

Final Evaluation Report II

COWI

**Interim Evaluation of
Cross-Border Programmes
between Candi-
date/Potential Candidate
Countries (Intra-Western
Balkan Borders) under the
Cross-Border Cooperation
Component of IPA**

Report II - Performance of
the assistance

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The views expressed are those of COWI A/S and do not necessarily reflect those of the European Commission.

This report has been prepared as a result of an independent evaluation by COWI A/S being contracted under the IPA programme.

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Preface

This interim evaluation covers the Instrument for Pre-accession Assistance (IPA) Cross-Border Cooperation (CBC) Intra-Western Balkan (WB) 2007-2013. The total IPA allocation to the eight programmes in the period 2007-2009 is €37.253.000, and by mid 2011 €18.167.700 should have been contracted.

This report was prepared by COWI A/S during the period from January 2011 to May 2011 and reflects the situation as of 14 April 2011¹, the cut-off date for the report. The preparation of the report was preceded by an inception phase (January 2011). The factual basis of this report is monitoring reports², programme documentation, Financing Agreements (FAs), formal programme documentation, strategic and planning documentation and other relevant, published materials. The around 80 interviews (individual and group interviews) with the main parties involved in the programming and implementation of this assistance took place in the period from February to April 2011.

The report examines the progress of the CBC programme towards the objectives stated in the formal programming documents. It is intended to provide accountability, lessons learned and recommendation for the next calls for proposal and the revision of the programmes to the Commission Services, national CBC authorities, the Joint Monitoring Committee (JMC), and the beneficiaries. It draws conclusions and puts forward recommendations and provides judgement on instrument and programme performance. Comments on the draft report were requested from the following parties:

Parties invited	Comments received
European Commission (EC), DG Enlargement, Evaluation Unit (E-4)	Yes
European Commission, DG Enlargement, CBC Coordination (D-1)	Yes
The European Union Delegations (EUD) (see Annex 4)	Yes
The Operating Structures (OSs) (See Annex 4)	Yes
The Joint Technical Secretariats (JTSs)/Antennas (See annex 4)	Yes
The Technical Assistance (TA) projects (not included in Annex 4)	Yes

¹ As most interviews were conducted in February and the beginning of March 2011, the report reflects the situation at the time of the interviews. The very last interviews were conducted in the Former Yugoslav Republic of Macedonia (MK) in April 2011.

² For those programmes, where these reports are available.

List of Acronyms

AIR	Annual Implementation Report
AL	Albania
AF	Application Form
AP	Application Package
BiH	Bosnia and Herzegovina
CA	Contracting Authority
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CBC	Cross-Border Cooperation
CBIB	Cross-Border Institution Building
CfP	Call for Proposal
DEEP	Database for Efficient European Programmes
DIS	Decentralised Implementation System
DG-ELARG	Enlargement Directorate-General
EC	European Commission
EI	European Integration
EU	European Union
EUD	European Union Delegation
FA	Financing Agreement
GB	Grant beneficiaries
HR	Croatia
HU	Hungary
IPA	Instrument for Pre-accession Assistance
JMC	Joint Monitoring Committee
JPD	Joint Programming Document
JTS	Joint Technical Secretariat
ME	Montenegro
MK	Former Yugoslav Republic of Macedonia
MIS	Monitoring Information System
NIPAC	National IPA Coordinator

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NGO	Non-Government Organisation
OS	Operating Structure
PRAG	Practical guide to contract procedures for EC external actions
RDA	Regional Development Agency
RS	Serbia
SL	Slovenia
TA	Technical Assistance
ToR	Terms of Reference
WB	Western Balkan

Summary

Evaluation Objectives

The main objective of this interim evaluation is to provide lessons learned and recommendations for the revision of the current CBC programmes. The revision will take place in 2011 and covers the last two years, 2012-2013, of the current programming period (2007-2013). Moreover, this evaluation will also feed into the revision of IPA CBC post-2013. The evaluation provides input for accountability with respect to the efficiency of the use of financial assistance. The evaluation focuses on the impact and likely impacts produced by the programming and implementation of the CBC programmes.

The evaluation is divided into two parts: the first report covered governance structures and focused on the CBC programme structures and process. This second report focuses on the assistance, i.e. the CBC programme content. The scope of the evaluation includes the assessment of the eight IPA CBC programmes Intra-Western Balkan and focuses on the overall instrument level and, where relevant, on the programme or grant scheme level.

CBC in Western Balkan

In a European perspective, the initiation of CBC programmes on intra-Western Balkan borders is an important part of the reconciliation process. Due to the civil wars in the 1990s, the strengthening of good neighbourly relations in border areas is a prerequisite for growth and prosperity for the local region as well as for the countries involved. The objectives of the CBC programmes financed under IPA are linked to the reconciliation process as well as the European integration (EI) process: helping reconciliation and good neighbourly relations through joint local and regional initiatives; promoting EU integration; preparing future EU members to implement Structural Funds' Territorial Cooperation objective; and, promoting economic and social development of border areas.

CBC Programmes 2007-2009

To date, eight intra-Western Balkan CBC programmes have been established as listed in Table 1-1. The programmes were approved by the Commission in December 2007, initially covering the period 2007-2009. These programmes were revised in the last quarter of 2009 to also include the 2010-2011 period, and will be revised in 2011 to also cover the 2012-2013 period. A minor revision was done to all the programmes in 2009, mainly focusing on strengthening the indicators.

EQ 9 *To what extent have the preparation and implementation of the programmes helped enhance good neighbourly relations between the participating countries and between local populations living in the border area?*

Stakeholders perceive improved neighbourly relations as a consequence of the programme. Many stakeholders indicated that the programme would have an impact on the neighbourly relations. The overall assessment of the grant beneficiaries (GBs) is that the programme will be very important for future co-operation, establishing as well as re-establishing the old contacts which existed 20 years ago. Grant beneficiaries who already had contacts prior to the grant project were in general more careful in terms of stating that relations had been improved, as they often could not distinguish between the situation before and after the project began. In general, most GBs linked the assessment to the question of their partnership, rather than to neighbourly relations in general.

EQ 10 *Could the expected results and impacts have been planned to be achieve more cost-effectively?*

The costs of management (including TA) of grant schemes are comparable to other similar schemes, taking into consideration the specific circumstance of the programmes. Due to the limited size, a number of programmes are struggling with the amount available for implementation, and towards the end of the programmes, this may become an issue. When compared to similar programmes, the budget available is considerably smaller, also taking into account that the programmes with member states which are implemented in shared management have to cover additional structures in terms of certifying authorities. A considerable amount of TA has been used to prepare the programmes and to some extent the structures. This is, however, not out of proportion with the challenge. TA grants and the technical assistance have been used for preparing the applications for the first call for proposals (CfP). This has been useful for the applicants and there is an expressed wish for more concrete training targeting CBC.

EQ 11 *Do rules and procedures for contracting, payments and, where relevant, subcontracting (contracts under grants) hinder the implementation?*

Rules and procedures need to be harmonized, streamlined and the capacity of structures strengthened, taking into consideration the size and the type of grant scheme as well as the target group. The process of evaluating the project applications has been far too long, resulting in frustration and, for some projects, also changes in the projects. Reducing the phases and strengthening the capacity of all parts of the programme structures will be necessary in order for this part of the process to function better. In several programmes, there is also a need to train and better prepare the assessors. With regard to the contracting process, contracts are not unified (differences exist between the two sides of the border), nor are procedures for secondary procurement. This causes uncertainty and adds strain to institutions, which already find it a challenge to implement a project across borders.

EQ 12 *Are programmes and projects adequately monitored for project results across the borders, by the joint management structures, the OSs and the EUDs?*

Monitoring systems are not yet fully set up and functioning at regular intervals and capable of collecting the data, detecting and mitigating risks. Due to general delays in the implementation of the programme, the setting up of the monitoring system is delayed. A key issue is to determine responsibilities of contracting authorities (CAs) and JTSs/OSs. Setting-up monitoring scheduling with visits and risk assessments are also behind plan and in some programmes, there is an urgent need to speed up this process as the first monitoring visit are due very soon. The monitoring information system (MIS) (Database for Efficient European Programmes - DEEP) work is progressing in terms of setting up

the system in some countries and for some programmes, but there are unresolved issues on licence agreements and sustainability of the system³, which have to be addressed in order for programme structures to feel that the system is sustainable.

EQ 13 Which are the prospects for immediate and mid-term impacts and sustainability of the assistance?

Systems and institutions are not fully planned to be put in place for implementing results and securing impacts also after project end (sustainability). Projects are likely to have some of the effects (outputs and results) that they describe in the applications forms, although it is not certain that they will manage to obtain all. Projects are relatively short and cross-border cooperation is a new form of cooperation to many GBs. As indicators are only used consistently in relatively few programmes and application forms (AF), this is difficult to assess. Sustainability will be an issue for some of the grant projects. There is little experience in the region with the concept, and further training is needed for grant beneficiaries in terms of assessing and ensuring sustainability from the beginning of the projects. It is therefore not the assessment that all projects under the programme will be sustainable.

EQ 14 Is it expected that the implementation periods of the grant schemes are sufficient to generate results?

Overall, projects are expected to be successfully completed and outputs delivered and implemented timely, but some are likely to need extension. Although many of the GBs are experienced project implementers, many of these have never before implemented a CBC project and are therefore not aware of the specific implications herein. Many projects will have to request a no-cost extension as the implementation period of less than 12 months for most projects seems to be too short, particularly taking into account that the GBs, in general, have limited experience with European Union (EU) projects.

EQ 15 To what extent do the expected impact and sustainability vary by type of beneficiary (e.g., municipality, NGO, educational institution)?

The expected impacts and sustainability vary amongst the type of beneficiary organisation. It is generally too early to say something specific about whether there are any differences with regard to the expected impacts and sustainability amongst the different beneficiary types. Differences exist between certain types of organisations, more in relation to sustainability than to impacts. Non-government organisations (NGOs) and educational institution often develop or implement actions and activities which ultimately benefit other institutions and organisations or end-users and therefore depend on these to carry on with the activities. Municipalities and public authorities implement actions which are within their own remit and they have the budget for this. On a very general level, it seems that NGOs may be stronger with regard to direct project outputs and results (impacts), whereas municipalities and others may have a certain strength in relation to sustainability. These findings are made at an early stage in the life of the projects, and can therefore change during the project implementation period.

³ A letter has been issued by the EC on 15 March 2011 regarding the MIS, addressing the concerns with regard to licences and sustainability - the reactions and consequences of this letter is not known to the evaluators as most interviews were carried out prior to this letter.

EQ 16 *To what extent are the partnerships across the borders likely to continue after the end of the projects?*

The projects form part of the overall priority of the grant beneficiary - some projects also reflecting common challenges of the partners. Partners are likely to continue the partnerships, but not necessary all on a cross-border level or at this particular border. NGOs may continue with the same partner, but in a different context. Municipalities and public authorities are more likely to continue the cross-border cooperation as the project forms part of their priorities and daily activities.

1 Introduction

1.1 Objectives, Scope and Methodology

Objectives

1. The main **objective** of this interim evaluation is to provide lessons learned and recommendations for the revision of the CBC programmes, which will take place in 2011 and cover the last two years, 2012-2013, of the current programming period (2007-2013). This evaluation will also feed into the revision of IPA CBC post-2013. The evaluation provides input for accountability with respect to the efficiency of the use of financial assistance. The evaluation focuses on the impact and likely impacts produced by the programming and implementation of the CBC programmes in terms of reconciliation, good neighbourly relations, European Union integration of national, regional, local authorities, economic and social actors, non-government organisations, civil society and population, as well as the sustainability of the results achieved.

Results

2. The evaluation results in two reports of which the present is the second and final report:

Report II focuses on the assistance, i.e. the CBC programme content. It should feed into the revision of the programmes for the 2012-2013 period as well as the revision of IPA CBC post-2013

Report I concerns governance structures, focusing on the CBC programme structures (July 2010) and process, **and** it provided inputs to the programme authorities for the preparation of the 2nd call for proposals (Guidelines for Applicants). The report was presented to stakeholders at the regional meeting in Pržno in June 2010 and in Brussels at the regional meeting in December 2010.

Scope

3. The **scope** of the evaluation includes the assessment of the eight IPA CBC programmes Intra-Western Balkan and is focused on the overall instrument level and, where relevant, on the programme level. The evaluation focuses on the first call for proposals as most of the programmes have not yet launched a second call. Individual assessments of programmes were made using the key indicators (annex 1) and are included in Annex 5.

Data collection

4. The factual basis for the evaluation is desk studies of relevant programme documentation such as the annual implementation reports (AIRs) for 2007-2009. The implementation reports for 2010 will not be ready until 30 June 2011

and therefore cannot be used for this report⁴. Grant application forms, documentation from TA projects, financing agreements, TA grants, formal programme documentation, strategic and planning documentation and other relevant published materials have also been used. Information from other similar programmes has also been included for comparison. All available requested information has been provided by the stakeholders⁵.

Interviews

5. Primary data were collected through individual interviews and group interviews with the stakeholders involved in the programme implementation, which took place in the period from January to April 2011. Interviews were conducted with Commission Services, European Union Delegations /CA, National IPA Coordinator (NIPAC), Joint Monitoring Committees, OS, JTSs and antennas, grant beneficiaries⁶ and TA Teams.

Validation

6. The findings of this report have been validated during debriefings with EUDs and the OSs after each of the country missions. During the month of May 2011, a validation process took place in which the draft report was forwarded to key stakeholders for comments⁷. The comments and the evaluators' responses are presented in a separate annex⁸.

1.2 CBC Programme Context

IPA

7. Financial assistance under IPA is provided to candidate or potential candidate countries with a view to obtaining EU membership. The objectives and priorities arise from the Enlargement Strategy, the European Partnerships and Accession Partnerships (Croatia (HR) and the Former Yugoslav Republic of Macedonia) of each country as well as through the annual progress reports by the Commission. All Western Balkan countries receive IPA Components I and II funding. Croatia and the Former Yugoslav Republic of Macedonia also receive IPA Components III, IV and V funding as these are already EU candidate countries. The present evaluation concerns IPA Component II - Cross-border Cooperation in Western Balkan on intra-Western Balkan borders.

IPA CBC

8. The initiation of CBC programmes on intra-WB borders is an important part of the reconciliation process with a European perspective. Due to the civil wars in ex-Yugoslavia in the 1990s, the strengthening of good neighbourly relations in border areas is a prerequisite for growth and prosperity for the local region as well as for the countries involved. The objectives of the CBC programmes financed under IPA are linked to the reconciliation process as well as

⁴ For Serbia (RS), Bosnia and Herzegovina (BiH), Montenegro (ME) and Albania (AL), narrative interim reports covering most of 2009 have been provided which will substitute as monitoring information for 2009. The last mission took place mid April for the programme MK-AL.

⁵ The AIRs for 2010 are not available until ultimo June and two countries do not have interim reports (Croatia and the Former Yugoslav Republic of Macedonia).

⁶ Those organisations which are partners in the project provided a grant under the CBC programmes.

⁷ The preface includes a list of stakeholders from whom comments were received.

