmes. The approach to be adopted for a concrete application of this principle is described in a specific Commission Staff Working Document[91] and in a fiche for a delegated act of the Commission on the "European Code of Conduct on Partnership" (ECCP).[92]

In order to comply more specifically with the provisions of Article 5 (1) and (2) of the CPR, the ETC-Regulation requires cooperation programmes through Article 8 (4) (c) to describe (…) *the actions taken to involve the partners referred to in Article 5* (…) of the CPR (…) *in the preparation of the cooperation programme, and the role of those partners in the preparation and implementation of the cooperation programme, including their involvement in the monitoring committee.* The partners referred to in Article 5 (1) of the CPR are competent urban and other public authorities, economic and social partners, relevant bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination.

Already during the early preparatory phase of the NWE-Programme in 2012, other public partners and relevant socio-economic and civil society stakeholders from NWE were intensively connected to the preparation of the NWE-Programme (i.e. input for the new programme was collected at NWE annual events and at national or regional events organised by the Member States).

Also during the actual programme elaboration process in 2013 and 2014, but only once substantial programme drafts became available, **these partners and stakeholder groups were again adequately and intensively involved.**

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[89] INTERREG IVB NWE Programme (2014g), pp. 85 & 86
[90] INTERREG IVB NWE Programme (2014g), p. 86
[91] European Commission (2012e)
[92] European Commission (2013e)

- In August and September 2013, an **online stakeholder survey** was realised on the INTERREG IVB NWE website to collect feedback on the 2nd draft version of the NWE-Programme (**see: Annex 13**). A JTS-report on the results of this stakeholder survey[93] shows that more than 200 responses were received and a total of 173 organisations from all NWE Programme countries were mobilised. They belonged mostly to the public sector (71%) and partly to the private sector (16%). The survey participants gave direct and useful input for refining the planned actions under the TOs and IPs of the draft NWE-Programme and also made general comments which were relevant for the still on-going discussion among the NWE partner states.
- Between end of April and end of May 2014, **a public consultation** was organised in parallel to the consultations on the draft environmental report within the scope of the Strategic Environmental Assessment (SEA). This consultation collected stakeholder feedback on the draft final NWE-Programme and mobilised participants from 124 stakeholder organisations in all NWE countries except Switzerland (**see: Annex 14**). According to a detailed JTS-report on the results of the public consultation,[94] more than 90% of participants found the programme strategy clear and a majority also supported the identified challenges and considered them relevant for NWE. However, a considerable amount of critical comments were received with regard to strategic programme elements. On 10th July 2014, the PPG decided a number of improvements to the NWE-Programme in order to address the most frequent and relevant critical comments (i.e. improvements to reduce the risk of overlap with other programmes, to increase the importance of cohesion and to improve the clarity of the identified territorial challenges & transnational development needs).

For the future implementation of the NWE-Programme, it is explicitly foreseen that the participative process based on a broad transnational dialogue involving partners from national, regional and local authorities as well as non-governmental bodies (…) *will continue during the implementation, monitoring and evaluation of the programme.* (…) The programme will rely (…) *on continuous feedback and input by beneficiaries and external stakeholders* (…) and (…) *regularly organise programme activities such as thematic workshops or events to involve a broad range of relevant stakeholders in the NWE area.*[95]

It is also envisaged that the Monitoring Committee of the NWE-Programme includes, among others, up to three representatives per country (NWE-MS and Switzerland) at the appropriate governance levels.[96] This provision allows that other regional authorities especially in the larger NWE-Member States can be represented on a "collective basis" (i.e. one delegate representing the interests of various regions concerned). Furthermore, the Monitoring Committee can also invite relevant stakeholders who participate on its meetings in advisory capacity.[97] Bearing in mind that no NWE-specific transnational organisations representing particular economic, social or civil-society interests do exist (only regional or national and European-wide organisations exist), we consider this overall approach to be sufficient for ensuring an adequate MC-representation of the partners referred to in Article 5 (1) of the CPR.

[93] INTERREG IVB NWE Programme (2013q)
[94] INTERREG IVB NWE Programme (2014j)
[95] INTERREG IVB NWE Programme (2014g), p.81
[96] INTERREG IVB NWE Programme (2014g), p.71
[97] INTERREG IVB NWE Programme (2014g), p.72

Overall, we consider the above-described **involvement of the relevant public partners and socio-economic or civil society stakeholders** in the preparation and future implementation of the NWE-Programme **to be appropriate and thus also in line with the** requirements as set out by the **"European Code of Conduct on Partnership".**

8. Summary result of the Strategic Environmental Assessment

According to the Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment (hereinafter referred to as "SEA-Directive"), an assessment of the effects on the environment of the NWE-Programme is mandatory. The SEA-assessment covers the general strategic approach of the NWE-Programme which is defined by the specific programme objectives (SOs) and the related Types of Actions (ToA) to be supported as well as by the defined indicators. The territorial area of the assessment covers the Member States of NWE. The formal time frame for the NWE-Programme covers the years 2014 until 2020. Adding 3 more years for the finalisation of funded projects, the period considered in the assessment is 2014 until 2023.

For the SEA of the NWE-Programme, a scoping note presenting a proposal on the extent and level of detailing of the assessment was sent to authorities with environmental responsibilities in the NWE Member States asking for comments and suggestions. The scoping consultation period formally lasted from 22 November 2013 until 9 December 2013. However, comments were received (and accepted) later than the official deadline. The received comments and suggestions provided by nine (9) authorities were taken into account while developing the environmental report.

The prepared environmental report is based on the draft NWE-Programme, version dated 4 March 2014. Together with the draft NWE-Programme, the Environmental Report was subject of authorities responsible for environmental protection and of the public consultation being conducted as required in Article 6 of the SEA-Directive.

Results of the environmental report

(1) Methodology of the assessment: The assessment follows the methodology prescribed in the SEA-Directive: Referring to the determinations of the NWE-Programme, relevant environmental objectives and related indicators were identified which serve as a base for the description of the present status of the environment and its development trends in the programme's area as well as for the assessment of likely significant effects of the programme on the environment.

Relevant environmental objectives are presented in numerous European directives, strategies, roadmaps and conventions. Indicators are defined to measure the achievement of the set objectives and to describe the status of the European environment. The indicators are also used to formulate 'assessment questions', which serve to appraise the likely significant effects on the environmental issues of the NWE-Programme and its contributions to the relevant EU environmental objectives.

According to the SEA-Directive, the assessed environmental issues cover population/human health, landscape, water, soil, air and material assets/cultural heritage (including architectural and archaeological heritage). Additionally, the aspect 'Global Climate' as a separate

environmental issue is considered. 'Resource Efficiency' as an important field of interventions with manifold direct and indirect effects on the environmental issues is also included.

It has to be emphasised that the complex interdependencies between the environmental issues are known although the description of the present state of the environment in the NWE area and the assessment of the effects focuses on the individual environmental issues first of all. A detailed description of complex effect-chains is seriously not possible at this high strategic programming level. Statements to existing interdependencies are provided where necessary and possible.

(2) Status of the environment and existing environmental problems: According to the territorial scope of the Programme the environmental objectives and indicators relate to the EU policies. Existing environmental problems were defined. European Union faces challenges particularly referring to:

Despite improvements over the last years numerous challenges concerning the environment exist which need to be solved. Due to the intensive economic activities and high population density in the NWE area, all environmental issues are still under pressure.

This holds particular to:

- Biodiversity: The loss of biodiversity continued; the target to halt the loss of biodiversity by 2010 is missed.
- Air quality: Urban air pollution concentrations are still too high causing problems on human health.
- Global Climate. Although the greenhouse gas (GHG) emissions in Europe have fallen evidently in NWE, global warming however presents a considerable challenge; climate change effects are starting to become evident, adaptation is needed to protect people, buildings, infrastructure, businesses and ecosystems.

Regarding resource efficiency, the NWE Partner States clearly use more resources than their share of the global resources is. They show an ecological footprint (the ecological footprint is an indicator to exemplify sustainability of life and economy) between 4 and around 5 global hectares which is more than two times higher than the average bio-capacity of the EU (around 2 global hectares per person).

However, for the years 2000 to 2011, no unambiguous trend was observed to absolute decoupling of material use from economic growth. A considerable improvement in resource productivity in that period was seen and the GDP was growing faster than domestic material consumption (DMC). These divergent trends — GDP growing while DMC falls — imply an absolute decoupling of economic growth from resource use in the EU between 2000 and 2011. However, it is unclear whether this is an actual turnaround in resource use patterns or merely a reflection of the impact of the economic crisis on resource-intensive industries such as construction.[98]

(3) Assessment of potential environmental effects: The NWE-Programme has an important function for strengthening the framework conditions for the transition towards a resource

[98] EUROSTAT (2013), pp. 9 f

efficient, low carbon economy ('green economy') and for the establishment of a circular economy. This function is served by its general strategic approach and by the proposed individual Types of Actions as well.

At the strategic level two elements are decisive to support positive contributions of the NWE-Programme to the EU environmental objectives:

- Two out of the three priorities (Priority 2: 'low carbon' and Priority 3: 'Resource and material efficiency') aim directly at the improvement of development, testing and uptake of new technologies in the fields of reduction of GHG-emission and resource efficiency. The term 'new technologies' includes products, services, and processes but also management systems, governance arrangements and networks. A comprehensive set of necessary conditions for further improvement of climate protection and resource efficiency can therefore directly be addressed. Under Priority 1 ('Innovation') capacities will be developed to improve the innovation performance in regions and of enterprises. These capacities could serve as important intermediate structures and 'transmission belts' for promoting the transition towards green economy.
- The criterion "project proposals are only eligible if the project objectives and activities do not conflict with the principles of sustainable development, as defined by the programme" asks for an early consideration of the principles of sustainable development in the preparation of projects, even though the criterion is formulated quite soft.

At the level of Type of Actions (ToA), the actual effects and their characteristics depend on the design, execution conditions and results of the projects supported by the NWE-Programme which in turn depend on the effective application of selection criteria related to environmental, climate and resource protection.

According to the orientation of the Priorities 2 and 3 with the Specific Objectives 2 - 5, all supported projects need to contribute to the mitigation of GHG-emissions or to resource efficiency. Additionally under Specific Objective 2 (ToA5) projects will contribute to adaptation to risks of climate change. For the supported projects under Priority 1, respectively Specific Objective 1, the link to topics related to environmental, climate or resource protection is not required in the NWE-Programme consistently. However, the consideration of principles of sustainable development is required.

The risk of significant negative effects and conflicting contributions to sustainable development is limited, nevertheless existent. Potential negative effects have to be considered connected to the promotion of energy generation out of renewable energy sources, e.g. wind power plants, hydro power plants, biomass power plants, large solar power plants on green fields or distribution networks, but also connected to construction work linked to adaptation measures.

Fields of positive cumulative effects can be seen in reducing GHG-emissions and improvement of resource efficiency; cumulative effects on particular territories cannot be assessed due to lack of details regarding territorial aspects and contents of the projects. By promotion of low-carbon economy as well as resource efficiency the NWE-Programme tackles two areas which could generate a number of potential synergistic effects: (a) the mitigation of GHG-emissions and (b) the reduction of the consumption of resources for (industrial) production and energy generation support also the protection of other environmental media as air, water, soil, biodiversity and

landscape. Human health and human well-being is positively influenced by less polluted air, particularly in urban areas, but also by better quality of waters, landscape and soil.

