

Two Seas Programme – Final Report (updated version April 2015)

Ex-ante evaluation

27/04/2015

Acronyms

AIR: Annual Implementation Report

BE: Belgium

CBC: Cross-border cooperation

CP: Cooperation Programme

CPR: Common Provision Regulation

CSF: Common Strategic Framework

DG Regio: Directorate General of Regional and Urban Policy

ERDF: European Regional Development Fund

ESF: European Social Fund

ETC: European Territorial Cooperation

FCE: France Channel England

FLC: First Level Control

FR: France

HIT : Harmonized Implementation Tools

ICT: Information Communication Technology

IP: Investment Priority

ICZM: Integrated Coastal Zone Management

J(T)S: Joint (Technical) Secretariat

MS: Member States

NGO: Non-Governmental Organisation

NL: Netherlands

PA: Priority Axis

PMS: Programme Monitoring System

PP: Position Paper of the European Commission

PPG: Programme Preparation Group

R&D: Research and Development

RCI: Regional Competitiveness Index

RIS: Regional Innovation Scoreboard

SEA: Strategic Environmental Assessment

SME: Small Medium Enterprise

SO: Specific Objective

SOs in the report	Specific objective as it is in the Cooperation Programme (April 2015 version)
SO 1.1	Improve the framework conditions for the delivery of innovation, in relation to smart specialisation
SO 1.2	Increase the delivery of innovation in smart specialisation sectors
SO 1.3	Increase the development of social innovation applications in order to make more efficient and effective local services to address the key societal challenges in the 2 Seas area
SO 2.1	Increase the adoption of low-carbon technologies and applications in sectors that have the potential for a high reduction in greenhouse gas emissions
SO 3.1	Improve the ecosystem-based capacity of 2 Seas stakeholders to climate change and its associated water-related effects
SO 4.1	Increase the adoption of new solutions for a more efficient use of natural resources and materials
SO 4.2	Increase the adoption of new circular economy solutions in the 2 Seas area

SWOT: Strengths, Weaknesses, Opportunities, Threats

TO: Thematic objective

ToR: Terms of Reference

UK: United Kingdom

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INTRODUCTION

This report essentially updates the Final ex-ante Report of October 2014 considering the newer version of the CP approved in April 2015. October version of the report was updating the August version in the part related to the performance framework.

The main changes concern the sectoral focalisation and concentration of some specific objectives in particular in Priority Axis n.1, 2 and 3 and the division into two of the SO of the Priority Axis n.4. Overall, these changes ensure higher sectoral concentration and potential added value to the CP. According to the intervention logic, result and output indicators and performance frameworks and actions are updated coherently.

August version updated the First Interim Report and the Second Interim Report in all the sections of the ex-ante evaluation. It is based on the CP version received after PPG n.19. In addition to the First and Second Interim Reports and internal notes, other intermediate products have been delivered:

- The **Methodological note on the Two Seas Programme Situation and SWOT analysis**, delivered in July 2013 (from now on Methodological Note). This note provided methodological guidance to identify needs and challenges of the 2 Seas Programme area;
- The “**Note on the ETC Programme result indicators**” delivered in February 2014. This note discussed the possible alternatives and provided methodological guidance for designing result indicators;
- An additional note on the “**Intervention logic**” and “**Output indicators**” delivered in February 2014 based on the Cooperation Programme Draft version 2. This note provided methodological indications on the paragraph of the template describing the expected results and on the correspondence between actions and output indicators.

KEY FINDINGS AND RECOMMENDATIONS

Consistency analysis (art. 55 (3) (d) reg. 1303/2013)

Findings	Recommendations
<p>Programme challenges and needs are coherent with Europe 2020, Common Strategic Framework, Council recommendations, National Reform Programmes and take into account the social, economic and territorial heterogeneity of the area.</p> <p>The CP uses the needs and challenges to justify the programme priorities and the non-selection of TO n.2, 3, 7, 8, 9, 10 and 11.</p>	<p>Since the table of the current version of the CP including the SWOT and needs is not reported, the ex-ante evaluators underline the importance that content related to needs and challenges are anyhow detailed in the official version of the Programme (section 1).</p>

Findings	Recommendations
<p>Section 1 foresees a specific paragraph on the “Marine and Maritime dimension of cross-border cooperation”. The 2 Seas programme has decided to tackle maritime issues not in a specific TO but rather as a cross-cutting theme in several specific objectives (innovation, low-carbon economy and resource-efficient economy).</p> <p>Section 4 “Integrated approach to territorial development” also clearly refers to territorial development with an appropriate focus on the Atlantic Ocean area. Some formal adjustments seem to be necessary in the introduction of Section 4. The CP complies with the requirements of thematic concentration and has a quite high focalisation, since it is structured on 7 specific objectives.</p>	<p>Ex-ante evaluators consider maritime dimension as one of the aspects with potentially higher cross-border added value. In particular, in Priority Axis n.1, to enhance the thematic focus, appropriate selection criteria could also be introduced in some of the calls of the programme (for example, for the smart specialisation sectors in SO 1.1 and 1.2).</p>

Internal coherence (art. 55 (3) (b) reg. 1303/2013)

Findings	Recommendations
<p>All the SOs are well connected with their corresponding priority axis and have a strong connection with the others at strategic level and in some cases also at operational coherence.</p>	<p>Complementarity could represent also a risk of overlapping. It shall be monitored and well managed (also in communication activities) by the CP authorities, since it could be misleading for the potential beneficiaries.</p>

External coherence (art. 55 (3) (b) reg. 1303/2013)

Findings	Recommendations
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Findings	Recommendations
There are no major conflicts with other policy instruments . Overall, the CP is coherent with the set of regional, national and EU level policies analysed, Blue Growth Strategy, and partially also with the Maritime Atlantic Strategy.	Ex-ante evaluators suggest strengthening the coordination with other programmes in particular in IP 1b and 4f and with the FCE programme, to exploit opportunities of critical mass and avoid risks of zero-sum competition . Since the importance, a formal agreement (protocol of intents) shall be formulated among the two Programmes. It could be particularly useful to promote further harmonization with France (Channel) England Programme at least in some of the following fields: application process, support to applicants and beneficiaries, implementation tools and principles.
As to reinforce the coordination with other instruments, the CP foresees to redirect beneficiaries towards other appropriate programmes.	It is also very important to drive project partner also ex post toward other EU programmes. For example, a very innovative project in the field of innovation might be also having a follow-up in Horizon. However, ex-ante evaluators point out that the CP be aware of the potential additional administrative workload to redirect/orient project applicants towards a more suitable programme.
Beneficiaries are asked to provide information on the past, current and anticipated EU support and to indicate how coordination with activities of other programmes will be achieved.	Ex-ante evaluators suggest setting adequate measures to reduce the potential risk of additional burden for the beneficiaries as the introduction of lump sum or standard costs.

Coherence of the actions, expected outputs and results (art. 55 (3) (f) (h) reg. 1303/2013)

Findings	Recommendations
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Findings	Recommendations
<p>The CP defines the generic types of actions of cross-border cooperation projects and provides an indicative list of examples of action.</p> <p>The CP has an appropriate and coherent intervention logic; explains the expected contribution of the actions to the specific objectives; identifies the main categories of beneficiaries and describes the territorial and sectoral/territorial focus of the actions if relevant.</p>	<p>Ex-ante evaluators recommend to take into account the risks and difficulties for the implementation of actions as “Prepare investments” and “Investments”.</p> <p>It could be useful to add (or attach) a glossary in order to explain some terms used in the CP (e.g. framework conditions, circular economy, tools, services).</p>
<p>The CP takes into account some external factors, particularly those related the policies, which could contribute positively to the achievement of the objectives.</p>	<p>External factors could be very relevant for the change produced by a cross-border cooperation programme. In order to increase the potential added value of the cooperation, the CP could be further focused on some sectors and territories. This could be done in specific calls.</p> <p>Anyhow, it will be important for the implementation of the CP and the measurement of the intended change to take into account all the external factors in both the AIR and Evaluation Plan.</p>

Adequacy of the measures on the horizontal principles (art. 55 (3) (l) (m) reg. 1303/2013)

Findings	Recommendations
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Findings	Recommendations
<p>The principle of sustainable development is considered one of the main pillars of the implementation of the CP; while for “equal opportunities and non-discrimination” and “equality between men and women”, the CP explicitly does not develop any actions due to the thematic concentration of the strategy.</p> <p>Horizontal principles are taken into account also for organising the monitoring and evaluation system.</p>	<p>The set of evaluation questions at project and programme level, together with the overall monitoring system and CP Evaluation plan could be organized to take into account the horizontal principles as announced in the CP.</p>
<p>The principle of partnership is taken into account. A specific programme preparation group was set and a long process of consultation was organised.</p>	<p>Programme authorities could take advantage of the consultation methodologies and tools experimented and used in the programme preparation phase and re-use them again during the implementation.</p>

Result and output indicators (art. 55 (3) (e) (g) reg. 1303/2013)

Findings	Recommendations
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<p>All the indicators are specific, relevant, measurable and time-bound.</p> <p>The CP uses the common indicator “Number of research institutions participating in cross-border, transnational or interregional research” in SO 1.2 and 1.3.</p> <p>The CP proposes a sort of standardisation of the indicators without losing specificity. In fact, some indicators are repeated with a small difference in the title indicating the link with the specific objective.</p> <p>All the result indicators have been constructed through an ad hoc and sound methodology.</p> <p>For what concerns the frequency of reporting, the survey will be run in 2018, 2020 and 2023 to support the analysis in 2019 and 2023.</p>	<p>Some output indicators risk being interpreted as “Number of projects”. At this regard, it is important that the CP provides a definition detailing the indicator and explaining that this indicator does not refer to the number of project.</p>
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Suitability of the milestones of the performance framework (art. 55 (3) (k) reg. 1303/2013)

Findings	Recommendations
<p>Milestones of the output indicators are expressed as key implementation steps. This choice seems reasonable and prudent since the requirements for the indicators within the performance framework.</p> <p>Milestones of the output indicators are credible and are identified on the basis of the 2007-2013 period implementation progress and on the expectations on the financial milestones.</p> <p>Financial indicators are indicated with a milestone value which corresponds to the N+3 requirement.</p>	<p>It could be useful to provide further explanation on the motivations underpinning the choices of the output indicators and key implementation steps included in the performance framework.</p>

Administrative capacity and adequacy of human resources (art. 55 (3) (i) reg.

Findings	Recommendations
<p>The CP does not specify the Certifying Authority, which will be, anyhow, integrated under the MA.</p> <p>JTS will face new challenges related to project management and communication. In addition the JTS will be asked to increase its activities regarding monitoring and evaluation.</p> <p>At project level, the control system is expected to remain demanding for the beneficiaries.</p> <p>The Territorial facilitators will perform a more difficult job since the new focalization of the Programme.</p>	<p>In general, it seems necessary an empowerment of the skills especially related to financial reporting and control.</p> <p>Additional personnel could be required for JTS, since manpower risks being not sufficient.</p> <p>Better definitions of the roles and responsibilities or fine-tuning of the existing organizational model can make more efficient the existing resources, in particular in relation to territorial facilitators and MA.</p>

Procedures for monitoring the programme and for collecting the data necessary to carry out evaluations (art. 55 (3) (j) reg. 1303/2013)

Findings	Recommendations
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<p>The main challenges of the use of indicators for the programme are: managing information to support the evaluation activities and to provide “early warning” and “justification” in case of possible failures.</p>	<p>The modalities of use of information in order to provide “early warning” and “justification” in case of possible failures should be clarified and tackled at least in the evaluation plan.</p> <p>It could be helpful to design standardised procedure for monitoring result indicators and for the impact evaluation in order to reduce the burden for stakeholders and to capitalise from the activities already carried out for setting the baseline.</p> <p>The CP should specify, according to art.56 reg. 1303/2013, that an evaluation shall assess how support from the ESI Funds has contributed to the objectives for each priority.</p> <p>The evaluation plan should clearly tackle the new challenges of Performance Framework and result-oriented approach.</p>
<p>The CP foresees the involvement of the key stakeholders in construction of the result indicator system and in future activities.</p>	<p>The evaluation could be realized with a higher focus on the project level rather than on implementation procedures. At this regard, it could useful to construct a coherent monitoring system integrating project and programme level.</p>

Reduction of administrative burden for beneficiaries (art. 55 (3) (n) reg. 1303/2013)

Findings	Recommendations
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<p>The foreseen simplifications based on HIT approach and the harmonization with the neighbouring programmes and the further implementation of the e-Cohesion Initiative are likely to contribute a general improvement as expected in the CP.</p> <p>The decision for a gradual system of application, as pointed out in the functional capitalisation activities, could rationalize the time and energy for applicants and programme bodies and ensure that submitted applications will be as much as possible in line with 2 Seas programme result-orientation.</p>	<p>The potential use of one language version (English), with summaries in the other languages, could contribute to further simplifying the eligibility check and the application process.</p>
<p>The greater focalization of the selection process could result in more complicated reporting for beneficiaries, knowing that monitoring and reporting have been considered very demanding in the 2007-2013.</p>	<p>The simplification of reporting and a higher support to beneficiaries should be also considered in terms of new needs of training and expertise for the programme.</p>

Consistency of the financial allocation and contribution to Europe 2020 (art. 55 (3) (a) (c) reg. 1303/2013)

Findings	Recommendations
<p>Priority Axis n.1 is one of the priorities that contributes most to the Europe 2020 and notably to Smart Growth. Priority Axis n.2 has the greatest contribution to the sustainable growth priority with the second highest funding. According to the analysis, Priority Axes n.3 and n.4 receive the smallest funding support and mainly contribute to the sustainable growth priority with a partial contribution also to Smart growth.</p>	<p>It could be useful to provide an additional explication based on needs and challenges about the lower allocation of resources to Priority Axes n.3 and n.4 compared to the others.</p>

Messages from the environmental report (art. 55 (4) reg.1303/2013)

The environmental assessment revealed that the 2 Seas Programme has overall positive effects on environmental issues. During the SEA procedure, different alternative scenarios were considered. Analysis shows that the current strategy proposed for public consultation must be considered as a good alternative, from an environmental point of view, compared to other Programme options discussed during the preparation phase. Furthermore, SEA procedure includes a consultation phase for environmental issues in which stakeholders and the generic public have been involved. Collected suggestions have been taken into account in the final Programme version.

The analysis of the environmental effects has three main steps. Firstly, environmental objectives in the area were matched with the proposed Specific Objectives (SOs) and actions planned by the Cooperation Programme (CP). SOs with potential positive or negative effects on an environmental objective were then identified. Secondly, SEA experts estimated the effect's intensity according to a scale of significance. Thirdly, the information was reorganized to assess the cumulative and cross-border effects of each action planned by the CP.

Many expected environmental effects of the Programme should be intangible and indirect with no relevant negative effects. Positive impacts, equally distributed across the area of cooperation, should be seen over the programming period and beyond.

Priority Axis 1 – *Technical and social innovation*, is devoted to promoting business investment in innovation and research and to developing links and synergies between enterprises, R&D centres and higher education. Beneficiaries are mainly in "high potential growth" sectors, most of them promoting green growth. Even if several kinds of action are implemented within the three Specific Objectives, the main instrument for Axis 1 is networking. This non-material tool cannot openly affect the environment as direct investments do. Nevertheless, some types of action can have localized environmental effects, such as support to applied research or pilot lines.

Mitigation measures for Axis 1: integration of project selection criteria focusing on eco-innovation and resource efficiency; support local government to adopt new management tools (social innovation) of natural and cultural sites combining social objectives (re-employment or reintegration of people with disabilities for example) and sustainable management goals (preservation of biodiversity).

Priority Axis 2 - *Low carbon technologies*, aims at promoting research and innovation in low carbon technologies. Positive effects on climate change and energy issues are taken for granted. Indirect interactions with other environmental issues are also expected. The axis is explicitly devoted to the adoption and application of low-carbon technologies by businesses, public

institutions and households. Significant positive effects are expected for GHG emission reduction, renewable energy and energy efficiency. These are direct effects, certain and widespread.

Mitigation measures for Axis 2: potential off-shore wind plant location should be reviewed to prevent any being built in sensitive ecological areas. A reference to air quality targets, e.g. where mobility is at stake, must be introduced.

Priority Axis 3 is devoted to *climate change adaptation*. The aim is increased preparedness for, and resilience to, climate change and associated phenomena including coastal erosion, flooding, droughts and extreme weather in the cross-border area, through common strategies, integrated management and other policies. Positive effects on risks related to climate change are likely.

Mitigation measures for Axis 3: soil management should be promoted in the context of climate change adaptation; for example: “*Development of integrated tools and technical solutions such as coastal defence lines or concepts (e.g. managed realignment) and flood protection by maintenance and enhancement of marine ecosystems as natural protection and defence lines and by introduction of sustainable tools in land management*”.

Priority Axis 4 aims at achieving green growth through a *resource-efficient economy*. Axis 4 contains actions for optimizing recycling processes and the re-use of waste and secondary raw materials. Direct positive effects on the waste sector are expected. In addition, some actions focus on the reduction of energy consumption and on Green Public Procurement. This can result in positive not significant (indirect) effects on water management and energy consumption. A significant positive effect on marine ecosystems is linked to the action for the sustainable use of marine resources. The significance of this effect will depend on its large area. The promotion of green technologies in maritime-related economic actors e.g. ports, also should reduce pressures on coastal water (indirect positive effect).

Mitigation measures for Axis 4: no particular measures.

1. CONSISTENCY ANALYSIS

1.1 METHODOLOGICAL APPROACH

According to the current regulatory framework and the DG Regio guidance document on the ex-ante evaluation (DG Regio et alii, 2013)¹, consistency analysis focuses on:

- The relation of the challenges and needs identified in the programme with Europe 2020 objectives, Council recommendations and National Reform Programmes;
- How the challenges and needs have been “translated” and “included” in the programme objectives.