⁸ The comments table is not part of the main report.

the European integration process. The main objectives of the CBC programmes financed under IPA are⁹:

- helping reconciliation and good neighbourly relations through joint local and regional initiatives;
- promoting EU integration;
- preparing future EU members to implement Structural Funds' Territorial Cooperation objective;
- promoting economic and social development of border areas.

CBC Programmes

9. To date, eight intra-Western Balkan CBC programmes have been established as listed in the table below¹⁰. The programmes were approved by the Commission in December 2007 with financial tables initially covering the period 2007-2009. These programmes were revised in the last quarter of 2009 to include the 2010-2011 financial appropriations¹¹ (revised programmes were adopted by the Commission in mid 2010). Programmes will eventually be revised in the second half of 2011 to include the 2012-2013 appropriations.

Table 1-1. Intra-Western Balkan IPA CBC Programmes 2007-2009

Programme Name	Acronym	Amount EUR
Albania-Montenegro	AL-ME	4,253,000
Bosnia-Herzegovina-Montenegro	BIH-ME	3,300,000
Croatia- Bosnia-Herzegovina	HR-BIH	6,000,000
Croatia-Montenegro	HR-ME	2,700,000
Croatia-Serbia	HR-RS	5,400,000
Former Yugoslav Republic of Macedonia -Albania	MK-AL	6,900,000
Serbia-Bosnia-Herzegovina	RS-BIH	5,400,000
Serbia-Montenegro	RS-ME	3,300,000
Total IPA-IPA		37,253,000

JDP

10. Each programme is based on a multi-annual cross-border joint programming document (JPD) prepared by the joint management structures set up by the participating countries. The programmes define the eligible areas on both sides of the borders, a socio-economic description of the cooperation areas and the cooperation strategy, priorities and measures to be supported.

Grant schemes

11. All CBC programmes are implemented through grant schemes, which award grants following joint calls for proposals. The calls for proposals are

⁹ Council Regulation 1085/2006 and Commission Regulations 718/2007 and 80/2010 on IPA, Art. 94 IPA of the latter (and it follows the Structural Funds' Territorial Cooperation approach).

¹⁰ At the initiation of this evaluation, the programmes involving Kosovo (under UNSCR 1244/1999) had not been established and are therefore not included.

¹¹¹¹ The revisions also included, for some programmes, a strengthening of the indicators and changes to the adjacent areas.

managed by the joint management structures (Joint Monitoring Committee, etc.) set up for each CBC programme by the participating countries. The Commission (EUDs) is the current contracting authority in all WB countries, except Croatia where the national authorities have been conferred management powers.

Calls for proposals

12. Calls for proposals covering 2007 and 2008 IPA CBC funds were published during 2009¹². The evaluation and selection of the grant applications took place in the period August 2009 to January 2011 and contracting was completed by the end March of 2011. A second round of calls for proposals (to cover 2009, 2010 and in some cases 2011 allocations) is expected to be published by mid 2011¹³.

¹² In the case of CBC AL–ME, the 1st CfP included only 2007 funds. In the case of MK–AL, the 1st CfP included only part of 2007 funds.

¹³ Two programmes (MK–AL and AL–ME) have already launched a second call including the remaining 2007 and the 2008 funds for the MK–AL programme, and the 2008–2009 funds for the AL–ME programme. Both CfPs are under evaluation.

2 Findings on the Evaluation Questions

13. This chapter contains the findings of the analysis of the second part of the evaluation of the CBC programme on intra-Western Balkan. Eight overall evaluation questions (overview is included in Annex 1)¹⁴ were set out in the Terms of Reference (ToR) for this second part of the evaluation, focusing on the criteria of efficiency, effectiveness, impacts and sustainability. The main questions concern the issues of efficiency and effectiveness of the programmes seen in relation to the size and the maturity of the programmes.

Expected impact and sustainability

14. The main part of the findings concentrates on whether the grant projects, and thereby the programmes in general, will have the expected impacts and whether the results and activities are sustainable. There are also findings on how the programmes have contributed to good neighbourly relations and the quality of the partnerships. As the grant projects have begun implementation within the last four months, it is very early to assess the effectiveness, impact and sustainability of the grant projects and thereby the programmes. Nevertheless, based on analysis of documents and interviews, the expected impact and sustainability were assessed based on the experience with other CBC programmes and the assessment of various stakeholders.

15. Findings per programme on the evaluation indicators have been included in a separate annex.

2.1 Effectiveness and Efficiency

16. The questions (EQ 9, 10, 11, 12 - see also Annex 1 for an overview) focus on the issues of effectiveness and efficiency of the CBC programmes, whether the programmes have improved neighbourly relations, the cost of management, and the rules and procedures and monitoring of the programmes. The evaluation questions relating to effectiveness and efficiency were assessed through document analysis of the grant application, programme documentation and reports, TA budgets as well as through interviews with key stakeholders. The questions were also assessed based on reports from TA available to the programmes¹⁵ and comparative data from other programmes¹⁶.

¹⁴ The evaluation questions were slightly rephrased in January 2010 in order to reflect that the grant projects were not as advanced in the implementation as originally assumed.

¹⁵ Reports from CBIB and the TA projects to Serbia and BiH.

¹⁶ Data from the programmes HR-SL and HU-HR have been used for this purpose.

2.1.1 To what extent have the preparation and implementation of the programmes helped enhance good neighbourly relations between the participating countries and between local populations living in the border area? (EQ 9)

Grant beneficiaries	<p>17. This question was also addressed in Report I, where the focus was on the assessments made by the programme structures and the potential applicants. In this part of the evaluation, focus is on the perception of the grant beneficiaries. The assessment mainly concerns programme effects in terms of enhancing good neighbourly relations. The stakeholders were asked to assess whether the CBC programmes (the awareness raising; information session, kick-off, partnership forums etc.), the process of preparing the applications and the initial work on the projects had resulted in improved neighbourly relations.</p>
Local perceptions of improved neighbourly relations as a consequence of the programme	<p>18. As already pointed out in the first report, and as can be seen from the results of the first calls, there is a keen interest in the CBC programmes intra-WB. Overall, stakeholders (grant beneficiaries) in all programmes had the following observations:</p> <ul style="list-style-type: none">• The efforts in the application process and implementation have strengthened communication and cooperation between partners;• The CBC projects gave incentives to the development of some new ideas for future collaboration with cross-border partners;• This kind of cooperation would probably not have occurred and no common development would have occurred, if the CBC programmes had not been established;• Some partnerships reported very rapid development of the relationship in the project implementation phase.
Existing partnerships vs. very new partnerships	<p>19. As a number of projects in this first call were based on partnerships where the partners already knew each other, many reflected that they, at this early stage, could not see a great difference in comparison to previous cooperation. However, several of the GBs expected that the partnership would lead to even more and extended cooperation and thereby developed relations (MK-AL, HR-BiH, BiH-ME, HR-RS, RS-ME). On the other hand, some grant beneficiaries (AL-ME, RS-BiH, HR-ME) found it far too early to answer this question. A general assessment can be made that a positive attitude related to the needs and importance of further development of partnerships is visible.</p>
Positive improvement of neighbourly relations	<p>20. The large number of proposals for all the programmes demonstrates the interest in cooperation across the borders. The many grant beneficiaries (HR-BiH, HR-RS, RS-BiH) working across the borders where conflicts existed in the 1990s confirmed the importance of the programme for improving the relations in the future. This fact in itself is a strong indication of improved neighbourly relationships as a result of the CBC programmes. The CBC projects appear to have improved overall neighbourly relationships and understanding, communication, willingness to further build partnerships as well as</p>

the awareness of the need for further strengthening this cooperation. Furthermore, they have evidently raised mutual motivation for further cross border relations and future cooperation.

Summary of findings and assessment

21. Stakeholders perceive improved neighbourly relations as a consequence of the programme. Many stakeholders indicated that the programme would have an impact on the neighbourly relations. The overall assessment of the GBs was that the programme is and will be very important for future cooperation, establishing contacts, as well as re-establishing contacts which were there 20 years ago. Overall, grant beneficiaries who already had contacts prior to the grant project were in general more careful in terms of stating that the relations had been improved, as they often could not distinguish between the situation now and before the project began. In general, most GBs linked the assessment to the question of their partnership, rather than to neighbourly relations in general. This issue is also covered by question 16.

2.1.2 Could the expected results and impacts have been planned to be achieved more cost-effectively? (EQ 10)

22. This question was assessed based on document analysis of TA budgets of the programmes, implementation reports as well as interviews with programme structures. For comparison, figures were compiled for two other programmes, namely HR-HU and HR-SL, which are also implemented in the region, but with member states, in order to assess the cost levels. As the TA grant and the technical assistance have been used for preparing the applicants for the application process (already covered in Report I for other stakeholders), we have included this as part of assessing the efficiency of the TA grant.

The cost of establishing and running the programme and structures have been proportional to the programme size and grants

23. The overall cost of running the programmes, excluding the additional TA delivered from national TA budgets and Cross-Border Institution Building (CBIB), is low in comparison to other programmes. As the IPA CBC programmes are very small in comparison to other CBC programmes, the amount of funds available to the running of the programmes is proportionally lower. The programmes follow the same rules as the CBC programmes with member states, which allows usage of 10 per cent of the programme for the running of the programme set-up. However, as the cost of running a programme is not fully proportional with the size of the programme, this rule favours large programmes. Certain functions have to be established and run no matter what size a programme has, in terms of minimum staff, visibility, meetings etc. These costs will only to a certain degree increase with an increased budget and number of grants.

Small TA grants

24. Not all programme structures responded that they had problems with the amount available in the TA grant. However, especially programmes around MEUR 1 reflected that they did not have funds to cover a full year of running costs, but would run out of funds after 7-9 months (RS-ME, HR-BiH). In those countries, where Community Assistance for Reconstruction, Development and Stabilisation (CARDS) regional and PHARE funding has been used to pay for the TA grants in the first years, this problem will occur later on (BiH-ME) in

the programme cycle. Therefore, the national co-financing has to be increased for these programmes, which may not be feasible/possible in the longer run.

25. It was generally difficult to develop a complete picture of the funding of the running cost of the structure with the mix of TA grant from the programmes, the funding from other programmes (CARDS and PHARE) and national co-funding. The table below is an attempt to make a comparable listing of the funds available for the programmes compared with other programmes, but concerns only the TA grant delivered through the IPA CBC programme (former CARDS, PHARE allocations are not included). The programmes used for the comparison are HR-SL and HU-HR. As can be seen from the table, these programmes are considerably larger programmes in terms of funding and the co-financing is also different from that of the WB IPA-IPA programmes¹⁷.

Table 2-1. TA Grants of covering the cost of running of programmes¹⁸

Programme	Programme Amount (EUR) (2007–2009)	TA Grant available (EUR)	Number of Applications	Number of projects funded
AL-ME	4,253,000	425,200	26	6
BIH-ME	3,300,000	330,000	38	12
HR-BIH	6,000,000	600,000	104	13
HR-ME	2,700,000	270,000	24	5
HR-RS	5,400,000	540,000	111	11
MK-AL	6,900,000	690,000	60	15 ¹⁹ /17 ²⁰
RS-BIH	5,400,000	540,000	74	18
RS-ME	3,300,000	330,000	57	13
HR-SL ²¹	17,368,182	1,896,196	180	21
HU-HR ²²	21,325,329	6,291,637	80	40

Number of applications and grants in relation to amount of programme

26. A total of 492 applications were submitted, totalling a request for EUR 97,167,848 as part of the first call. MEUR 18 were available for the first calls. It is difficult to make a direct comparison related to the number of grants funded by the programmes between IPA CBC and the HR-SL and HS-HR, as

¹⁷ The information has been provided by the Ministry of Regional Development, Forestry and Water Management (Croatia).

¹⁸ Information used for this table has been taken from the CBC Programme Albania-Montenegro and the European Partnerships for Albania and Montenegro.

¹⁹ According to AL OS.

²⁰ According to MK OS.

²¹ These figures are adapted and adjusted from the information received from the Ministry of Regional Development, Forestry and Water Management (Croatia) as well as information available on the website of the ministry.

²² Ibid.

the grant size differs between the programmes, and the programmes allowed for different sized grants. Due to the much larger amounts available in the HR-SL and HR-HU, one of the programmes have been able to fund a larger amount of projects, whereas the other has a much larger average grant size. This comparison is therefore not fully illustrative.

The budgets for the TA grants

27. The budgets for the TA grants have to cover the running costs of the JTS and antenna, staff resources, awareness raising activities, training of grant beneficiaries and support to the OS as listed in box 2-1²³. As mentioned, the smaller programmes have problems in making ends meet in terms of being able to fund all the items. Some programmes report that they have to save on staff and reduce staff numbers (BiH-ME), others do not have funds for the travelling for monitoring purposes (RS-BiH)²⁴. Some programmes have budgeted the funds for monitoring and awareness raising, but have not managed to use and implement the funds before the TA grant expiry (MK-AL). It is important to bear in mind that as none of the programmes have yet really started monitoring, the real knowledge of what costs this entails is limited. Several interviews with JTS reflected a general concern that there were no funds for monitoring visits across the borders (travel costs, per diem etc).

Box 2-1. Costs covered by the TA grants

- Running of the JTS and Antenna, in terms of personnel, premises and offices supplies.
- Travel and subsistence allowances (call for proposals, monitoring).
- Awareness raising activities (kick-off, info-sessions, partnership forums, visibility materials, publications etc.).
- Training of grant beneficiaries and capacity building of common structures.
- JMC and OS support.

TA Grant management

28. With regard to the management of the TA grant, there are still issues in several countries with delays in drawing down funds, resulting in gaps in budget available to the JTS (MK-AL, BiH-ME) due to delay in preparing TA grant agreements with the EUD by the OS. There is furthermore no common view on who should prepare the budget for the grant and manage the grant across the programmes. In some programmes, it is clearly the JTS, but in other programmes it is centralised²⁵, i.e. the OS. This obviously also reflects the overall financial management system (as well as the legal status of the JTSs) in

²³ Assessment of the First Call for Proposals IPA-IPA Countries - Analysis Report (second part) December 2010.

²⁴ During interviews, this point came up in a number of programmes - however, in the verification process, OSs generally stated that this was not the case. It is thus not possible for the evaluators to confirm this point. It may be due to the fact that some stakeholders have been under the impression that this was an issue.