Summarising it can be stated that the NWE-Programme shows a strong potential to generate positive effects on the environment and to contribute to the EU environmental objectives. This holds for effects delivered by the projects as well as for developing framework conditions to strengthen the transition towards a green economy and to respect sustainable development. Decisive tools to exploit the potential of the programme are: A thorough assessment of applications, ensuring the selection of projects with the best possible contribution to environmental, climate and resource protection and an effective monitoring of the implementation of projects.

The assessment of the alternative to change the funding of the individual priorities revealed that shifting of the funds in favour of Priorities 2 and 3 would generate limited additional positive effects concerning climate and resource protection. At the same time this change of funding would reduce the enhancement of innovation performance capabilities.

For mitigating the potential negative effects only general procedural recommendations can be made by a strict application of the potential of tiering, the integration of environmental competences with the approval of applications showing the risk of potential negative effects on environmental issues as well as advising applicant prior to the formal application phase.

(4) Recommendations: Most of the recommendations for increasing the potential of positive effects aim on implementation structures of the Programme. The stricter consideration of the horizontal principle 'sustainable development' as well as environmental, climate and resource protection in project applications must be ensured. Though the criteria must not be too strict they should guarantee a sufficient environmental quality standard of the projects.

This could be reached also by complementing project application by a concise description of environment-related aspects to be addressed and of expected environmental effects. Furthermore, at the level of the Member States arrangements should be established to enable applicants to receive information and advice for the consideration of environmental aspects in the design and execution of projects.

In the selection process for projects aiming on the promotion of energy generation by renewables and distribution networks, the possible effects on biodiversity, landscape, soil and water have to be taken into account seriously; this includes also the promotion of the use of new generation biomass (e.g. agricultural waste, organic waste, and sludge).

Finally, the Joint Secretariat should support the exchange of information and knowledge between beneficiaries on the projects' outputs and lessons learned of the different Types of Actions, within a single priority as well across the different priorities.

(4) Monitoring: The highly indirectness of potential environmental effects of the North West Europe Programme does - due to its nature - not allow the identification of measures to monitor possible impacts on the environment by projects funded by this Programme. Thus, the monitoring must aim to ensure that no adverse effects to the EU environmental objectives and the EU environmental policy are supported by the NWE-Programme, even if the direct impacts

will occur in the long run only. It is proposed to safeguard the consideration of clear environmental criteria in project application manuals of the Programme.

Furthermore, the project applications and reports have to cover expected and actually initiated environmental effects even if indirect only. A regular assessment of expected and initialised effects by projects supported by the NWE-Programme has to be done in order to avoid incompatibility of the Programme's implementation orientation with the EU environmental objectives and general environmental policy.

Depending on the nature of the individual projects, relevant existing national, regional and/or local environmental monitoring systems should be used (for example to measure air pollution, noise, and water pollution). Relevance and mode of utilisation could be clarified by involvement of the authorities responsible for the monitoring.

Results of the SEA-consultation

The SEA-consultation was conducted in each Member State individually according to the respective national legal requirements.

120 authorities, institutions and private persons responded to the pre-formulated yes- or no-questions; comments and suggestions were submitted by a total of 20 authorities, institutions and private persons.

The contributions provided cover a wide range of issues. Quite a considerable number of comments underline statements provided in the environmental report.

Some of the comments and suggestions highlight particular environmentally relevant aspects of the programme structure as for example biodiversity or NATURA 2000. Others refer to aspects which might have been elaborated more clearly in the environmental report. All received comments and suggestions were taken into consideration and listed in the consultation report. Suggestions important for better understanding and complementing of particular statements of the environmental report were integrated into the environmental report.

Annexes

Annex 1:
First appraisal of the programme strategy (1st Interim Report of the ex-ante evaluation)

A. Programme Strategy Description (OP Sections 1 & 2):

Recommendation No. 1: The section of the 1st Draft NWE-Programme describing the challenges and needs (pp. 4-6) should contain a short but sufficiently robust statement explaining the reasons for not including specific territorial development needs which are related to the Europe 2020 fields of action "Education, training and lifelong learning", "Digital Society" and "Skills".

Recommendation No. 2: The second part of the statement justifying why the NWE programme strategy cannot address all the identified transnational needs should be improved (on p. 6). It should refer to "results" rather than to "impacts" in order to reflect more precisely the new approach adopted by the European Commission.

Recommendation No. 3: In the case of SO 3 the reference to "energy poverty" should be eliminated from the objective formulation throughout the entire programme document, because the territorial situation analyses and the reviewed SWOT-analysis do not provide supporting evidence for such a problem constellation in NWE.

Recommendation No. 4: In Table 1 of the 1st Draft NWE-Programme, it should be verified if some of the needs statements for IP 1(b) and IP 6(f) must be adapted in order to better reflect specific aspects that are mentioned in the statements of SO 2 and SO7.

Recommendation No. 5: The justification for the establishment of a priority axis covering more than one TO (p. 28) should be made more "robust", mainly by introducing more differentiated factual information on transport-related issues which can be drawn directly from the "reviewed SWOT-analysis" (e.g. energy consumption, CO2 emissions & pollution, cost of congestion).

Recommendation No. 6: Under IP 1(b), the two ToA are currently both related to the specific programme objectives SO 1 & SO 2. This should be changed in order to achieve a more streamlined approach which is comparable to the other IPs and for achieving a stronger correlation between outputs and results. Some ToA descriptions should be further complemented by more concrete project examples (i.e. under SO 3 & 4, only summary descriptions with few examples) in order to achieve a more homogenous presentation style and also a comparable level of detail in the provision of this important complementary information.

Recommendation No. 7: The paragraphs describing the "wider European framework" (section 1, p.10f) should be improved: Firstly, the potential contribution of the NWE-Programme to a realisation of the territorial priorities of the already mentioned "Territorial Agenda" should be better highlighted in order show how the achievement of territorial cohesion is supported. Secondly, some other EU-wide policy strategies and programmes should be mentioned, especially those which are strongly considered by the NWE-Programme and for which also clear contribution potentials for an achievement of their aims, objectives and actions within NWE do exist (i.e. COSME, HORIZON 2020, EU Low Carbon Roadmap, EU Adaptation Strategy).

Recommendation No. 8: The paragraphs giving an overview on the ETC-related recommendations which were made in the Commission's country-specific position papers on the development of the Partnership Agreements (now p.10 f) should be moved upwards in section 1, either at the start of the description of the challenges/needs (p. 3) or at the start of the strategy description (p. 6).

B. Programme Intervention Logic:

Recommendation No. 9: Under all five Investment Priorities, the numerous weaknesses and inconsistencies in the intervention logic need to be eliminated. For further details on the required improvements, the IP-specific reviews and tabular frameworks should be consulted.

Recommendation No. 10: Potential risks for the planned interventions were observed under nearby all Investment Priorities. They should be critically discussed during the further programme preparation process (also in the PPG) in order to validate or reject their relevance.

Recommendation No. 11: Under SO 1 and SO 2, specific references in the list of potential project examples and/or in the description of the project selection criteria should be included in order to achieve a much more direct consideration and also a stronger pro-active application of the equal opportunities and non-discrimination principles (SO 2) as well as of the sustainable development principle (SO 1).

Annex 2:
1st complete appraisal of the NWE-Programme in the Draft Final Ex-ante Evaluation Report

A. Programme Intervention Logic:

Recommendation No. 1: We suggest elaborating a coherent "result statement" under all sub-sections of the programme that describe the SO-results to be achieved, either at the very beginning or at the end of the sub-sections "2.A.1". This statement should mention the main result to be achieved, but also refer to other aggregated changes and effects that are expected to emerge from all projects under a given SO (i.e. the desired situation at the end of the programming period). The statement should then be followed (or preceded) by a short description of the reference situation at the beginning of the programming period, by relating to the key challenges and most relevant transnational development needs (this is most often done well). Finally, existing references to a measurement of outputs or general guidance for future projects should be removed from this sub-section and transferred to other more appropriate sub-sections of the IP-descriptions.

Recommendation No. 2:
Under IP 4(e) and ToA5 as well as under IP 7(c) and ToA 7, some examples which are provided for potential actions (i.e. projects) should be reviewed.
IP 4(e): For some examples under ToA5, a visible combination of the adaptive and mitigative dimensions is missing. This is the case for … *where water is allocated between hydroelectricity (mitigation) and consumption* (??) … or … *reducing the vulnerability of electricity distribution networks to extreme weather* (adaptation). It is obviously very difficult to find adequate combinations which also indicate perspectives for transnational cooperation. Instead of focussing on single measures or solutions that combine both dimensions, it would probably be better to envisage an elaboration and implementation of integrated territorial strategies which provide for measures in both dimensions (i.e. using the strategy and the territory as a framework for combination). New examples could be:

- Integrated planning for flooding prevention at a catchment level (adaptation) which promotes a systematic establishment of riverine pasture landscapes through a re-forestation in flooding areas (mitigation).
- Integrated urban planning approaches which promote a systematic greening of public spaces and especially of buildings (rooftop greening) in the city context, thus contributing to a lowering of CO2 emissions and reducing risks in the event of heat waves or heavy rainfall.
- Integrated planning of new low carbon industrial manufacturing parks (see FP 7 project "LOCIMAP") which also includes measures that protect the site and its installations from extreme effects of climate change.
- Integrated rural development planning for the establishment of more climate change resistent forests that are also used for renewable energy production.

IP 7(c): The current examples under ToA5 can easily suggest that pilot or demonstration actions and testing might also take place at a regional or local scale. A clearer reference to the expected types of solutions should therefore be included. New examples could be:

- Developing pilot or demonstration actions which bring in-reach technologies or emerging solutions for low-carbon transportation (e.g. new propulsion systems) closer to practical use on major NWE transport corridors or in the context of cross-country mobility networks.
- Real life testing or application of already proven low carbon transport solutions (e.g. low carbon or zero-carbon rolling stock, vehicles using alternative fuels, e-mobility) on major NWE transport corridors or in the context of cross-country mobility networks.
- Engaging with different kinds of transport operators across various NWE countries to affect large scale behavioural change with respect to the use of low carbon transportation and implementation of practical solutions (e.g. conceptualisation of "green supply chains" across various countries design and establishment of such chains; design of cross-country bonus systems for individuals using low carbon mobility etc.).

Recommendation No. 3: In the context of IP 1(b), the mandatory character of the general guidance statement "All projects supported under this SO must demonstrate their strategic alignment with relevant smart specialisation strategies" should be firmly taken over by the description of ToA1. In case of ToA3, however, an application of this general guidance statement to future projects on social innovation should be reconsidered.

B. Horizontal Principles:

Recommendation No. 4: Under sub-section 8.3, the following sentence should be changed by formulating it more affirmatively: (…) *specific actions of projects in order to support the participation and situation of women are welcome which will be reflected by related selection criteria, especially in the context of TO1.* It is also not clear from

this sentence if the selection criteria are included into the "guiding principles" under Section 2 of the Programme or if they are later included into the secondary programme documentation (i.e. the Programme Manual). Should the first assumption hold true, then further changes have to be made under the "guiding principles" of SO 1 which should also directly refer to ToA 3 (i.e. as the most appropriate ToA).