At the commencement of the analysis, ex-ante evaluators drafted a “Methodological note on the Two Seas Programme Situation and SWOT analysis”, delivered on July 2013 (from now on Methodological Note). This note provided **methodological guidance to exploit** the results of the background report on the Situation and SWOT analysis of the 2 Seas Programme area. Moreover, the Methodological Note identified additional sources of information, in particular regarding scenarios and trends and provided insights into the reorganisation of the SWOT, the identification of the needs and challenges of the area and the assessment of their political feasibility. The Methodological Note also contributed to the selection of objectives and the justification of the priorities on an evidence basis.

Following DG Regio guidance document on the ex-ante evaluation (DG Regio et alii, 2013) and the terms of reference, the assessment of the consistency analysis has been organised along the following questions:

- i. Are the identified challenges and needs in line with the Europe 2020 objectives and targets, the Council recommendations and the National Reform Programmes?
- ii. Are the key territorial challenges analysed and taken into account in the Programme strategy?
- iii. Is the support from the ERDF sufficiently concentrated?
- iv. Have the horizontal principles, i.e. equality between men and women, non-discrimination and sustainable development, been considered in the identification of needs and challenges?

¹ DG REGIO et alii (2013), The Programming Period 2014-2020, Monitoring and evaluation of European cohesion policy, European Regional Development Fund, European Social Fund, Cohesion Fund, Guidance document on ex-ante evaluation. The Guidance has been drafted by Directorates-General for Regional and Urban Policy and for Employment, Social Affairs and Inclusion.

- v. Are the identified challenges and needs consistently translated into the objectives of the Programme (i.e. the thematic objectives, the investment priorities and corresponding specific objectives)?

1.2 ANALYSIS

i. *“Are the identified challenges and needs in line with the Europe 2020 objectives and targets, the Council recommendations and the National Reform Programmes?”*

The current programme version **shows**:

- a. **A clear link of the programme challenges and needs with Europe 2020.** As a matter of fact, the challenges and needs have been identified from a situation, SWOT and PEST analysis carried out for the Two Seas Programme area. In particular, the SWOT analysis classifies strengths, weaknesses, opportunities and threats following the structure of the EU2020 strategy. This re-organised SWOT allows identifying a set of needs and challenges, which explicitly refer to the EU2020 Strategy and can be easily used to justify the selection of the thematic objectives and IPs;
- b. **The list of challenges and needs is in line with the Council recommendations, National Reform Programmes of all the four countries involved in the Two Seas CP.** None of the priorities of the NRP come to any conflict with the CP objectives. The Programme is coherent with the priorities of the Belgian Reform Programme, especially as regards innovation and research, reduction of carbon emissions, energy efficiency, and climate change. Compared to the French Reform Programme, the CP is particularly coherent with the SOs on research and innovation, low carbon technologies and the promotion of social inclusion, even if it is promoted through social innovation in the case of Two Seas CP. The Programme is coherent with the Dutch National Reform Programme, in particular for what concerns innovation and research, as well as climate change adaptation and low-carbon economy. Societal challenges, such as demographic change, are particularly relevant for the NRP and are addressed by the CP in the SO 1.3. The Programme is coherent with the priorities set in the UK National Reform Programme of the United Kingdom, in particular for innovation, research, adaptation to climate change, reduction of carbon emissions. A more detailed analysis is provided in Annex 1.

ii. *“Are the key territorial challenges analysed and taken into account in the Programme strategy?”*

Needs and challenges are **illustrated** by taking into account the social and economic heterogeneity of the area and its **territorial complexity**. Windows of opportunities and related

challenges are identified according to the internal **disparities and divergences** concerning some aspects of the Europe 2020 Strategy.

In particular Section 1:

- Includes a paragraph “Needs and challenges of the area” which indicates the territorial organisation and dynamics for each priority of Europe 2020;
- Foresees a specific paragraph on the “Marine and Maritime dimension of cross-border cooperation”. As indicated in the CP, the main challenge of the Two Seas programme is “promoting integration in spite of the maritime border”. The maritime cooperation is not only an opportunity for the member states and regions, but also for local authorities and communities. Local maritime cross-border cooperation opportunities represent a distinctive feature of the Two Seas CP.

The 2 Seas programme has decided **to tackle maritime issues not in a specific TO but rather as a cross-cutting theme in several specific objectives** (innovation, low-carbon economy and resource-efficient economy). In particular:

- **The CP indicates the following potential topics of cooperation:** “maritime links, enhancement of ports and urban areas, economic development, tourism and cultural cooperation, protection of the marine environment, integrated coastal zone management, water management”.
- **This “cross-cutting” approach makes the maritime dimension clearly visible in the CP, but it has to be further evaluated at the project level** to see to which extent it shall create a framework for the programme to give specific emphasis. At the moment, maritime dimension seems to be considered more directly in some Priority Axes (PA n.3 and n.4) than in others (PA n.1 and n.2). The ex-ante evaluators suggest considering maritime dimension as one of the aspects with potentially higher cross-border added value. In particular, in
 - Priority Axis n.3, it is clearly stated that the SO 3.1 mainly concerns “*the coastline, estuaries, river catchments and coastal wetlands and environment under pressure by land uses, sea pollution, marine areas intensively used by shipping, offshore drilling and wind parks.*”
 - Priority Axis n.4, there is a clear link with the “blue economy”, resource efficient economy and circular economy. It is the priority axis having a potential maritime dimension to be exploited for the transition towards a resource-efficient economy, circular economy with potential side-effects on better preservation of the main natural resources of the area (water, soil, air, biodiversity).
 - Priority Axis n.1, appropriate selection criteria could also be envisaged in some of

the calls of the programme. For example, it could be possible to refer to some of the smart specialisation sectors of the in SO 1.1 and 1.2. This possibility is confirmed by the analysis of the background report and the analysis carried out in the annex on the common smart specialisation sectors in the Two Seas Programme area (Annex 3).

Section 4 “Integrated approach to territorial development” also clearly refers to territorial development with an appropriate focus on the Atlantic Ocean area. Nonetheless, some adjustments are recommended. In particular the ex-ante **evaluators suggest reformulating and reorganising the initial paragraph** by:

- Further describing the territorial organisation and dynamics. In particular, the CP could refer to the analysis of the Background report on the situation and SWOT analysis and the methodological note of the ex-ante evaluators, where territorial organisation and dynamics have been fully analysed, as already illustrated in Section 1. In particular, concerning territorial organisation, the proximity to big cities, infrastructures and markets have been considered for the research and innovation performance. Territorial differences (e.g. between coastal and inland areas) have been taken into account to assess the environmental impacts and the vulnerability to climate change. Moreover, the uneven impact of economic crisis at local and regional, also highlighted by the Sixth Report on Economic, Social and Territorial Cohesion², has been considered to map the new challenges of territorial polarisation and to design the actions and objectives of the CP;
- Removing or modifying the paragraphs “However [...] climate change” and “As a result the contribution of the territorial approach [...] is not likely to be high”. They introduce an assessment, which seems to be inappropriate at this level of the document.

iii. “Is the support from the ERDF sufficiently concentrated?”

The article 18 of the Reg. 1303/2013 indicates that the programme shall be concentrated in order to generate the highest added value taking into account Europe 2020 Strategy, the relevant territorial challenges in line with the CSF, the national reform programme, where appropriate, and relevant country-specific recommendations. Moreover, the ETC regulation (Reg. 1299/2013), article 6, requires a concentration of the ERDF allocation of at least 80% on up to 4 thematic objectives. The TOs chosen at this stage are only four making the programme already compliant with the concentration rule indicated in the regulation. The consistency of the financial allocation is discussed in the appropriate chapter.

² See http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion6/index_en.cfm

The thematic concentration is also ensured by a relatively strong concentration on some specific challenges and needs. As a matter of fact, the CP concentrates on 7 specific objectives, 3 from Smart Growth Priority (IP 1b) and 3 from Sustainable Growth Priority, one per IP (4f, 5b, and 6g). Cross-border added value is one of the key principles for the project selection decisions. A higher added value of the programme strategy is promoted through an explicit link with existing policies and approaches at various institutional levels. In particular, projects should demonstrate how cross border cooperation adds value to regional, national, inter regional and transnational approaches. Moreover, the sectoral focus is specified as to contribute to a further concentration of the interventions and to a potential higher added value.

iv. Have the horizontal principles, i.e. equality between men and women, non-discrimination and sustainable development, been considered in the identification of needs and challenges?

The programme is basically coherent with Section 5 of the Annex I of the reg. 1303/2013 on “Common strategic framework”. In particular for what concerns the horizontal principles (i.e. equality between men and women, non-discrimination and sustainable development), they have been considered in the identification of needs and challenges without being fully explained. Similar to what has been proposed for the inclusion of the territorial dimension, the programme strategy could provide a clearer reference to the horizontal principles. In this regard, it could be useful to extract, from the background report and the Methodological Note, the items of the SWOT associated with the horizontal principles and corresponding to the chosen challenges and needs. Moreover, the CP has been constructed with a long process of consultation respecting the principles of partnership and multi-level governance as analysed in the chapter of the report dedicated to the Horizontal principles”

v. “Are the identified challenges and needs consistently translated into the objectives of the OP (i.e. the thematic objectives, the investment priorities and corresponding specific objectives)?”

CP makes explicit reference to the methodology used in the Methodological note to identify the needs. Needs have been identified as the combination of the four outputs of the SWOT analysis:

- the combination of strengths and opportunities leads to the identification of comparative advantages;
- weaknesses and threats together define structural deficits;
- strengths and threats represent obstacles for the future development of the programme area;
- combination of future opportunities and present weaknesses results in identification of

potentials for the current challenges of the programme area.

The SWOT, presented in the current version of the Programme, integrates the main identified needs and the justification of the selected TOs as suggested in the First Interim Report of the Ex-ante evaluation. From the table below it is clear that the needs and challenges have been used to justify the selection of TOs, IPs and SOs. As a consequence the Programme **shows a consistent formulation of programme objectives with the challenges and needs.**

Thematic objectives are clearly associated to a list of needs and challenges. In particular, needs are directly and explicitly derived from the SWOT, consequently they can provide the justification for the programme strategy. The CP presents the following structure:

- Strengthening research, technological development and innovation (TO1);
- Supporting the shift towards a low-carbon economy in all sectors (TO4);
- Promoting climate change adaptation, risk prevention and management (TO5);
- Protecting the environment and promoting resource efficiency (TO6).

Moreover,

- The CP in table 1 in Section 1.1.2. “Justification for the choice of thematic objectives and corresponding investment priorities” **uses the needs and challenges to support the selection of the strategy pillars of the programme;**
- **Needs and challenges have been also used in Section 2** to structure the intervention logic of each specific objective;
- **The CP provides full explanation for the non-selection of TO n.2, 3, 7, 8, 9, 10 and 11.**

Table 1 Needs, TOs, IPs, SOs

Needs deriving from the SWOT components	Thematic Objective	Investment Priority	Specific Objective
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Needs deriving from the SWOT components	Thematic Objective	Investment Priority	Specific Objective
<ul style="list-style-type: none"> • <i>Need to create critical mass in key R&D themes</i> • <i>Need to secure availability of high-skilled human resources to strengthen development</i> • <i>Need to tap into the innovative potential of clusters across the borders for smart specialisation and innovation</i> • <i>Need to facilitate involvement of SMEs in international networks for research</i> • <i>Need to support social innovation as a driver for welfare especially regarding ageing</i> • <i>Need for development of new and innovative social services for local communities and vulnerable groups</i> 	Thematic objective 1 : Strengthening research, technological development and innovation	1.b) Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education, in particular product and service development, technology transfer, social innovation, eco-innovation, cultural and creative industries, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in Key Enabling Technologies and diffusion of general purpose technologies	SO 1.1 SO 1.2 SO 1.3
<ul style="list-style-type: none"> • <i>Need to reinforce public acceptance of renewable energy to support the desired smart specialisation in this area</i> • <i>Need to increase the use of new renewable technologies for a less carbon dependent economy</i> • <i>Need to support eco-innovation by SMEs as a driver for competitiveness</i> 	Thematic objective 4 : Supporting the shift towards a low-carbon economy in all sectors	4.f) Promoting research in, innovation in and adoption of low-carbon technologies	SO 2.1

Needs deriving from the SWOT components	Thematic Objective	Investment Priority	Specific Objective
<ul style="list-style-type: none"> • <i>Need to maintain and strengthen the adaptive capacity to climate change in a context characterised by risk of a likely increase in vulnerability to climate change</i> • <i>Need to develop and apply new technologies and solutions for the environmental and economic resilience of the area</i> 	Thematic objective 5 : Promoting climate change adaptation, risk prevention and management	5a) Supporting [...] investment for adaptation to climate change, including eco-system based approaches	SO 3.1
<ul style="list-style-type: none"> • <i>Need to address the potential risks to cross-border heritage brought on by climate change.</i> • <i>Need to develop the build on the EU Blue Growth strategy to enhance cooperation between ports</i> • <i>Need for protection of natural resources (biodiversity, landscape, nature)</i> 	Thematic objective 6 : Preserving and protecting the environment and promoting resource efficiency	6.g) Supporting industrial transition towards a resource-efficient economy, [...] promoting green growth, eco-innovation and environmental performance management in the public and private sectors.	SO 4.1 SO 4.2

Since in the table of the current version of the CP including the SWOT and needs is expected to be dropped, the ex-ante evaluators underline the importance that needs and challenges will be anyhow detailed in the official version of the Programme.

1.3 FINDINGS AND RECOMMENDATIONS

Findings

The CP **shows**:

- **A clear link of the programme challenges and needs with** Europe 2020, Common Strategic Framework, Council recommendations, National Reform Programmes of all the four countries involved in the Two Seas area;
- **Needs and challenges are illustrated** by taking into account the social and economic heterogeneity of the area and its **territorial complexity**;

- Section 1 of the CP foresees a specific paragraph on the “Marine and Maritime dimension of cross-border cooperation”. The 2 Seas programme has decided **to tackle maritime issues not in a specific TO but rather as a cross-cutting theme in several specific objectives**;
- **Section 4 “Integrated approach to territorial development” also clearly refers to territorial development** with an appropriate focus on the Atlantic Ocean area;
- **The CP complies with** requirements of thematic concentration and has a quite high focalisation, since it is structured on 7 specific objectives, 3 from Smart Growth Priority (IP 1b) and 3 from Sustainable Growth Priority, one per IP (4f, 5b, and 6g), Technical Assistance excluded;
- The thematic concentration is also ensured by an emphasis on the cross-border added value, which is one of the key principles for the project selection decisions. As to ensure a higher added value, the CP promotes an explicit link with existing policies and approaches at various institutional levels and a sectoral focalisation of the strategy;
- The CP in table 1 in Section 1.1.2 “Justification for the choice of thematic objectives and corresponding investment priorities” **uses the needs and challenges to support the selection of the strategy pillars of the programme**;
- **The CP provides full explanation for the selection of the IP based on challenges and needs and for the non-selection of TO n.2, 3, 7, 8, 9, 10 and 11**;
- Horizontal principles have been considered in the identification of needs and challenges without being fully explained;
- Thematic objectives are clearly associated to a list of needs and challenges. In particular, needs are directly and explicitly derived from the SWOT, consequently they can provide the justification for the programme strategy.

Recommendations

- For what concerns Section 4 **“Integrated approach to territorial development”**, some adjustments are recommended. In particular the ex-ante **evaluators suggest reformulating and reorganising the initial paragraph** by further describing the territorial organisation and dynamics and removing or modifying the paragraphs “However [...] climate change” and “As a result the contribution of the territorial approach [...] is not likely to be high”;
- Since the table of the current version of the CP including the SWOT and needs is expected to be dropped, **the ex-ante evaluators underline the importance that needs and challenges will be anyhow detailed in the official version of the Programme**;
- The ex-ante evaluators suggest considering maritime dimension as one of the aspects with

potentially higher cross-border added value. In particular, in Priority Axis n.1, **appropriate selection criteria could also be envisaged in some of the calls of the programme.** For example, it could be possible to refer to some of the smart specialisation sectors of the in SO 1.1 and 1.2.

2. INTERNAL COHERENCE

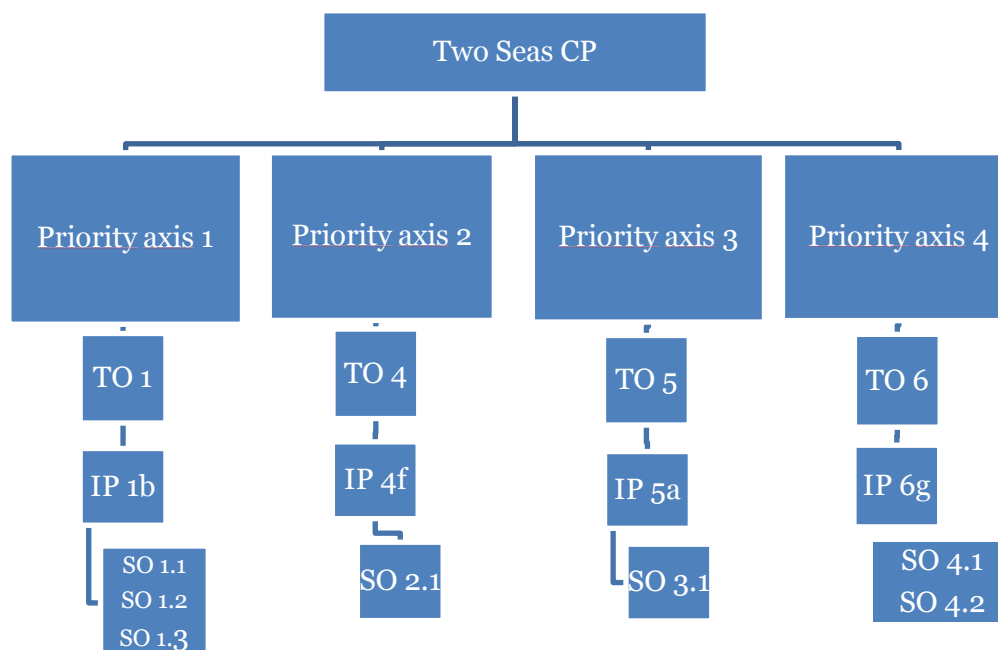
2.1 METHODOLOGICAL APPROACH

The assessment of the Programme's internal coherence reviews the potential synergies and complementarities between the specific objectives. For assessing the internal coherence, the ex-ante guidance document of the European Commission on the ex-ante evaluation suggests answering the following questions:

- *Have the complementarities and the potential synergies been identified among the specific objectives of each priority axis?*
- *Have the complementarities and the potential synergies been identified among the specific objectives of the different priority axis?*

The following picture proposes the structure of the CP, excluding Priority Axis n.5 on Technical Assistance.)