²⁵ CBIB Assessment of the First Call for Proposal IPA-IPA Countries Analysis Report (not dated) December 2010.

a particular country, where centralised systems are in place and all payments have to go via central government units. The centralised management of the grant increases the dependency of the JTS on the OS. A specific financial problem in Albania regarding the TA grant impacted AL-ME and AL-MK programmes as the Albanian OS did not solve its financial issue with its Ministry of Finance in charge of national budgetary issues²⁶. At the moment, AL OS have not received the EU funds allocated to support the JTS. As a consequence, the JTS for the programme AL-ME is currently operating with one staff member without a real office, i.e. many of the functions on the Albanian side are carried out by the OS. The ME JTS staff member is working from the Antenna in Podgorica. Likewise for the MK-AL programme, the Elbasan/Albania Antenna is also not functioning at the moment. The Albanian member of the JTS for MK-AL is not present at the JTS premises in Struga since July 2010

Technical assistance projects

29. In addition to the TA grants, a number of technical assistance projects²⁷ have been supporting the development of the CBC programmes and the development of the capacity of the stakeholders. These are in general not paid by the TA grants. National TA was available in Croatia, Serbia and Bosnia-Herzegovina, funded primarily from CARDS and PHARE (Croatia) allocations. For Serbia and Bosnia-Herzegovina, these projects are still ongoing. National TA projects, where these have been implemented (RS, HR, BiH), have in general focused more on capacity building of structures, especially OSs (also for other CBC programmes), whereas CBIB has concentrated on the regional aspects and only on the Intra-Western Balkan programmes. As these national TA have covered several programmes, it is not possible to divide their contribution between programmes.

CBIB - regional Technical assistance

30. The Cross-Border Institution Building is the regional technical assistance project supporting the stakeholders with technical assistance within the areas of capacity building, knowledge sharing and management. This includes disseminating lessons learned and building capacities at national, regional and local levels of management. The CBIB has covered all the countries and programmes and also focused on regional coordination. The latter is especially done through large regional conferences organised in general twice a year and whenever needed. Not all management staff of JTS/Antenna (MK-AL²⁸, AL-ME) have participated in these events. There have been different levels of usage of the CBIB assistance and a tendency that programmes which had their own national TA (HR, RS, BiH) have used the CBIB less than those which did not (AL, ME, MK).

²⁶ In 2010, some EU funds directly allocated to the Albanian government had to be off-set against recovery order for other EU projects. As the sole EU funds allocated directly to the Albanian government are currently the TA grants for the CBC programmes, the Commission recovery order impacted the 2007 CBC budget line. The TA financial issue needs to be solved at Albanian level between OS and national budgetary authorities.

²⁷ A thorough assessment of the sustainability of the TA projects was not part of this evaluation.

²⁸ The head of the JTS MK-AL never participated in the regional meetings.

- TA - in relation to programme
31. Overall, it is difficult to provide a clear picture of how many funds have been used for technical assistance in support of developing the programmes. The technical assistance projects have generally been important for supporting the development of structures and capacity for the CBC programmes. In general terms, the national TA projects have focused on the OSs, and the CBIB has focused on the applicants, to a certain extent on the JTSs as well as the regional approach and coordination. The sharing of knowledge and working together have been important features of the CBIB.
- Awareness of programme developed with target groups through information sessions and training
32. Both the TA grant and the technical assistance have been used to raise awareness of the CBC programmes and training the potential applicants/grant beneficiaries in how to prepare an application. These issues were addressed in the first report from the point of view of the potential applicants as well as other stakeholders (OS, JTS, CA). The views of the grant beneficiaries are included below. These views were different amongst those potential applicants interviewed for Report I, as the group of GB is generally more experienced than the average potential applicant, interviewed for the Report I.
- Assessment of the information, training and guidance
33. Overall, there were some recollections of having participated in information sessions, kick-off events, partner-search forums. But due to the time elapsed since the launch of the CBC programmes, these events were not fully present in the memory of many GBs. Generally, the view was that the information sessions and training had been suitable and informative, but could have been even more tailored to the CBC programmes, including more concrete information on what is expected in applications for a CBC project. The pre-application training, the partnership forums and the information session have been used and appreciated, but not to the extent expected for a new programme. Two factors may have influenced this perception. First, a large proportion of the GBs are relatively experienced in EU and donor funded projects (as this is a selection criterion). Second, in the considerable time period elapsed since these events, GB staff members have been replaced or they no longer remember exactly what they took part in.
34. Application packages (APs) are considered difficult even by more experienced GBs. Logframes and budgets are challenging and several GBs pointed out that they had been given information during the budget clearing process which would have been useful to have received in the kick-off sessions or during the application phase. The GBs thought that improved guidance on the budgets would reduce the clarifications needed as the budgets would be better developed.

Table 2-2. Overview of GBs assessment of awareness raising and training

Activity	Comments
Programme introduction sessions	Programme introduction sessions (25 were organised by CBIB) and meetings with various stakeholders groups, introducing the programmes, were carried out by the Operating Structures early on in the programme, in order to solicit interest and encourage local stakeholders to find partners and prepare project ideas. These were not held everywhere and GBs have little recollection of them today.
Information sessions and kick-off events	For all eight programmes, information sessions and kick-off events were organized (51) in connection with the launch of the first calls for proposals, with the participation of over 2,700 potential applicants (an average of 50 participants per session). GBs did recollect these and reflected that they would have liked more concrete information on what kind of project actions were relevant for the programmes. Several GBs reflected that specific examples as well as presentation by existing GBs would be helpful.
Partner search forums	Partner search forums were organised for all programmes (minimum one per programme, often more) and these had a large attendance with more than 100 participants per event ²⁹ . The forums were highly appreciated by potential applicants. Interestingly, forums were not very important for the GBs as these often already had partners and therefore did not even participate in the forums. Some GBs also found that the forums could be better organised and that a profile of the participants and their ideas should be published in advance of the forum.
Training of applicants	A number of training sessions were carried out in preparation for CfP1, and specific training in the CBC programmes and the preparation of applications was more appreciated than project cycle management. As many of the grant beneficiaries for CfP1 are quite experienced, the assessment of the programme structures is that more training is needed, also to those who are experienced, especially in the logframe approach and indicators. In order to boost the chances of other applicants, training on the logframe approach and indicators was deemed necessary for everybody.
Application packages	The application package is a challenge, especially for GBs without prior knowledge of EU and/or other donor programmes. Especially preparing the budget, logical framework ³⁰ (also for more advanced GBs which generally did not find the application form problematic) and understanding which forms had to be signed by whom caused problems for some stakeholders ³¹ . Changes are being made to the application package for CfP2 which should solve some of the issues. Written questions were also answered through a long and very complicated process with the result that the answers in some cases came very late in the application process.

35. Various training sessions have been carried out by the CBIB and national TA projects in place (in some of the countries) for both programme structures and potential applicants. Because of the long period of programme and structure development, the trainings have not fully been timed to the programme cycle (some training sessions were delivered long before the launch of the programmes). Most GBs did not participate or did not remember whether they had participated in training sessions specific to the CBC programmes. Those GBs

²⁹ CBIB Assessment of the First Call for Proposal IPA-IPA Countries Analysis Report (First part December 2009).

³⁰ Ibid

³¹ Ibid

who remembered having been at training sessions also acknowledged that they may be mixing these trainings up with trainings provided by other programmes (especially, training was provided in connection with civil society programmes).

Summary of findings and assessment

36. ***The costs of management (including TA) of grant schemes are comparable to other similar schemes, taking into consideration the specific circumstance of the programmes.*** Due to the limited size, a number of programmes are struggling with the amount available for implementation, and towards the end of the programmes, this may become an issue. Some programmes have had to reduce staff and activities to make ends meet, especially the smaller programmes. When compared to similar programmes, the budget available is considerably smaller, also taking into account that the programmes with member states, which are implemented in shared management, have to cover additional structure in terms of certifying authorities.

37. A considerable amount of TA has been used to prepare the programmes and to some extent the structures, but taking into account that this is the first programme of its type, which is fully implemented in the IPA-IPA countries, it is not out of proportion. Much of the TA grant and the technical assistance has been used for preparing the applications for the first call for proposals. There is little doubt that this is important and that it has been useful for the applicants. However, as those applicants - GBs which received a grant - are experienced project makers, the technical level of the training may have been too low and not focused on where these experience particular problems and issues. GBs have expressed a wish for more concrete training targeting CBC.

2.1.3 Do rules and procedures for contracting, payments and, where relevant, subcontracting (contracts under grants) hinder the implementation? (EQ 11)

38. This question looks at the GBs' assessment of the full process of the first CfP, including the application (this was covered by Report I for other stakeholders), the evaluation process as well as the contracting and the start-up of the implementation process. As part of this question, we also include an update of the capacity of the implementing structures, which was included in Report I. This primarily concerns the issues regarding the evaluation and selection of the grant proposals as well implementation of the grants. As the implementation process is not very advanced, there are issues such as payments, which have not taken effect yet and therefore not assessed. The question was answered based on analysis of programme documentation, TA budgets and reports as well as interviews with programme structures and GBs. We have also used the CBIB assessment of the first call for proposal - first and second parts, which analysed where the key bottlenecks are, and where improvement should be addressed in the future calls³².

³² Assessment of the First Calls for proposals IPA-IPA Countries. Analysis Report (second part) CBIB. (December 2010).

Perception of the evaluation and selection process of the first call by the GBs

39. As mentioned above, the evaluation and selection of grant proposal were perceived as very lengthy by GBs. Objectively, the process was very long as the opening session and administrative check took place in the period November 2009 to July 2010 and the first grant contract was signed in October 2010 and the last in March 2011³³. In general, the consequences of the evaluation process adopted by the JMC had probably been underestimated. Issues such as capacity of different actors, availability for the evaluation committee meetings and timing all contributed to the very long process. The CBIB assessment contains important findings for the organisation and quality of the first calls, which should be used for the development and preparation of the process and application packages for the second calls³⁴.

Factors influencing the process

40. Many factors led to this long process, amongst others that this was the first time and all stakeholders had to learn "how it works". Inexperience of the JSCs with regard to the CBC programme and how to manage an evaluation process and too many other obligations of JSC members were key factors. The inexperience of the grant applicants and the wish from the JSCs not to disqualify the applications upfront on formal issues led to that the JSC had to request many clarifications. The table below contains an overview of key findings based on the interviews with stakeholders and the CBIB assessment.

Inexperience of assessors and time issues

41. Adding to this was the inexperience of assessors³⁵, which resulted in many re-evaluations of applications by JSCs, which were already overburdened with tasks. Some programmes also reported that too little time had been set aside for the assessors for the evaluation of the application, which might have led to the lack of quality of the evaluations. Experience, with, for example, the INTERREG programme, points to that when more time is given to the assessors, the latter provide better results and address thoroughly the most relevant evaluation criteria.

³³ This is the overall time frame for all programmes according to Assessment of the First Calls for proposals IPA-IPA Countries. Analysis Report (first part) CBIB. (December 2009).

³⁴ Assessment of the First Calls for proposals IPA-IPA Countries. Analysis Report (first part) CBIB. (December 2009).

³⁵ Assessment of the First Calls for proposals IPA-IPA Countries. Analysis Report (second part) CBIB. (December 2010).

Table 3-1. Key findings of the evaluation process and selection of projects³⁶

Function or process	Key issues
Joint Steering Committee	<ul style="list-style-type: none"> • Delays in setting up the JSCs (these were not established prior to the closing of the call, but had to be set up in parallel with the opening process). • JSC members had problems in finding dates to meet due to other obligations (as well as memberships in several JSCs at the same time), causing delays in the process. • JSC members were not experienced and had problems in conducting the process; lack of experience with CBC, projects and grant scheme evaluations (in some programmes, certain members were selected which were not suitable). • The reports provided to the CA did not fulfil the requirements and lacked information on the process and explanations of why certain decisions had been made.
Evaluation Process	<ul style="list-style-type: none"> • Too many steps in the evaluation process with individual checks: administrative, eligibility etc. • Too much focus on administrative evaluation (the “ticking off/checking”, vis-a-vis result/impact orientation). • Many programmes had an additional step in the evaluation process; first the concept note and then the full application. • From an overall perspective, capacity building regarding the process of evaluations seems a critical issue.
Assessors	<ul style="list-style-type: none"> • Due to large differences in the scores of the assessors, many JSCs had to reassess part of the applications leading to a long process. • The assessors' experience seems to be very different, and there were very mixed assessments of the quality of the assessors by the programme structures. Some felt that the assessors did not provide sufficient justifications and did not point out major problems in application forms. • Overall need to train assessors more/better in CBC and to select assessors who have sufficient expertise with grant projects and the sectors of the programme. • Some programmes report that far too little time was set aside for the assessor to assess the applications - which may have led to lower quality of evaluations.
Grant applications	<ul style="list-style-type: none"> • There were many formal mistakes in the applications and part of the application forms were missing or not completed correctly. • This led in many programmes to an extended clarification process where applicants had to provide additional or new information. A total of 234 clarifications were requested by the eight programmes. • Typical mistakes included: lack of signed or stamped statements or forms, missing annexes, wrong formats, incomplete budgets, and inconsistencies between parts of the application form or the paper and the electronic version. • Lack of experience with describing issues such as sustainability and cross-border impacts.
Joint Monitoring Committee	<ul style="list-style-type: none"> • JMCs were generally not involved in the process and approved the reports of the JSC without comments. This may lead to problems with regard to the strategic direction of the programmes.

³⁶ The table reflects the overall findings and not all findings are relevant for all programmes.

The contracting and budget clearing process

42. All projects subject to the first call have now been contracted. Two programmes, AL–ME and MK–AL, have launched a second call for proposals within the period covered by the evaluation. The evaluations of these second calls are still on going. The 2nd CfP of the programme MK-AL included the residual funds from 2007. However, considering that the contracting deadline for the 2007 funds was in February 2011, these residual 2007 funds have been lost. In general, the contracting itself seems to have gone well, but some problems were reported regarding the joint budget, which had not been included in the formats, and the difference in the contract special conditions and annexes between the two Contracting Authorities funding the GBs of the same action. Also the budget clearing took time in most programmes (HR-BiH, HR-SR, RS-BiH) and GBs were given very few days to respond to the questions sent to them by EUDs/CAs, some of which they found difficult. The contracting and budget clearing for other programmes seem to have gone very fast (MK-AL), probably due to the approaching funding deadline.

43. As mentioned earlier, some GBs reflected that more support and training in the pre-submission phase would be very welcome as almost all had struggled with the budget, even the more experienced ones. Logframes were also a problem for many GBs, and so was the use of indicators. Apart from this, the GBs found that they had been well supported in case of specific needs by JTSs and EUDs in particular, although there were long periods where they received no information.

Implementation and secondary procurement

44. The main issues reflected by GBs and other stakeholders are the problem of the different rules on each side of the border. In particular, this relates to procurement where different approaches have been taken by EUDs in terms of using Practical guide to contract procedures for EX external actions (PRAG) or national procurement rules (HR-RS, RS-BIH, HR-BiH, BiH-ME, RS-ME, HR-ME). This caused great confusion as well as anxiety amongst GBs. Some GBs even stated that the rules forced them to initiate separate implementation, therefore working against the joint implementation. Also rules with regard to reporting seem to vary between EUDs, although this seems to be addressed where needed (MK-AL, AL-ME).

Implementation training and instruction

45. Good contacts with the JTSs, Antennas and EUD/CAs were generally reported by GBs for the contracting and implementation. Information sessions and implementation workshops had been carried out for a number of programmes and were appreciated. Some stakeholders reflected that the implementation workshop by the CBIB is not fully relevant as they concerned training in PRAG in countries where national rules were imposed. Implementation workshops and clarification meetings are in some cases held per country and not specifically per programme, which results in GBs from each side of the border not learning together (see also Table 2.3). Information sessions by the EUDs have in some cases been carried out together with workshops, not in others - and not in all of them have the EUDs from the other side or the OSs been present. In general, the GBs found that the training had come too late. Although there were differences in relation to contract signing, the late training, some GBs said, had caused delays in their procurement schedules.