C. Indicators and Programme Monitoring System:

Recommendation No. 5: The NWE-Programme needs to establish a baseline for the result indicators SO 1 – SO 5 before its submission to the Commission. The NWE-Programme is also advised to devote sufficient resources, time and attention to the development of a robust and meaningful survey and a careful selection of the target groups to which the surveys will be sent. Otherwise, there is a risk that the focus on the survey approach will not result in any usable information.

Recommendation No. 6: The NWE-Programme is advised to elaborate and present milestones for the indicators before the submission of the final programme.

Recommendation No. 7: For the future work of the NWE-Programme, it is recommended to put emphasis on establishing a clearly defined method for information collection and on carefully designing the information collection procedure of the survey.

Recommendation No. 8: It is strongly recommended that an additional secondary programme document is produced in the future (e.g. an Indicator or Monitoring Manual), which will describe more in detail the data collection process for the result indicators.

D. Allocation of Budgetary Resources:

Recommendation No. 9: The minimal calculation errors in the tables 17 and 18 for the indicated totals and also the minor difference in the sums of ERDF-funding indicated for Priority Axis 2 should be corrected.

Annex 3 (Programme Consistency): Overview on the main structural elements of the NWE-Programme strategy

Priority Axis (PA) & Thematic Objective (TO)	Investment Priority (IP)	Specific Objective (SO)	Types of Action (ToA)
PA 1: Innovation **TO 1:** Strengthening research, technological development and innovation through …	**IP 1(b):** promoting business […] investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education…	**SO 1:** To enhance innovation performance in NWE through international cooperation	**ToA 1:** Building the capacity of regions and territories to improve their innovation performance. **ToA 2:** Improving the competitiveness of enterprises, through cooperative actions that take forward the development of specific products, services or processes to a stage of market-readiness. **ToA 3:** Delivering societal benefits through innovation.
PA 2: Low Carbon **TO 4:** Supporting the shift towards a low-carbon economy in all sectors through …	**IP 4(e):** promoting low carbon strategies for all types of territories, in particular urban areas, including the promotion of sustainable urban mobility and mitigation relevant adaptation measures	**SO 2:** To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies	**ToA 4:** Promoting carbon reduction in cities and regions through the implementation of emerging or existing low carbon, energy or climate protection strategies. **ToA 5:** Implementing combined mitigation and adaptation solutions, to demonstrate feasibility and refine design and development plans for the future.
	IP 4(f): promoting research, innovation and adoption of low carbon technologies	**SO 3:** To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services	**ToA 6:** Implementing low carbon technologies and solutions through demonstrations and rollout of existing low carbon products, technologies, or solutions.
TO 7: Promoting sustainable transport and removing bottlenecks in key network infra-structures through …	**IP 7(c):** developing environment-friendly and low carbon transport systems including river and sea transport, ports and multimodal links […]	**SO 4:** To reduce GHG-emissions in NWE through international cooperation on transnational low carbon solutions in transport systems	**ToA 7:** Implementing transnational solutions for low carbon transport systems to reduce GHG emissions. **ToA 8:** Implementing solutions for optimised traffic management to enhance capacity and to show tangible transfer to lower-carbon forms of transport, in order to reduce GHG emissions.
PA 3: Resource & materials efficiency **TO 6:** Preserving and protecting the environment and promoting resource efficiency through …	**IP 6(f):** promoting innovative technologies to improve environmental protection and resource efficiency in the waste sector, water sector, soil protection or to reduce air pollution	**SO 5:** To optimise (re)use of material and natural resources in NWE through international cooperation	**ToA 9:** Implementing new technologies, services, products and processes to improve resource efficiency. Transfer and implementation of, for example, new technologies and solutions is required to optimise the use of material resources.

Annex 4 (Programme Consistency): Consideration of the identified challenges & needs in NWE by the specific programme objectives

The NWE-Programme objectives consider …		… the identified "key challenges" & the "specific transnational development needs" in NWE					
Priority Axis (PA) & Thematic Objective (TO)	**Investment Priority & Specific Objective (SO)**	**Key Challenge 1 "Boosting knowledge flows"**	**Key Challenge 2 "SMEs innovative capabilities"**	**Key Challenge 3 "Resource and materials efficiency"**	**Key Challenge 4 "Energy security and supply"**	**Key Challenge 5 "Vulnerability to climate change events"**	**Key Challenge 6 "Inclusion"**
PA 1: Innovation **TO 1:** Strengthening research, techno-logical development and innovation	**IP 1(b) & SO 1:** To enhance innovation performance in NWE through international cooperation	**+++** All needs	**+++** All needs on R&D/I in SMEs and need on uptake of social innovation in SMEs	**0**	**0**	**0**	**++** Only needs on health issues & on avoiding a deepening of social gaps
PA 2: Low Carbon **TO 4:** Supporting the shift towards a low-carbon economy in all sectors	**IP 4(e) & SO 2:** To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies	**+**	**+**	**+**	**+++** All needs	**+++** All needs	**++** Only need on avoiding a deepening of social gaps & social exclusion
TO 7: Promoting sustainable transport and removing bottlenecks in key network infrastructures	**IP 4(f) & SO 3:** To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services	**++** Only need for new technologies, products & services impacting on environmental problems & challenges	**++** Only need on uptake of eco-innovation in SMEs	**+**	**++** Only needs which are not related to transport	**+**	**0**
	IP 7(c) & SO 4: To reduce GHG-emissions in NWE through international cooperation on transnational low carbon solutions in transport systems	**++** Only need for new technologies, products & services impacting on environmental problems & challenges	**0**	**+**	**++** Only transport-related needs	**+**	**0**
PA 3: Resource and Materials Efficiency **TO 6:** Preserving and protecting the environment and promoting resource efficiency	**IP 6(f) & SO 5:** To optimise (re)use of material and natural resources in NWE through international cooperation	**++** Only need for new technologies, products & services impacting on environmental problems & challenges	**++** Only need on uptake of eco-innovation in SMEs	**+++** All needs	**0**	**+**	**0**

Levels of consideration:
+++ = Extensive and strong direct consideration **++ = Focussed and strong direct consideration** **+ = Weak indirect consideration** **0 = No consideration**

Annex 5 (Programme Consistency): Verification of the formulations for the specific programme objectives

Specific Objective (SO)	Important needs & potentials in NWE mentioned as justification for the selection of TOs and IPs (Table 1 of the programme document)
PA 1 (Innovation) & TO 1 **IP 1(b) & SO 1:** To enhance innovation performance in NWE through international cooperation	Better exploitation of research outcomes into new technologies / products / services to create impact on social, demographic, spatial, economic and environmental challenges. Need to reinforce the internationalisation and inter-cluster cooperation of regional clusters and innovation stakeholders. Need to stimulate key growth sectors in NWE area and ensure that cooperation is linked to Smart Specialisation Strategies. Regional differences in NWE area in terms of innovation potential and economic performance need to be addressed. Need to pay attention to the 'social dimension of innovation' to deal with social challenges and problems.
PA 2 (Low Carbon) & TO 4 / TO7 **IP 4(e) & SO 2:** To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies	Need to reduce the carbon footprint in NWE area. NWE area has a very strong urban dimension and urban areas are major sources of GHG emissions. A lot of territories in the NWE area are at risk from climate change and extreme natural events (e.g. urban areas with high levels of built environment and infrastructure, coastal areas, river areas); mitigation actions are required. Implementation of low carbon strategies that deliver towards low carbon targets or improve energy affordability and security is of high importance in EU (and national policy documents). Share of renewables in the production and consumption mix is low and there is a high dependence on foreign energy. Persisting problems regarding the access to affordable and sustainable energy sources (e.g. for low income social groups).
IP 4(f) & SO 3: To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services	Need to stimulate technology and knowledge transfers on low carbon technologies and to increase the uptake of low carbon technologies (e.g. built environment). Important to create critical mass for implementation of low carbon technologies contributing to the Europe 2020 Sustainable Growths objectives. Increase the implementation of new energy solutions by an integrated approach, stimulating cooperation between organisations in the NWE area and stimulating cooperation with other European (regional) programmes.
IP 7(c) & SO 4: To reduce GHG-emissions in NWE through international cooperation on transnational low carbon solutions in transport systems	Need to reduce pollution and GHG emissions of transport sector. Transport is the fastest-growing sector and the largest consumer of final energy. Need to develop more efficient traffic management solutions (e.g. by Intelligent Traffic Management Systems) on corridors or transport systems to reduce emissions. Need for stronger shift towards more environmentally friendly modes in the field of freight and passenger transport. Need to implement new mobility concepts in areas to decrease GHG emissions (multimodality).
PA 3 (Resource & materials efficiency) & TO 6 **IP 6(f) & SO 5:** To optimise (re)use of material and natural resources in NWE through international cooperation	Need to reduce the current absolute consumption of resources, to increase material productivity and improve the input/output ratio. Need to make better use of natural resources, such as water, wind and land. Need to make better use of waste for secondary raw material recovery and industrial transition (closed loop, cradle to cradle, circular economy) Increasing resource efficiency can bring about major economic opportunities, improve productivity, drive down costs and boost competitiveness Resource efficiency and green economy are high on the national and European political agendas