Figure 1 Overview of the Programme's strategy



The internal coherence:

- **focuses on** the vertical and horizontal relationship between:
 - ✓ the specific objectives of the different priority axes (horizontal coherence),

- ✓ the specific objectives of each priority axis (vertical coherence);
- **aims to:**
 - ✓ highlight any complementarities and potential synergies,
 - ✓ assess the relationship at strategic/operational level of the actions/specific objectives of the programme;
- **uses** the logical framework reported in chapter 3 and the coherence assessment matrix (horizontal coherence).

For the horizontal coherence, different degrees of intensity are identified:

- **Contrast / conflict**, when the specific objectives could have a potential clash with stakeholder interests and/or conflict between goals;
- **Neutrality**, if the specific objectives have no field of interaction, neither for target group nor for objective;
- **Strategic relation (synergy)**, if the specific objectives potentially have the same strategic goal and relation;
- **Strategic and operational relation (complementarity and integration)**, when the specific objectives share the same strategic goal and operational targets.

2.2 ANALYSIS

Vertical coherence

The specific objectives titles seem to be well formulated according to the DG Regio's Q&A guidance on ETC programmes. They do not generally introduce more than one objective in the specific objective. The vertical coherence of each SO of the Programme Strategy has been analysed focusing on:

- a) its relation with the priority axis;
- b) the clear identification of the goals;
- c) the specificity of the actions;
- d) the direct identification of the target.

The table below summarises the result of the analysis.

Table 2 Vertical coherence

	Specific Objective						
<i>Is there a:</i>	1.1	1.2	1.3	2.1	3.1	4.1	4.2
• connection with the priority axis?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
• clear identification of the goal?	Yes	Yes	Yes	Yes	Yes	Yes	Yes

• specificity of the action?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
• clear target group definition?	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Legend: “Yes” corresponds to a SO which is compliant with the criterion; “?” indicates a SO which needs an improvement

a) Relation with the priority axis. All the SOs appear to be well connected with the priority axis.

b) Identification of the goal. The goals and the change of each specific objectives are identified and clear.

c) Specificity of actions. The specificity of the actions is well defined.

d) Target groups and sectors. The CP identifies target groups for all the SOs and sectors where relevant.

Table 3 Sectoral focus of specific objectives

SO	Economic sectors
1.1	Projects will have to demonstrate their contribution to the reinforcement of the development and/or delivery of smart specialisation strategies.
1.2	Key sectors of shared interest identified in smart specialisation strategies. Smart specialisation sectors include: transport and ports; environmental & marine technologies, agro-food, life sciences & health; communication, digital and creative industries, manufacturing. This list of sectors has not to be considered exhaustive.
1.3	The target sectors are those related to some of the key societal challenges as: <ul style="list-style-type: none"> • Health, demographic change and well-being; • Europe in a changing world – inclusive, innovative and reflective societies; • Secure societies – protecting freedom and security of Europe and its citizens.
2.1	This Specific Objective will be targeting sectors shared across the Programme area that have the potential for a high reduction in greenhouse gas emissions, in particular renewable energies, transport, agriculture, manufacturing industries, building.
3.1	The main expected effects of climate change concern sea level rise, flooding (in both coastal and hinterland areas), accelerated coastal erosion, acidification of the marine waters, increasing water temperatures, increased occurrence of heavy rainfall and severe droughts. This specific objective targets coastal zones and other parts of the cross-border area vulnerable to flooding and other effects of climate change. It concerns mainly the coastline, estuaries, river catchments and coastal wetlands and environment under pressure by land uses, sea pollution, marine areas intensively used by shipping, offshore drilling and wind parks.
4.1	The SO aims at decreasing the use of the following natural resources and materials: land and soil, minerals and metals, water, marine resources.
4.2	The SO shall boost recycling and prevent the loss of valuable material, showing how new models, eco-design and industrial symbiosis can move the 2 Seas area towards zero-waste (circular economy).

Horizontal coherence

The assessment was performed considering various degrees of horizontal coherence:

- **Contrast / conflict**, when the SOs of the OP could have a potential clash with other SOs;
- **Neutrality**, if the SOs have no field of interaction, neither for target group nor for objective, with other SOs;
- **Strategic relation (synergy)**, if the SOs potentially have the same strategic goal as another SO;
- **Strategic and operational relation (complementarity and integration)**, when the SOs share the same strategic goal and operational targets as other SOs.

The figure below synthetically shows the result.

Figure 2 Internal coherence assessment

	SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
SO 1.1		S/O	S/O	S/O	S	S	S
SO 1.2			S/O	S	S	S	S
SO 1.3				S	S	S	S
SO 2.1					S	S	S
SO 3.1						S	S
SO 4.1							S
SO 4.2							

Legend: “C” – Conflict/contrast; “N” – Neutral; “S” – Strategic; “O” - Operational

The main results from the analysis are:

- The SOs **do not have major conflicts**, having a strong connection with the others both at strategic level and at operational level;
- All the SOs have a **strategic relation** which is embodied in the CP strategy. The CP promotes a **innovation and eco-innovation strand**, which regards all the SOs and has a **strong focus on societal challenges**, which concern all the SOs;
- At an **operational level**, it is possible to identify a **high level complementarity among the SOs in terms of target groups and beneficiaries**;
- The CP identifies the following set of type of actions:
 - “Formulation” which leads to the preparation of a policy document;
 - “Establishment” or the concrete set up of a network, facility, service;
 - “Development”, which refers to the systematic use of the knowledge or understanding gained from basic research directed toward the eventual production of useful materials, devices, processes, systems, or methods, including the design

and development of prototypes and processes;

- “Adoption” or “transfer” of existing technological/ organisation/solutions in a specific field of application;
- “Prepare investment” which corresponds to operation supposed to pave the way to new infrastructure or services, but not directly co-fund them (e.g. feasibility study, preparation of a technical study, Socio Economic Demand analysis, etc...);
- “Investment” referring to projects including material investments as part of their activities, provided that these investments demonstrate cross-border relevance and contribute to the objectives of the 2 Seas programme.

The following table details the type of actions foreseen in each specific objective.

Table 4 Type of action per SO

Type of action	SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
Formulation	X				X	X	X
Establishment	X				X	X	X
Development	X	X	X	X			
Adoption			X	X		X	X
Prepare investment		X	X	X	X		
Investment		X	X	X	X	X	X

All the actions are in general appropriately formulated. In SO 1.1, 2.1 and 3.1, the governance dimension of the actions is expressed through actions such as “formulation” and “establishment”. The type of action “Investment” is used in all SOs except SO 1.1.

2.3 FINDINGS AND RECOMMENDATIONS

Findings

The analysis of the internal coherence carried out in the two steps of vertical and horizontal analyses with the specific focus on the typologies of actions identifies the following key elements:

- **All the SOs**
 - **are well connected with their corresponding priority axis,**
 - have **a strong connection** with the others both **at strategic level** (around the themes of innovation/eco-innovation and societal challenges) and
 - have a high **operational coherence** which is evidenced by the fact that the target groups are the same and horizontally identified in all the OP.

Recommendations

- This **complementarity** could represent also **a risk of overlapping** which should be monitored by the CP authorities, since it could be misleading for the potential beneficiaries.

3. EXTERNAL COHERENCE

3.1 METHODOLOGICAL APPROACH

The chapter:

- examines the **complementarity, the specific role of the programme and the contribution** to other relevant instruments at regional, national and EU level (e.g. strategies and policies (European, national and regional including Smart Specialisation Strategies, National Roma Inclusion Strategy, Horizon 2020 and macro-regional and sea basin strategies and other policies and programmes, including other CSF programmes);
- **verifies whether the CP takes into account the influence of other policies and programmes**, in particular by focusing on each SO and on the Section 6 “Coordination”;
- **uses the policy matrix methodology** for identifying the link between objectives, activities and inputs. The level of coherence has been analysed against three levels (European, national and regional) screening the typologies of documents listed in the table below.

The following table reports the types of documents used for the external coherence. A broader list is provided in Annex 3.

Table 5 Documents for external coherence

	Regional	National	European
<i>Documents linked to ex-ante conditionality</i>	X	X	
<i>Documents linked to thematic objectives</i>	X	X	
<i>National Partnership Agreements</i>		X	
<i>Position Paper</i>			X
<i>Regional/National Operational Programmes</i>	X	X	
<i>Strategy for biodiversity conservation</i>	X	X	
<i>Climate change action plan (for mitigation and adaptation)</i>	X	X	
<i>Strategy for sustainable development</i>	X	X	

The exam of complementarity has been carried out by screening all the relevant documents through various degrees of coherence:

- **Contrast / conflict**, when the specific objectives of the OP could have a potential clash with other programmes;
- **Neutrality**, if the SOs have no field of interaction, neither for target group nor for objective, with the other programmes;
- **Strategic relation (synergy)**, if the SOs potentially have the same strategic goal as other

programmes/policy;

- **Strategic and operational relation (complementarity and integration)**, when the SOs share the same strategic goal and operational targets as other programmes/policy.

The documental analysis has focused on the following documents and strategies:

- Smart Specialisation Strategies;
- Horizon 2020 “The framework Programme for Research and Innovation”;
- Blue Growth Communication “Blue Growth opportunities for marine and maritime sustainable growth”;
- Communication on the Maritime Strategy for the Atlantic Ocean area ;
- Action Plan for a Maritime Strategy in the Atlantic Area;
- National Roma Strategy;
- Main national and regional strategies which are available in Annex 3.

3.2 ANALYSIS

The paragraph illustrates the main findings of the analysis, while the complete analysis is reported in Annex 3. An overview is presented in the following table.

Table 6 External coherence with the main analysed documents

Analysed documents	Neutral	Strategic	Operational
Smart Specialisation Strategies		X	X
Horizon 2020		X	X
Blue Growth Communication		X	X
Maritime Strategy for the Atlantic Ocean area		X	X
Partnership agreement and position papers		X	X
Action Plan for a Maritime Strategy in the Atlantic Area		X	X
Main national and regional strategies		X	X
National Roma Strategies	X	X	

The table shows a full coherence of the CP with the European, national and regional strategies taken into consideration. In the following pages a more detailed description is provided.

Partnership agreements

The analysis is carried out on the basis of the draft version of the Partnership agreements as available to the Evaluation team. In particular, it is important to underline that the CP makes explicit reference to some specific chapters and objectives of the Partnership agreements document so as to contribute to their implementation through territorial cooperation.

The Partnership agreement of each of the four Member States points out some key challenges to be

addressed through European territorial cooperation. For

- The Netherlands, the challenges are: boosting an innovative business climate; transition to a low carbon economy and an environmentally friendly and resource efficient economy; climate change adaptation;
- France, CBC is considered as an experimental way in terms of territorial governance to strengthen the integration between several Member States;
- Belgium/Flanders, the priorities are stimulation of technological development and innovation, the reinforcement of SMEs competitiveness and the promotion of the transition to a low-carbon economy, sustainable transport (and logistics), protection of the environment and adaptation to climate change.
- The UK, ETC programmes should provide ‘value-for-money’ and deliver tangible and useful results. The main issues are: the availability and security of energy, the exploitation of related new economic opportunities, eco-innovation, natural assets, and use of natural resources more efficiently and effectively.

Position Papers

None of the selected priorities in the CP come into conflict with the themes of the Position Paper. The Belgian Position Paper treats specifically the maritime dimension mentioning that Coastal Zone Management and Maritime Spatial Planning should be encouraged, while maritime transport should be improved. CP covers themes which are in line with Position Paper, especially as regards research and innovation investments, business innovation, technological innovation applications (S.O 1.2) and social innovation, adoption of low-carbon technologies, as well as adaptation on climate change.

The Programme has well integrated the themes addressed in the Position Paper of France such as technological and social innovation; the focus on low carbon technologies and on the resource efficient economy reflect the environmental related priorities of the Position Paper. Less CO₂ emissions in all sectors, the promotion of the climate change adaptation and risk prevention, as well as the environmental protection and the promotion of the rational use of natural resources are among the thematic objectives addressed in the Position Paper. The Position Paper supports the exploitation of the offered high potentials especially through the Atlantic Maritime Strategy. This is partially taken into account in the CP due the geographical extension of the CP.

The Programme’s priorities and specific objectives are very much in line with the themes of the Position Paper of the Netherlands. In particular CP focuses on the following topics mentioned in the Position paper: the improvement of framework conditions for delivering all forms of innovation, the delivery of innovation applications and the use of innovation in response to societal challenges, development of low carbon technologies, the adaptation to the climate change, and

environment-friendly and resource-efficient economy. The Position Paper also addresses the maritime dimension as regards growth and entrepreneurship encouragement, as well as the development of new products and processes and the integrated maritime policy.

Promoting R&D investment and competitiveness of the business sector is one of the themes of the Position Paper of United Kingdom. This priority is also reflected in the Programme's Priority Axis on innovation, CO₂ emissions reductions. Adaptation to climate change is not addressed in the PP, and therefore its relation to the Programme's priorities is more related to the maritime policy, since rising sea levels are likely to have an impact on the UK coast. In this regard, the Position Paper mentions the importance of cooperation with neighbouring countries and the role of the Maritime Strategy for the Atlantic Ocean area.

Smart Specialisation Strategies

The analysis of the smart specialisation strategies in the area highlights a relevant window of opportunity coming from enhanced cooperation in the area which could allow connecting fundamental research of regional knowledge institutions to the business innovation agenda and supporting regional open innovation systems and network approaches between businesses, large companies and SMEs and Universities/Knowledge centres (Hampshire, Devon, West-Flanders, Noord-Brabant). This is especially important in the most recurring smart specialisation sectors in the Two Seas Programme areas, which can represent the main fields of cooperation, also by considering the high growth potential sectors. The most recurring smart specialisations are logistics, transport (i.e. shipping) and ports, environmental and marine technology in the area of the "blue economy", agro-food, renewable energy production and energy efficiency, communication, digital and creative industries.

The CP takes into account Smart Specialisation Strategies for:

- the situation and SWOT analysis;
- the justification of the selection of programme objectives;
- selection of operations in SO 1.1 and 1.2, since priority will be put on the triangulation of key strategies (Smart specialisation strategies, plans for EU Structural Investment Funds – SIFs- and local strategies) of shared cross-border interest within the selected partnerships.

Blue Growth Strategy

The Communication from the European Commission of the Blue Growth Strategy has been analysed for its coherence with the 2Seas Programme. The Programme is largely coherent with the priorities of the Blue Growth Strategy and has potential to further develop this relation, building upon projects that contribute to the Strategy and the region. The Programme has good potential to implement the Blue Growth Strategy and the targets specified in the Europe 2020 objectives. More specifically it contributes:

- To the focus area of blue energy in a strategic and / or operational relation. Low-carbon technologies and climate change adaptation refer to two specific objectives of the Programme and can therefore have a complementary relation.
- To the focus area of maritime, coastal and cruise tourism in a rather strategic operational relation.
- To the focus areas of marine mineral resources and blue biotechnology in a rather operational relation, taking into account that the Programme envisages a strengthening of the natural resources and materials use.

Moreover, Priority Axis n.4 represents an explicit opportunity to develop EU Blue Growth Strategy under IP 6.g and with potential coherences with the Strategy for the Atlantic Area.

National Roma Strategies

The Programme appears rather “Neutral” to the national Roma Strategies of Belgium, Netherlands, France and United Kingdom. This means that in average the specific objectives have no field of interaction, neither for target group nor for objective, with other programmes. However, the only one specific objective potentially contributing to the strategy is SO 1.3, which is mainly focused on the use of innovation for social challenges and therefore can have a strategic relation with the Roma Strategies in the programme area.

Main national and regional documents

The first paragraph of the Section 6 “Coordination” of the CP focuses on the relation with other ESI funds in particular under the “Investment for Growth and Jobs” goal. In this regard:

- The Monitoring committee will take into account measures and priorities that are endorsed in regional operational programmes;
- The CP represents a policy catalyser tool since it selects IP chosen by numerous regions within the eligible area under their “Investment for growth and jobs” goal programme.

In order to understand the potential relation with national and regional programmes, the ex-ante evaluators have conducted an analysis of the main available documents and strategies also in the draft version. The list of documents is reported in Annex 3. The current version of the Programme and the corresponding SOs are elaborated in coherence with the main national and regional policies of the area, e.g. giving the programme an identity and a role in the framework of the different interventions. Anyhow, it has to be specified that due to a limited availability of documents, at the moment, the analysis has been carried out without taking into account other cooperation and regional programmes in the area, i.e. FCE programme.

Priority Axis n.1 “Technological and social innovation”. The SO 1.1 “Improve the organisational

framework for innovation in 2 Seas regions” could play a very relevant role in innovation facilitation and research and technological development. The cross-border added value consists of policy coordination and results from the fact that building a common institutional framework in the Two Seas area can increase:

- the attraction of innovative companies and knowledge partners in the area,
- the opportunities of developing and enlarging knowledge and productive clusters.

The SO 1.2 “Enhance the delivery of innovation by key actors in the high growth-potential sectors of the area” has a cross-border added value in:

- stimulating cooperation in some economic sectors, mainly based on common technological and natural endowments;
- ensuring a critical mass for research and innovation, reducing the risks of zero-sum competition.