46. It was mentioned by many GBs that they would like to learn from each other and to share experiences both regarding the applications and implementation. This was apparent in some of the group interviews, where GBs listened to the presentations from the other GBs, and after the interviews exchanged contact information in order to share experience and lessons learned afterwards.

Manuals

47. A number of implementation manuals exist in the region, some developed by CBIB and other by national TAs. The manual developed by the CBIB was not endorsed³⁷, but commented by the EUDs. This lack of official endorsement has caused some confusion and uncertainty amongst GBs with regards to the validity of the manual. The Croatian CA developed an implementation package for grant beneficiaries of the Croatian programmes. Some were also concerned that the manual developed by the CBIB has too much information and deals with parts of the PRAG, which is not relevant for GBs. JTSs found the manual useful, which may reflect that they have a better overview over secondary procurement and therefore can use an advanced tool. Most GBs did, however, not yet have an opinion of the manual, as they have only recently begun with the implementation and some had not yet received the manual when interviewed.

Training of the structure in implementation and secondary procurement

48. The programme structures have not received training on issues related to implementation, as it is assumed that the JTSs are familiar with secondary procurement from management of the grants. It is of course a prerequisite that the JTSs have been involved in the TA grant management, which is not the case for all programmes as mentioned above under management of the TA grants. The antennas often have not been involved in secondary procurements yet, nor have they been trained. Some antennas assumed that they would be trained with the beneficiaries, but this may be too late as they ideally would be able to assist the beneficiaries up-front. However, some EUDs were of the opinion that JTSs and antennas should not directly be involved in issues related to secondary procurement and that the GBs should contact the EUD directly.

49. Overall, the CBIB has supported the structures with implementation workshops, although there are differences in how the implementation workshops and clarification have been carried out. EUD Sarajevo and partner EUDs/CAs organised clarification meetings for three programmes that BiH participates in. The OS in Serbia planned implementation training for all Serbian GBs. Croatian CA organised a one-day implementation workshop for their grantees. In some cases, the GBs in the same programme have not been trained together due to language issues (AL-ME), due to different implementation rules, or due to timing issues (MK-AL)³⁸. The EUD/CA in Montenegro took part in the last day of the implementation workshops organised in Montenegro to answer questions and make clarifications. One implementation training session is planned in Tirana with representation of GBs from both sides in English³⁹. Two implementa-

³⁷ A document not developed by the Commission cannot be endorsed by the EUDs.

³⁸ On 4 May 2011, the EU Delegation in Skopje carried out a training session for the GB at the premises of the JTS in Struga.

³⁹ The OS in Albania has informed the evaluators hereof after the interviews were carried out.

tion workshops will be held in MK, one in Skopje carried out by the EUD and one in Struga carried out by the CBIB.

Table 2-3. Overview of implementation workshops, manuals and clarification meetings for GBs⁴⁰

	AL-ME	BiH-ME	HR-BiH	HR-ME	HR-RS ⁴¹	MK-AL	RS-BiH	RS-ME
Implementation workshops - CBIB	Per country	JT	Per country April ⁴² 2011	JT	JT by OS	JT May ⁴³ 2011	JT	JT
Clarification meeting - EUDs	In connection with IW	In connection with IW	X	In connection with IW	By EUD + OS	JT May 2011	By EUD + OS	In connection with IW
Legend: JT - Joint Training, IW - Implementation Workshops								

Management of the programmes is efficient

50. The assessment of the structures for implementing the CBC programmes was the focus of Report I. In particular, the capacity of the structures to run the application process and evaluate and assess the proposals. As this part of the evaluation focuses on the grant beneficiaries and the implementation process, we have only included an assessment of the structure in relation to implementation. In the instances where we have made additional observations to those of Report I, these are also included.

51. The management of the eight programmes is generally set up and running as was already observed in the first evaluation report. Overall, the management of the programmes progresses irrespective of the various issues relating to the structure. As most programmes are still working on the first project cycle, there are "beginner problems and learning processes" that all parts have to go through. Due to specific local financial problems in Albania, the AL OS did not receive from their national budgetary authority the EU allocated 2007 TA. As a consequence, the JTS and antennas reduced the staff⁴⁴ from 3 to 1 person, so these structures are currently working at a low level, if at all. Likewise, the structure in Montenegro has been impacted by organisational restructuring of the government ministries. Some stakeholders find that the programme structures are too complicated compared to the size of grants and financial allocation in this phase of EU integration process.

⁴⁰ Table produced based on input from CBIB and interviews.

⁴¹ For the HR-RS programme, implementation workshops were carried out by the Croatian CA for HR GBs and by the Serbian OS for RS GBs.

⁴² Planned for April 2011 for GBs BiH, and HR GBs received training from the CA in Croatia.

⁴³ Planned for May 2011.

⁴⁴ AL-ME JTS was set up end 2008 and fully staffed and operational early 2009. The staff of three persons was reduced to one person as a consequence of local Albanian financial issues during the summer of 2010.

52. The establishment of the IPA TA office in Montenegro is a good solution in the beginning of programme implementation when JTSs do not have enough experience in using TA funds. However, there is a question of sustainability of this IPA TA office when TA funds are spent.

Table 2-4. Overview of programme structures in relation to implementation of CBC programmes.

Institution	Assessment
JTS	Almost all ⁴⁵ JTSs are now well established and fully staffed ⁴⁶ and are able to deal with the tasks allocated to them. JTSs are generally able to support the grant beneficiaries with regard to the implementation, and grant beneficiaries are very appreciative of the JTS support. However, there is a need to support the JTSs even more in becoming joint bodies rather than "branches" of the OSs in one country. JTS manual needs to be revised so that the role of the JTS is fully clear in relation to OS and CA.
Antenna	Antennas still suffer from the issues mentioned in the first report, namely that they are very dependent on the "mother OS". Although contact and links to JTS seem to improve and probably will improve more as the monitoring starts, it is still important to ensure that the antenna feels part of the JTS. More focus should be devoted to include antennas in the daily work of the JTSs so that they know exactly what they are supposed to do and what the other members of the JTSs are doing.
OSs	OSs are understaffed in all programmes and countries. As the OSs are overall responsible for the programmes and also have a tendency to want to be involved in most issues, the staff of the OSs are overloaded. It is therefore paramount to address the issue of overloaded OSs as these are likely to be key bottlenecks in the future.
EUDs	Some improvement has been made to staff resources in the EUDs ⁴⁷ which is important as the EUDs (except for in Croatia) are overall responsible for the contracting of all grant contracts. The main issue is to ensure the cooperation between the EUDs so that the procedures for each programme are identical. The cooperation between the EUDs is supported by the technical working group, which meets on a regular basis to find common ways to address the issues. However, there are cases where the delegations do not use the same rules or procedures. There is also an expectation that it should not be left up to the EUDs to decide; instead Brussels should take a clearer stance on certain issues. Introducing the lead delegation principle has resolved some issues.

Capacity of JTS and antenna has been developed (increased)

53. OSs are generally working, although mostly overstretched with too little staff to carry out the tasks at hand. As observed in the first report, the delegation of tasks from the OSs to the JTS is happening, but at a slow pace. This delegation is paramount in giving the OSs more time to do the things they have to do and not the work of the JTSs, and to avoid becoming a bottleneck. There is a tendency for the OSs to believe that the JTSs/antennas do not have the capacity to carry out certain tasks. However, if the JTSs/antennas are not involved and do not go through the learning process, they will not develop the needed

⁴⁵ AL-ME is currently not fully functioning due to specific problems in Albania relating to off-setting. JTS MK-AL is not fully staffed because the two positions that are foreseen to be contracted by AL OS are not filled.

⁴⁶ BiH-ME is not fully staffed due to TA budget limitations.

⁴⁷ In the EUD in Albania, additional staff has been made available with a very good system for covering for each other.

capacity (MK-AL, HR-RS, HR-BiH, RS-BiH, RS-ME). Most structures confirmed that this transfer is happening slowly and that the JTSs are getting more and more experienced and will be able to take over a much larger part of the application process in the second call in comparison to the first call (except Albania where, since the summer of 2010, the JTS and antennas have been downsized, if not closed. AL-ME JTS is currently operating with only one staff member in Skhrodra and one in Podgorica, in downsized premises).

- Work load analysis 54. CBIB has undertaken a workload analysis which will assist the programmes (OSs, JTS and antennas) in assessing where peaks are and plan their work accordingly. This is important as the more calls that are launched, the more pressure there will be on the structures. Good planning will be paramount to manage the different processes. As has been seen, bottlenecks have until now been a problem in the different parts of the structure due to lack of qualified staff and this is only likely to increase as the programme moves on. The workload analysis also points to the fact that JTSs at certain moments are underemployed while the OSs have too many tasks and are not delegating.
- CA/Lead Delegation 55. The Lead Delegation principle has not been fully implemented, although it has been de facto functioning during the evaluation process. The technical working group is supposed to address the issue of difference between the implementation of the programme from two different sides. The idea of the lead delegation was to avoid duplications, and thereby inefficiencies, and to try a common management approach. However, as the delegations are responsible for the programme, these are not able/willing to resign part of the control of the programmes. Therefore, no one delegation guides and sets the programme rules when it comes to rules and procedures.
- Summary of findings and assessments 56. ***The rules and procedures need to be harmonized, streamlined and the capacity of structures strengthened, taking into consideration the size and the type of grant scheme as well as the target group.*** Overall, the impression is that there are issues to be addressed and lessons learned with regard to the evaluation and selection of proposals and procedures for implementing the grants. As has been stated several times, the process of evaluating the grants has been far too lengthy, resulting in frustration and, for some of the projects, also changes in the projects. Reducing the phases and strengthening the capacity of all parts of the programme structures will be necessary in order for this part of the process to function better. In several programmes, there is also a need to train and better prepare the assessors.
57. With regard to the contracting process and the preparation for the implementation of the grant projects, there are also lessons to be learned. Contracts are not unified (differences exist between the two sides of the border), nor are procedures for secondary procurement. One part of the project can therefore be implemented according to PRAG and the other part according to national rules. This causes uncertainty and adds strain to institutions, which already find it a challenge to implement a project across borders. Reporting requirements should be the identical and amount to one report, instead of different reporting requirements on each side of the border.

2.1.4 Are programmes and projects adequately monitored for project results across the borders, by the joint management structures, the OSs and the EUDs? (EQ 12)

58. This question was assessed based primarily on interviews with stakeholders and the reporting of the CBIB. Monitoring is the responsibility of the JTSs according to the JPDs and the JTSs manuals. The OS has a supervisory function for the full programme, including the monitoring of the programmes, but does as such not have a role in the monitoring of the grant projects. In addition, the EUD has a role in monitoring the part of the projects under its responsibility. The monitoring responsibilities of the EUD have not been defined in the JPD, but are defined in the IPA regulations. In addition, monitoring responsibilities of the JTSs can be set out in the grant contracts or in instructions by the CA.

Box 2-2. Monitoring responsibilities of the JTS

Responsibilities of the JTS in relation to monitoring according to Joint Programming Document :

- Implementation, monitoring and grant project reporting (including financial reporting) based as much as possible on templates and models included in the PRAG.
- Prepare, conduct and report on monitoring visits to CBC projects.

Responsibilities for monitoring

59. A clear division of the responsibilities for monitoring has generally not been found in most of the programmes, except for Croatia which is under Decentralised Implementation System (DIS). This reflects the unclear situation with regard to who is responsible for the implementation of the programme as such. This has in some cases led to an unclear situation with regard to who is the lead on the monitoring, and whether the EUDs have a separate monitoring function in addition to that of the JTSs under the overall supervision of the OSs. In most cases, this will probably be resolved and the JTSs will carry out the monitoring and agree with the EUDs in terms of when they participate as observers (RS-BiH, RS-ME, HR-RS). In Montenegro, the EUD/CA will visit each project twice both in Montenegro and on the other side of the border, together with EUD in neighbouring countries. In MK, the EUD has defined the responsibilities in a strategy with regard to the MK side of the programme⁴⁸, but how the monitoring will be done on the Albanian side is unclear. A Guidance Note will be issued by the EC Head Quarters, containing the minimum requirements for the JTSs to perform their role of physical monitoring of the projects⁴⁹. The CBIB has developed a detailed guideline for monitoring and the distribution of responsibilities between the different parts of the structure⁵⁰.

⁴⁸ Monitoring Strategy from EUD MK.

⁴⁹ EC/EUDs/CBIB Coordination Meeting, Podgorica, 11-12 April 2011, conclusions. A number of issues with regard to monitoring were agreed. CBIB will assist in the development of guidelines and training for the JTS. This will clearly provide clarity and structure to the process - this is, however, not reflected in this report as all the interviews were carried out before these events.

⁵⁰ Current version is from March 2011.

- Division of monitoring tasks
60. Another issue relates to who within the JTS/Antenna structure monitors what. There is a general approach in the programme structure that one monitors the part of the project which is on "my side of the border" (EUDs can of course only monitor what is on "their side of the border"). This means that staff from the JTS will monitor the part of the project which is on their side of the border, and the antenna and the other programme staff from the other side of the border monitor their side of the border, i.e. no joint monitoring of projects. When asked why there is no joint monitoring planned, some of the answers received were that this or that OS wanted only national staff to monitor their side of the border, that there are no funds in the budget for per diem and travel or that this would be a more rational use of the TA budget, and support the principle that two JTS staff monitor each project (RS-BiH, HR-BiH, BiH-ME, HR-RS, HR-ME, RS-ME). Some EUDs have indicated that they would like to see monitoring reports covering the full project.
- Monitoring schedules
61. Monitoring schedules have so far only been made by some programmes (AL-ME, MK-AL, RS-BiH, RS-ME) and none of these have so far been approved by all the stakeholders involved. For some programmes where contracts were signed in November 2010, the first monitoring visits are due soon and it is therefore important that a schedule is agreed very soon.
- Risk assessment
62. Risk assessments have been carried out in some programmes based on the model developed by the CBIB. Training has generally not been carried out in neither monitoring or risk assessment (except for RS programmes which received monitoring training by national TA, and some programmes will be trained by CBIB (See Table 2-6). However, the attitude of several OSs is that staff of the JTS/Antenna have been selected based on the assumption that they had experience in project monitoring, and therefore did not need additional training.