Annex 6 (Internal Coherence) Synergy potentials in the context of SO 1 which have a positive impact on the results of other SOs					
Result of SOx **Synergy Potential (SP)** **Specific Objective 1 & Types of Actions**		**Result of SO 2:** The main result is a reduction of GHG emissions in NWE. This result is achieved through actions implementing low carbon, energy or climate protection strategies which lead to less energy consumption and an increase in the use of renewable energy and through actions implementing combined mitigation and adaptation solutions which lead primarily to a limitation of the causes of climate change.	**Result of SO 3:** The main result is a reduction of GHG emissions in NWE. This result is achieved through actions implementing existing low carbon technologies and other solutions in areas or sectors responsible for the highest levels of GHG emissions which lead to raised awareness among all relevant stakeholders, an increased use and uptake of existing low carbon technologies/solutions, to an optimisation of the region's energy consumption and production, to energy and economic savings and to a reduction of pollution.	**Result of SO 4:** The main result is a reduction of GHG emissions in NWE. This result is achieved through actions implementing transnational solutions for low carbon transport systems and for optimised traffic management which lead to a stronger uptake of low carbon technologies, systems, processes and services in transnational corridors or within existing elements of the NWE transportation systems, to an increased capacity of transport management authorities (public or private) enabling them to better manage the transportation of goods and people across NWE and to a reduction of pollution.	**Result of SO 5:** The main result is an optimised (re)use of material and natural resources in NWE. This result is achieved through actions stimulating the transnational use and uptake of new technologies, services, products and processes in all areas of resource use and production processes (esp. those being intensive in their use of raw materials, water and land) which lead to a reduction in the use of non-renewable resources, to a higher use of alternative materials and resources derived from renewable or recycled sources and to other economic benefits (e.g. improved productivity, lower costs, stronger competitiveness, secured jobs, growth).
PA 1 - SO 1: Enhanced innovation performance in NWE through international cooperation	**ToA 1:** Building the capacity of regions and territories to improve their innovation performance.	**SP 1:** The projects also establish transnational partnerships of innovation stakeholders in the fields of low carbon, energy or climate protection, which develop new or innovative solutions that directly help public authorities to implement their low carbon, energy and climate protection strategies or help to deliver combined mitigation and adaptation measures.	**SP 2:** The projects also establish transnational partnerships of innovation stakeholders in the fields of low carbon and energy, which develop new or innovative and market-ready low carbon/zero carbon technologies, products and services that can immediately be taken up by private actors or other relevant stakeholders promoting energy saving measures.	**SP 3:** The projects also establish transnational partnerships of innovation stakeholders in the fields of low carbon transportation and advanced transport telematics technologies or intelligent transport systems, which develop innovative solutions that can be immediately applied on transnational corridors in NWE or on elements of the NWE transport system (e.g. networks of mobility connections, flows of passengers & goods, travel patterns, logistics chains, multimodal systems).	**SP 4:** The projects also establish transnational partnerships of innovation stakeholders in the field of resource and materials efficiency, which develop new or innovative and market-ready technologies, products and services in this respect that can immediately be taken up by private actors or other relevant stakeholders promoting resource efficiency measures.
	ToA 2: Improving the competitiveness of enterprises, through cooperative actions that take forward the development of specific products, services or processes to a stage of market-readiness.	**SP 5:** The projects also establish transnational cooperation taking forward the development of market-ready products, services or processes in the fields of low carbon, energy or climate protection, which can help public authorities in implementing their low carbon, energy and climate protection strategies or in delivering combined mitigation and adaptation solutions.	**SP 6:** The projects also establish transnational cooperation taking forward the development of market-ready products, services or processes in the fields in the fields of low carbon and energy, which can later be taken up by private actors or other relevant stakeholders promoting energy saving measures.	**SP 7:** The projects also establish transnational cooperation taking forward the development of market-ready products, services or processes in the fields of low carbon transportation and advanced transport telematics technologies or intelligent transport systems, which develop innovative solutions that can later be applied on transnational corridors in NWE or on elements of the NWE transport system (e.g. networks of mobility connections, flows of passengers & goods, travel patterns, logistics chains, multimodal systems).	**SP 8:** The projects also establish transnational cooperation taking forward the development of market-ready products, services or processes in the field of resource and materials efficiency, which develop new or innovative and market-ready technologies, products and services in this respect that can later be taken up by private actors or other relevant stakeholders promoting resource efficiency measures.
	ToA 3: Delivering societal benefits through innovation.	No visible synergy potentials	No visible synergy potentials	No visible synergy potentials	No visible synergy potentials

Annex 7 (Internal Coherence) Synergy potentials in the context of SO 2-5 which have a positive impact on the result of SO 1		
Specific Objectives & Types of Actions	**Synergy Potential (SP)**	**Result of SOx** **Result of SO 1:** The main result is an enhanced innovation performance in NWE. This result is achieved through actions building up the innovation capacity of regions/territories and improving the competitiveness of enterprises and promoting social innovation, which altogether lead to a better exploitation of research outcomes for the development of new technologies, products, processes and services generating an impact on the social, demographic, spatial, economic and environmental conditions of NWE territories and also produce knowledge spill-overs from innovation leader regions to regions that are innovation followers, moderate innovators or modest innovators.
PA 2 - SO 2: To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies	**ToA 4:** Promoting carbon reduction in cities and regions through the implementation of emerging or existing low carbon, energy or climate protection strategies.	**SP 1:** The projects implementing emerging or existing low carbon, energy or climate protection strategies also identify further problems / needs or opportunities which, in order to be effectively tackled or addressed, require new technologies, products, processes and services that can be developed by new issue-specific transnational partnerships of innovation stakeholders or by new transnational cooperation taking forward the development of market-ready products, services or processes.
	ToA 5: Implementing combined mitigation and adaptation solutions, to demonstrate feasibility and refine design and development plans for the future.	**SP 2:** The projects implementing combined mitigation and adaptation solutions also identify further problems / needs or opportunities which, in order to be effectively tackled or addressed, require new technologies, products, processes and services that can be developed by new issue-specific transnational partnerships of innovation stakeholders or by new transnational cooperation taking forward the development of market-ready products, services or processes.
PA 2 - SO 3: To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services	**ToA 6:** Implementing low carbon technologies and solutions through demonstrations and rollout of existing low carbon products, technologies, or solutions.	**SP 3:** The projects implementing and rolling out low carbon technologies and solutions also identify further problems / needs or opportunities which, in order to be effectively tackled or addressed, require new technologies, products, processes and services that can be developed by new issue-specific transnational partnerships of innovation stakeholders or by new transnational cooperation taking forward the development of market-ready products, services or processes.
PA 2 - SO 4: To reduce GHG-emissions in NWE through international cooperation on transnational low carbon solutions in transport systems	**ToA7:** Implementing transnational solutions for low carbon transport systems to reduce GHG emissions.	**SP 4:** The projects implementing transnational solutions for low carbon transport on corridors or elements of the NWE transport system also identify further problems / needs or opportunities which, in order to be effectively tackled or addressed, require new technologies, products, processes and services that can be developed by new issue-specific transnational partnerships of innovation stakeholders or by new transnational cooperation taking forward the development of market-ready products, services or processes.
	ToA8: Implementing solutions for optimised traffic management to enhance capacity and to show tangible transfer to lower-carbon forms of transport, in order to reduce GHG emissions.	**SP 5:** The projects implementing transnational solutions for optimised traffic management on corridors or elements of the NWE transport system also identify further problems / needs or opportunities which, in order to be effectively tackled or addressed, require new technologies, products, processes and services that can be developed by new issue-specific transnational partnerships of innovation stakeholders or by new transnational cooperation taking forward the development of market-ready products, services or processes.
PA 3 - SO 5: To optimise (re)use of material and natural resources in NWE through international cooperation	**ToA 9:** Implementing new technologies, services, products and processes to improve resource efficiency. Transfer and implementation of for example new technologies and solutions is required to optimise the use of material resources.	**SP 6:** The projects implementing new technologies, services, products and processes to improve resource efficiency also identify further problems / needs or opportunities which, in order to be effectively tackled or addressed, require new technologies, products, processes and services that can be developed by new issue-specific transnational partnerships of innovation stakeholders or by new transnational cooperation taking forward the development of market-ready products, services or processes.

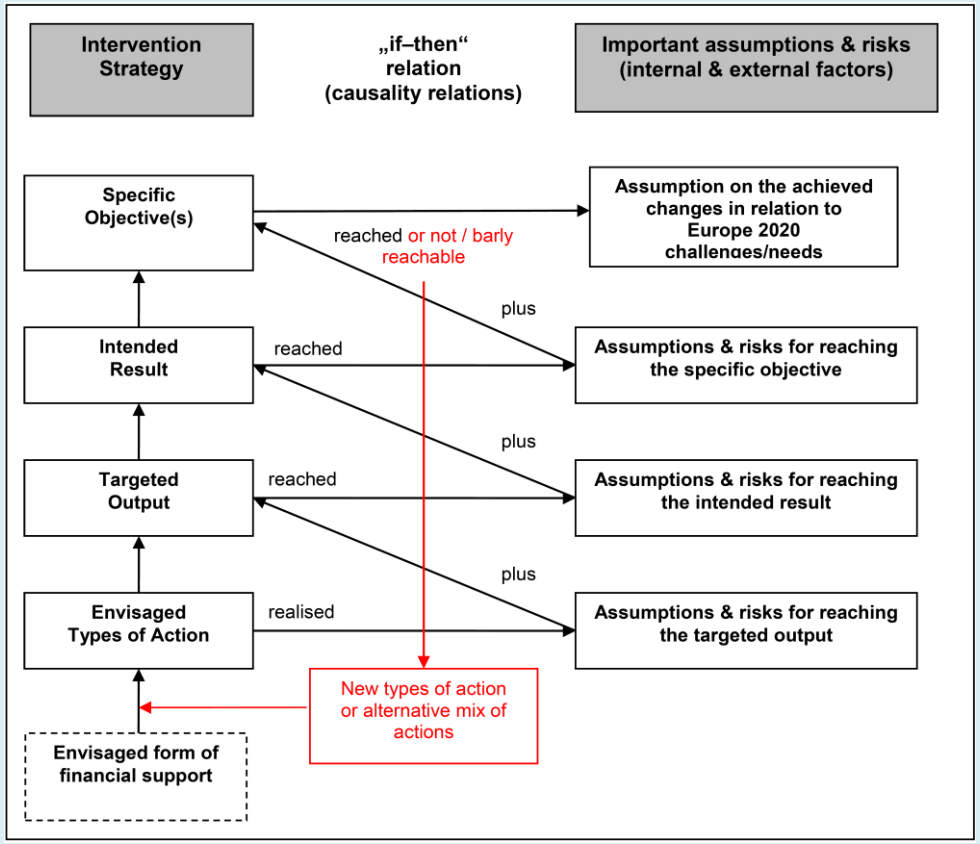
Annex 8 (Intervention Logic)
Basic model for the logical framework analysis of the Investment Priorities under the NWE-Programme

Explanation of the basic model used

On the **left-hand side,** the different elements of the IP-intervention strategy are shown. For the statements and descriptions, text was directly drawn from the NWE-Programme. The intervention strategy shows – in a vertical upstream logic - what the IP intends to do, by establishing a relationship between the "means" (what will be done) to the "ends" (what will be achieved).

The **right-hand side** shows, for each level of the IP-intervention strategy, the basic assumptions and the potential risks that might exist.
→ An assumption is the underlying hypothesis on which the cause-effect relationship and the future implementation are based. Assumptions are implicitly considered by the programme stakeholders or they can be explicitly formulated in a programme. At each level we "pre-formulated" a number of assumptions, which are then underpinned by evidence (text) from the programme document in order to see if they actually hold true.
→ A risk is an external factor that may negatively influence the achievement of expected outputs/results and finally also of the objective(s). We considered only risks which are more or less under direct control of the programme management, but no unmanageable risks. Potential risks were assessed by looking at the already existing funding experience in a similar thematic field during the period 2007-2013 and by appraising whether significant changes in the new funding context 2014-2020 do exist.

In the middle, the causality relation linking the intervention strategy and the assumptions/risks through "if-then" relations are shown. To illustrate this, one example is given: *If all types of action necessary for the attainment of the output are realised and if the corresponding assumption are holding true and no major risks are existing, then the targeted output will be reached.* Should, at the top of the relations-chain, the specific objective not or only be barely reachable, then it is advised that new types of actions are introduced or that an alternative mix of actions is considered.



Annex 9 (Intervention Logic)
Tabular logical framework drawn up for Investment Priority 1(b):
"Promoting business [...] investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education...."