In particular, the examples, emerging from the documental analysis, where this cooperation has a higher potential are: ports and logistics, marine technologies and energy, blue technology, environmental technologies, but also aquaculture, aerospace, automotive.

The SO 1.3 “Develop social innovation applications in response to 2 Seas key societal challenges” represents an opportunity for the OP which has a specific added value in:

- Reinforcing the high policy attention to inclusion with social innovation. As a matter of fact if in France the focus on inclusion is associated with Social and Solidarity Economy, in other countries it is more linked to social enterprises (e.g. UK and Flanders). Social innovation represents the best way to find a common and complementary tool for all the 2 Seas programme areas.
- Contributing to the implementation of the European Platform against poverty and social exclusion, social innovation being an opportunity to find smart solutions for more effective and efficient social support and new partnerships between the public and the private sector.
- Promoting the related smart specialisation sectors as Life Sciences and Health.

Priority Axis n.2 “Low carbon technologies” corresponds to a unique SO 2.1 “Increase the adoption of low-carbon technologies and applications by businesses, public institutions and households”. Its cross-border added value is motivated by the fact that the programme:

- Is an opportunity to stimulate cooperation of businesses, knowledge institutes and public sector on the development and uptake of new or state-of-the art solutions in terms of concepts, approaches and processes;
- Gives particular attention to cooperation that builds on the specific potential for renewable energy generation related to the coastal/maritime location of the 2 Seas area, with a particular focus on the transport and logistics sectors;

- Is complementary to the regional and national investments (see also position paper and specific country recommendations for all 4 countries of 2 Seas) for the production and development of renewable energy resources. The programme, through the promotion of the application and use of low-carbon technologies, envisages having a multiplier effect on the national and regional policies for reducing carbon emissions;
- Provides support to sustainability as an economic sector in some areas of the Two Seas (Picardie, Antwerp, Rotterdam, Devon and Cornwall, Zeeland, Noord Holland, Kent).

Priority Axis n.3 “Adaptation to climate change” identifies only one SO 3.1 “Improve the capacity of relevant actors to better coordinate their climate change adaptation actions related to coastal zones and areas prone to flooding for a stronger resilience”. In this field, the cooperation added value of the programme consists of:

- integrating spatial planning and in setting specific actions in resource management (coasts, water);
- supporting sectors in transition and that are affected by climate change (e.g. agriculture and fisheries);
- promoting innovations in climate-proof spatial planning and coastal protection and Maritime spatial planning.

Priority Axis n.4 “Resource-efficient economy” aims to reinforce the capacity for the development of a more resource-efficient economy and circular economy in the 2 Seas area the adoption of new solutions. The cooperation added value derives from the role of policy coordination of the programme for:

- the promotion of the Blue Economy. Although Blue Economy is not an explicit goal for the national and regional policies, it is a relevant topic because many sectors of specialisation regard the Blue Economy and the sea is one of the main common natural resources of the 2 Seas area;
- the protection and efficient use of natural resources and materials. Biodiversity, energy efficiency, green development, as the preservation of the marine environment represent key economic sectors and at the same time they are related to common resources in the area which require a shared management.

Action Plan for a Maritime Strategy in the Atlantic Area

The Programme is in line with the Action Plan for a maritime strategy in the Atlantic Area. It mainly contributes:

- To Priority 1, i.e. promote entrepreneurship and innovation, in a strategic and operational relation through the SO 1.1 and 1.2, which focus on delivering innovation technologies, cooperation between research and business as well as building upon innovation on common interests.
- To Priority 2, i.e. protect, secure and develop the potential of the Atlantic marine and coastal environment through a rather strategic relation. Environmental protection and low-carbon technologies are an important area for cooperation in the 2Seas area and therefore can have a complementary relation to the Action Plan, when focusing on marine and coastal environment.
- Accessibility and connectivity are not addressed by the Programme and therefore have a neutral relation with the AP. There can, however, be a relation as regards environmental friendlier transport.
- A sustainable and regional development is also envisaged in the AP. The relation to the Programme is rather neutral but has potential to be strengthened, considering that the Programme aims to cope with societal challenges through the use of innovation.

Maritime Strategy for the Atlantic Ocean Area

The analysis of the Maritime Strategy for the Atlantic Ocean Area has been carried by using the official European Commission Communication. The Programme can contribute to:

- Implementing the ecosystem approach (management of human activities that must deliver healthy and productive ecosystem) through an operational and / or strategic relation;
- Reducing Europe's carbon footprint, through a rather strategic relation, sharing the same goal but having complementary actions;
- Sustainably exploit the Atlantic seafloor's natural resources, through a strategic and / operational relation;
- Socially inclusive growth, through a rather strategic relation with SO 1.1 and 1.2, as well as an operational relation with SO 1.3, considering that it focuses on societal challenges and social inclusion.

Horizon 2020, COSME and LIFE Programme

Innovation is a key priority for the European Union and the 2Seas programme. The CP has got a very developed innovation and research dimension, and it contributes to the priority:

- “Excellent Science” of Horizon 2020 through a strategic and/or operational relation in the specific objectives of Horizon 2020: “future and emerging technologies” and “Marie Curie

actions”; Excellence science is also addressed in the Programme, especially through the SO 1.1 and 1.2. Delivering innovation technologies and increasing innovation according to the regional needs, but also the cooperation of actors from the research and business sector, through the quadruple model are among the Programme’s objectives. A strategic relation is therefore to be established.

- “Industrial leadership” of Horizon 2020 with a strategic and/or operational relation in the specific objectives of Horizon 2020: “Leadership in enabling and industrial technologies” and “Innovation in SMEs”; Industrial leadership can have a strategic relation with the SOs of the Programme. This is due to the fact that business is related to growth and this is reflected in all objectives.
- “Societal challenges” of Horizon 2020, with a strategic and/or operational relation in all the specific objectives of Horizon 2020. The Programme can also contribute to the societal challenges priority of the Horizon 2020 Programme, through its SO 1.3, with which a strategic relation is to be seen.

Moreover, the possibility to exploit research networks in the context of Horizon 2020 programme represents one of the rationales for not selecting TO n.3;

The CP will also promote an appropriate coordination with:

- LIFE Environment strand for the resources efficiency, with a strong potential for SO 4.1;
- LIFE Climate Action strand in the field of adaptation to climate change, with a strong potential for SO 3.1;
- COSME 2014-2020 programme so as to encourage an entrepreneurial culture and promote the creation and growth of SMEs. Through innovation and research development, the Programme can contribute to the COSME’s objective on promoting competitiveness, creation and growth in SMEs. Moreover, COSME identifies the low capacity of SMEs to adapt to low-carbon, climate resilient and energy- and resource-efficient economy. To this the SO 2.1, 3.1 and 4.1, which address all the above and therefore have a complementary relation, can contribute.

Coordination will be promoted also thanks to:

- The exchange of information;
- The potential redirection of project applicants towards a more suitable programme, where appropriate;
- Sign-posting pre-information regarding future H2020 and other calls;
- Spreading information about calls: feedbacks from information events and assistance in participation to info days on calls;
- Promotion of local academia-industry cooperation and their cross-border networking;
- The application of the system of conditional commitment of funding in case of intention to

apply Art. 65(11) for combining ESIF with Horizon 2020 grants.

In addition project applicants to the 2 seas programme will be asked to include information on the past, current and anticipated EU support and to indicate how coordination with activities of other programmes will be achieved, especially to avoid overlaps between 2 Seas projects and similar projects in the other mainstream programmes as well as under other EU programmes.

Other Cooperation programmes in the area

The Two Seas Programme covers regions from four different EU Member States (Belgium, France, the Netherlands and the United Kingdom). Other Interreg Programmes show thematic similarity and are partially overlapping with CP Two Seas such as the North West Europe Programme, North Sea Region Programme, the Atlantic Programme, the France-Channel England Programme, the France-Wallonia-Flanders programme, the Flanders-Netherlands. Since these other CPs are not officially approved, the analysis has to be considered indicative.

The main potential complementarities emerge for:

- innovation (IP 1b) with FCE, France-Wallonia-Flanders programme, CBC programme Flanders Netherlands;
- low-carbon technology development (4f) with the Flanders Netherlands and FCE programmes;
- the promotion of resource efficiency and green technologies.

3.3 FINDINGS AND RECOMMENDATIONS

Findings

The analysis highlights that the CP:

- **Does not identify any major conflict**; on the contrary it seems that most of the SOs have a potential strategic or operational relation with the regional, national and EU policy level;
- **Opens a window of opportunity** coming from enhanced cooperation in the area which could allow connecting **research and innovation** actors according to the quadruple helix paradigm;
- Is coherent with all SOs, at a strategic or operational level, with the focus areas of the **Blue Growth Strategy** “Maritime, coastal and cruise tourism” and “Blue technology”;
- **Represents an opportunity to further exploit and develop smart specialisation strategies** in the 2Seas area.
- Contributes to the Maritime Strategy in the Atlantic area, in particular by promoting networking and knowledge transfer, diversification of economic activities and

environmental protection even if the Eastern part of the 2Seas Programme area is quite far from the Atlantic Ocean.

Priority Axis n.1. At EU level, the SOs can have a “bridging” role with the Flagship Initiatives and with the Smart Specialisation Strategies. It can integrate the effort of Innovation Union in supporting research and innovation in particular in the Priority Axis. Furthermore, Horizon 2020 aims to bring together research and businesses. At this regard, 2Seas projects can represent a propaedeutic means and step towards more ambitious Horizon 2020 projects, as a way to define partnership and to test ideas. At Regional level, SOs might represent the opportunity to “internationalise” regional experiences, finding benchmarking, operational guidance, critical mass. Taking again as an example Priority Axis n.1, regional authorities pursue policies to support innovation (LEP’s in the UK, regional development agencies in the Netherlands and Provinces in Flanders) in many different fields related to smart specialization, eco-innovation, low carbon technologies. SOs might represent a tool to foster SMEs networks and clusters on specific themes, test innovative policy tools, achieve critical mass for high innovative (and so risky) product / service development. SO 1.3 contributes to the implementation of the European Platform against poverty and social exclusion with a social innovation approach.

Priority Axis n.2, n.3, n.4. The Programme has got a bridging role with the flagship initiatives “Resource efficient Europe” and “An industrial policy for the globalisation era” and in particular with the "Roadmap for moving to a low carbon economy" and "Roadmap resource efficient Europe" associated to the previous flagship initiatives and EU Climate and energy packages and strategies. Further details are provided in the Environmental report of the SEA. The three priority axes promote a more sustainable and low carbon economic development in the area. In particular, the Priority Axis:

- n.2 has a potential multiplier effect to the national and regional policies in reducing carbon emissions;
- n.3 implements the ecosystem approach for climate change adaptation and acts coherently with the Maritime Strategy for the Atlantic area;
- n.3 and n.4 are the most “sustainable” and “blue” parts of the Programme and have a relation of coherence with the Blue Growth Strategy.

Recommendations

Ex-ante evaluators:

- **Suggest strengthening the coordination with programmes** in particular in the main common investment priorities such as IP 1b and 4f and with the FCE programme in

order to exploit common opportunities and reduce zero-sum competition. It could be particularly useful to promote further harmonization with France (Channel) England Programme at least in some of the following fields: application process, support to applicants and beneficiaries, implementation tools and principles.

- Highlight the **potential additional administrative workload** to redirect project applicants towards a more suitable programme and to provide information regarding future calls;
- Underline **a potential burden for the beneficiaries** in terms of information to be provided on the past, current and anticipated EU support and to indicate how coordination with activities of other programmes will be achieved.

4. EVALUATION OF THE CONSISTENCY OF FINANCIAL ALLOCATIONS

The Article 92 (2) of the CPR specifies the global resources which are available for budgetary commitment from the Funds for the ETC goal (2.75% or a total of EUR 948259330). Article 4 (1) (b) of the ETC Regulation sets out the share and amount dedicated to all cross-border cooperation programmes, i.e. a 74.05% or a total of EUR 6626631760.

Against this background, this chapter appraises the consistency of the allocation of the budgetary resources under the 2Seas Programme. The appraisal of the consistency of financial allocations will be based on the following two evaluation questions:

1. Do the financial allocations concentrate on the most important objectives in line with the identified challenges and needs and with the concentration requirements set out in the Regulations?
2. Are the financial allocations to each priority axis and to categories of interventions consistent with the identified challenges and needs?

4.1 COMPLIANCE WITH THE PROVISIONS OF THE EU-REGULATIONS

According to Article 8 (2) (d) (ii) of the ETC Regulation, the Programme should develop a table for the whole programming period, for the cooperation programme and for each priority axis, the amount of the total financial appropriation of the ERDF support and the national co-financing. In case the national co-financing is made up of public and private co-financing, the table shall give the indicative breakdown between the public and private components as well. The financing plan is given in the tables 15, 16 and 17 of the CP, following and meeting the requirements set out by the aforementioned Regulation Article.

For the 2014-2020 period there is a total of EUR 256648702 of ERDF funding for the 2Seas Programme. This funding is allocated to the four selected thematic objectives (TO 1, TO 4, TO 5 and TO 6) which are grouped under the three Priority Axes, with a co-financing rate of 65%, calculated as the ratio between ERDF and the allocated total funding.

More specifically, the total funding (ERDF + national counterpart) has been allocated as follows:

- EUR 165834546 (corrected value, see above) for TO1 under the Priority Axis 1 on “Technological and Social Innovation”
- EUR 78968831 for TO 4 under the Priority Axis 2 on “Low carbon Technologies”
- EUR 59226623 for TO5 under the Priority Axis 3 on “Adaptation to Climate Change”

- EUR 67123508 for TO 6 under the Priority Axis 4 on “Resource efficient economy”.
- The remaining amount, EUR 20989997, will be allocated for the Technical Assistance Priority Axis, with a ERDF co-financing rate of 73.36%.

According to the Article 6 (1) of the ETC Regulation, 80% of the ERDF Funding should be allocated to a maximum of four TOs, which are outlined in the Article 9 of the CPR. Taking into account that the 2 Seas Programme has chosen only four out of eleven TOs, it is evident that the distribution of funding presented above meets the regulatory requirements.

Considering that the funding allocation is distributed among the four thematic objectives, then it can be safely concluded that **the 2 Seas Programme complies entirely with the requirements that are set in the ETC Regulations.**

4.2 CONCENTRATION ON THE MOST IMPORTANT OBJECTIVES AND NEEDS/CHALLENGES

A SWOT analysis has been carried out in order to identify the main strengths, weaknesses, opportunities and threats of the 2Seas region. Building upon these challenges and needs, it can be concluded that the ERDF resources allocated to the different specific objectives are in line with the identified regional challenges.

- With a 42% of the total ERDF funding for the 2Seas Programme, the PA n.1 and its specific objectives 1.1, 1.2 and 1.3 is allocated with the highest budgetary share among all PAs of the Programme. This share reflects consistently with the identified needs of the area, which is evidenced by the high consideration levels observed in the SOs.
- A total budget of 20% is allocated to the PA n.2 and SO 2.1, having the second largest share of all the specific objectives. There is a strong and a focused consideration of the needs in the area in the specific objectives set.
- The Priority Axes n.3 and n.4 have almost equally distributed proportions, i.e. respectively a total funding of 15% and 17% respectively. These amounts correspond to the identified needs and their reflection to the SOs.
- Financial consistency: the funding allocation is in line with the Europe 2020 smart, sustainable and inclusive objectives, as it can be seen from the consistency with Europe 2020 chapter. Considering the financial consistency with sustainable development and promotion of equal opportunities, the Programme contributes via the SO 2.1, 3.1 and 4.1 to the improvement of the sustainable development of the eligible area. Regarding the equal opportunities promotion, there is no clear intention from the Programme to explicitly address the promotion of equal opportunities, neither equality between men and women nor the prevention of discrimination. The SO 1.3 is related however to social innovation and

can have some positive effects on non-discrimination. All three are considered as horizontal principles of the Programme.

- Financial allocation: It is evident that the financial allocation is logically distributed across the objectives of their hierarchy. Moreover, ERDF complements other resources, public and private funding available for the implementation of the SO.

Innovation and economic attractiveness are important objectives for the 2Seas programme area. Indeed, this Priority received again the highest budget in the previous period, according to the 2012 Annual Implementation Report. Similarly, PA n.2 on promoting and enhancing a safe and healthy environment received the second highest funding. Having a look at the achievements of the Programme in the previous period, it is clear that it managed to achieve the targets set in these two priorities. This can support the argument that such priorities are important for the region and thus receive a larger funding, in addition to the fact that results and achievements are also to be seen.

Annex 4 reports the matrix assessment.

5. ANALYSIS OF THE LINKAGE BETWEEN SUPPORTED ACTIONS, EXPECTED OUTPUTS AND RESULTS

5.1 METHODOLOGICAL APPROACH

The analysis of coherence of the actions, expected outputs and results aims at verifying the logical structure of the CP. All the tools and analyses carried-out by the ex-ante evaluators allowed collecting information to address following major evaluation questions:

- i. Are the main target groups identified, the specific territories targeted and the types of beneficiaries sufficiently described for the proposed actions?
- ii. Do other possible actions or outputs exist that would be more conducive to the intended results?
- iii. What is the change (or intended result) that the Programme intends to bring in the cross-border area? Which are the causal links between the proposed actions, their outputs and the intended results?
- iv. Were the external factors that could influence the intended results identified?
- v. Are the policy assumptions underpinning the programme logic backed up by evidence (e.g. from previous experiences, evaluations or studies)?
- vi. Are the proposed forms of support (such as grants, financial instruments, others) suitable for the types of beneficiaries and the specific objectives of the programme?