Table 2-6. Status of CBIB support to the MIS system and monitoring⁵¹

	AL-ME	BiH-ME	HR-BiH	HR-ME	HR-RS	MK-AL	RS-BiH	RS-ME
Customisation of the DEEP to the CBC programmes IPA-IPA	Phase 1 done for all programmes; Phase 2 ongoing							
Technical setting up of the system	Done for all programmes							
Transfer of AFs from Cfp1 to Excel and transfer to system	X	x	JTS to send them applications	x	No agreement on which MIS will be used	Applications will be entered into the system in April/May	JTS to send them applications	JTS to send them applications
Preparation of actions plans for MIS			Requested and prepared only for Croatia, as part of its report to EC auditors					
Risk assessment format developed and incorporated into the MIS	A risk assessment tool has been developed and harmonised for all programmes. Risk assessment carried out for all programmes except MK-AL, which has only recently finalised contracting. Section on Risk Assessment in the MIS has been initially developed, pending finalisation. Once this section is completed, risk assessment sheets will be imported into the system							
JTSs/antennas trained in risk assessment	X	x		x				
Training in monitoring	X	x	x	x			x	
Support in conducting monitoring visits and preparation of reports	X							
Development/presentation of template for monitoring reporting format	Templates for monitoring (checklists and reports) have been developed, agreed with EUDs, and distributed to all JTSs/A.							

Development of the Monitoring Information System

63. The CBIB has developed a monitoring information system common for all the IPA-IPA CBC programmes called DEEP⁵². The DEEP is a comprehensive management system covering all information related to the programme from application form to end reporting. The DEEP has been provided to the CBIB, who holds the licence on behalf of the programmes⁵³. In connection with the implementation of the DEEP, a number of questions have been raised by stakeholders in relation to transferring licences to programmes to themselves when the CBIB project comes to an end⁵⁴. Also issues relating to securing the confidentiality of the application forms before selection, hosting of the server and payment for the system have been addressed by a number of the OSs. These issues should be clarified before the system is implemented universally in the region. The application form from the first call for proposal will also be up-

⁵¹ Table produced based on input from CBIB and interviews.

⁵² Database for Efficient European Programmes DEEP – Database for Efficient European Programmes, which had been used since 2002 by the INTERREG III programmes. License Agreement was signed with the Managing Authority for the Baltic Sea INTERREG transnational cooperation programme.

⁵³ CBIB - Cross-Border Institution Building - 4th Interim Report - November 30, 2010.

⁵⁴ A letter has been issued by the Commission addressing these issues on 15 March 2011. This is after the interviews were undertaken for seven out of eight programmes and the reaction to this letter is therefore not known to the evaluators and not part of the findings of this report.

loaded in the system by CBIB. This is an additional task, as these are not in a compatible format.

CBIB support to MIS

64. CBIB has provided overall support to the development of the system as well as support to individual programme with regard to transferring the applications forms, and preparing action plans for setting up the system. Furthermore, the CBIB has supported the development of a risk assessment and training of some JTSs and antennas on how to conduct risks assessment. One programme has also requested assistance with regard to developing the capacity for monitoring.

Summary of findings and assessment

65. ***Monitoring systems are not yet fully set up and functioning at regular intervals and capable of collecting data, detecting and mitigating risks.*** Due to general delays in the implementation of the programme, the setting up of the monitoring system is delayed. The JTSs should be ready to start monitoring now that the contracts have been signed. A key issue is to determine responsibilities on three levels: 1) between CAs and JTSs/OSs; 2) within the JTSs/antenna; and 3) between the OSs and the CAs. Setting up monitoring schedules with visits and risk assessments are also behind plan, and in some programmes, there is an urgent need to speed up this process as the first monitoring visits are due in the spring of 2011. Programmes which have only recently signed contracts should be in a better position, provided that they use the time between now and the first monitoring visits to prepare the schedule, agree on responsibilities and train staff in risk assessment. This issue was already commented in Report I.

66. The MIS work is progressing in terms of setting up the system in some countries and for some programmes, but there are unresolved issues on licences agreements and sustainability of the system, which have to be addressed in order for programme structures to feel that the system is sustainable⁵⁵.

2.2 Impacts and Sustainability

67. This part of the report focuses on assessing the impacts and sustainability which are expected from the project and the programmes. The evaluation questions (EQ 13, 14, 15, 16) concern the expected impact and sustainability of the projects as well as whether there are any differences between the grant beneficiaries in terms of impacts and sustainability. The assessment also looks at whether the time budgets set aside for the projects are expected to be sufficient to secure the results, and whether the partnerships created as part of the projects are durable. As the projects have only recently begun implementation, these assessments are based on expected results and outputs of the grant projects and the assessments are to a large extent based on the estimates of stakeholders. Some projects have already been under implementation for 4-5 months (RS-BiH, RS-ME, HR-ME, BiH-ME, AL-ME) whereas others have only very recently been signed (MK-AL). This has probably biased some of the answers as the GBs have different levels of experience.

⁵⁵ Ibid

68. In addition to the interviews and assessments of the stakeholders, we have made an analysis of selected application forms from all programmes to see how these address issues such as cross-border impacts, sustainability and to what extent the grant beneficiaries have been able to use the logframe and indicators as a tool for measuring the results of the projects. We have looked at how the GBs have described the project effects (project results and outputs). Although the term impact is used, the main indicators collected at project levels in the CBC programmes are result and output indicators. The impact indicators at programme or priority level have been used to assess how the project results may contribute to the overall programme impacts (cross-border and sectoral). We have also assessed how the GBs have understood and described sustainability and the formulation and quality of the logframes, and the extent to which the logframe is integrated into the text.

2.2.1 What are the prospects for immediate and mid-term impacts and sustainability of the assistance? (EQ 13)

69. For this question, data were primarily collected from interviews with both GBs and programme structures. As the grant contracts have only been signed within the last six months, it is too early to look at real impacts. As an alternative, the stakeholders were asked to assess the prospects for results and outputs (impacts) of the project or the projects in general. In CBC programmes, impacts are measured at the programme level (priority) and output as results at the project level. The monitoring systems collect the data for outputs and results from the projects and compile this into overall outputs and results, which are then used to assess the impacts at the programme level. Under this question, it has furthermore been assessed whether the organisation had or had planned the structures and systems (finance, human resources) to be in place for ensuring a continuation of the activities after project end (sustainability).

Achieving the objectives - impacts of the programmes

70. The IPA-IPA CBC programmes have a number of objectives, as listed in the table below. Some of these objectives have already been assessed in Report I, partly or fully, others will be assessed in the text below or under other headings as indicated below. Under this question, we look in detail at how the programmes will have/ensure cross-border cooperation impacts (joint initiatives) as well as the likelihood that they will achieve sectoral or thematic priority objectives. We have assessed the cross-border impacts (as described in the application form) of the projects and the prospects for the sectoral/thematic impacts.

Table 2-7. *Achieving the CBC Programme objectives*

Objectives of IPA-IPA CBC programmes	Assessment
Helping reconciliation and good neighbourly relations through <u>joint</u> local and regional initiatives;	The programmes will contribute to good neighbourly relations. The setting up of the programme structures have contributed at the overall level (Report I). The GBs assess this positively, but found it early to fully assess (see also EQ 9). Many confirmed that the partnerships will continue (see also EQ 16).
Promoting EU integration;	Both the programme structures and, to a lesser extent, the grant beneficiaries see this as preparation for EU integration (too early for many GBs to assess).
Preparing future EU members to implement Structural Funds' Territorial Co-operation objective;	Generally, programme structures considered CBC as a preparatory phase for usage of structural funds (Report I). Many potential applicants (see Report I) and GBs were aware that this is the first EU type programme that they participated in and were able to reflect over the investment they made by applying (therefore, the cumbersome processes were also worth it).
Promoting economic and social development of border areas.	Individual programmes target different economic and social development targets. Projects and thereby programmes are assessed to have some impacts on the cross-border region (preliminary based on an assessment of achievements of project in terms of outputs and results).

Description of cross-border impacts in the application forms

71. In the application form, the project applicants are requested to elaborate on "cross-border impacts", primarily under the heading relevance. Under effectiveness, the projects could detail in which cross-border manner they will work together. The descriptions in the application forms vary considerably in terms of how well (quality) the cross-border cooperation (joint initiatives) and impacts are described. As noted above, there is no dedicated part of the application form where the project is requested to describe the cross-border effects such as value added through cross-border cooperation and how to demonstrate the cross border effects. Other CBC programmes do have a specific section in the application form which is dedicated to the identification of the cross-border cooperation and which impacts this may have⁵⁶. As this is a weakness in many of the applications and there even seem to be some confusion and uncertainty on how to address these issues, maybe this area should receive increased focus in the application forms and the training in the next calls.

72. It is also the assessment that the lack of focus in the application forms on cross-border cooperation and cross-border effect leads the applicants in the wrong direction. Especially those which demand that the activities have to be described separately for each side of the border, which forces the applicant to think about the project as two separate projects. Some programmes also have two budgets and two logframes, which do not promote the "jointness" of the project (MK-AL).

⁵⁶ See as an example the South Baltic Cross-Border Cooperation Programme 2007-2013.

Assessment of stakeholders	<p>73. Both the GBs and the programme structures were requested to assess whether they thought that the projects were likely to have the cross-border impacts expected. In general, the projects confirmed that they would, although some interviews revealed that the concept of cross-border was not always well understood and explained. Often, GBs mixed up the impacts on the cross-border region with the actual type of cooperation (for a discussion on the types of cooperation, see 2.2.4).</p>
The projects are likely to have cross-border effects	<p>74. Often, the description of the cross-border effects/impacts in the application forms does not fully reflect the content of the projects. It was clear from the interviews that many GBs had problems both with the cross-border cooperation concept and with describing how they were going to work together in the project. In the interviews, many GBs were better at explaining the cross-border cooperation and the effects. However, good cross-border initiatives also appear in projects which may not have explained it very well in the application form.</p> <p>75. Overall, cross-border cooperation is found in the projects and there is likely to be cross-border effects and impacts of many projects. However, for a substantial amount of projects, the assessment is that these are mirror projects, without any real cross-border impact directly targeting the cross-border region such as, e.g., a joint system for garbage collection.</p>
Projects are likely to have sectoral and thematic impacts	<p>76. Generally, the grant projects analysed and interviewed fall well within the objectives of the specific programmes, and impacts on a sectoral level are therefore easier to identify and assess than cross-border impacts. GBs and programme structures also found it easier to assess whether they found it likely that the projects would have a sectoral or thematic impact. Projects span from developing structures in the social sector in war affected areas, to improvement of employment, and to a number of tourism, environmental and economic development projects. The latter were often also those which had more tangible cross-border effects and would have more an overall impact on the border region.</p> <p>77. The project management structure seems in general to be well developed and often well described in the application forms. This also points in the direction that the projects will be better in the delivery of the outputs and results, than securing the sustainability of the activities and results afterward. This might point to short-term impacts, rather than medium-term.</p>
Logframes	<p>78. Through an analysis of a selected number of logframes from the application, it is clear that the logframe is one of the challenges for the applicants. This was also highlighted by a number of applicants during the interviews as well as in the assessment made by CBIB⁵⁷. This is one of the areas that they find difficult in the application form and which is challenging, especially for inexperienced project applicants. A number of typical weaknesses were found in the application forms:</p>

- Use of priority objectives as the project objective.

⁵⁷ Assessment of the CfP1 - second part.

- General problems with definition of objectives and results.
- Hierarchical links between objectives and results and coherence between indicators are often missing.
- Attribution of targets to the project could also be difficult for a number of projects which have, for example, "job creation" as a result of the project.
- Mixing up of results, activities, and indicators.

Use of indicators

79. The use of standard programme indicators varies from programme to programme. In some programmes, indicators are identified only in the logframe, and in other programmes there is a specific Annex C2⁵⁸ where the programme indicators are listed and each project has to assess to which degree it will contribute to the targets set for the programme - where the projects are requested to indicate how they contribute to the overall performance of the programme (programmes which have requested applicants to fill the list of indicators include HR-RS, HR-BiH, ME-HR).

The projects include plan and strategies for securing sustainability (institutional, financial, policy and environmental)

80. The issue of sustainability is what concerns the most in the assessment of the projects and the application forms. The guidelines for applicants set out how to assess and describe sustainability, but many application forms do not include a full risk assessment of the projects, and even fewer a complete description of how the projects are going to continue after completion. This being said, not all forms of sustainability are relevant for all projects. Generally, projects both in the application form and interviews describe institutional and financial sustainability. Within these forms of sustainability, it is clear that limited experience and understanding of the concept are prevalent among GBs. Environmental and policy sustainability are almost never used and few GBs have the experience to deal with these concepts.

Box 2-3 Type of sustainability

Financial sustainability - What will be the financing of activities after project completion?

Institutional sustainability - Which structures would allow, and how, the results of the action to continue after the end of the action? Addresses issues about the local "ownership" of action outcomes.

Sustainability at the policy level - What structural impact will the action have? For instance., will it lead to improved legislation, codes of conduct, methods, etc.)? What is the interdependence of the project activities and legislation?

Environmental sustainability - Ensuring that the project is environmentally sustainable and does not impact the environment in a negative manner,

⁵⁸ Annex C2 is a specific annex to the application form in some programmes, listing the indicators relevant to the programme.

Understanding and describing sustainability

81. On the other hand, some application forms are well developed on the issue of sustainability, but challenged during the interview, some of these GBs could not elaborate on the sustainability issues described, possibly because the application had been developed by professional project developers. Other GBs that had not described sustainability in much detail in the application form were interviewed, but they were able to explain well the sustainability considerations which formed the basis for the application. Overall, however, the understanding and the knowledge of the concept of sustainability are low in all programmes, and the assessment is also that many projects are not sustainable and that project activities and/or results will not continue or be utilised without additional funding. There are no significant differences between the programmes, although there is some indication that the GBs in programmes with Croatian partners have a somewhat better understanding of the concept of sustainability and project development due to more experience with EU programmes.

The relevant partners/institutions/beneficiaries have been involved in the planning of the project

82. A number of projects have other beneficiaries than the partners, and for those it has been important to assess to what degree these beneficiaries, which often have a significant role in either implementation and/or continuation of the activities after project end, have been involved in the project and application development. In specific, it was assessed whether both the partners and the beneficiaries have the necessary human and financial resources for participation in implementation. For a number of projects in each programme, the beneficiaries have not really been involved, or only to a certain extent, in the preparation of the application form and many were not partners. This kind of project often included some general assumptions on what the involvement of these beneficiaries would be, without this necessarily having been agreed or discussed. Very few projects had upfront direct agreements with the beneficiaries about their role in implementation. This issue is further developed under 2.2.3.

Summary of findings and assessment

83. ***Systems and institutions are not fully prepared for implementing results and securing impacts also after project end (sustainability).*** Projects are likely to have some of the effects (outputs and results) that they describe in the applications forms, although it is not certain that they will manage to obtain all. The duration of the projects is relatively short and cross-border cooperation is a new form of cooperation to many GBs. As indicators are only used consistently in relatively few programmes and application forms, this is difficult to assess. Projects were overall better at explaining, during interviews, which results they were expecting than they were at describing these in the application forms.

84. Sustainability will be an issue for some of the grant projects. There is little experience in the region with the concept, and further training needs to be given to grant beneficiaries in terms of assessing and ensuring from the beginning of the projects that the measures are in place to secure the involvement of the right institutions already at the project development in the planning, so that these are able to take over, either at the implementation stage or later, the results/activities of the projects. It is not the assessment that all projects under the programme are sustainable, but this varies between programmes and between types of beneficiaries. This issue is further detailed under 2.2.3.