	Intervention Strategy (in red = comments of the evaluator)	"if-then"	Basic assumptions on future support & assessment of potential risks (in red = comments of the evaluator & judgement from the assessment of assumptions / risks)
Specific Objective (SO)	**SO 1:** To enhance innovation performance in NWE through international cooperation	→	**Assumption: The achieved specific objective generates a positive change in relation to the NWE key challenge and the identified transnational development needs for the Europe 2020 field of action "Innovation" (Yes).** The result addresses the key challenges no. 1 "Boosting knowledge flows" and no. 6 "Inclusion" and the main development needs mentioned in table 1 of the programme document as a justification for selecting this IP: ▪ Better exploitation of research outcomes into new technologies / products / services to create impact on social, demographic, spatial, economic and environmental challenges ▪ Need to reinforce the internationalisation and inter-cluster cooperation of regional clusters and innovation stakeholders ▪ Need to stimulate key growth sectors in NWE area and ensure that cooperation is linked to Smart Specialisation Strategies ▪ Regional differences in NWE area in terms of innovation potential and economic performance need to be addressed ▪ Need to pay attention to the 'social dimension of innovation' to deal with social challenges and problems
Intended Result	This Specific Objective will lead to enhanced innovation performance in NWE. Enhanced innovation performance is defined as better exploitation of research outcomes for the development of new technologies, products, processes and services generating an impact on the social, demographic, spatial, economic and environmental conditions of NWE territories. High innovation capacity, for example, having the applied knowledge, skills, tools and networks in order to develop new ideas that deliver short and long-term profits to an organisation in NWE, will be a pre-requisite to achieve this result. The results of this SO are measured in terms of the share of innovation stakeholders benefiting from international cooperation in the field of innovation. The term 'benefiting' does not refer to the funding received, but to the tangible benefits of the outputs of international cooperation (...). This means that international cooperation is to be seen as a means rather than as an end in itself. **Result indicator:** Share of innovation stakeholders in NWE benefiting from international cooperation	↑	**Assessment of potential risks: Already existing funding experience 2007-2013 (Yes) and/or new framework conditions for support in 2014-2020 (No) may lead to risks in the future (No).** **Assumption: The effects induced by the intended results (short-, medium- or long-term, direct or indirect) allow achieving the specific objective (Yes).** Tangible benefits (...) of international cooperation (...) include for example new knowledge or skills, new transnational clusters or networks, or new products, processes or services, which improve the innovation performance of the NWE area and which also contribute to reducing existing regional disparities. **ToA 1:** These actions lead to an improved and increased cooperation among innovation stakeholders on a transnational level (for example public, private, research and society), thereby enhancing the innovation capacity to increase innovation performance. **ToA 2:** These actions bring forward the Technology Readiness Level (TRL) of innovative products, technologies, processes or services. (...) This should create critical mass and improve external competitiveness of the regions. **ToA 3:** These actions lead to product-, service- or process-oriented solutions that address social needs in NWE and allow the programme to deliver towards the 'inclusive growth' aspect of EU2020.
Targeted Output	**ToA 1:** This action targets regions lagging behind regarding innovation performance (see 'specific territories targeted') by encouraging partnerships with more developed regions Activities should build transnational partnerships of innovation stakeholders such as cross-sectoral partnerships of public, private research and society from across NWE to jointly improve innovation	↑	**Assessment of potential risks: Already existing funding experience 2007-2013 (Yes) and/or new framework conditions for support in 2014-2020 (No) may lead to risks in the future (No).** **Assumption: The targeted output focuses on the NWE key challenge and the identified transnational development needs (Yes) and allows therefore achieving the intended results (Yes).** The NWE area has considerable innovation potential and hosts some of Europe's top innovation performers. However, this potential is highly geographically concentrated, creating a pronounced territorial divide. Tackling this 'territorial

	performance and know-how in NWE regions. Activities should relate to regional smart specialisation strategies. **ToA 2:** Actions focus mostly on the concept/technology validation phase of the innovation idea including its design, testing and development phases. Actions should link to the objectives of the regions' smart specialisation strategies, if they exist, and support cooperation between regions with similar objectives of these strategies. This should create critical mass and improve external competitiveness of the regions. **ToA 3:** Actions aim at all territories of NWE and specifically target excluded population or population at risk for exclusion and communities under pressure. Actions aim at supporting development, testing and implementation of innovative solutions for social needs and problems ('social innovation'). **Output indicators:** (1) Number of new or enhanced transnational clusters or innovation networks (2) Number of new or improved infrastructure sharing schemes for research and innovation (3) Number of technologies, products, services and processes developed and tested in real life conditions (4) Number of pilot actions implementing social innovation (5) Number of (social) enterprises supported with enhanced innovation performance		gap' and the differences in innovation performance among regions is specifically addressed in this SO (Type of Action - ToA1) and requires: 1) adopting a wider scope for innovation support that goes beyond the purely technological to encompass process, service and organisational innovation; and 2) promoting transnational collaboration to generate knowledge spill-overs from innovation leader regions to those regions that are innovation followers or, moderate innovators. In addition, the NWE area as a whole continues to have difficulties transforming science and research into products and other commercial outputs. This is due to poor circulation of knowledge and limited collaboration among innovation stakeholders, but also to a recurrent lack of critical mass in local innovation communities. Potentially, this problem could be overcome by creating a link between regional knowledge and business and industry clusters. ToA2 therefore focuses on bringing new products closer to the market. This ToA excludes basic research projects and marketing/commercialisation actions. Social innovation, meaning the development and implementation of innovative solutions for social needs and problems, is addressed in ToA3. Specific attention will be paid to communities under pressure (vulnerable groups), excluded population or population at risk for exclusion, thereby contributing to the 'inclusive growth' objective of EU2020. The needs description for social innovation is relatively weak and could have been further developed.
Envisaged "Types of Actions"	**ToA 1: Building the capacity of regions and territories to improve their innovation performance.** Actions may include collaboration on: (1) Enhancing and developing transnational (self-sustaining) clusters or networks in order to (1a) conduct focused market watch and gap analysis, develop intelligence and scoping tools to foster transnational innovation partnerships (for example, databases of business expertise, international benchmarking, market SWOTs and market studies) which lead to improved innovation performance; (1b) facilitate open innovation processes across organisations and sectors; (1c) design and implement joint development strategies to enhance innovation performance (for example: providing mentoring during the set up phase of innovative projects, enhancing staff knowledge and skills, fostering the transfer of knowledge into supply chains);(1d) explore, enhance or develop supply chains to bridge the gap between capacity building and the delivery of products to the market. (2) Supporting the internationalisation through sharing		**Assessment of potential risks: Already existing funding experience 2007-2013 (Yes) and/or new framework conditions for support in 2014-2020 (Yes, partly) may lead to risks in the future (Yes, smaller risk).** The INTERREG IVB programme 2007-2013 has already funded R&D- and innovation-related projects, but the entire NWE-territory was eligible. The newly adopted territorial differentiation for the period 2014-2020 and the focus on matching stronger and weaker regions might complicate the setting up of partnerships for projects under ToA1 and ToA2. **Assumption: The envisaged "types of action" are delivered by the adequate beneficiaries (Yes) for the right target groups (Yes) and allow therefore achieving the targeted output (Yes).** ▪ **Types of beneficiaries (*):**Governmental organisations (local, regional, national and international); Civil society stakeholders (for example, third sector organisations such as NGOs and non-profit organisations); Education and knowledge institutions-, including private or semi-public research organisations; Intermediate bodies, such as chambers of commerce, development agencies, cluster organisations, technology transfer offices; Enterprises, including social enterprises. ▪ **Main target groups (*):** Innovation stakeholders, explicitly those in regions lagging behind regarding innovation performance; Enterprises, including SMEs; Excluded population or population at risk for exclusion; Communities under pressure (vulnerable groups). **Assumption: The projects under the envisaged "types of actions" are selected through adequate criteria (Yes,) and allow therefore achieving the targeted output (Yes).**

	know-how and cross-sectoral collaborations; (3) Developing transnational schemes for infrastructure sharing for research and innovation (knowledge transfer centres, B2B initiatives).. **ToA 2: Improving the competitiveness of enterprises, through cooperative actions that take forward the development of specific products, services or processes to a stage of market-readiness.** Actions may include collaboration on: (1) Demonstrating and testing technologies, products, services and processes under real-life conditions or feasibility/refine design and development plans (for example, with end-user-involvement, co-design approach); (2) Demonstrating (larger scale) service delivery models/improved business processes (proof of concept); (3) Developing transnational schemes for infrastructure sharing to improve business innovation and competitiveness; testing plants, fab labs etc. **ToA 3: Delivering societal benefits through innovation.** Actions may include collaboration on: (1) Designing and demonstrating new public service delivery mechanisms (for example, public-private partnerships), or products for excluded population or population at risk for exclusion; (2) Developing and delivering joint services or financial tools that address the demographic or social challenges highlighted in the NWE area, in particular unemployment, deprivation, demographic changes, health inequalities, rural peripherality /isolation and social integration (communities under pressure and vulnerable groups); (3) Supporting and developing social enterprises, such as setting up social incubators in transnational collaboration networks and train the trainer programmes for social entrepreneurs.		<u>Statement in the general result description of SO 1:</u> Whenever relevant smart specialisation strategies exist, projects supported under this SO should demonstrate their strategic alignment with the objectives of these strategies. <u>Guiding principles for the selection of operations:</u> Actions carried out to fulfil this specific objective are selected on the basis of seven key principles: (1) Transnational additionality: Projects should have a clear focus on delivering joint transnational actions and must demonstrate the additionality of the transnational approach compared to regional, national, interregional or cross-border approaches; (2) Innovation: Projects should meet the criteria of innovation as described in section 1. Innovation should lead to a strengthened competitiveness of the NWE area. (3) External coherence: Projects building on the results generated by other European programmes (such as the EU's Research Framework Programme) are welcome. Transnational cooperation should refer to activities under these programmes, provide an explanation of synergies and must ensure there is no duplication of existing or previous projects carried out under other European programmes or national funding; (4) Sector-specific relevance: Projects should demonstrate a clear link between the project's objectives and the participating regions' Smart Specialisation Strategies or regional ESIF strategies and programmes; (5) Cross sectoral relevance: Partnerships must involve a diversified mix of innovation stakeholders (for example, enterprises, researchers, education institutions, training organisations, policy-makers, private investors, end users); (6) Territorial relevance: Projects should include partners from different types of innovation territories, as defined by the Regional Innovation Scoreboard (i.e. innovation leader, innovation follower and moderate innovators), where relevant; (7) Result-based approach: Projects should be geared towards a specific innovative product, service, process or transnational tool. In addition, projects should demonstrate that they contribute to one or more key social, economic or environmental challenge of the NWE area. Projects must demonstrate how they contribute to the programme result indicator under this SO. Projects focussing on purely academic cooperation or basic research are not eligible. **Assumption: In order to achieve the targeted output, the envisaged "types of actions" have to consider also specific types of territories (Yes, partly) and target groups which are most threatened by exclusion (Yes).** ToA1 explicitly focuses on cooperation between stronger and weaker regions, in order to reduce the regional differences of innovation performance within the NWE area. ToA2 targets a wide range of regions, but also focuses here on cooperation between stronger and weaker regions. Regarding actions in the field of social innovation (ToA3), a particular focus is placed on territories with excluded population or population at risk for exclusion and communities under pressure to participate productively in society and the economy. Regarding the definition of 'stronger' and 'weaker' regions, the classification by the European Commission's Regional Innovation Scoreboard (RIS) on innovation performance is an important tool. RIS classifies four types of 'innovation territory': innovation leaders, innovation followers or moderate innovators. The aim of this SO is to support cooperation among all four types of territory, and generating positive spill-overs in the follower or, moderate innovation regions.
Envisaged form of support	ERDF-contributions to national/regional/local co-financing	↑	

(*) Beneficiary: According to the definition provided in Article 2 (10) of the CPR, 'beneficiary' means a public or private body (…) responsible for initiating or initiating and implementing operations. According to Article 2 (9) CRP, "operation" means a project, contract, action or group of projects selected by the managing authorities of the programmes concerned, or under their responsibility, contributing to the objectives of the priority or priorities to which it relates. **Target Group:** No definition is provided in Article 2 of the CPR. Across the evaluation literature, there are quite differentiated definitions for "target groups" (e.g. the intended beneficiaries; main stakeholders expected to gain from the results of a programme etc.). For the sake of consistency, we proposed to adhere to the following definition: The "main target groups" cover those bodies responsible for initiating or initiating and implementing operations (beneficiaries) as well as other public or private bodies and organisations or structures and groups of persons which are intentionally affected by an operation.