Following the Guidance “Monitoring and evaluation of European Cohesion Policy” (DG REGIO, 2014), the ex-ante evaluators assessed “*how the expected outputs will contribute to results*” and the “*rationale for the form of support proposed*”³ by two main contributions:

- The proposal of a methodological tool to support programme stakeholders in designing the structure of the strategy of the programme. This has been used both in the evaluation reports and to animate a focus group dedicated to the intervention logic. The full intervention logic is analysed in Annex 5;
- The Delphi analysis aiming at collecting specific information about the programme expected results, involving the relevant stakeholders, helping the main programme stakeholders to decide the strategic orientation of the CP in a result-based perspective. Further details on the Delphi process are reported in Annex 5.

³ CPR, Art.48(3)(f,h)

5.2 ANALYSIS

i. Are the main target groups identified, the specific territories targeted and the types of beneficiaries sufficiently described for the proposed actions?

The assessment focuses on the section 2.A.6 of the CP which describes the actions to be supported per each SO. In particular, **Section 2.A.6.1**

- a. **Defines the generic types of actions of cross-border cooperation projects and provides an indicative list of examples.** The set of generic type of actions is analysed in the Chapter “Internal Coherence”.
- b. **Explains the expected contribution of the actions to the specific objectives** In the case of
 - SO 1.1, planned actions will lead to increased capacities for technology transfer, development of cross-border clusters and increased capacities of innovative companies to engage in international activities;
 - SO 1.2, actions shall bring together stakeholders and develop very tangible actions throughout the innovation chain;
 - SO 1.3, actions will contribute to testing and adopting new innovative solutions of social inclusion;
 - SO 2.1, actions shall allow stakeholder getting access to state-of-the-art low-carbon technologies, besides testing, developing and adopting them;
 - SO 3.1, planned actions will contribute to increase the capacity of the stakeholders to adapt to climate change;
 - SO 4.1, actions are intended to enable stakeholders to work with peers from different countries and to identify, adapt their behaviour in order to decrease the use of the following natural resources and materials;
 - SO 4.2 actions respond to the identified need of the 2 Seas area to develop resource-efficiency policies and change attitudes of economic stakeholders to more sustainable behaviour to facilitate the transition towards a more circular economy.
- c. **Identifies the main categories of beneficiaries and describes the territorial and sectoral/territorial focus of the actions if relevant.** As a general rule, the beneficiaries that will be eligible for support from this programme can be public bodies, public equivalent bodies and private bodies. In the case of SO 1.1 and 1.2, some specific sectors are indicated in the paragraph describing the “expected results”, while in the SO 3.1, specific vulnerable types of territories are identified.

ii. Do other possible actions or outputs exist that would be more conducive to the intended results?

The set of actions and outputs seems to be adequate. The ex-ante evaluators have already provided detailed contribution in this regard in the previous reports (First Interim, the Second Interim Report and following notes). The main observations have already taken into account in the programme drafting.

iii. What is the change (or the intended result) that the Programme intends to bring in the cross-border area? Which are the causal links between the proposed actions, their outputs and the intended results?

The paragraph of the CP describing the “expected results” shall display the logic justifying the intervention. The paragraph shall provide the arguments underpinning the choice of the “*results which MSs participating in the cooperation programme seek to achieve*” and also highlight “*the contribution of EU funds*”, particularly in the CBC programmes. Moreover, the description shall also illustrate the “reference situation” in order to make the result description meaningful. In other words, the “description” shall be an “extended” illustration of the SO providing the necessary narrative basis. Furthermore, taking into account the suggestions from the DG Regio Q&A document for ETC programmes, the “Result” paragraph shall contain target group and sectors too. In order to assess the intervention logic a standardised model has been used:

Table 7 Matrix of assessment of the “Result” paragraph of each SO

What should be included in the “result” paragraph	Definition
REFERENCE (NEEDS)	Explanation of the needs and challenges the SO will tackle (coherently with the justification for the selection of Thematic Objectives and Investment Priorities).
DESCRIPTION OF THE CHANGE	Extended description of the changes, also detailed in relation to various relevant dimensions (e.g.: awareness, capacity, innovation).
PROGRAMME CONTRIBUTION	Description of the Programme contribution / role (CBC added value).
TARGET GROUP	Identification of the target group (not only formal beneficiaries).
SECTOR	Description of the sectoral focus and targeted area if relevant.

The assessment shows that all the paragraphs describing the “expected results”:

- Make explicit reference to the needs identified in the Section 1 of the CP;

- Detail the changes that the CP intends to bring the CBC area;
- Illustrate the programme contribution to the change, with an explicit reference to the aforementioned paragraph describing the actions;
- Identify the main potential target group/beneficiaries;
- Indicate the sector and the territory of intervention, if pertinent.

Annex 5 fully illustrates intervention logic of the CP.

iv. Were the external factors that could influence the intended results identified?

The ex-ante evaluators have identified relevant external factors in the Methodological Note, delivered in July 2013. The main external factors are reported in Annex 5. The current version of the CP reports only the following external factors in the description of the results:

- Policy factors, which are considered as positive external factors potentially multiplying the effect of the CP. All the SOs refer to the Europe 2020 strategy and flagship initiatives policy. Moreover, SO 1.3 explicitly indicates Horizon 2020; SO 1.1 and 1.2 promotes the coordination with the existing regional and national strategies for innovation (e.g. smart specialisation); SO 4.1 represents an opportunity to develop EU Blue Growth Strategy;
- Societal challenges as a reference for needs and challenges underpinning the programme objectives. In particular SO 1.3 makes reference to demographic change, while SO 3.1 to climate change;
- Technological factors. SO 2.1 aims at exploiting the potential of renewable technologies as to reduce the carbon dependency and green house gases emissions.

v. Are the policy assumptions underpinning the programme logic backed up by evidence (e.g. from previous experiences, evaluations or studies)?

The current version of the programme in Section 1 foresees a specific paragraph entitled “Key lessons from Interreg IVA 2 Seas”. This paragraph is based on qualitative and quantitative evidences mainly related to the policy dimension and the needs analysis. This paragraph contains the key lessons learnt from similar projects in CBC programmes during the period 2007-2013 (mainly 2 Seas and FCE programmes). This background, together with the guidance from regional interventions, has been explicitly reported in the Priority axis n.1 as a key reference guiding the selection of the operations. Key lessons from INTERREG IVA 2 Seas are associated to:

- the importance of the maritime dimension in terms of the quantity of projects and resources;
- the predominance of multilateral cooperation projects (75% of all projects involve 3 or 4

countries) which distinguishes the programme from other CBC programmes;

- the focus on the following thematic priorities: strengthening research and innovation; promoting climate change and risk prevention; promoting social inclusion and combating poverty, while there was a low demand for maritime transport;
- the common priority between FCE and 2 Seas OPs did not prove to be successful because of its very specific focus, its insertion in only one OP (Priority 4 of 2 Seas programme) and insufficient promotion by both programme bodies among potential beneficiaries;
- the impact and added value of some of them could be questionable and capitalisation should be strengthened;
- the necessary strong coordination with overlapping/neighbouring ETC programmes, in particular with France (Channel)-England programme;

Quantitative evidence was taken into account to carry out the situation and the SWOT analysis and to identify needs and challenges of the area.

vi. Are the proposed forms of support [such as grants, financial instruments, others] suitable for the types of beneficiaries and the specific objectives of the programme?

Various categories of interventions are identified in the priority axes, while the only one form of support selected is the “non-repayable grant”. This choice could be considered as appropriate in the framework of this CBC programme.

Table 8 Matrix assessment of the “Result” paragraph of each SO

Codes	Priority Axis				
	n.1	n.2	n.3	n.4	n.5
<i>060. Research and innovation activities in public research centres and centres of competence including networking</i>	X				
<i>061. Research and innovation activities in private research centres including networking</i>	X				
<i>062. Technology transfer and university-enterprise cooperation primarily benefiting SMEs</i>	X			X	
<i>064. Research and innovation processes in SMEs (including voucher schemes, process, design, service and social innovation)</i>	X				
<i>065. Research and innovation infrastructure, processes, technology transfer and cooperation in enterprises focusing on the low carbon economy and on resilience to climate change</i>	X	X			
<i>112. Enhancing access to affordable, sustainable and high-quality services, including health care and social services of general interest</i>	X				
<i>013. Energy efficiency renovation of public infrastructure, demonstration projects and supporting measures</i>		X			
<i>023. Environmental measures aimed at reducing and/or avoiding greenhouse gas emissions (including treatment and storage of methane gas and composting)</i>		X			

Codes	Priority Axis				
	n.1	n.2	n.3	n.4	n.5
<i>087. Adaptation to climate change measures and prevention and management of climate related risks e.g. erosion, fires, flooding, storms and drought, including awareness raising, civil protection and disaster management systems and infrastructures</i>			X		
<i>017. Household waste management, (including minimisation, sorting, recycling measures)</i>				X	
<i>069. Support to environmentally-friendly production processes and resource efficiency in SMEs</i>				X	
<i>121. Preparation, implementation, monitoring and inspection</i>					X
<i>122. Evaluation and studies</i>					X
<i>123. Information and communication</i>					X

The analysis of the table above identifies the following aspects to be taken into consideration:

- According to the regulative framework, the breakdown of financial resources has to be considered indicative across the various categories of intervention;
- The categories of intervention corresponding to Priority Axis n.3 and n.5 seem to be appropriate;
- The category “065. Research and innovation infrastructure, processes, technology transfer and cooperation in enterprises focusing on the low carbon economy and on resilience to climate change” is matched with Priority Axis n.1, n.2. This matching, though reasonable, could reveal a risk of overlapping which could be misleading for the beneficiaries. However the updated version of the CP has clarified the main differences across priorities also considering the technological readiness levels;
- The category 112 seems to be oriented towards the promotion of social inclusion, combating poverty and any discrimination rather than innovation.

5.3 FINDINGS AND RECOMMENDATIONS

Findings

The analysis identifies some general findings. The CP:

- Defines the generic types of actions of cross-border cooperation projects and provides an indicative list of examples;
- Explains the expected contribution of the actions to the specific objectives;
- Identifies the main categories of beneficiaries and describes the territorial and sectoral/territorial focus of the actions if relevant;
- Organizes the paragraphs, describing the “expected results”, in appropriate way, making reference to the needs and challenges, detailing the changes, illustrating the programme contribution, identifying the main potential target group/beneficiaries and sectors and

territories if relevant;

- Considers some external factors, particularly those related the policies, which could contribute positively to the achievement of the objectives;
- Foresees a specific paragraph entitled “**Key lessons from Interreg IVA 2 Seas**”. This paragraph is based on qualitative and quantitative evidences mainly related to the policy dimension and the needs analysis.

Recommendations

The ex-ante evaluators **propose the following elements to be** taken in consideration:

- **External factors could be very relevant for the change produced by the programme.** In order to increase the potential added value of the cooperation, the CP could be further focused on some sectors and territories. Anyhow, if this choice is not assumed by the programme, it will be important for the realization and the measurement of the intended change to take into account external factors;
- It could be useful to **add a glossary (or to attach as a separate document)** in order to explain some terms used in the CP (e.g. framework conditions, circular economy, tools, services);
- **Actions as “Prepare investments” and “Investments”, even if feasible and appreciated, also looking at the previous 2007-2013 experience, could be difficult and ambitious to realize in a CBC programme.**

6. HORIZONTAL PRINCIPLES

6.1 METHODOLOGICAL APPROACH

According to the Annex I of the reg. 1303/2013, the Programme has to take into consideration horizontal principles as part of the Common Strategic Framework. Article 55(3)(l-m) reg. 1303/2013 requires the ex-ante evaluator to assess “*the adequacy of planned measures to promote equal opportunities between men and women and to prevent discrimination, in particular as regards accessibility for persons with disabilities*” and to “*promote sustainable development*”⁴. The assessment is based on the following questions.

Horizontal principle	Evaluation questions
Equal opportunities promotion	Has the principle of equality of opportunity been taken into account?
Discrimination prevention	Are the planned measures adequate to promote non-discrimination?
Sustainable development promotion	Are the planned measures adequate to promote sustainable development requirements? <ul style="list-style-type: none">• Are there SOs or actions which take into account resource efficiency?• Are there SOs or actions taking into account climate change mitigation and adaptation?• Are there SOs or actions which to take into account disaster resilience and risk prevention and management?

The analysis will be also focused on the respect of the principle of partnership.

6.2 ANALYSIS

The assessment is summarized in the following table at SO level, considering in particular the Section 2 of the CP describing the results to be achieved and the actions per each SO and the Section 8 “Horizontal principles”. The relation between the SO and the principle has been categorized as follows:

⁴ CPR, Art.48(3)(l,m)

- Neutral (N), when there is no relation between the SO and the horizontal principle;
- Indirect (IND), when the horizontal principle is taken into account but without an explicit reference in the selection criteria;
- Direct (DI), when a project selection criterion foresees the promotion of the horizontal principle.

The following table illustrates the analysis.

Table 9 Horizontal principles matrix analysis

			Horizontal principles			
PA	IP	Specific objective	Equality of opportunity	Non discrimination	Equality between men and women	Sustainable development
1	1b	SO 1.1	IND	IND	IND	IND
1	1b	SO 1.2	IND	IND	IND	IND
1	1b	SO 1.3	IND	IND	IND	IND
2	4f	SO 2.1	IND	IND	IND	DI
3	5b	SO 3.1	IND	IND	IND	DI
4	6g	SO 4.1	IND	IND	IND	DI
4	6g	SO 4.2	IND	IND	IND	DI

The analysis shows that:

- The principle of **sustainable development is considered one of the main pillars of the implementation of the CP**. This has a different impact across the axes:
 - Priority Axis n.2, 3 and 4 directly contribute to sustainable development through the project selection criteria since applicants, in order to be financed, have to demonstrate a clear contribution of the project to improving sustainable development in the area. In the case of PA n.2 and 4 the contribution will be more related to resource efficiency and technological support to low-carbon economy, while in PA n.3 the CP addresses climate change mitigation and risk and disaster management;
 - Priority Axis n.1 indirectly contributes to sustainable development since projects applicants will be invited to explain how their project will comply with and possibly even strengthen sustainable development (e.g. project in eco-innovation). Also at the end of the project, the partners will be asked to report how their project activities and outputs actually contributed to this horizontal principle. However, no particular selection criterion is included to ensure the contribution to the horizontal

- principle;
 - Moreover, the CP explains that based on the aggregated contributions reported by projects, the 2 Seas programme will monitor how the programme concretely contributed to sustainable development;
- With regard to “equal opportunities and non-discrimination” and “equality between men and women”,
 - The CP explicitly does not develop any specific actions aimed at the horizontal principles due to the thematic concentration of the strategy. Some potential opportunities for promoting equal opportunities and non-discrimination and equality between men and women can be identified under the specific objective 1.3, related to social innovation, may have positive effects in terms of equal opportunities and non-discrimination;
 - Also at the end of a project, partners will be asked to report how their project activities and outputs actually contributed to this horizontal principle. However, no particular selection criterion is included to ensure the contribution to the horizontal principle;
 - Moreover, the CP explains that based on the aggregated contributions reported by projects, the 2 Seas programme will monitor how the programme concretely contributed to the horizontal principle.

For what concerns the respect of the **principle of partnership** and multilevel governance, the analysis focuses on the Section 5.6.1, which describes the modality of involvement of the partners. Section 5.6.2, about the involvement of partners in the implementation, monitoring and evaluation, has been analysed in chapter 8.

The analysis of Section 5.6.1 shows:

- During the 8^h PMC meeting (April 16th 2012), it was decided to set up a PPG (programme preparation group) to lead the preparation process of the future programme. The 2 Seas JTS has been assigned the role of the Secretariat of the PPG;
- In total, 20 PPG meetings took place during the whole preparation process; key documents were made available in the three languages of the programme, in particular for the two rounds of consultation;
- Three consultation processes have been realised: 1) restricted consultation targeted at key stakeholders in the four MS. It took place in November and in December 2013; 2) online survey targeting around 200 key stakeholders; 3) Public consultation. Moreover, the formal public consultation under the SEA was realized;
- A formal consultation for the respect of the SEA Directive (42/2001/CEE) requires that

environmental authorities and the public are consulted as part of the SEA process;

- For the restricted consultation, the MS representatives provided a list of key stakeholders covering their whole territory in order to comply with the requirements in terms of accessibility;
- The 2 Seas programme informed partners about the launch of the public consultation process on its website and national authorities informed relevant stakeholders in their respective country;
- The announcement text included a short explanatory note and the link to the Programme website for access to the consultation;
- Partnership in the preparation of the CP has been useful to verify the intervention logic, understanding the relevance and clearness of the selected specific objectives, of the intended results on the ground by 2020 and of the type of actions to be supported in order to meet these objectives.

6.3 FINDINGS AND RECOMMENDATIONS

Findings

The analysis shows that:

- The principle of **sustainable development is considered one of the main pillars of the implementation of the CP**. This has a different impact across the axes.
 - Priority Axis n.2, 3 and 4 directly contribute to sustainable development through the project selection criteria since applicants, in order to be financed, have to demonstrate a clear contribution of the project to improving sustainable development in the area;
 - Priority Axis n.1 indirectly contributes to sustainable development since projects applicants will be invited to explain how their project will comply with and possibly even strengthen sustainable development (e.g. project in eco-innovation);
- With regard to “**equal opportunities and non-discrimination**” and “**equality between men and women**”, The CP explicitly does not develop any specific actions aimed at the horizontal principles due to the thematic concentration of the strategy;
- Moreover, the CP explains that based on the aggregated contributions reported by projects, the 2 Seas programme will monitor how the programme concretely contributed to sustainable development;
- The principle of partnership was respected. A specific programme preparation group was set and a long process of consultation was organised.

Recommendations

The ex-ante evaluator highlights that:

- The set of evaluation questions at project and programme level, the overall monitoring system and CP Evaluation plan should be organized coherently, so as to comply with the commitment of the CP to monitor the contribution of the projects to horizontal principles, by also capitalising the 2007-2013 experience;
- The Programme authorities could take advantage of the consultation methodologies and tools experimented and used in the programme preparation phase and re-use them again during the implementation.