2.2.2 Is it expected that the implementation periods of the grant schemes are sufficient to generate results? (EQ 14)

	<p>85. The overall results of the CBC programmes are set out in the logframe of the JPDs. As the programmes are still at the very early stages and the first grant contracts have only recently been signed, no monitoring data regarding the grant projects are available. The main way of assessing this is therefore to assess whether the grant projects as such are expected to deliver results (which eventually will be compiled through the monitoring system). The stakeholders were therefore requested to assess if they, within the grant contract framework, would be able to implement the projects and deliver the results.</p>
Timeframe of the projects is sufficient to implement the projects	<p>86. GBs in general found that the timeframe they had applied for in the grant application forms was sufficient to implement the projects and deliver the results. Only few GBs expressed a need to request no-cost extensions, and this was mostly due to delays in implementation or the late contracting that had caused a delay with regard to implementation period. Some projects are seasonal and depend on specific timeframes for implementation, i.e. construction (only summer), schools or summer camps (either within or outside the school year), or targeting specific events (fairs etc.)</p>
Experience of GBs	<p>87. As very few of the grant beneficiaries had implemented a CBC project before, this assessment may be well optimistic. Many of the grant beneficiaries have, however, prior experience with implementing EU or other donor funded projects and should therefore be able to assess what a realistic implementation period would be and estimate the challenges and issues which can occur during project implementation. Few did, however, really reflect on the fact that a CBC project may be more challenging than a non-CBC project.</p>
Procedures and rules are seen as key issues with regard to timely implementation of the grant projects	<p>88. It was significant that the more experienced the GBs were, the more they were aware of the problems and issues which might slow down project implementation. The experienced group of GBs were also those who worried in relation to the different rules and procedures with regard to secondary procurement and the problems this might pose for the GBs and the implementation of the projects. GBs with less experience expressed less concern with regard to rules and procedures and did not fully seem to be aware of the implications.</p>
Summary of findings and assessment	<p>89. <i>Overall, projects are expected to be successfully completed and outputs delivered and implemented timely, but some are likely to need extension.</i> Although many of the GBs are experienced project implementers, many of these have not implemented a CBC project before, and are therefore not aware of the specific implications herein. In general, the timeframes set for the projects were assessed as adequate. It is, however, the assessment that many projects will have to request a no-cost extension as the implementation period of less than 12 months for most projects seems to be too short, taking into account that they have limited experience implementing EU projects and most GBs have never implemented a CBC project.</p>

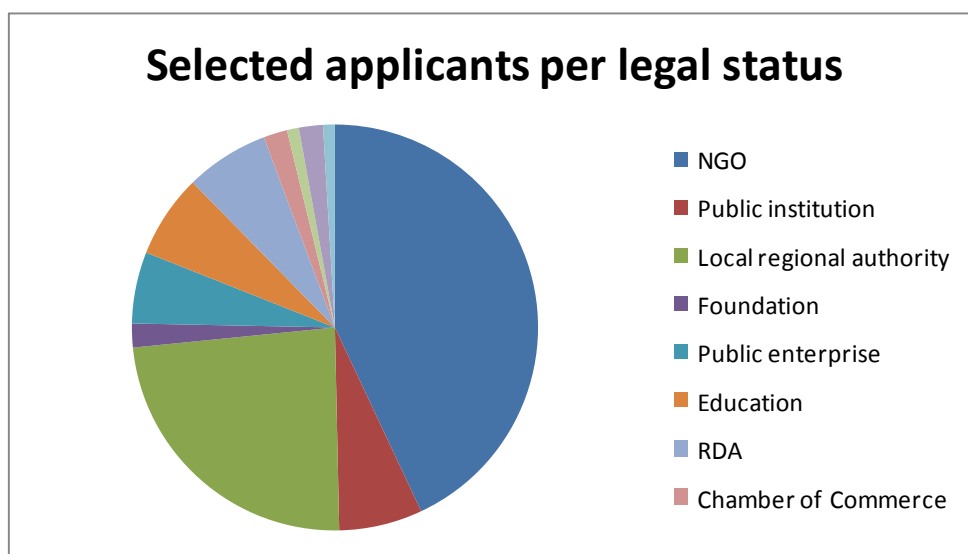
2.2.3 To what extent do the expected impact and sustainability vary by type of beneficiary (e.g., municipality, NGO, educational institution)? (EQ 15)

90. This question has been assessed by document analysis of reports on the first call for proposal which have been made for several programmes, analysis of the application forms, the assessment of the CBIB on the 1st CfP as well as interviews with all stakeholder groups. The findings concentrate on assessing whether there are differences amongst the applicants and grant beneficiaries and whether this should lead to specific measures in terms of certain groups.

Assessment of the 1st CfP by CBIB

91. Figure 2-1 stems from the CBIB assessments of the overall distribution between types of grants beneficiaries per programme for the applications selected. As can be seen from Figure 2-1, NGOs are very well represented, followed by local/regional authorities, and educational institutions, public enterprises and institutions and RDAs (regional development agency) follow further behind. There are variations within the individual programmes, but Figure 2-1 gives the overall trend in the region. Some programmes have even higher percentages of NGOs (MK-AL). The CBIB assessment also concludes that in most programmes (except AL-ME), the applicant has gone for larger projects, which is an indication of a certain experience amongst the beneficiaries.

Figure 2-1. Types of selected applicants⁵⁹



Focus on experience

92. There are significant differences between the GBs and this is particular related to the level of experience. As this was one of the selection criteria, this is not surprising. Among the experienced applicants, especially the NGOs have the most experience. The NGOs are generally also the only applicants which have experience with EU projects (except for Croatia). The other GBs may have experience with other donors, but as these are the first programmes in most of the countries open for applications from local authorities, this is not

⁵⁹ CBIB. Assessment of 1st call.

unexpected. In the applications forms, emphasis is on previous experience and the grant beneficiaries have to provide extensive proof of their experience on a sectoral level, with implementation of projects, regional and international. Some stakeholders found that this focus on experience favours local and international NGOs and might not be promoting the CBC as such. The focus on experience may be understandable and implementing structures find it is easier to deal with experienced applicants than those who are new to EU projects.

Good application drafting skills

93. Analysis of the application forms reveals that many of those prepared by NGOs, and especially international NGOs, are at a different level (except those applications which have had support from professional project developers), revealing a knowledge of the EU type project application forms and how to complete these. There are some differences between programmes also with regard to the quality of the application forms, possibly reflecting the general level of development also of the NGO sector, but this is not as significant as the dominance of the NGOs in all programmes.

Experienced partners need less support

94. It was also clear that the NGOs to a lesser extent used the training and support made available in relation to application for the programmes. Partnership forums were almost not used by NGO in all programmes, as many confirmed that they had partners from previous activities and projects and therefore had no needs for forums or training.

Sustainability in relation to type of partners

95. As mentioned under 2.2.1, sustainability is generally not described very well in the application forms and is a weak point in many of the projects. Within the type of project partners, different approaches have been developed.

NGOs

96. As NGOs are dependent on project funding, these refer often in their application either to that sustainability will be secured through another (or additional) project or that they will involve beneficiaries in the projects, who will be able to continue project implementation. These findings are to a certain extent also relevant to educational institutions (universities). In a number of cases, the NGOs are not resident in the region, and therefore have a limited long-term commitment to the development of the region.

Others organisations to secure sustainability

97. The end-beneficiaries, in many projects implemented by NGOs, are often municipalities, which are expected to step in and take over the projects either during implementation or at project end. Frequently, these are not partners in the projects and have not explicitly been involved in the preparation of the application and the development of the project. Examples were observed that the same municipality was signed up in several projects as beneficiaries. This is of some concern as these financially strained municipalities are unlikely to participate in several projects and definitely cannot take over the continuation of several projects after project end. Many of these GBs were, however, optimistic with regard to the capacity and financial strength of local authorities, which are not partners, but beneficiaries in the projects.

Municipalities

98. A different picture is seen in projects which either have municipalities as lead or involve the municipalities as partners. These projects seem to have considered sustainability in a different way and focus more on actually having

funds available as well as human resources. However, as municipalities are often not experienced project developers, the sustainability considerations are often not clearly expressed in the application forms, which are not as elaborate as those of the NGOs, and this was therefore mainly apparent in interviews.

Public institutions and educational institutions

99. Public authorities (water, waste etc.) are often professional project managers, used to public procurement procedures and often good at project development. They also know where to look for information. Educational institutions (mostly universities or research institutions were interviewed although many schools are involved as end-beneficiaries) are similar to NGOs and used to projects and often also have experience from EU programmes (research programmes).

Impacts from the different types of GBs

100. As mentioned above, the description of the impacts varies in quality, and the application forms and indicators focus more on results and outputs than impacts. Impacts of the project are generally identified under relevance and/or effectiveness in the application form and in the logframe. There is quite a difference in the quality of the impacts, and often impacts are more outputs of the projects or these are very generally expressed such as "the projects will have economic and social impacts". The descriptions of impacts are very dependent on the experience of the applicants and project developers, although all types of applicants had problems with cross-border impact. During interviews, more of the GBs were able to describe the impacts, but also here focus was on the outputs of the projects, although some had considered overall impacts, especially at sector or thematic level. A clear distinction between types of the application and grant beneficiaries was difficult to make.

Cross-border impacts

101. Cross-border impacts are often also generally formulated as exchange of knowledge, connection organisations and institutions, and networking. There is little difference between types of beneficiaries. These are all important key objectives of the programmes and therefore fully legitimate.

Summary of findings and assessment

102. ***The expected impacts and sustainability vary amongst the type of beneficiary organisation.*** It is in general too early to say something specific about whether there are any differences with regard to the expected impacts and sustainability amongst the different beneficiary types. We can, however, at this point in time assess the approach to impacts and sustainability with the different beneficiary types, which can give an indication of the impacts and how sustainable the grant projects are.

103. As identified above, we do see a difference between certain types of organisation more in relation to sustainability than to impacts. NGOs and educational institutions often develop or implement actions and activities which ultimately benefit other institutions and organisations or end-users and are therefore dependent on these carrying on with the activities. Municipalities and public authorities are different in that they implement actions which are within their own remit and they have the budget for this. On a very general level, it seems that NGOs may be stronger with regard to direct project outputs and results (impacts), and municipalities and others may have a certain strength in

relation to sustainability. These findings are made at an early stage in the life of the projects, and can therefore change during the project implementation.

2.2.4 To what extent are the partnerships across the borders likely to continue after the end of the projects? (EQ 16)

104. This question was assessed based on interviews with involved stakeholders. The assessment is mainly focused on the strengths of the partnership as well as the relevance of the partnership. Issues which should be addressed in the quality of the secondary partnership.

Types of cross-border cooperation

105. All types of cross-border projects were identified amongst the projects interviewed and assessed covering the full range of cross-border type projects from mirror projects, which carry out similar activities on each side of the border, exchange projects, which transfer knowledge from one side to the other, to projects which truly target the border region in a joint activity. Some were hybrid, e.g., having both mirror activities and joint activities. There was a high degree of mirror activities with limited joint activities. Real joint implementation was also observed, but is clearly also the most difficult type of projects when it comes to implementation.

Box 2-4 Types of Cross-border cooperation

The major types of cross border cooperation identified:

- **Mirror activities:** projects which primarily have activities which "mirror" each other, and which has limited interaction between the partners (and eventually also the beneficiaries).
- **Joint activities:** projects which have joint activities where both sides of the border participate with the aim of developing something in common or learn from each other.
- **Joint implementation:** project with joint implementation, benefitting the cross-border region.

Secondary partnerships or partnerships between project beneficiaries

106. Many projects involving NGOs and educational institutions often target groups such as schools, which are the beneficiaries of the projects and those who are meant to carry on with the activities or results of the projects. This partnership is very important in a CBC context, but not reflected in the application or the project assessment. We refer to this as the secondary partnership or the partnership of the end-beneficiaries. As these are not partners and often only involved after the project has started, it is not possible as part of this evaluation to assess this partnership.

Partners were found in partnership forums

107. Contrary to expectation, many partnerships were not the results of partnership forums in general - relatively few of the interviewed GBs found their partners in the forums. Partners were found:

- From other projects where they had worked together before (often NGOs).
- Via the internet or through connections (public authorities, municipalities, universities). Several GBs explained that they had gone on the internet to find somebody "with similar characteristics and issues".

Partnership forums were not used by many of the interviewed GBs and as a long time had elapsed since the partnerships forums, many could not actually remember if they had been there or whether some of their colleagues had attended.

Partnerships are likely to continue after project end

108. Many GBs confirmed that they thought that the partnership was going to continue as they already knew each other (NGOs), and many said that they were already working on new projects together. As the end-beneficiary level is often not described and assessed by the GBs, it is difficult to assess whether, for example, schools benefitting from the same CBC project will continue working together after project end. As many of the projects are mirror projects and the beneficiaries only meet a few times, if at all, it is doubtful if the partnerships will have an effect at this level.

The partnerships have made agreements and cooperation MoUs

109. All project partners have to sign an agreement that they will work together on the project. In addition, several projects had developed detailed memorandums of understanding for the projects and some were also aiming to do so with key beneficiaries - in particular those which were meant to have a significant role in the implementation or continuation of activities after the end of the projects.

Summary of findings and assessment

110. ***The projects form part of the overall priority of the grant beneficiary - some project also reflecting common challenges of the partners.*** Partners are likely to continue the partnerships, but not necessary all on a cross-border level or at this particular border. NGOs may continue with the same partner, but in a different context. Municipalities and public authorities are more likely to continue the cross-border cooperation as the project forms part of their priorities and daily activities.

3 Conclusions and Recommendations

111. The following conclusions are derived from the findings of this report. The conclusions have been structured according to the key questions and judgement criteria. Following each conclusion, we have inserted the recommendations for improvements in the programme programming and implementation. Not all the recommendations will be applicable for all programmes, as some of the recommendation may already have been implemented, or refer to issues which were not an issue in a particular programme. Some of the recommendations following from Report I.

Stakeholders perceive improved neighbourly relations as a consequence of the programme

112. Many stakeholders reflected that the CBC programmes would have an impact on the neighbourly relations. The overall assessment of most stakeholder groups was that the programmes are and will be very important for future cooperation with the neighbour countries and assist in re-establishing the old contacts which were there 20 years ago. For other borders, where there have not been conflicts, the programmes assist in establishing new contacts where none or very few have been over the last many years. Some GBs found it too early to assess the improvement in the relationship, but many confirmed that the initial process had strengthened the partnership and that the partnerships would be lasting.

113. In this light, and in the light of the high demand for the programmes of up to almost 10 times the available funds, the fact that funds have not been fully used due to: 1) uneven amount of funds on each side, resulting in "leftovers", and 2) slow programme implementation resulting in loss of considerable funds due to late contracting, should be addressed. In spite of the problems with using the full amount in some programmes, it is recommended to:

- ❖ Review the possibilities for additional TA funding for especially smaller programmes to ensure that these have sufficient funds for management.
- ❖ Balancing of programme allocations between two sides of the border to reduce leftovers.
- ❖ Taking into consideration the success of the programme, measured by the funding demand, it is recommended to consider whether additional funding should be added in order to be able to fund more projects in the future.