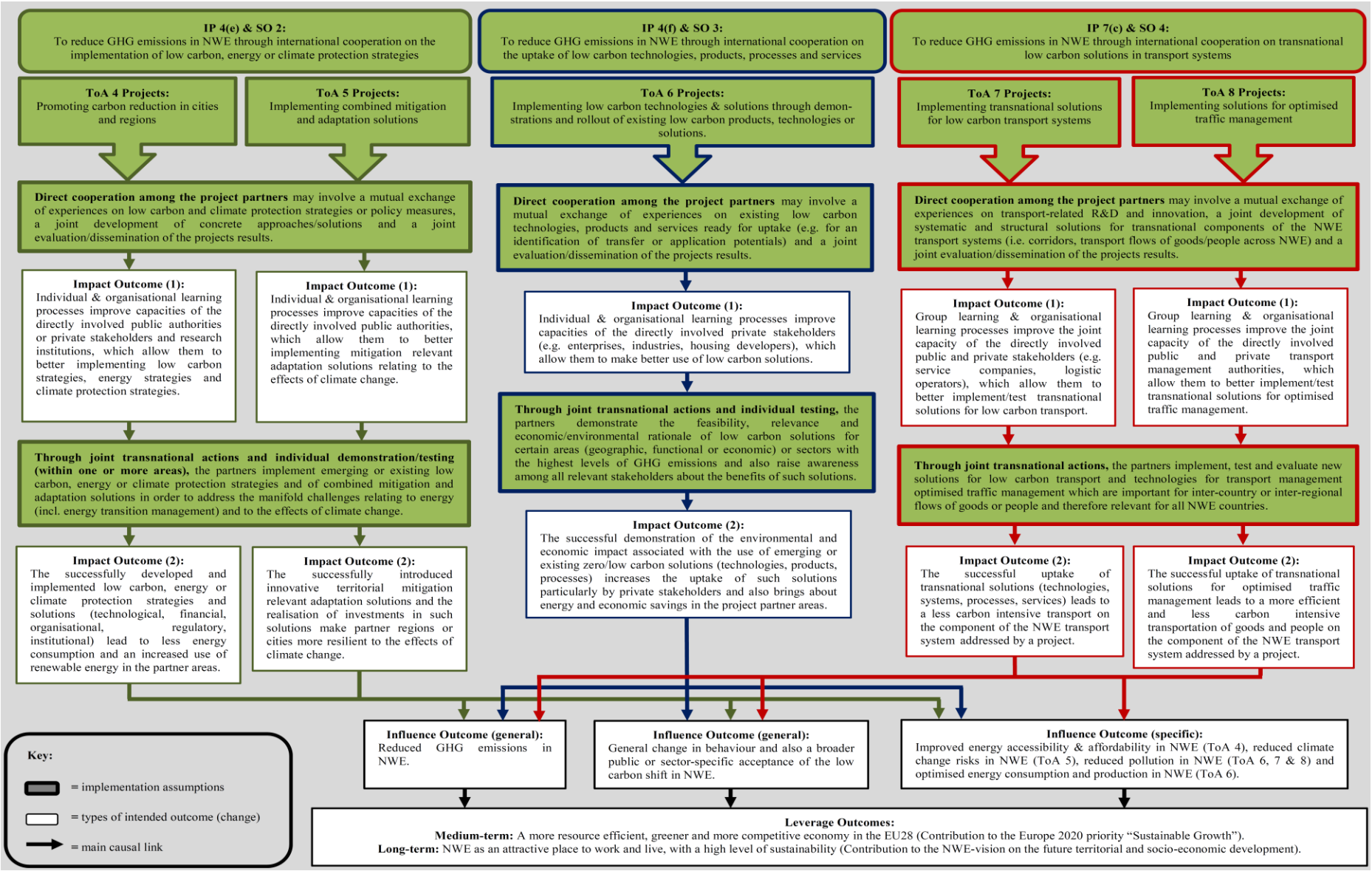
Annex 10 (Intervention Logic)
Basic elements of the "theory of change" for Priority Axis 2 & outcome map

A theory of change differs from a logical model in so far that it describes a process of planned societal change while taking (…) *a wide view of a desired change and carefully probing the assumptions behind each step in what may be a long and complex process* (…). This often entails thinking through all the steps along a path towards a desired change (…), *identifying the preconditions that will enable (and possibly inhibit) each step, listing the activities that will produce those conditions, and explaining why those activities are likely to work* (Mackinnon/Amott/McGarvey, 2006, p.3). The central idea of theory of change thinking is that the assumptions, acting as a set of "rules of thumb" which influence the choices of individuals and organisations, need to be checked to see if they are guiding us to act in ways that are optimal for actually reaching the changes and goals that we are seeking to achieve (Vogel, 2012, p.26).

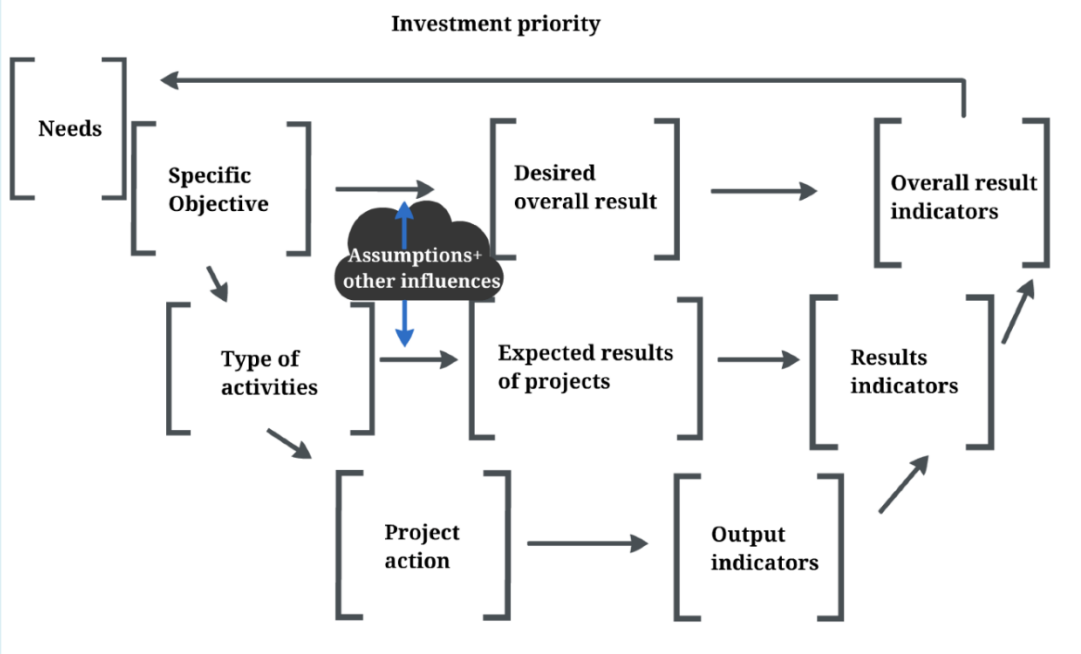
As different changes can or even must occur on the way towards reaching the desired medium- and long-term development goals of the NWE-Programme, we have to define more closely the **different types of outcomes** which are likely to affect the achievement of these goals. For this we have taken inspiration from an already existing labelling of three different outcome types (see: Organizational Research Services, 2004. pp. 2-9), but we adapted the description of the scope and nature of the related changes to the specific context of the NWE-Programme.

- **Impact Outcomes** are the changes which occur as an immediate result of a supported cooperation project. They emerge, **firstly,** from the interaction within a project and encompass changes that affect the directly involved individuals as well as the project partner organisations receiving and benefitting from the programme support (direct beneficiaries). Impact outcomes emerge, **secondly,** from the project deliverables and encompass changes in the organisations, structures or groups of persons within the project partner areas that are intentionally targeted by the project interventions. Impact outcomes at both levels **can be intangible** (e.g. changes in attitudes, awareness, knowledge, skills and behaviour of individuals or of staff from direct beneficiary and target group organisations) **and also tangible** (e.g. changes in the beneficiary organisations' policy concepts, internal institutional settings or policy delivery and implementation practices; physical or non-physical changes in the regional/local problem context or in the conditions of the target groups).
- **Influence Outcomes** emerge at the transnational level from an aggregation of the results achieved by all supported cooperation projects and encompass changes in public or private entities and societal groups other than the direct beneficiary organisations or the intentionally targeted organisations, structures or groups of persons. They need to occur because the outcome of a single project might often not be enough to ensure that a positive and lasting transnational change is achieved. Influence outcomes **can again be intangible and tangible** and include, for example, the following: changes in the wider awareness about an issue at stake, changes in the general public or political will, changes in the actions of other public actors (i.e. modification of regulations, institutional settings, policy contents and policy delivery or service provision practices; introduction of new interventions or funding methods; redistribution or shifts of existing funding, availability, previously uninvolved target groups are now addressed and funded etc.), changes in the strategy and actions of private actors or of the civil society (i.e. formation of societal issue-partnerships or new NGOs) and physical or non-physical changes in the transnational problem context.
- **Leverage Outcomes** emerge from a multiplication of the impact and influence outcomes, but they do not require a corresponding increase of financial and human resources inputs. They encompass large-scale changes in the NWE key challenges and in the macro-societal challenges of the EU28. Leverage outcomes therefore illustrate for both perspectives the progress which is made in achieving the desired medium- or long-term development goals.

Well-functioning "core capacities" are the essential elements which enable impact, influence and leverage to happen. They are part of the continuum to achieve comprehensive change, although the (…) *line between capacities and influence, leverage and impact can sometimes be blurry* (…). Core capacities usually (…) *include people, processes, supports, models, techniques, structures, plans, frameworks and other inputs needed to enact, bring to scale and sustain powerful change* (Organizational Research Services, 2004, p. 9 & 10). Also the NWE-Programme recognises in various contexts and different formats the importance of building up such capacities (i.e. improved individual capacity to act in the the context of social innovation; adaptive capacity of at-risk territories to respond to climate change natural events; high innovation capacity to achieve an enhanced innovation performance in NWE; the capacity of private stakeholders to make use of low carbon solutions; improved institutional capacity to deliver low carbon strategies; enhanced capacity to deliver lower-carbon forms of transport; increased capacity of public or private transport management authorities). Due to this, we consider the existence of the following core capacities to be particularly important for achieving change in the context of Priority Axis 2: collective policy visions and result-oriented policy strategies, appropriate governance structures for decision-making, policy delivery, problem solving or conflict resolution and pro-active support for collective learning and for accountability to results.