7. PROGRAMME INDICATORS' SYSTEM AND PERFORMANCE FRAMEWORK

7.1 METHODOLOGICAL APPROACH

According to Article 55 of the reg. 1303/2013 the appraisal of the indicators' system focuses on the following aspects: relevance and clarity of the proposed programme indicators; quantified baseline and target values and suitability of milestones. Ex-ante evaluators have used the SMART methodology, which is based on the following five criteria:

- 1) **Specific** indicator, if it measures the relevant change at the specific objective level;
- 2) **Measurable** indicator, if it is possible to measure the baseline, the target and, if necessary, the milestones;
- 3) **Attainable** indicator, if it is possible to achieve the target;
- 4) **Relevant** indicator, if it measures the contribution to the change at a priority axis and programme level;
- 5) **Time – bound**, if the indicator is available and updated in different periods.

This chapter provides the appraisal of the programme indicators' system and the suitability of milestones of the performance framework.

7.2 RESULT INDICATORS ANALYSIS

Methodology for setting the result indicators

Before reporting the results of the assessment, it is important to precise that the Programme has reflected a long time on the various possibilities to build the result indicators set. Two typologies of indicators were examined: those from existing sources and ad hoc survey- based indicators. The analysis has allowed identifying the following trade-offs:

- cost/time versus accuracy of capturing the specific result;
- availability ex ante versus availability ex post;
- comparability versus specificity.

Table 10 Trade-off “existing” indicators and survey-based indicators

	PRO	CONS
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<i>Indicator built from existing source</i>	<ul style="list-style-type: none"> - Limited cost in setting the baseline ex ante - Availability of data - Possible benchmarking with other cooperation area - Robustness of the statistical basis 	<ul style="list-style-type: none"> - Lack of specificity towards the SO - Need to fill the data for indicator ongoing and ex post - Complexity - Difficult to understand
<i>Indicator built from primary data</i>	<ul style="list-style-type: none"> - Tailored around the specific objective - Ownership of Programme authorities and involvement of relevant stakeholders - Data and information usable also for the impact evaluation - Methodology ready also for the collection of the result indicator in the ongoing/ ex post phase 	<ul style="list-style-type: none"> - Higher costs and more time to set the baselines

At this regard, the ex-ante evaluators contributed to illustrating the two main options. In particular, ex-ante evaluators provided a detailed methodology and a preliminary screening of possible sources (see the following table).

Table 11 Preliminary screening of possible sources

Source	Positive aspects	Negative aspects
Eurostat	High and free accessibility Time series availability	Not CBC aggregated data Mostly Nuts-2
Regional Competitiveness Index (DG Regio)	Interesting indicators at nuts-2 level for governance aspects	Not CBC aggregated data National and Nuts-2
Regional Innovation Scoreboard	Various dimensions of innovation (qualitative and quantitative) Time series availability	Not all data are Nuts-2 Not CBC aggregated data The value is a relative index and is very affected by performance of other regions.
ESPON	Set of CBC harmonized data or comparison tools (TerrEvi project) http://espon-terrevi.t33.it/	Few time series
National statistical databases	Wide set of data	Low comparability Very costly
KEEP Project	Available data on ETC programmes 2000-2013	It does not refer to the entire potential of the programme area, but only to the previous projects financed under ETC programmes
Surveys	Measurement of specific indicators	High costs of replications Challenge of setting common and sound guidelines for all the programme area

MS decided for the “survey-based” indicators. This choice seems to be the most appropriate because, even if existing sources are less costly, they provide indicators which are usually neither able to measure the changes in the field of cooperation nor specific to the particular changes induced by the Two Seas Programme. JTS has prepared an overall methodological document which is expected to be submitted together with the CP. The methodology proposed and approved by the

Programme is summarised in the following table. The following table illustrates the main steps for designing the result indicators in both options. The specific note realized by the JTS provides further details. As indicated in the guidance document on result indicators, result indicator are formulated as follow: “Average level of performance of the 2 Seas area with regards to ...”.

Table 12 Steps for designing the results indicators

Result indicator(s) from a survey
A) Setting the theoretical framework
<i>I) Fine tuning of the specific objective</i>
<i>II) Definition of the dimensions of the result to measure</i>
B) Designing and implementing the Survey
<i>III) Identification of the target group⁵</i>
<i>IV) Choice of the questions and layout of the questionnaire</i>
<i>V) Questionnaire Submission</i>
<i>VI) Analysis of results</i>
C) Setting the result indicator
<i>VII) Construction of the indicator</i>
<i>VIII) Reliability check</i>

The following table:

- Shows the SMART analysis of the set of result indicators;
- Examines definition, identification of direction of change and methodology of construction;
- Indicates the number of indicators per SO.

Table 13 SMART analysis of result indicators

Criteria	Specific objectives						
	1.1	1.2	1.3	2.1	3.1	4.1	4.2
S (the indicator is specific to the change of the SO)	😊	😊	😊	😊	😊	😊	😊
M (the indicator is measurable)	😊	😊	😊	😊	😊	😊	😊
A (the target value is achievable)	😐	😐	😐	😐	😐	😐	😐/😊
		/😊	/😊	/😊	/😊	/😊	
R (the indicator is relevant, it contributes to the change of the priority axis)	😊	😊	😊	😊	😊	😊	😊
T (the indicator is time-bound)	😐	😊	😊	😊	😊	😊	😊
CLE (the definition and the direction of change are clear)	😊	😊	😊	😊	😊	😊	😊
A (available indicator or ad hoc)	ad hoc	ad hoc	ad hoc	ad hoc	ad hoc	ad hoc	ad hoc
R (the methodology of construction is defined and sound)	😊	😊	😊	😊	😊	😊	😊
Number of indicators (Max.2)	1	1	1	1	1	1	1

Note: 😊 indicates the CP fulfils the criteria of assessment; 😐 indicates that the CP complies partially with criteria of assessment; 😞 indicates that the CP does not comply with the criteria of assessment.

⁵ See also: Business Tendency Surveys Handbook, Division for Non-Members Statistics Directorate, OECD, 2003.

The analysis shows:

- **All the indicators are specific, relevant and measurable;**
- **All the indicators have been constructed through an ad hoc methodology as explained above;**
- The result indicator value corresponds to the average level of performance of the 2 Seas area with regards to the main field of change of each specific objective. The methodology for setting the target values **is based on the reserve potential. Target values are defined as “qualitative”**, report an order of magnitude of the increase. **This approach is consistent with the regulation** (art. 27 (4) reg. 1303/2013) and seems realistic;
- **To check the baseline value** some existing indicators have been used as to perform a *reliability check* at least where possible. According to the figures of Regional Innovation Scoreboard and ESPON Climate study the baseline values for SO 1.2 and 3.1 seem reasonable;
- For what concerns the frequency of reporting, **the survey will be run in 2018 and 2020,2023;**
- Anyhow, the **relevance of the external factors has to be considered for the impact evaluation. Thus**, it will be important, at least in the evaluation plan, to **explicitly link the output and result indicators** and take into account the influence of external factors. This aspect is already partially addressed in Section 5.3 of the CP (see the following chapter).

7.3 OUTPUT INDICATORS ANALYSIS

The following table:

- Shows the SMART analysis of the set of output indicators;
- Examines definition, identification of direction of change and methodology of construction;
- Indicates the total number of indicators and common indicators per SO,

Table 14 SMART analysis of output indicators

OS	1.1	1.2	1.3	2.1	3.1	4.1	4.2
S (the indicator is specific to the actions of the SO)	😊	😊	😊	😊	😊	😊	😊
M (the indicator is measurable)	😊	😊	😊	😊	😊	😊	😊
A (the target value is achievable)	😊	😊	😊	😊	😊	😊	😊
R (the indicator is coherent with the change of the SO and priority axis)	😊	😊	😊	😊	😊	😊	😊
T (the indicator is time-bound)	😊	😊	😊	😊	😊	😊	😊

CLE (the definition and the direction of change are clear)	😊	😊	😊	😊	😊	😊	😊
A (available indicator or ad hoc)	ad hoc	ad hoc	ad hoc	ad hoc	ad hoc	ad hoc	ad hoc
R (the methodology of construction is defined and sound)	😊	😊	😊	😊	😊	😊	😊
Common indicator	/	2	2	/	/	/	/
Number of indicators	3	4	4	3	3	4	4

Note: 😊 indicates the CP fulfils the criteria of assessment; 😊 indicates that the CP complies partially with criteria of assessment; 😞 indicates that the CP does not comply with the criteria of assessment.

The analysis of the indicators shows:

- **The output indicators are specific and relevant** as a whole. They are able to measure all the type of actions indicated in the CP. By measuring the actions they contribute directly to the achievement of the results;
- The CP foresees an **annual frequency of monitoring and the main source is the programme monitoring**;
- **The CP uses the common indicators “Number of research institutions participating in cross-border, transnational or interregional research project” and “Number of enterprises participating in cross-border, trans-national or interregional research projects” in OS 1.2, OS 1.3.** It has to be noted that these indicators explicitly refer to research projects, which do not represent the focus of the programme since quoting the CP *“Although not a research-oriented programme, applied research projects are welcome provided they are in line with the quadruple-helix approach”*. It is important that the programme specifies the definition of research project in order to apply it for the monitoring system uniformly in the next years. It could be useful to foresee additional indicators (not necessarily in the CP) or other tools measuring the typologies of beneficiaries reached by the programme;
- **The CP proposes a sort of standardisation of the indicators, without losing specificity.** As example, the indicator “Number of joint strategies and action plan developed” is used in SO 1.1 and SO 3.1, SO 4.1, where the governance issues are more directly addressed. The indicator “Number of solutions (methods/tools/services)” is used in SO 1.1, SO 3.1, SO 2.1, and SO 4.1 and 4.2. The specificity is ensured by a part of the title of the indicator linking it to the corresponding specific objective. The analysis of the matching between indicative examples of actions and indicators is proposed in the Annex 6;
- **Some indicators risk being interpreted as “Number of projects”.** In this regard, it is important that the CP in section 9.5 provides a definition detailing the indicator.

7.4 ANALYSIS OF THE MILESTONES

The following table shows the performance framework of the CP.

Table 15 Performance framework analysis

Priority axis	Definition of the indicator or implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
1	Total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority for Priority axis 1	€	20 231 815	165 834 546
1	<u>Output indicator</u> Number of solutions (methods/tools/services) established to improve the framework conditions for innovation	Number	0	33
1	<u>Key implementation step:</u> Number of solutions (methods/tools/services) to improve the framework conditions for innovation of selected operations	Number	13	33
1	<u>Output indicator</u> Number of tests, pilots, demonstration actions and feasibility studies implemented related to the delivery of technological innovation	Number	0	74
1	<u>Key implementation step:</u> Number of tests, pilots, demonstration actions and feasibility studies of selected operations related to the delivery of technological innovation	Number	28	74
1	<u>Output indicator</u> Number of tests, pilots, demonstration actions and feasibility studies implemented related to the development of social innovation applications	Number	0	124
1	<u>Key implementation step:</u> Number of tests, pilots, demonstration actions and feasibility studies of selected operations related to the development of social innovation applications	Number	47	124
2	Total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority for Priority axis 2	€	9 634 197	78 968 831
2	<u>Output indicator</u> Number of solutions (methods/tools/services) established to increase the adoption of low carbon technologies	Number	0	57

Priority axis	Definition of the indicator or implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)
2	<u>Key implementation step:</u> Number of solutions (methods/tools/services) of selected operations to increase the adoption of low carbon technologies	Number	22	57
3	Total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority for Priority axis 3	€	7 225 648	59 226 623
3	Output indicator Number of solutions (methods/tools/services) established to improve the adaptation capacity to climate change and its water-related effects	Number	0	51
3	<u>Key implementation step:</u> Number of solutions (methods/tools/services) of selected operations to improve the adaptation capacity to climate change and its water-related effects	Number	19	51
4	Total amount of eligible expenditure entered into the accounting system of the certifying authority and certified by the authority for Priority axis 4	€	8 189 068	67 123 508
4	<u>Output indicator:</u> Number of solutions (methods/tools/services) established for a more efficient use of natural resources and materials	Number	0	29
4	<u>Key implementation step:</u> Number of solutions (methods/tools/services) established for a more efficient use of natural resources and materials	Number	11	29
4	<u>Output indicator:</u> Number of solutions (methods/tools/services) established for a more circular economy	Number	0	29
4	<u>Key implementation step:</u> Number of solutions (methods/tools/services) established for a more circular economy	Number	11	29

The analysis, based on the methodological indications of the Guidance of DG Regio on the Performance Framework and the Annex II of the reg. 1303/2013, shows:

- The **performance framework** includes milestones and targets established for each priority, with the priority axis n.5 on technical assistance excluded;
- The **performance framework indicates the priority and the unit of measurement**;
- The **milestones and target values have been constructed using the unit costs of the 2007-2013 as explained in the note provided by the JS**;
- Financial indicators are indicated with a milestone value which corresponds to the N+3 requirement;
- In the CP, financial values are expressed in absolute values as indicated in the Guidance fiche on performance framework review and reserve (version 3, November 2013);
- **Financial milestones are credible and suitable**, even if they refer to the bare minimum of N+3 level and are far from the N+2 level;
- Milestones of the output indicators are expressed as key implementation steps. This choice seems reasonable and prudent since the requirements of project completion by the end of 2018. They are expressed as the “output indicator related to the selected operations” showing the progress in the implementation process. In particular, in the 2014-2020 period, in the performance framework, the indicators refer to fully implemented operations, in which actions leading to outputs and results have been implemented in full, but for which not necessarily all the related payments have been made. A fully implemented operation is different from a partially implemented operation, since the implementation has started, but not yet fully implemented. On the other hand, a completed operation has been physically completed or fully implemented; all related payments have been made by beneficiaries and the corresponding public contribution has been paid to the beneficiaries;
- Milestones of the output indicators **are credible** and realistic, since they are identified on the basis of the 2007-2013 period implementation progress and on the expectations of the future calls for projects in the period 2014-2020. Further explanations on the calculation could be included in the paragraph “Additional qualitative information on the establishment of the performance framework”;
- The key implementation steps in SO 4.1 and 4.2 are defined in the same way as the corresponding output indicators and should be adjusted introducing “of selected operations”;
- For what concerns the formulation of the milestones, in alternative to the formulation proposed in the CP which seems consistent to new regulatory framework, there is also the

possibility to refer to selection procedures as “number of selected projects” or “number of finalized calls”;

- **Milestones and targets of the output indicators are relevant and capture essential information on the progress of a priority.** A technical paper elaborated by the drafting team and the JTS provides the justification of the selection of the indicators within the performance framework: selected indicators correspond to more than 50% of the allocation of the SO. The selection of “Number of solutions (methods/tools/services) established to improve the framework conditions for innovation” for the performance framework is also justified by the fact that the indicator measures 4 out of 6 examples of action of SO 1.1. The same applies for the indicators “Number of tests, pilots, demonstration actions and feasibility studies implemented” chosen for SO 1.2 and SO 1.3, where 5 out of 6 examples of actions can be measured by the indicator. In these two particular cases also the common indicator “Number of research institutions participating in cross-border, transnational or interregional research projects” could have been selected. Anyhow, the choice of the programme is suitable since it allows measuring the differences between SO 1.2 and 1.3 and the common indicator is focused exclusively on research projects. Also the other milestones for SO 2.1 and 4.1 are suitable since they are able to measure the large majority of examples of actions proposed. For the case of SO 3.1, the selected indicator can be justified by the fact it is used to measure actions which are more demanding in terms of financial resources. Further clarifications could be provided at this regard.

7.5 FINDINGS AND RECOMMENDATIONS

Findings for result indicators

- **All the indicators comply with the SMART analysis criteria. Indicator of SO 1.1 is not yet time-bound** since the survey has not yet been finalized;
- **All the indicators have been constructed through an ad hoc methodology as explained above;**
- **To check the baseline value** some existing indicators have been used as to perform a *reliability check* at least where possible. **At least for SO 1.2 and 3.1, baseline values seem reasonable and credible;**
- For what concerns the frequency of reporting, **the survey will be run in 2018 and 2022** to support the analysis in 2019 and 2023.

Findings for output indicators

- Overall, the output indicators are specific and relevant and are able to measure all the types and example of actions indicated in the CP;
- By measuring the actions, output indicators clearly and directly contribute to the achievement of the results;
- Milestones and target values are based on unit costs and on the experience of the 2007-2013 period. Figures seem pertinent and reasonable;
- The CP proposes **a sort of standardisation of the indicators without losing specificity**. As a matter of fact, **some indicators are repeated with a small difference in the title indicating the link with the specific objective**;
- The CP uses the common indicator “Number of research institutions participating in cross-border, transnational or interregional research” in SO 1.2 and 1.3.

Recommendations for result indicators

- It has to be verified if target values of the indicators are the definitive values to be included in the CP and if they are going to be changed by the PPG members;
- The figure in 2018 should be used to verify if the programme area is progressing towards the target as expected or not;
- The CP foresees a frequency of monitoring every two years.

Recommendations for output indicators

- It could be useful to provide a definition of each indicator. The definition could particularly helpful to clarify / drop some indicators and distinguish them;
- Some indicators risk being interpreted as “Number of projects”. This approach is not in line with the DG Regio recommendations (DG Regio, 2014)⁶. At this regard, it is important the Programme (Section 9.5) provides the definition of the indicators clarifying that indicators do not refer to the number of project.

Findings for the performance framework

- Milestones of the output indicators are **expressed as key implementation steps**. This choice seems reasonable and prudent since the requirements of project completion by the end of 2018. Milestones seem realistic since they are identified on the basis of: the 2007-

⁶ DG Regio (2014) Guidance Documents for the 2014 – 2020 funding period : Concept and Recommendations, Brussels, March 2014.

2013 period implementation progress; the estimates of unit costs and the expectations of future programme implementation of the calls;

- The key implementation steps in SO 4.1 and 4.2 are defined in the same way as the corresponding output indicators;
- Financial indicators are indicated with a milestone value which corresponds to the N+3 requirement.