Cost of management (including TA) of grant scheme comparable to other similar schemes, taking the specific circumstance into consideration

114. The main issue in relation to the cost of implementation is that the programmes are very small compared to similar programmes implemented under the same structures. In addition, these programmes are new and have to deal with difficult issues and cooperation conditions. Although the OSs may have some experience in working with other CBC programmes, the JTSs and antennas are new. The costs of running the programme are therefore not assessed as unreasonable in comparison with other programmes.

115. The fact that especially small programmes have very few programme management funds would speak for either increasing the amount of the programmes or the percentage which can be used for the programme management. It is still early in terms of the implementation of the programmes and the implementation of the projects has only started. Some of the JTSs have had excess staff in the long evaluation process. At the same time, funds have been lost in some of the programmes due to low capacity in programme implementation as mentioned before. That being said, the JTSs have not run a full programme circle and funds could become even tighter, when they have several calls under implementations. The recommendations regarding the JTSs are:

- ❖ Remove bottlenecks in the OSs by delegating more tasks, responsibility and independence to the JTS management to plan and organise the work of the JTSs/antennas, utilising the TA grant appropriately.
- ❖ Identify needs of smaller programmes, which may have problems in covering costs of running the structures in order to ensure that public awareness and support to applicants and GBs are not reduced.
- ❖ Utilise the CBIB expertise available to support the JTSs more and ensure that JTSs/antenna members regularly participate in the regional meeting organised by CBIB.

Recommendations in relations to GBs:

- ❖ More targeted capacity development of applicants - adapting training to the type of applicants in order to increase the number of non-NGO applicants and GBs.
- ❖ More targeted training for applicants focused on what is a CBC project, what is the value added of CBC, how does one works together across borders, using examples from existing projects (from other programmes).

Rules and procedures are appropriate, taking into consideration the size and type of grant schemes as well as the target group

116. The process of the application and evaluation process has so far been too lengthy for this type of programme. Although it is acknowledged that the first call for proposal was a "first time" for every one, the second call⁶⁰ for proposal in most programmes has still not been launched. The second call is therefore now six months behind schedule, which indicates that there are still unclear issues and unsolved procedures in terms of getting calls launched. It is therefore recommended for the call preparation, evaluation and selection process to:

⁶⁰ The second call is not directly an object of this evaluation.

- ❖ Reduce time for preparing calls for proposals through improved cooperation between OS, CA/EUD and JTS in getting the calls launched.
- ❖ Shorten the evaluation and selection process - merging steps and checks.
- ❖ Provide more time for assessors to evaluate project proposals in order to get better assessments to avoid reassessments.
- ❖ Capacity building for those involved in the evaluation of call should be prioritised to secure more efficiently managed processes and improved evaluations. Training and workshops should be planned for JSCs and assessors before the evaluation of the second call starts.
- ❖ Use the JTSs more for the running and preparing of the evaluation and selection process (to the extent possible).
- ❖ Provide more information to applicants (and training) - more tailored to the types of project, budget, logframes etc. to avoid having to process many clarifications, and thereby a prolonged application process.

117. It is still early in the implementation process as most grants have been signed within the last months and implementation has just begun; however, a number of issues have already occurred in this process. The main one being that there are different rules per EUD, which results in programmes being implemented with two different rule sets for secondary procurement, reporting and possibly also monitoring. This clearly does not contribute to the spirit of the programmes and is an issue which should be addressed as soon as possible.

118. It is important that the programme set-up and structures also support the cooperation across borders. The divided management of the programmes and the many different institutions that each partnership has to relate to does not support the "jointness" and the cooperative nature. Having to implement the same project under different rules may have a negative impact on the cooperation. At the moment, each project refers to up to six different institutions.

119. There is furthermore a need for experience sharing and learning from each other amongst GBs in the regions and the JTSs have a key role in "providing the framework/venue" for this kind of sharing of experiences. The recommendations concerning support for the contracting and implementation process are:

- ❖ Harmonise approach between EUDs/CA so that the same set of rules applies to programmes on both sides of the border so that grant partnerships do not have to deal with different rule sets - in the short run.
- ❖ For secondary procurement, agree on whether PRAG or national rules apply and choose the less cumbersome.
- ❖ Make sure that GBs are trained together in implementation - at the moment, many GBs are trained "nationally" without their partner from the other side.

- ❖ Agree on reporting types and frequency and ensure joint reporting - it does not make sense to have different reports for the same projects
- ❖ In the longer term, there is little doubt that a single contracting authority per programme (responsible for a single financial appropriation without breakdown per country) has to be introduced in order to create a genuine single, joint programme with a truly common identity. This will also support the JTS and antenna working as one unit referring to one OS.
- ❖ Support the GBs by organising experience sharing opportunities during implementation - JTS could for example organise events where they and the other programme structures could provide information to the GBs (e.g., in connection with the first reporting) and the GBs would have a possibility to share experience with each other.

Monitoring systems are set up and functioning at regular intervals, capable of collecting data, detecting problems and issues

120. Monitoring has not yet started, but is very close to starting in those programmes which signed contracts in November 2010. Work is outstanding with regard to both the MIS and the organisation of the monitoring. There is a need to address both as uncertainties and misunderstandings seem to be plentiful in both processes. Due to general delays in the implementation of the programme, the setting-up of the monitoring is also behind schedule. Determining responsibilities, scheduling visits, and risk assessment are behind plan, and in some programmes, there is an urgent need to speed up the process. Especially defining who is responsible for monitoring is an important issue in most programmes. Programmes which have only recently signed contracts should be in a better position, provided that they use the time between now and the first monitoring visits to prepare the schedule, agreeing on responsibilities and training staff in risk assessment. This issue was already commented in Report I.

121. With regard to MIS, work is progressing in terms of setting up the system in some countries and for some programmes, but there are unresolved issues on licences agreements and sustainability of the system, which have to be addressed in order for programme structures to feel that the system is sustainable⁶¹. However, in order to start the monitoring it is recommend to:

- ❖ Agree where the responsibilities lie - with regard to the monitoring, it is not clear where the real responsibility for the programme lies. What is the responsibility of the OS/JTS and the EUD?⁶²
- ❖ Agree on how monitoring will be carried out within the programmes (JTS/Antenna) - and preferably as joint monitoring, where each project is monitored by a combined team from each side of the border.

⁶¹ A letter has been issued by the commission on 15 March 2011 on the MIS, addressing the concerns with regard to licences and sustainability - the reactions and consequences of this letter is not known to the evaluators as most interviews were carried out prior to this letter.

⁶² The issue of monitoring has been addressed at the technical working group meeting in Podgorica 12-13 April 2011. The minutes of this meeting have not been made available to the evaluators.

- ❖ Resolve the outstanding issues regarding the MIS with regard to licences, service security, continuation and confidentiality.
- ❖ Although many JTS/antenna staff have experience in monitoring project in general, there is a need to train them in monitoring of CBC projects (the CBC programmes are very different from other programmes and it is important that the staff can carry out monitoring properly, emphasising what is important in terms of CBC).
- ❖ Set up a schedule and plan for monitoring.
- ❖ Develop common reporting formats (both for projects and for programmes) and risk assessment procedures.

Systems and institutions planned to be put in place for implementing results and securing impacts, i.e. local institutions have been involved in needs assessment and project development

122. Projects are likely to have some of the effects (outputs and results) that they describe in the applications forms, although it is not certain that they will manage to obtain all. Projects are relatively short and cross-border cooperation is a new form of cooperation for many GBs. As indicators are only used consistently in relatively few programmes and application forms, this is also difficult to assess. Sectoral impacts are more likely as these have been easier for the GBs to address, and cross-border cooperation will happen at various levels in mirror projects, but real impacts on the cross-border region were only identified in some of the projects. As most projects are mirror projects, the projects will have sectoral impact on each side of the border.

123. Sustainability will be an issue for some of the grant projects. There is little experience in the region with the concept, and further work and training need to be given to grant beneficiaries in terms of assessing and ensuring, from the beginning of the projects, that the measures are in place. GBs need to secure the involvement of the right institutions already at the project development in the planning, so that these are able to take over, either at the implementation stage or later, the results or activities of the projects. The recommendations in this regard are:

- ❖ More focus on cross-border cooperation in application forms, forcing applicants to consider both how to cooperate (reduce the number of mirror projects) and how the project can have an impact on the cross-border region.
- ❖ More focus on development of logframes and indicators in future calls in order to improve the quality of the applications and thereby the output and results (and thereby programme impact).
- ❖ More focus on sustainability in future project application phases regarding how to secure sustainability in projects.
- ❖ Increase the understanding and capacity to secure sustainability of future project applicants through more focused training and more elaborate explanation in the programme guidelines and manuals (especially important for tourism, economic development and environmental projects).

The projects are expected to be successfully completed and outputs delivered and implemented timely

124. Although many of the GBs are experienced project implementers, most of these have never before implemented a CBC project and are therefore not aware of the specific implications herein. In general, the timeframes set for the projects were assessed as realistic. It is, however, the assessment that some projects will have to request a no-cost extension as an implementation period of less than 12 months for most project seems to be too short, taking into account that they have never implemented an EU project before and never a CBC project. The recommendation is:

- ❖ Carefully assess at the end of the implementation period, whether the projects need extensions and in general were able to complete activities and achieve results, in order to adjust the programme and advise future applicants on project length.

The expected impacts and sustainability depend on the type of organisations and their structure

125. It is generally too early to say something specific about whether there are differences with regard to the expected impacts and sustainability amongst the different beneficiary types. At this point in time, an assessment of the approach to impacts and sustainability with the different beneficiary types gives an indication of which impacts projects generate and how sustainable the grant projects are.

126. As identified above, we do see some differences between certain types of organisations, more in relation to sustainability than to impacts. NGOs and educational institution often develop or implement actions and activities which ultimately benefit other institutions and organisations or end users and are therefore dependent on these carrying on with the activities. Municipalities and public authorities are different in that these implement actions which are within their own remit and they have the budget for this. These findings are generalisations made at an early point in time in the life of the projects, and can therefore change during the project implementation: The recommendations are:

- ❖ Support and strengthen potential applicants from groups which have not been well represented, through targeted training programmes.
- ❖ Consider how to include project partners which do not already have experience in projects in general (and EU projects in specific).
- ❖ Consider if the experience criterion have to weight highly in the evaluation scores (this criterion favours NGOs).
- ❖ Encourage cooperation between different partner types to ensure that inexperienced partners are included in the future and can learn from the process.
- ❖ Discuss future strategy with JMC in order to get the JMC engaged in the discussion on types of projects and partnerships.

The project forms part of the overall priority of the beneficiary – reflecting common challenges with the partners.

127. Partners are likely to continue the partnerships, but not necessary all on a cross-border level or at the particular border. NGOs may continue with the same partner, but in a different context, whereas municipalities and public authorities are more likely to continue the cross-border cooperation as the projects often forms part of their daily activities. As identified in the evaluation, there are also partnerships at beneficiary levels (not only at the formal partnership) which are important to sustain and which might be the more important partnerships in terms of developing the cross-border region. The recommendations in relation to the partnerships are:

- ❖ Encourage project partners to include all partners and important beneficiaries in the partnership, not only the key project partners.
- ❖ Encourage formalisation of partnership at associate levels for non-project partners in order to secure this partnership for further cooperation.
- ❖ Give priority to projects which include cross-border partners in the region, and less priority to those outside the region.

1. Evaluation questions, judgement criteria and indicators

Question	Judgement criteria	Indicator
Effectiveness and Efficiency		
9. To what extent have the programmes' preparation and implementation helped enhancing good neighbourly relations between the participating countries and between local populations living in the border area?	<i>Stakeholders perceive improved neighbourly relations as a consequence of the programme.</i>	<p>1. Local perceptions of improved neighbourly relations as a consequence of the programme.</p> <p>2. Local management structures on both sides of the border experience enhanced cooperation.</p> <p>3. National management structures on both sides of the border reflect positively about the neighbouring country.</p>
10. Could the expected results and impacts have been planned to be achieved more cost-effectively??	<i>Cost of management (including TA) of grant scheme comparable to other similar schemes taking the specific circumstance into consideration.</i>	<p>4. Cost of management (including TA) scheme compared to number of grants.</p> <p>5. Quality of management - reaction and adaptation to changes and risk in implementation.</p> <p>6. (Programme demand) Number of applications in relation to amount of funds available.</p>
11. Do rules and procedures for contracting, payments and, where relevant, subcontracting (contracts under grants) hinder the implementation?	<i>Rules and procedures are appropriate taking into consideration the size and type of grant schemes as well as the target group.</i>	<p>7. Stakeholders and applicants perception of the procedures and their implementation.</p> <p>8. Rules and procedures are appropriate taking into consideration the size and type of grants as well as the target group.</p> <p>8a. The "leftovers" of the programme amounts indicate that rules do not support programme implementation.</p>
12. Are programmes and projects adequately monitored for project results across the borders, by the joint management structures, the Operating Structures and the EC Delegations?	<i>Monitoring systems set-up and functioning at regular intervals and capable of collecting data, detecting problems and issues.</i>	<p>9. Monitoring systems set-up and functioning.</p> <p>10. Regularity of monitoring.</p> <p>11. Standardised monitoring reports available.</p> <p>12. Are management reactive to the results of the monitoring and are corrective measures being taken.</p>
Impacts and Sustainability		
13. Which are the prospects for immediate and mid-term impact and sustainability of assistance?	<i>Systems and institutions in planned to be put in place for implementing results and securing impacts i.e. local institutions have been involved in needs assessment and</i>	<p>13. Project holders have structures in place (or planned to be) in their organisations or in other organisations, which will ensure impacts and sustainability.</p> <p>14. Resources (financial) are available (or planned to be) for the im-</p>

	<i>project development.</i>	<p>plementation as well as after (organisational or local government budgets)</p> <p>15. Human resources in place (or planned to be) and has or will have the capacity to provide impacts and secure sustainability.</p> <p>16. Stakeholders expect that the assistance will have impacts and be sustainable.</p>
14. Is it expected that the implementation periods of the grant schemes are sufficient to generate results?	<i>The projects are expected to be successfully completed and outputs delivered and implemented timely.</i>	<p>17. The time-planning of the projects are realistic for the type of projects and results.</p> <p>17a. The time-planning is realistic in relation to the experience of the grant beneficiaries.</p> <p>18. The project partners assess the timeframe as realistic and sufficient for delivering results.</p>
15. To what extent do the expected impacts and sustainability vary by type of beneficiary (e.g. municipality, NGO, educational institution)?	<i>The expected impacts and sustainability are depended on the type of organisations and their structure.</i>	<p>19. Different types of organisations are project holders.</p> <p>20. The project holders have sufficient structures in place to secure impacts and sustainability - as assessed by applicants.</p> <p>21. Programme management (OS, JTS, Delegation) assess that difference between different types of project applicants.</p>
16. To what extent are the partnerships across the borders likely to continue after the end of the projects?	<i>The project forms part of the overall priority of the beneficiary – reflecting common challenges with the partners.</i>	<p>21. Measures have been put in place to secure/increase sustainability of activities</p> <p>22. The project forms part of the overall priority of the organisation/beneficiary</p> <p>23. Human and financial resources are available and set aside for continuing the activities.</p> <p>24. Cooperation agreement between institutions planned to be developed⁶³</p>