IP 4(e) & SO 2:
To reduce GHG emissions in NWE through international cooperation on the implementation of low carbon, energy or climate protection strategies
IP 4(f) & SO 3:
To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services
IP 7(c) & SO 4:
To reduce GHG emissions in NWE through international cooperation on transnational low carbon solutions in transport systems
ToA 4 Projects:
Promoting carbon reduction in cities and regions
ToA 5 Projects:
Implementing combined mitigation and adaptation solutions
ToA 6 Projects:
Implementing low carbon technologies & solutions through demonstrations and rollout of existing low carbon products, technologies or solutions.
ToA 7 Projects:
Implementing transnational solutions for low carbon transport systems
ToA 8 Projects:
Implementing solutions for optimised traffic management
Direct cooperation among the project partners may involve a mutual exchange of experiences on low carbon and climate protection strategies or policy measures, a joint development of concrete approaches/solutions and a joint evaluation/dissemination of the projects results.
Direct cooperation among the project partners may involve a mutual exchange of experiences on existing low carbon technologies, products and services ready for uptake (e.g. for an identification of transfer or application potentials) and a joint evaluation/dissemination of the projects results.
Direct cooperation among the project partners may involve a mutual exchange of experiences on transport-related R&D and innovation, a joint development of systematic and structural solutions for transnational components of the NWE transport systems (i.e. corridors, transport flows of goods/people across NWE) and a joint evaluation/dissemination of the projects results.
Impact Outcome (1):
Individual & organisational learning processes improve capacities of the directly involved public authorities or private stakeholders and research institutions, which allow them to better implementing low carbon strategies, energy strategies and climate protection strategies.
Impact Outcome (1):
Individual & organisational learning processes improve capacities of the directly involved public authorities, which allow them to better implementing mitigation relevant adaptation solutions relating to the effects of climate change.
Impact Outcome (1):
Individual & organisational learning processes improve capacities of the directly involved private stakeholders (e.g. enterprises, industries, housing developers), which allow them to make better use of low carbon solutions.
Impact Outcome (1):
Group learning & organisational learning processes improve the joint capacity of the directly involved public and private stakeholders (e.g. service companies, logistic operators), which allow them to better implement/test transnational solutions for low carbon transport.
Impact Outcome (1):
Group learning & organisational learning processes improve the joint capacity of the directly involved public and private transport management authorities, which allow them to better implement/test transnational solutions for optimised traffic management.
Through joint transnational actions and individual demonstration/testing (within one or more areas), the partners implement emerging or existing low carbon, energy or climate protection strategies and of combined mitigation and adaptation solutions in order to address the manifold challenges relating to energy (incl. energy transition management) and to the effects of climate change.
Through joint transnational actions and individual testing, the partners demonstrate the feasibility, relevance and economic/environmental rationale of low carbon solutions for certain areas (geographic, functional or economic) or sectors with the highest levels of GHG emissions and also raise awareness among all relevant stakeholders about the benefits of such solutions.
Through joint transnational actions, the partners implement, test and evaluate new solutions for low carbon transport and technologies for transport management optimised traffic management which are important for inter-country or inter-regional flows of goods or people and therefore relevant for all NWE countries.
Impact Outcome (2):
The successfully developed and implemented low carbon, energy or climate protection strategies and solutions (technological, financial, organisational, regulatory, institutional) lead to less energy consumption and an increased use of renewable energy in the partner areas.
Impact Outcome (2):
The successfully introduced innovative territorial mitigation relevant adaptation solutions and the realisation of investments in such solutions make partner regions or cities more resilient to the effects of climate change.
Impact Outcome (2):
The successful demonstration of the environmental and economic impact associated with the use of emerging or existing zero/low carbon solutions (technologies, products, processes) increases the uptake of such solutions particularly by private stakeholders and also brings about energy and economic savings in the project partner areas.
Impact Outcome (2):
The successful uptake of transnational solutions (technologies, systems, processes, services) leads to a less carbon intensive transport on the component of the NWE transport system addressed by a project.
Impact Outcome (2):
The successful uptake of transnational solutions for optimised traffic management leads to a more efficient and less carbon intensive transportation of goods and people on the component of the NWE transport system addressed by a project.
Influence Outcome (general):
Reduced GHG emissions in NWE.
Influence Outcome (general):
General change in behaviour and also a broader public or sector-specific acceptance of the low carbon shift in NWE.
Influence Outcome (specific):
Improved energy accessibility & affordability in NWE (ToA 4), reduced climate change risks in NWE (ToA 5), reduced pollution in NWE (ToA 6, 7 & 8) and optimised energy consumption and production in NWE (ToA 6).
Key:
= implementation assumptions
= types of intended outcome (change)
= main causal link
Leverage Outcomes:
Medium-term: A more resource efficient, greener and more competitive economy in the EU28 (Contribution to the Europe 2020 priority "Sustainable Growth").
Long-term: NWE as an attractive place to work and live, with a high level of sustainability (Contribution to the NWE-vision on the future territorial and socio-economic development).

Annex 11 (Indicators)
Basic elements of the model to assess the logic of the indicator and example of a completed model for checking the logic



The model has both a horizontal and vertical logic. The horizontal logic focuses on the processes in the programme implementation and the vertical logic focuses on the level of detail and influence. The vertical logic goes from needs and actions to the indicators of the programme, the horizontal logic addresses more abstract or more concrete and modifiable actions, results and indicators by the programme

Following the horizontal logic, the model has four main steps. First the objectives and actions are defined, then the desired and expected results and finally the indicators.

1. **Needs**
   - **Needs:** This first step identifies the need or challenge that the programme area faces. It serves as a justification for choosing the specific objective.

2. **Objectives and Actions**
   - **Specific Objective:** As the development needs have been identified, the appropriate specific objective should be chosen in accordance.
   - **Type of Activities:** Measures for improving the situation are suggested to support the SO and address the development needs. This element defines in broad terms the types of action, which the programme intends to support.
   - **Project Action:** The project actions are the concrete activities carried out by the projects funded. They do actually generate the output of the programme.
   - **Assumptions and other influences:** For both the actions and desired result, there might be underlying assumptions and external influences which could have a strong impact. They might be taken into consideration, as they influence the possibilities to achieve expected results.

3. **Desired results**
   - **Desired overall result:** The output of the activities and the focus of the specific objective, will lead to an improvement of the situation in the programme area. The desired overall result is supposed to bring about a solution and thereby a better situation in relation to what was

initially defined as a need in the programme area.

- **Expected result of projects:** The expected result comes as a logic consequence of the project actions. The expected results of the projects are more concrete than the desired overall results.

4. Indicators

- **Result indicators:** Result indicators should be strongly related to the desired overall results and expected result. Thereby it should directly measure the results that are envisaged. Results indicators can however be split in two categories: overall results indicators and (intermediate) result indicators. Following the EU regulations the OP needs to focus on the overall result indicators. However, for a proper understanding of what is going on in a project, it might be advisable to also address the (intermediate) result indicators in the monitoring system of the programme. This intermediate level can be more easily influenced by the programme.

- **Output indicators:** Output indicators are closely monitoring if the output of the project actions are as intended. This is furthermore a first assurance of the likelihood that the envisaged expected results can be reached.

Annex 12 (Implementation Provisions): Review of the INTERREG IVB NWE Programme's project development and selection procedures: Recommendations for the 2014-2020 programming period

Project Development Guidance and Tools:

- INTERACT has undertaken substantial work concerning the development of INTERREG application guidance. ***The development of the Application Form and associated guidance for INTERREG VB should take the recommendations within the draft INTERACT PAA Handbook into account (and any further work undertaken by INTERACT).***
- The review of Selection Criteria identified some areas of importance that should be included within the next Programming period. ***Selection Criteria should include requirements regarding the rationale for the project and additionality. The VfM criterion should be enhanced with reference to benchmarks to assist with the assessment of 'reasonable' costs included. Additional advice should be provided to the JTS regarding the assessment of national contexts (Criterion 8) and guidance for prospective Project Promoters should be more transparent regarding Criterion 8.***
- Transnational projects can take more than 12 months to develop, and yet Calls have only been open for four weeks throughout the Programme with two to three months pre-publicity, meaning newcomers to the Programme find it challenging to develop robust applications within the allotted time. ***Call lead-in times and windows should be extended for the next Programme to allow sufficient project preparation time.***

Project development in practice:

- Some stakeholders were concerned that the Programme was 'too large' in terms of the resources available which had less to the variable quality in project proposals. ***This suggestions needs to be considered in the light of more strategic discussions potentially concerning the refreshment of the NWE Spatial Vision for the next VB Programme.***
- There is evidence that whilst increased involvement from private sector partners could help the Programme to fulfil its objectives, particularly with regard to innovation and enterprise, the Programme's rules and requirements are onerous and are likely to discourage private sector involvement. **Further consideration should be given to maximising the potential contribution of private sector partners (and their disciplines) to individual projects and the Programme as a whole.**
- The majority of Project Promoters found the Application Form difficult to complete, with regards to its structure and format rather than the actual content of questions asked. ***The Application Form format should be reviewed for the next Programme taking into account the advice of INTERACT within its PAA Handbook and additional advice provided in advance of INTERREG VB.***
- Whilst it is accepted that many Project Promoters may wish to use consultants to assist in the development of project applications, and sometimes for help in implementing them, Lead Partners must retain full responsibility for delivery. All new guidance should be written with the comprehensiveness, coherence and communicability in mind. The current communications guidelines provide excellent advice, but do not detail Project Promoters' communications responsibilities regarding ERDF, which is a missed opportunity. Accordingly***, the Communications Guidelines should be updated to include guidance for Project Promoters with regards to acknowledging the Programme appropriately in project publicity and communications. in addition, the Project Handbook should include appropriate advice concerning the use of consultants recognising their role in supporting the development of technical proposals, but stressing that full accountability remains with the Lead Partner.***
- With regards to widening the reach of the Programme, rather than continuing to fund ***'the usual suspects', consideration should be given to supporting 'starter projects' of a much smaller size than the usual NWE project (average value €5m), which would allow projects to develop from a more modest beginning, potentially encouraging wider participation.***
- The Programme's appeal could also be widened through a more strategic and targeted approach within Member States regarding the use of EU Structural Funds and other funding instruments. ***Member States should seriously consider the development of strategies for Territorial Cooperation, which should assist in a more strategic approach to project development and potentially extend the current audience. These would also help inform the proposed future requirement for Partnership Contracts between Member States and the EC.***

Complementarity between the advice provided by the JTS and the CPs:

- The VB Programme will be more thematically focused in accordance with the draft EC Regulations for Territorial cooperation, which should facilitate the development of more concrete and consistent advice. In addition, the draft EC Regulations promote better complementary use of EU funding and the ***development of Member State strategies for Territorial Cooperation should help widen audiences and contribute to informing the development of Partnership Contracts.***

Project Promoters' perceptions and comparison with resources in other programmes:

- The NWE criteria concerning national requirements ***(Selection Criteria 8, which focuses on addressing territorial disparities) is open to interpretation (as discussed in Section 3) and should be refined taking into account the type of criteria used for the Alpine Space and North Sea programmes.***
- Other programmes have updated their OPs during the Programme, and due to the policy developments, at EU and Member State levels that have occurred since 2006/7, the NWE OP should have been updated. Whilst it is still possible to amend the OP at this stage, it would not be of great practical use with the final Call due to open in April 2012. ***Programme management bodies should remain aware of the potential to revise the OP during the next Programming period and***

instigate this if required.