Recommendations for the performance framework

- It could be useful to describe further the motivations underpinning the choices of the output indicators and key implementations steps included in the performance framework for example by attaching the specific note produced by the JTS and programme drafting team;
- The key implementation steps in SO 4.1 and 4. should be adjusted introducing the expression “of selected operations” as in the other SOs.

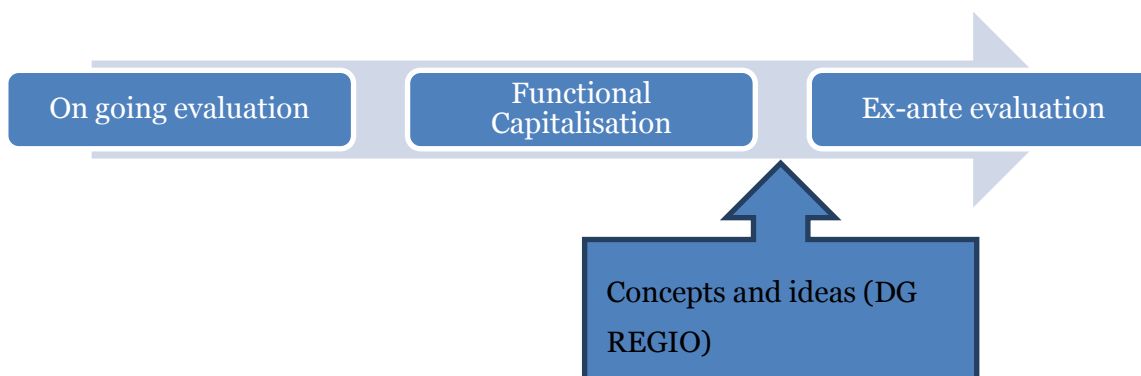
8. MONITORING AND DATA COLLECTION FOR EVALUATION

8.1 METHODOLOGICAL APPROACH

This chapter assesses the suitability of the procedures for monitoring the programme and for collecting the data necessary to carry out evaluations (reg. 1303/2013 (art. 55 (j))). The ex-ante evaluators:

- Describe synthetically the lessons learnt from the previous programming period and illustrate to what extent the CP is designed to take them into account;
- Suggest different scenarios on the possible structure of the system of monitoring and evaluation, which will be defined in the evaluation plan.

Preliminarily, it is important to note that the programme has initiated a reflection on the effectiveness and value for money of evaluation and monitoring system almost 4 years ago. The ongoing evaluation reports already evidenced the necessity of re-thinking the system of indicators and evaluation. JTS carried out a self-assessment of the implementation mechanisms, evaluation and monitoring activities in the exercise of “functional capitalisation”. Functional capitalisation provides useful elements of evaluation on the 2007-2013 period and proposals for +2014”. The evaluator has taken in consideration all these experiences in elaborating the analysis taking also the prospective of the changes which are going to be introduced by the new regulation 2014 and, moreover regarding monitoring and evaluation, the new paradigm introduced by the DG Regio (DG Regio, 2014). The approach is schematised in the following picture:



A similar approach is applied also for the analysis of Administrative Capacity and Adequacy of Human Resources, in the following chapter.

8.2 LESSONS LEARNT FROM 2007-2013

As already anticipated above, the main sources of information for the period 2007-2013 are the *Ongoing Evaluation*, the *Functional Capitalisation* and other technical materials proposed by the JTS (i.e. discussion paper). These documents provide precious and useful information and reflections on the future Monitoring information, specifically regarding:

- a) Use of indicators, declined as “output” and result”;
- b) Evaluation planning;
- c) Focus and scope of the evaluation;
- d) Involvement of the stakeholders

The table in the next page offers a synthesis of the proposals on those topics coming from the above mentioned different sources. Moreover, the table describes how the Programme has taken into account the main proposals coming from the Ongoing Evaluation and Functional Capitalisation.

Table 16 Contribution from the sources and the CP

Theme	Suggestions for 2014+ from the ongoing evaluation	Functional Capitalisation / reflections / proposals from JTS	How the Programme takes into account the contributions
a) Use of indicators	The on-going evaluation highlights the important shift from the 2007-2013 to 2014-2020 period. In 2007-2013, output indicators are mostly designed coherently with the list of core indicators developed by DG Regio. Therefore they were basically defined as “number of project”, which is namely a “procedural indicators”. Result indicators identified as the short effects of the Programme. The on-going evaluation also indicates in the 2007-2013 programme the presence of “overall indicators”, related to the degree of cooperation (e.g. <i>number of states represented in project partnership</i>) or to horizontal issues (e.g. <i>number of permanent jobs</i>).	Several notes have been produced and circulated during the discussion on the CP contributing to structure the new set of indicators. In particular, two methodological notes have been produced for the calculation of the output indicators and result indicators and their role in the monitoring system. During the preparation phase, the Programme makes an extensive effort to move from the version of the indicator of 2007/2013, understand what the real added value is and how capturing the real effects of the Program and estimate its dimension.	Section 5.3.9 states that: “In its Section 2, the current CP document specifies a set of indicators for monitoring and evaluating its progress. They relate directly to the different specific objectives of the programme. In particular, results indicators are the cornerstone of the performance analysis of the programme. They relate to parts of the intended results that can be captured”.
b) Evaluation planning	The on-going evaluation suggests defining a long term strategy in the Evaluation Plan from the beginning	A specific PPG meeting and various sessions of other PPG meetings have been organised on the theme of evaluation and planning of activities. A draft internal document foresees a specific budget for evaluation within technical assistance.	Section 5.3.11 provides all the details on the evaluation process.

Theme	Suggestions for 2014+ from the ongoing evaluation	Functional Capitalisation / reflections / proposals from JTS	How the Programme takes into account the contributions
c) Involvement of the stakeholders	The on-going evaluation suggests ensuring the ownership of the evaluation of MS and Stakeholders	The note establishing the baselines for the result indicators already foresees a key role for the stakeholders.	<p>Section 5.6.2 of the CP:</p> <ul style="list-style-type: none"> • Clearly defines the relevant partners involved in implementation, monitoring and evaluation. • States that key stakeholders will be involved in measuring result indicators, as it was already done for setting the baselines; • The evaluation plan will ensure the involvement of key stakeholders whenever appropriate in surveys, workshop, and other tools. In particular the Channel Island will be associated where possible with an observer status, in particular in selected operations.

Theme	Suggestions for 2014+ from the ongoing evaluation	Functional Capitalisation / reflections / proposals from JTS	How the Programme takes into account the contributions
d) Monitoring and evaluation system	The on-going evaluation suggests providing a focus on project level.	<p>Functional Capitalisation activity shows that the reporting seems to certify the difficulties or failures of the system in allowing an “on time” reaction and effective following up of the decisions taken by the Programme at project level.</p> <p>Furthermore, the internal discussion has been animated by several discussion documents by the JTS. One of this document pointed out that it would be particularly useful to clearly define the roles and to logically link the mechanisms and steps of the monitoring and evaluation system.</p>	<p>Section 2.A.6.1 of the CP clearly states that:</p> <ul style="list-style-type: none"> • a project “main” objective shall be derived directly by the programme Specific Objective, be tailored and put in the particular context by its project specific objective, and it shall produce a “result”. • a project output shall be strictly related to the project specific objective and logically linked to the project expected result. Project output shall be consistent with programme actions. <p>Section 5.6 explains that partners have been involved following the European Code of Conduct on Partnership. In particular, the Programme has been based on many opportunities of consultations to ensure openness and accountability, effectiveness and coherence. The main types of consultation were: meetings; restricted consultation; massive consultation and publication of the Programme on the website of the MA of the 2 Seas programme and the programme national authorities.</p> <p>Section 5.3.5 of the CP clearly states that: “projects will set up a monitoring plan to identify the key moments of their implementation as well as to set up their</p>

Theme	Suggestions for 2014+ from the ongoing evaluation	Functional Capitalisation / reflections / proposals from JTS	How the Programme takes into account the contributions
			reporting schedule”.

8.3 FINDINGS AND RECOMMENDATIONS

On the basis of the previous analysis and in relation with the previous examined aspects, the ex-ante evaluators propose the following findings and recommendations.

Findings

Use of indicators: the CP proposes a monitoring system based on output, result and financial indicators. According to the ex-ante evaluators,

- An important shift is necessary from the 2007-2013 to 2014-2020 period, as already pointed out in the on-going evaluation;
- The CP has correctly addressed the quantification of the output and result indicators. The quantification of the output indicators has been based on the 2007-2013 experience and on the standardisation of the unit costs; while the result indicators have been constructed upon a specific methodology using surveys to relevant stakeholders. Even if some methodological adjustments seem to be possible, the approach is pioneering and adequate;
- The main challenges come from:
 - the capacity of the Programme to manage and appropriately use this amount of information for the evaluation. This could require some adaptations in terms of available expertise (see the chapter on administrative capacity);
 - the modalities of use of information in order to provide “early warning” and “justification” in case of possible failures.

Evaluation planning: the ex-ante evaluators consider very important that, as already pointed out by the on-going evaluation, a long term strategy is going to be proposed. As a matter of fact, the evaluation plan will be submitted to the first meeting of the monitoring committee;

Involvement of the stakeholders: according to the ex-ante evaluators, the full involvement of the key stakeholders in construction of the result indicator system and in future activities takes into account the suggestions coming from the on-going evaluation on the ownership of the evaluation.

Recommendations

Based on the above findings, the ex ante evaluator propose the following **recommendations**:

- It is necessary to **design standardised procedure for monitoring result indicators and for the impact evaluation** in order to reduce the burden for stakeholders and to capitalise from the activities already carried out for setting the

baseline;

- **The evaluation plan should clearly tackle the new challenges of Performance Framework and result-oriented approach;**
- It is necessary to specify in the CP, according to art.56 reg. 1303/2013, that an evaluation shall assess how support from the ESI Funds has contributed to the objectives for each priority;
- The evaluation plan should ensure the **involvement of key stakeholders whenever appropriate in surveys, workshop, other tools;**
- In order to improve **the organisation of the monitoring and evaluation system, it would important and useful to:**
 - Promote an increased focus on the project level, as pointed out by the on-going evaluation. This will allow building a coherent system from project to programme level and providing useful information for the evaluation;
 - Set a programme “intelligence” able to provide “early warning” and “justification” in case of possible failures and to reach “on time”, as suggested by the Functional Capitalisation activity and the discussion papers provided by the JTS;
 - Clearly define the roles and to logically link the bodies, steps and mechanisms of the monitoring and evaluation system. This will allow building system of information capable of feeding monitoring, performance and evaluation and “correlating” the strategy of the programme with the indicators’ system.
 - Take in consideration the possibility to organise part of the evaluation at project level, combining both a top-down and bottom-up approach. See the Annex 7.

9. ADMINISTRATIVE CAPACITY AND ADEQUACY OF HUMAN RESOURCES

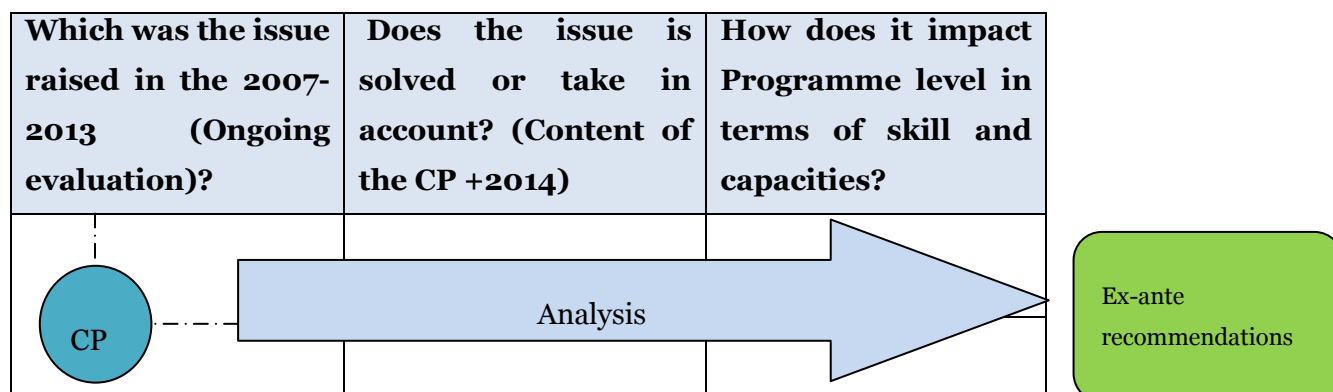
9.1 METHODOLOGICAL APPROACH

This chapter assesses the adequacy of human resources and administrative capacity for management of the programme (reg. 1303/2013 (art. 55 (i)). The appraisal is conducted by:

- Describing the main aspects related to the administrative capacity and human resources of the Two Seas Cooperation Programme, with a focus on the functions which reveals to be critical in 2007-2013: expenditure Certification, Control system, Monitoring Committee, Territorial Facilitation, Publicity;
- Verifying if the human resources and administrative capacities are proportionate and adequate to the needs of programme management and delivery.

Ex-ante evaluators have used as main source the on-going evaluation of 2007-2013 of Two Seas Programme.

Figure 3 Methodology of assessment of the administrative capacity



9.2 ANALYSIS

The following table reports the main contributions from the on-going evaluation on the main themes related to administrative capacity and adequacy of human resources.

Table 17 Assessment of the human resources and administrative capacity

Function	Criticalities from 2007 – 2013 programme	Programme 2014+	Impact on the administrative capacity
Certification	The experience 2007-2013 Certifying Authority was a burden procedure because it comports several exchange of information. However, it does not result an issue specifically related to capacity	CP indicates the Managing Authority Authority at the premises of Region Nord-Pas-de-Calais, and the Certifying at the premises of Provinciebedrijf Oost-Vlaanderen, which is the institution to which European Commission will make the payments. Section 5 also describes the management and control arrangements (role and task) of the MA, CA, AA, Group of Auditors, and Monitoring Committee.	Some changes could result in an increase of administrative workload as the annual management declaration and annual accounts (new task) and more frequent closure of programmes. Moreover, rolling closure is sometimes perceived as providing less flexibility compared to the way expenditures are currently certified. Therefore those changes might need an improved capacity inside the MA in dealing with financial reporting and flows.
Monitoring Committee	The evaluation identifies the following aspects to be improved: a)Facilitating a more strategic debate among MC members. b)Involving the political representatives.	The organisation of the “Strategic task force” of the Monitoring Committee is described in section 5.3.1.	An enhanced strategic role of the Monitoring Committee demands skills and ability to foster a proactive role of the MS. Now this capacity seems to be already in the JS (as it has been shown during the preparation of the Program).

Function	Criticalities from 2007 – 2013 programme	Programme 2014+	Impact on the administrative capacity
Control system	<p>The evaluation identifies the following aspects to be improved:</p> <p>a)Reducing length of procedures.</p> <p>b)Improving double checks and differences in national systems which make life more difficult for many projects partners, especially the less-experienced ones of small size organisations.</p> <p>c)Increasing budgetary constraint in public administration could hinder the capacity of the control system and of the administrative bodies.</p> <p>d)Improving the FLC system, since none of coexisting centralised (Belgium) and decentralised systems (France, Netherlands and UK) proved to be fully satisfactory. At this regards, new initiatives of training seem to be useful.</p>	<p>Section 5 of the CP indicates that the Commission Interministérielle de Coordination des contrôles des actions cofinancées par les Fonds structurels (CICC) will be the Audit Authority. Bodies carrying out the control and audit tasks have to be still designed.</p>	<p>Double checks and differences in national systems are particular burdensome for the less-experienced ones and small size organisations.</p> <p>On the other hand, increase of budgetary constraint in public administration could hinder the capacity of the control system and of the administrative bodies.</p> <p>It does not look like that the situation will improve in the 2014, therefore a criticality still exists on this aspect.</p>

Function	Criticalities from 2007 – 2013 programme	Programme 2014+	Impact on the administrative capacity
Project managing	<p>In 2007-2013 programming period, the JTS has managed the Programme with maximum 15 staff (at the beginning only 8). With an increase of about 50% of the ERDF allocation (and possibly the number of projects).</p> <p>The evaluation highlights the new challenges coming from a more focused approach in project could either require some adaptations in terms of expertise or external experts.</p>	At the moment, arrangements of the joint secretariat are already in place since based on the 2007-2013 programming period.	<p>The JS will be surely more solicited in dealing with project level in terms of reporting and managing procedures.</p> <p>Therefore more than a qualitative it is needed a quantitative up date of the human resources staffing the JS.</p>
Territorial facilitators	<p>Projects partners have expressed the need for more regular annual meetings to discuss the implementation of the project and possible new directions.</p> <p>The relation between JS and TFN should be improved in terms of responsibility and role. As a matter of fact, TF are not directly employed by the Programme, but partly or entirely by their host organisation, which could create some problems of clarity about their exact roles and tasks.</p>	The network of TFs has the role to ease the involvement of partners, notably those who do not belong to the “INTERREG community”.	<p>Territorial facilitators will be asked to enhance the territorial linkages with the Program.</p> <p>Since the new focalisation of the 2SEAS program and changes in the selection of the Project, an increase of the capacity of the facilitator is needed.</p>

Function	Criticalities from 2007 – 2013 programme	Programme 2014+	Impact on the administrative capacity
Communication	<p>The evaluation suggests:</p> <p>a)Increasing the use of social media also to promote the awareness of the population on the results of the CP.</p> <p>b)Organising targeted events reinforcing the mutual knowledge between different projects and their synergies.</p> <p>c)Promoting a better interaction between ERDF co-funded programmes and Local authorities to communicate the main activities, opportunities and achievements to the general public.</p>	<p>Provisions for publicity. Section 5.3.9 of the CP indicates that MA will inform the MC at least once a year on the progress in the implementation of the communication strategy. Moreover, MA will designate a person as the responsible for information and communication at CP level. The communication strategy will be implemented by the team of JTS. A specific part of the budget for TA has been appointed to communication activity.</p>	<p>Due to the new technologies and modalities of communication, on the one hand, and the new features of 2014+ Two Seas Programme, appropriate skills and capacities are required from the JTS.</p>

9.3 FINDINGS AND RECOMMENDATIONS

For each aspect of the assessment, the ex-ante evaluators draft a list of findings and suggestions for the 2014-2020 period.