⁶³ Indicator from operational programmes Programme Specific objectives

2. List of interviewed stakeholders

Organisation	Name of Interview Persons	Date
EC Commission		01.2010
2nd Kick-off meeting	DG ELARG - Gianni Ballette, Judit Volter	01.2011
DG ELARG	Estelle CARRELET de LOISY	10.03.11
DG ELARG	Chloé Berger	10.03.11
CBIB	Natasa Gospodjnacki, Maja Stojanovic	02. 2011
Albania		
OS Programme AL-ME OS Programme MK-AL	Greta Rakaj - Head of CBC Unit (all CBC programmes + transnational) Kebjana Haka - programme expert for AL-ME Sonja Mati - programme expert MK-AL	28.02.11
JTS Programme Albania-Montenegro	Andi Cekaj - Task Manager for Albania	01.03.11
Grant Beneficiary Programme AL-ME	Group interview 1) Rubin Mandija - Shkodra Municipality - Project Manager Artan Dracini - Project Partner (Art Gallery) 2) Erald Curcija - University of Shkodra "Luigj Gurakuqi" - Project Coordinator 3) Winfried Kiechle - "Guri i Zi" Commune - Project Coordinator	01.03.11
Grant Beneficiary Programme AL-ME	Stella Recordati – CERAI Centre of Rural Studies and International Agriculture - Project Coordinator Tom Ndoka - PRC (Permaculture Resource Center, Shkoder) Partner - Local coordinator	01.03.11
Grant Beneficiary Programme AL-ME	Geldona Metaj - ACHR - Albanian Center for Human Right - Project Coordinator Denisa Murati - Albanian Center for Human Right - Assistant Project Coordinator	01.03.11
Delegation/Contracting Authority	Marzia Dalla Vedova – Responsible for CBC coordination/thematic issues (Programme Manager for AL-Kosovo Programme) Ivan MANZANO BARRAGAN - Programme Manager for AL-ME Programme Stefano Calabretta - Programme Manager for MK-AL Programme	02.03.11
Grant Beneficiary Programme AL-ME	Zamir Dedej - Institute of Nature Conservation in Albania-INCA - Project Manager	02.03.11
Bosnia-Herzegovina		14-17.02.2011

OS (Directorate for European Integration BiH)	Senda Lulo (Task manager for BiH-ME), Branmir Gojkovic (Task manager for RS-BiH and HR-BIH), and Mersiha Zuban (Adviser, Assistant manager for RS-BiH and HR-BIH)	14.02.2011
JTS/Antenna HR-BIH, office Banja Luka	Dragan Sarić (Task manager)	15.02.2011
Grant beneficiary HR-BIH	Borut Bosančić (University of Banja Luka, Genetic Resources Institute)	15.02.2011
Grant beneficiary HR-BIH	Sanja Rajčević (City of Banja Luka, Dept. for Development, European Integration and Investment)	15.02.2011
Grant beneficiaries HR-BIH, Focus group	Šefik Veladžić (Director, LAG Una-Sana-NGO) Irena Đunić (Project coordinator) and Ante Jurić-Marijanović (Project assistant, Youth and communication center Banja Luka-NGO) Goran Rodić (Project manager) and Sandra Žigić (Administrative and legal expert, PREDA agency for development of Prijedor municipality)	15.02.2011
Grant beneficiaries BiH-ME, Focus group	Ljeposava Đajić ("Sutjeska" National park) Aleksandra Hasečić and Jasminka Bjelavac (Centre for environmentally sustainable development, Sarajevo-NGO) Lejla Mijović and Lejla Đurbuzović (Centre for Promotion of Civil Society, Sarajevo-NGO) Elma Ismailović (Youth Information Agency B&H, Sarajevo-NGO) Emina Osmanagić and Erol Mehmedović (Association XY, Sarajevo-NGO)	16.02.2011
Joint Technical Secretariat BiH-ME, Sarajevo	Snežana Tomašević (Head of JTS BiH-ME), and Mila Crnogorac Bajić (Publicity and information officer JTS BiH-ME)	16.02.2011
Grant beneficiary BiH-ME	Biljana Zgonjanin (Project manager, ASB - Arbeiter-Samariter-Bund Deutschland e.V., Country Office in Bosnia and Herzegovina)	16.02.2011
Grant beneficiary BiH-ME	Ismet Ovčina (Director of the National and University Library of B&H), Bedita Islamović (Assistant of the Director, NUL B&H), Miljan Vuković (Agency for SME, Trebinje-NGO), and Dragan Marković (Publisher, Consultant)	16.02.2011
EU Delegation/Contracting Authority	Nadja Ohranović	17.02.2011
Croatia		

OS - Ministry of Regional Development, Forestry and Water Management, Sector for Regional Development and Cross Border Cooperation, Directorate for Integrated Regional Development	Krešimir Ivančić Kristijan Ležaić	28.02.2011
JTS HR-RS, MRRSVG	Emina Štefičić, Marina Mađarević, Ivana Želimir	01.03.2011
GB Vukovar Srijem county	Marina Sekulić, and Kristina Černok, Head assistant, Vukovar Srijem county, Department for international cooperation and capital investments	01.03.2011
GB - Department for Agriculture and Economy, Osijek-Baranja County	Silva Wendling (Tomislav Petrić) Department for Agriculture and Economy, Osijek-Baranja County	01.03.2011
GB - Regional Development Agency of Slavonia and Baranja	Ivana Jurić and Kristina Zdunić	01.03.2011
GB - BIOS Osijek	Ivo Koški	01.03.2011
GB - NGO Zelena akcija	Marijan Galović	01.03.2011
JTS Cro-BiH, MRRSVG	Normela Radoš, Silvia Sivrić, Božana Bešlić, Antonio Pocrnić	02.03.2011
GB - Development Agency of Sisak Moslavina county, SIMORA	Kristina Božić and Mirjana Borojević	02.03.2011
GB – CRUP	Marina Tušek	02.03.2011
GB - Karlovac County,	Marijana Tomičić	02.03.2011
GB – Local Democracy Agency, Sisak	Paula Raužan	02.03.2011
GB – Institute Hrvoje POžar, Zagreb	Biljana Kulišić	02.03.2011
GB -NGO Zelena akcija	Irma Popović Dujmović, Freshwater Programme Coordinator	02.03.2011
EU Delegation	Andreja Horvat, Task Manager	03.03.2011
Tendering and Contract Implementation Department, Agency for Regional Development	Marko Perić – Project manager	03.03.2011
Former Yugoslav Republic of Macedonia		

GB - ORT-Training for Sustainable Development	Biljana Stevanovska, Director	12.04.11
GB - Center for sustainable Development ALKA	Zarko Dzipunov, Director; Gjorgi Velkovski, project manager, Elizabeta Gjorgievaska, programme coordinator	12.04.11
GB - SCO Local Development Agency	Goko Mileski, program manager	13.04.11
GB - Foundation for Support of Enterprises-ESA Ohrid	Beti Petanova, program manger	13.04.11
GB - Centre for Support of persons with intellectual disability PORAKA	Anita Gagovska, project manager	13.04.11
JTS Staff	Goce Toleski, Head; Anita Poposka, financial officer and Ardita Istrefi, project officer	13.04.11
OS – Ministry of local self government	Saska Mamucevska – Head of Department for European Union, Naser Muaremi – Deputy Head of Department, Martina Antic, Head of Unit for implementation of IPAand Mjellma Mehmeti, State Advisor for European Integration	14.04.11
EUD	Paolo Scialla	14.04.11
Debriefing Delegation and OS	Paolo Scialla and Saska Mamucevska	14.04.11
Montenegro		07-10.03.11
Antenna Podgorica - Programme AL-ME	Agron M. Camaj, Project Officer Edin Mehmeti, Project Officer	07.03.11
OSs for CBC programmes RS-ME and BIH-ME	Ratka Sekulovic Head of CBC Directory, Ministry of Foreign Affairs and European Integration Milena Ulic, National coordinator for CBC Program BIH-ME Marija Maras, National coordinator for CBC Program Albania-Montenegro Milutin Raspopovic, National coordinator for CBC Program ME-KOS	07.03.11
Antenna Office Bijelo Polje, Programme SER-ME	Goran Prebiracevic, Task Manager,	08.03.2011

GB Focus group Programme SER-ME	Valentina Scekcic - NVO Educo Centar Tatjana Malisic Delevic - Municipality Berane Olja Stojanovic - Municipality Berane Mihailovic Bojan –The centre for support to children and family (public institution of Bijelo Polje) Almasa Rizvanovic -The centre for support to children and family (public institution of Bijelo Polje) Safet Kalac - Faculty for Management in traffic and communications (Berane)	08.03.2011
GB Programme SER-ME	Dijana Andjelic, Municipality of Pljevlja	08.03.2011
GB Programme SER-ME	Emil Kocan, FORS Montenegro	08.03.2011
GB Programme SER-ME	Public enterprise Vodovod i kanalizacija-Niksic Bozovic Olivera, Project Manager Papovic Mira, Project Coordinator Kovac Darko, Project Coordinator	08.03.2011
JTS Programme HR-ME	Dragan Đurišić, Head of JTS; Biljana Vujanić, Financial Officer; Sanja Todorović, Project Officer	09.03.11
GB Focus group Programme HR-ME	Milosevic Sasa, Director, Cultural Centre “Nikola Đurković” - City Library Kotor, Montenegro, Jasmina Bajo, acting director of the City Library Kotor, Cultural Centre “Nikola Đurković” - City Library Kotor, Montenegro Mitrovic Luka, Director, Hydrological and Meteorological Service of Montenegro, Danijela Soskic, Project assistant, Hydrological and Meteorological Service of Montenegro Marijana Vujovic, Project assistant, Public enterprise for National parks of Montenegro	09.03.11
GB Programme HR-ME	Svetlana Vujcic, Executive Director, Centre for Sustainable Tourism Initiatives	09.03.11
GB Programme HR-ME	Nikola Tausan, SNV-Netherlands Development Organisation	09.03.11
Debriefing	Delegation and OS	10.03.10
Delegation/Contracting Authority	Enrique Aguado, Task manager Sladjan Maslac, Task Manager Dragan Radanovic, Task Manager	10.03.10
Serbia		22-26.03.10
OS Programme HR-RS, RS-BiH	Sanda Šimić - Assistant Director, Ivana Davidović – RS-BiH Programme Officer, Milan Žeželj – HR-RS Programme Associate	22.02.11
JTS and Antenna Programme Serbia-B&H	Ljiljana Rsumovic, Head of JTS; Irena Markovic - Administrative, Publicity and Information Officer; Zana Vejnovic; Vladislav Vlajic - Task Managers; Danijela Konjić – Task manager, Antenna Tuzla	23.02.11

Project Grant Beneficiaries	Milan Petrovic, Municipality of Arilje Gordan Ranitovic, Journalist Radosav Cvijovic, Municipality of Priboj	23.02.11
Project Grant Beneficiaries	Jelena Matovic, Djunis Public Utility Company, Ub	23.02.11
Project Grant Beneficiaries	Goran Djukic, Forum of Civic Action FORCA, Pozega	23.02.11
Project Grant Beneficiaries	Radovan Cicvaric, Uzice Child Rights Centre	23.02.11
JTS Antenna Programme Croatia-Serbia	Darko Cvejic – Head of Antenna	24.02.11
Project Grant Beneficiaries	Vanja Djuric-Bjelanovic, Centre for Youth Work, Novi Sad; Tanja Dudas, Progress – Public Company Backi Petrovac; Slobodan Prpa and Darina Jukic, Municipality of Backa Palanka	24.02.11
Project Grant Beneficiaries	Tamas Petrovic and Sava Lazic, Scientific Veterinary Institute, Novi Sad	24.02.11
Project Grant Beneficiaries	Maida Adlesic, Municipality of Backi Petrovac	24.02.11
Project Grant Beneficiaries	Veljko Suzic, Salasi, Sombor	24.02.11
Debriefing	Delegation and OS, Luka Manunta, Project Manager; Sanda Simic, Head of CBC Department, European Integration Office of Serbian Government	25.02.10

3. List of documents

Title	Author/Published by	Date
48 application forms (6 per programme) for projects selected for programme 1st Call for proposals: AL-ME, BIH-ME, HR-BIH, HR-ME. HR-RS, MK-AL, RS-BIH, RS-ME	Grant beneficiaries	2009
Final narrative report on the TA Grants for the programmes: BIH-ME	OS BIH	October 2010
Evaluation Reports 1 Call for proposals for BIH-ME	JSC BIH-ME	Not dated
Annual Implementation Report BIH-ME (Annexes)	OS BiH	Not dated
Draft Monitoring Schedule for AL-ME	JTS AL-ME	Not dated
Annual Implementation Report AL-ME	OS AL-ME	November 2009
Evaluation Grid for AL-ME	JSC AL-ME	Not dated
1 Cfp Statistics AL-ME	JSC AL-ME	Not dated
Final Narrative Report 2010 HR-RS	OS HR	2010
Annual Implementation Report 2009 HR-RS	OS HR	Not dated
Grants awarded HR-RS 1st Cfp	OS HR	Not dated
Analysis of received applications HR-RS	JTS HR-RS	October 2010
4th Monthly Progress Report HR-BIH	JTS HR-BIH	30 October 2010
Analysis of the 1st Cfp HR-BiH	JTS HR-BIH	Not dated
Budget TA Grant 2008	JTS HR-BIH	Not dated
Implementation Manual HR	MR HR	Not dated
Annual Implementation Report HR-ME	ME OS	Not dated
Annual Implementation Report HR-ME	OS HR	Not dated
Annual Implementation Report RS-ME	OS RS	Not dated

Plan if EU Funds until 2013	OS MK	Not dated
Monitoring suggested practices (collection of documents and guidelines)	JTS MK-AL	Not dated
Monitoring checklists (collection of documents and lists)	JTS MK-AL	Not dates
Monitoring Strategy	EUD Skopje	October 2010
Assessment of the First Call for Proposal IPA-IPA Countries - Analysis Report	CBIB	December 2009
Assessment of the First Call for Proposal IPA-IPA Countries - Analysis Report	CBIB	December 2010
Inter-EUD Technical Working Group – 3 rd Meeting – Conclusions	Technical Working Group (IPA CBC WB)	22/09/2010
EC/EUDs/CBIB Coordination Meeting, Conclusions	Technical Working Group (IPA CBC WB)	Podgorica, 11-12 April 2011
Guidelines on Monitoring of WB cross border projects	CBIB	March 2011
CBIB - Management Information System for CBC at "intra" Western Balkan borders (letter to DEI Sarajevo and EIO Belgrade)	European Commission DG ELARG	15 March 2011
Monthly Progress Report	CBIB	January 2011
Implementation Guide	CBIB	Not dated
JTS Workload Analysis	CBIB	Not dated
4th Interim Report	CBIB	20.11.2011
3rd Interim Report	CBIB	20.05.2010