- Project development funding has been successful in improving the quality of projects in other programmes and within specific Member States. ***The provision of seed-corn funding (similar to that provided in the Northern Periphery programme) – in addition to the €50k that can be claimed for reimbursement of preparation costs (for approved projects) could be considered to support the development of higher quality proposals.***

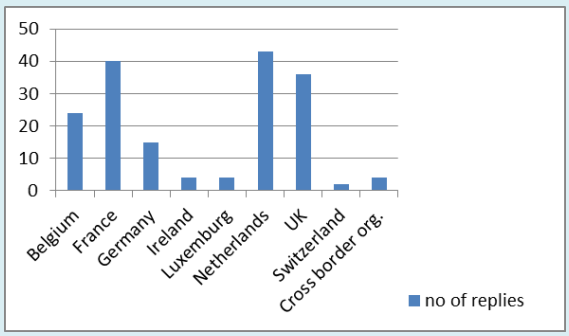
Project Selection:

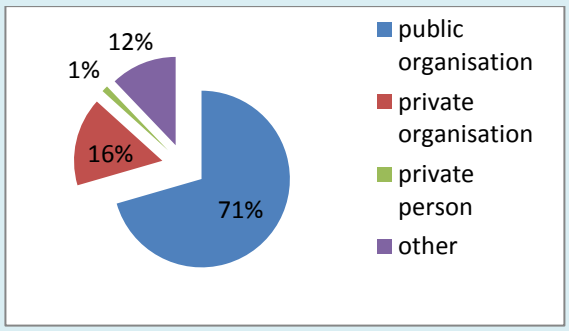
- ***Selection Criteria should be developed for the next Programme taking current concerns into account specifically regarding rationale, additionality, Value for Money, taking account of national priorities/contexts, and ensuring that Project Promoters have the capability to undertake projects.***
- Regarding the need for greater technical input to project assessment, ***consideration should be given to the development of thematic specialisms amongst JTS staff and to the use of an external, expert pool of technical assessors, which could be shared potentially with other VB programmes***.
- In addition to the lack of clarity regarding Criteria 8, lack of consultation with national authorities and weak assessment of Criterion 8 by the JTS, consideration should be given to this issue now for the preparation of the new Programme. ***National priorities should reinforce those at the Programme level, which should be taken into account in any discussions regarding the development of a new NWE Spatial Vision for the next Programming period.***
- For the next Programme, ***the development of robust guidance and application material, including the Application Form, which allows Project Promoters to provide all the necessary information up-front, should negate the requirement for numerous conditions.***
- ***It is recommended that investments should continue to be funded within the next Programme, but that further detailed guidance should be provided to Project Promoters regarding their transnational impact. In addition, it may be appropriate for additional information to be sought with regards to certainty of planning and other legal consents, to ensure that these are deliverable within the required timescale.***
- The guidance should be clarified, with examples of capitalisation included, if the VB Programme is serious about ensuring that project capitalisation is achieved. In order to ensure that capitalisation can be maximised, it is important for projects to easily obtain information on previously funded projects in this Programme and others to ensure that learning from these is taken into account. ***All previous and current funded projects' application forms should be accessible from the website to assist projects in developing capitalisation within the next Programme.***
- ***The decision to end Calls for Strategic Initiatives after Call 7 and replace these with a focus on Strategic Clusters is supported. If Strategic Initiatives are taken forward in the future, it is recommended that these should be progressed on a 'bottom-up' basis only, unless dedicated, additional resource is provided to the JTS to support the process.***

Annex 13 (Implementation Provisions): Outcome of the NWE Stakeholder Survey realised in August and September 2013

An e-mail shot and tweets through the Programme Twitter account communicated the opportunity to participate widely. The survey consisted of 4 sections, the first section aimed at collecting general data on participants and their organization. The remaining 3 sections were organised per Thematic Objective with specific questions allowing participants to describe ideas, approaches or potential actions in the context of the outlined Investment Priorities (IP).

The survey mobilized actors in all NWE Programme countries. 173 organizations participated in total. One fourth of all contributions came from the Netherlands, closely followed by France, the UK and then Belgium. More than two thirds of the participants (71%) can actually be identified as public sector organizations. Private actors only represent a share of 16%.

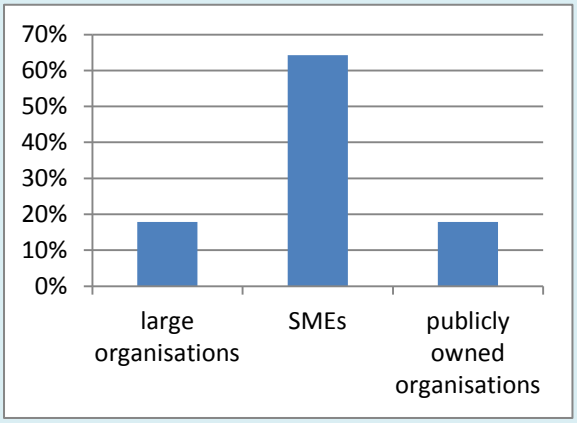




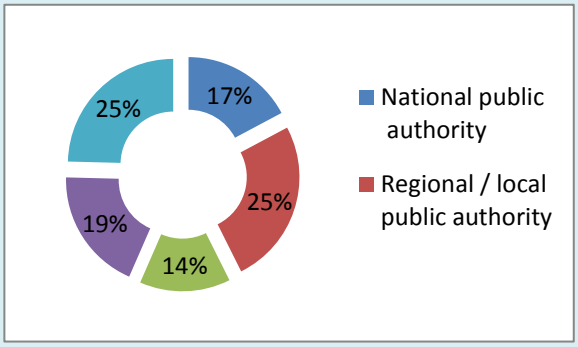
As regards **private sector participation** to the survey, the clear majority of private responses came from SMEs. Larger companies or publicly owned organizations, like universities or transport bodies, were not mobilized to the same extent by this opportunity. The fact that half of the SMEs who gave input to the survey can actually be categorized as consultancies which have a naturally high interest to represent their interest, can to some extent explain the high SME share among private sector contributions.

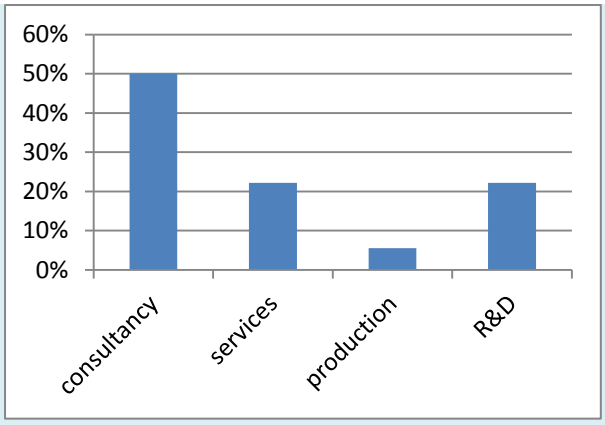
The **public sector participation** is more balanced between the different types of actors than the private sector participation. Regional and local actors engaged with the same intensity than research organisations or universities. National authorities as well as non-profit organizations gave additionally a significant amount of comments. Once the consultants are left aside, remaining inputs mainly came from SMEs providing services and being active in R&D.

Private sector participation



Public sector participation



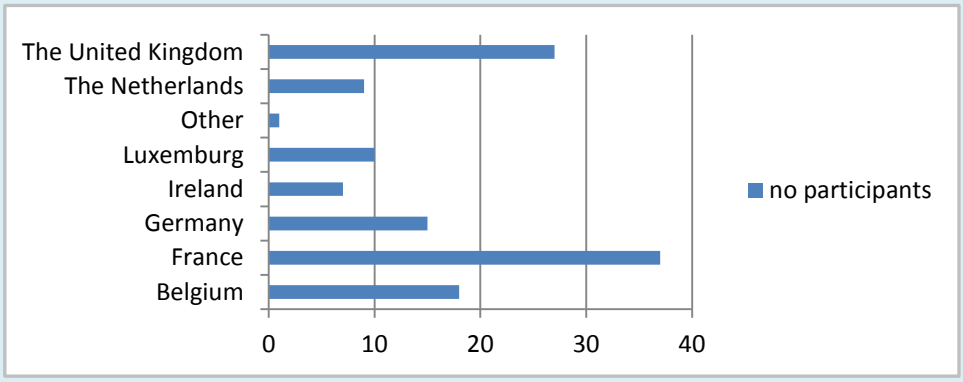


Source: Report on results of the stakeholder survey on approach and strategy of the future programme. (INTERREG IVB NWE Programme, 2013q).

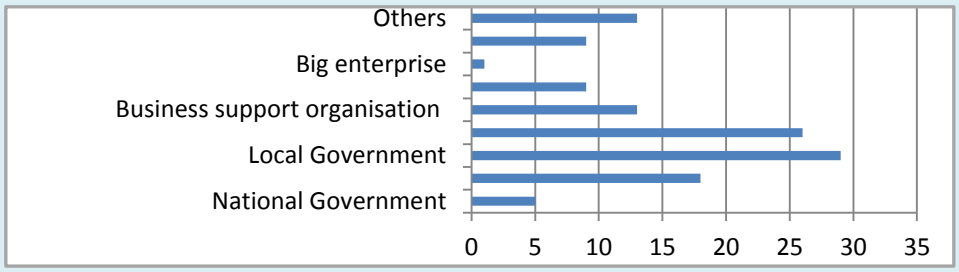
Annex 14 (Implementation Provisions): Outcome of the public consultation on the NWE-Programme organised in April-May 2014

To allow for wide stakeholder participation, the questionnaire was available on the Programme's website in all four Programme languages. The questionnaire consisted of a first section aimed at collecting general data on participants and their organization, of a second section focused on the Cooperation Programme and of a third section gathering feedback on the environmental report. An e-mail shot and tweets through the Programme Twitter account communicated the opportunity to participate extensively. Programme Steering Committee representatives from all Member States and the Contact Point network spread the news among their contacts and animated them to contribute actively.

The survey mobilised stakeholders in all NWE countries but Switzerland. Participants from 124 organisations replied. Most participants were from France directly followed by the United Kingdom. Ireland had the lowest total number of participants (**Image 1 below**).



Representatives from public sector organisations had the biggest share among respondents, representing mainly local and regional governments. Local governments alone make up for almost one third of all replies. This is in line with actual participation in the current programme. An additionally significant number of respondents came from research and education institutions. This shows the relevance the Programme has for this stakeholder group. The business sector and related support organisations make up the third block. Rather surprising as not in line with the overall beneficiary share in the current programme is the participation of NGOs. Only around 10% (**Image 2 below**).



Participation was not limited to current beneficiaries of the Programme. As the **image 3** shows, participation between current NWE beneficiaries and other stakeholders was rather balanced: 53% of all respondents receive support from the current programme while 47% can be considered potential applicants or so called newcomers. Newcomers were particularly mobilised in France and the United Kingdom, followed by Germany where more potential newcomers than current beneficiaries replied. Belgium and the Netherlands had the lowest share of newcomers.

Country	current beneficiaries	"newcomers"	blank
Belgium	15	2	1
France	13	23	1
Germany	6	9	
Ireland	4	3	
Luxemburg	6	1	3
The Netherlands	8	1	
The United Kingdom	14	13	
Other		1	
Total	**66**	**53**	**5**

Source: Results Report. Consultation North-West-Europe Cooperation Programme 2014 – 2020. Updated 2014 (INTERREG IVB NWE Programme, 2014j).

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