Findings

For what concerns the findings, considering the 2007-2013 period and the new requirements for 2014+, the evaluators put in evidence:

- The CP does not specify the Certifying Authority, which will be, anyhow, integrated under the **MA**, corresponding to the Region Nord Pas-de Calais. However, also following the indications from the DG Regio study “*Measuring the impact of changing regulatory requirements to administrative cost and administrative burden of managing EU Structural Funds (ERDF and Cohesion Funds)*” (2012) – from now on DG Regio study (2012)⁷ -and the on-going evaluation, the new certification procedure will imply an increase in complexity for certain aspects (e.g. rolling closures).
- The **JS** will face new challenges related to project management and communication. In addition, the JS will be asked to increase its activities regarding monitoring and evaluation (e.g. in relation with performance framework, result indicators - see the related chapter).
- At project level, the control system is expected to remain demanding for the **beneficiaries**.
- The **Territorial facilitators** will perform a more difficult job since the new focalization of the Program.

Recommendations

Having in mind the above findings, the evaluators provide some recommendations:

- **An empowerment of the skills.** In this case the issue is in providing more resources on a qualitative side. Therefore, formal training, workshops, exchanges of professional experience shall be organised.
- **Additional personnel.** This suggestion is given when the organization already has the skill and the capacities but not enough manpower.

⁷ DG Regio (2012), “Measuring the Impacts of changing regulatory requirements to administrative cost and administrative burden of managing EU Structural Funds (ERDF and Cohesion Funds”. This study is indicated in the report as DG Regio study (2012).

- **Organizational changes.** Better definition of the roles and responsibilities or fine-tuning of already organizational model can make more efficient the use of existing resources.

The following table summarises the various dimensions of the recommendations.

Table 18 Type of improvement and justification

Bodies/ Organisation	Additional personnel	Skills upgrade	Organizational changes	Justification
MA				Incorporating the CA in the MA will not be sufficient to ensure an efficient process of expenditures certification; a technical upgrade might be needed. Therefore, ex-ante evaluators underline the necessity of exploring possible organisational models and capitalising the experience of 2007-2013 Certifying Authority.
JS				Additional human resources for JS should be considered also in respect to the needs of a “more targeted selection” of projects, which could require external experts and/or ad hoc training of human resources.
Territorial facilitators				It is important to better define the responsibility and role of territorial facilitators; moreover is important that the facilitators are trained to face efficiently the new duties.
Beneficiary				Also for the beneficiaries, specific training dedicated to the thematic of control and financial reporting is recommended.

10. EVALUATION OF THE CONTRIBUTION TO THE EUROPE 2020 STRATEGY

10.1 EUROPE 2020 AND CP TWO SEAS

Europe 2020 is the EU's growth Strategy that aims at moving beyond the crisis and creating the conditions for a more competitive economy. The Strategy sets a number of priorities with headline targets and flagship initiatives for the Member States. There are three interrelated priorities of the Strategy:

- *Smart Growth*: developing an economy based on education, knowledge and innovation
- *Sustainable Growth*: promoting a more efficient, greener and low-carbon economy
- *Inclusive Growth*: fostering a high-employment economy, delivering social and territorial cohesion

The European cooperation programmes should implement the overall goals of the Strategy on a regional level and thus by adapting their priority axes and specific objectives to the Strategy. The 2Seas Programme aims at developing the region into an innovative, knowledge- and research-based, as well as sustainable and inclusive region, where the natural resources are protected and green economy is promoted.

This section focuses on analysing how the Programmes' specific objectives correspond and contribute to Europe 2020 Strategy. The analysis of the Europe 2020 priorities and the priority axes shows the relationship of the programme objectives to the Strategy's headline targets and the flagship initiatives.

Considering the overall relationship of the Programme with the Europe 2020 priorities, the Programme shows a rather direct contribution to the smart and sustainable growth priority. The contribution to the inclusive growth priority is indirect, for most of its objectives. However, some priority axes have a more direct relationship with some of the headline targets or flagship initiatives. The priority axis and specific objectives are coherent with the EU 2020 priorities and share a complementary relation. The specific objectives are well structured and developed so that their relation to the Europe 2020 Strategy can be visible. None of the objectives or priority axes is in conflict with the specific objectives.

- Priority Axis n.1 of the Programme aims at technological and social innovation in the region. The specific objectives of the PA have an indirect relationship with the headline targets and the flagship initiatives of the EU 2020 Strategy. Improving the framework conditions for delivering innovation in the region can in the long term benefit enterprises and create jobs. Only SO 1.3, which aims at increasing the development of social innovation application in response to 2Seas societal challenges, has a direct relation to the headline targets of the inclusive growth priority, which among others aims at combating poverty and social exclusion across Europe.
- Priority Axis n.2 of the Programme aims at a more sustainable environment through the development of low carbon technologies. SO 2.1 has an indirect relationship with the smart and inclusive growth priorities, though it is directly related to the sustainable growth priority. Sustainable Growth headline target, the so-called 20-20-20 targets, aims at 20% less CO₂ emissions, 20% of renewable resources and 20% increase of energy efficiency, while flagship initiatives envisage a resource efficient Europe and an industrial policy for the globalisation era.
- Priority Axis n.3 on better adaptation to climate change has a similar relationship with the Europe 2020 Strategy, as Priority Axis 2. SO 3.1 has an indirect relationship with the headline targets and flagship initiatives of the smart and inclusive growth priorities, but a direct relationship with the sustainable growth priority.
- A resource efficient economy is the focus of Priority Axis n.4 of the Programme. The adoption of new solutions for a greener economy, especially as it is stressed in the Blue Growth communication, can in the long term contribute to the creation of new jobs and therefore contribute to the headline target of smart growth on achieving a 75% employment rate. Therefore there is a direct relationship between PA n.4 and Eu2020 Smart Growth priority. Similarly, SO 4.1 and 4.2 have a direct relationship with the sustainable growth priority, since efficient use of natural resources and materials can contribute to a more sustainable and energy efficient Europe.

10.2 CROSS-IMPACT RELATION TO SMART GROWTH

The Europe 2020 priority on smart growth aims at creating a knowledge- and innovation-based Europe, which can create more jobs, increase the GDP invested in R&D, promote research and innovation, especially in the development of new technologies and products, as well as support education, training and lifelong learning and the use of ICT. The Priority Axis 1 and more specifically SOs 1.1 and 1.2 seem to contribute more to the smart growth priority, with a specific focus on innovation and research development. Innovation is understood as a means for

creating more jobs and opportunities for different actors involved. In addition, R&D and Smart Specialisation Strategies play an important role for Europe and this is also reflected on the 2Seas region level. However, the creation of new jobs is not only related to growth in the region but reflects the social inclusion character of the objectives (see SO 1.3). SO 2.1 has no to minor contribution to the smart growth priority, thus the adaptability to the climate change, as addressed in SO 3.1, can have an impact on smart growth if innovation and technologies are applied for such related purposes. Considering new solutions for a greener economy, as addressed in SO 4.1 and SO 4.2, innovation can play an important role. Therefore, by adopting such solutions, the programme can contribute to employment opportunities, as well as jobs in research and innovation.

10.3 CROSS-IMPACT RELATION TO SUSTAINABLE GROWTH

The second priority of the Europe 2020 Strategy aims at a sustainable growth. In other words, European Union should reduce greenhouse emissions by 20%, achieve 20% of energy from renewable resources and increase by 20% the energy efficiency. Priority Axis n.1 does not contribute directly to the sustainable growth targets, unless innovation projects directly target sustainable growth. SO 2.1 and 3.1 show the greatest contribution to the sustainable growth priority. SO 4.1 and 4.2 show a relatively minor contribution to that priority level, however they can in the long run contribute to the environmental protection and to more competitive low carbon economy thematic actions, but also to the improvement of the business environments thematic action, since it targets a greener economy.

10.4 CROSS-IMPACT RELATION TO INCLUSIVE GROWTH

The last but not least priority of the Europe 2020 Strategy focuses on the development of a socially inclusive European Union, with at least 40% of 30-34 year old population having completed third level education, less people being at risk of poverty, more and better jobs for all, more investments in skills and training, modernisation of the labour markets and visible benefits of growth reaching all parts of the EU. To that priority, SO 1.1 and 1.2 have a minor impact, while SO 1.3 contributes to inclusive growth by increasing the development of social innovation applications in response to key societal challenges (e.g. demographics and health, social inclusion and fight against poverty). Furthermore, SO 2.1, 3.1, 4.1 and 4.2 have minor to no contribution for inclusive growth. This can rather be achieved through the implementation of

greener economy policies, leading to better and sustainable employment opportunities.

10.5 CONCLUDING REMARKS

Taking a closer look at the planned financial allocations, PA n.1 receives the greatest funding support, having a total of around 165 M EUR, double the amount of the PA n.2. PA n.1 is one of the priorities that contributes most to the Europe 2020 and has at the same time different and ambitious goals to achieve, which makes the funding distribution sensible. PA n.2 has the greatest contribution to the sustainable growth priority with the second highest funding. Taking into account that creating a sustainable, low-carbon and energy efficient environment in the region requires effort, a sensible money amount is necessary to best contribute to the overall Europe 2020 objective. According to the analysis, PA n.3 and n.4 receive the smallest funding support and mainly contribute to the sustainable growth priority with a limited contribution also to Smart growth.

Table 19 Contribution of the CP to Europe 2020 Strategy

	Headline targets	SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
Smart Growth	75% of the 20-64 year-old population to be employed	(++)	(+)	(++)	(o)	(+)	(++)	(++)
	3% of the EU's Gross Domestic Product to be invested in R&D	(++)	(+)	(o)	(o)	(o)	(o)	(o)
Sustainable Growth	20% reduction in greenhouse gas emissions	(o)	(o)	(o)	(+++)	(++)	(++)	(++)
	20% of energy from renewable sources	(o)	(o)	(o)	(+++)	(++)	(++)	(++)
	20% increase in energy efficiency	(o)	(o)	(o)	(+++)	(++)	(++)	(++)
Inclusive Growth	At least 40% of 30-34 year-old population completing third level education	(o)	(o)	(+++)	(o)	(o)	(o)	(o)
	At least 20 million fewer people in or at-risk-of-poverty and social exclusion	(o)	(o)	(+++)	(o)	(o)	(o)	(o)

Legend: Contribution: +++ (high), ++ (middle), + (low) ; (o): no to minor contribution

11. ASSESSMENT OF THE MEASURES PLANNED TO REDUCE ADMINISTRATIVE BURDEN FOR BENEFICIARIES

11.1 METHODOLOGICAL APPROACH

This chapter of the ex-ante evaluation examines the measures planned to reduce the administrative burden on beneficiaries, described in Section 7 of the CP. Two main studies help identifying the main issues on the administrative burden for the beneficiaries in the European context:

- The study “Regional governance in the context of globalisation” of 2010⁸, from now on DG Regio study (2010), which indicates that administrative costs related to the management of programmes reaches 3-4% with a higher concentration of costs and workload in management, certification and Audit.
- The DG Regio study (2012) - which tests the proposed regulatory changes to estimate the reduction of administrative costs and administrative burden for beneficiaries. This study shows that:
 - Total administrative burden of beneficiaries in 2007-2013 corresponds to approximately 2% of the total ERDF and CF contribution;
 - Financial management (preparation of payment claims and supporting documents) and monitoring obligations are the most relevant reasons of administrative burden for beneficiaries;
 - The new regulation is expected to contribute to reducing by 20% the administrative burden, of which 11% relates to the introduction of a fully electronic e-cohesion and 9% to the other changes tested.

The appraisal is conducted by:

- Extracting the key messages from studies at European level on the issue;

⁸ SWECO (2010), “Regional governance in the context of globalisation – reviewing governance mechanisms and administrative costs. Administrative workloads and costs for Member States public authorities of the implementation of ERDF and Cohesion Fund Include the exact reference”. The study has been commissioned by DG Regio. This study is indicated in the report as DG Regio study (2010).

- Examining the main needs for the Two Seas CP in respect to the proposed measures illustrated in Section 7 of the CP;
- Providing some suggestions on the basis of the documents by the JTS analysed and discussed during the PPG meetings, the results of the on-going evaluation of 2012 and the functional capitalisation activities.

11.2 ANALYSIS

The section 7 of the CP identifies in the sub-section “Assessment of the administrative burden of beneficiaries” the following **areas of improvement** for the reduction of administrative burden for beneficiaries:

- a) Simplification and streamlining of the application process, for instance by making the application form more user friendly and introducing on-line application forms;
- b) Providing more support and expertise to applicants and beneficiaries on complex regulatory matters;
- c) Simplifying and streamlining reporting.

As to meet the needs emerging for the aforementioned areas of improvement, the CP, as illustrated in the sub-section of Section 7 “Main actions planned to reduce the administrative burden of 2 Seas CP”, intends to reduce the administrative burden for beneficiaries by promoting:

- The harmonization of the implementation tools. At this regards, the CP refers to the harmonised implementation tools developed by Interact, even if it does provide any further details on their adoption;
- The harmonization with neighbouring programmes, in particular those under the same MA (North West Europe and Interreg Europe). They can also benefit from the work of the regional programmes as part of “Regional North-West” HIT group;
- The further improvement of the electronic exchange data system even though the Section 7 highlights that the CP already largely complies with the main requirements of the e-Cohesion Initiative.

The following tables match what has been indicated in the CP with what emerged from the DG Regio study (2012), on-going evaluation and functional capitalisation activity as to provide the evidences on which construct the main evaluation suggestions.

Table 20 Ex-ante assessment on the areas of improvement

Areas of improvement identified by the CP	On-going evaluation	Other sources (Functional capitalisation and DG Regio 2012)	Actions planned to reduce the administrative burden identified in the CP
a)Simplification and streamlining of the application process	<i>The potential use of one language version (English), with summaries in the other languages, could contribute to further simplifying the eligibility check and the application process.</i>		1) The CP will promote the harmonization of the implementation tools. At this regards, the CP refers to the harmonised implementation tools developed by Interact, even if it does not provide any further details on their adoption.
b)Providing more support and expertise to applicants and beneficiaries	<i>A “more targeted selection” of project could require external experts and/or ad hoc training of human resources (JTS, Facilitators) to assess the applications in very specific fields.</i>	<i>The decision for a gradual system of application (see Section “5.3.2 Organisation of the assessment and selection of operations”) could rationalise the time and energy for applicants and programme bodies and ensure that submitted applications will be as much as possible in line with 2 Seas programme result-orientation.</i>	2) The CP will ensure a higher harmonization with neighbouring programmes, in particular those under the same MA (North West Europe and Interreg Europe). They can also benefit from the work of the regional

Areas of improvement identified by the CP	On-going evaluation	Other sources (Functional capitalisation and DG Regio 2012)	Actions planned to reduce the administrative burden identified in the CP
c)Simplifying and streamlining reporting	<p>Some projects may be confronted with specific difficulties. This could be particular the case for projects involving research centers and / or private partners and financing projects with revenues.</p> <p>During 2007-2013 period, some problems emerged with the First Level Controllers.</p> <p>A higher result orientation of the selection process, mentioned above, could make the reporting for beneficiaries more complicated. This should be taken into account knowing that monitoring and reporting have been considered very demanding in the 2007-2013.</p>	<p>According to the DG Regio study (DG Regio, 2012), the submission of the annual management declaration and annual accounts could be a source of additional costs, as this constitutes a new task. Moreover, the interplay between the ERDF and CF regulatory framework and national legislation in particular for what concerns the retention requirements for supporting documents might neutralized the change proposed by the new regulations.</p>	<p>programmes as part of “Regional North-West” HIT group.</p> <p>3) The CP will support the improvement of the electronic exchange data system, even though the Section 7 highlights that the CP already largely complies with the main requirements of the e-Cohesion Initiative.</p>

11.3 FINDINGS AND RECOMMENDATIONS

Findings

- The foreseen simplification based on HIT approach and the harmonization with the neighbouring programmes and the further implementation of the e-Cohesion Initiative are likely to contribute a general improvement as expected in the CP.
- **The decision for a gradual system of application**, as pointed out in the functional capitalisation activities, **could rationalise the time and energy for applicants and programme bodies and ensure that submitted applications** will be as much as possible in line with 2 Seas programme result-orientation;
- **The greater focalisation of the selection process**, mentioned above, **could result in more complicated reporting for beneficiaries**, knowing that monitoring and reporting have been considered very demanding in the 2007-2013;
- As highlighted in the DG Regio Study (DG Regio, 2012), it is important to take into account **the interplay between the ERDF and CF regulatory framework and national legislation** in particular for what concerns the retention requirements for supporting documents might neutralized the change proposed by the new regulations.

Recommendations

The ex-ante evaluators, even if a more complete assessment could be possible only once the specific characteristics and timing of the adoption of the harmonization tools and process will be defined, highlight:

- **The potential use of one language version (English), with summaries in the other languages, could contribute to further simplifying** the eligibility check and the application process as also pointed out by the on-going evaluation;
- **The simplification of reporting and a higher support to beneficiaries should be also considered in terms of new needs of training and expertise for the programme.**

ANNEX 1 CONSISTENCY ANALYSIS

This Annex provides further elements of analysis concerning national challenges and needs which are either directly related to ETC or which are indirectly relevant for establishing a common basis on challenges and needs for the CP. The following table shows the main elements at ETC and national level.

Table 21 Europe 2020 related challenges and needs in comparison to the participating countries' relevant challenges and needs

References for EU objectives for EU27: Europe 2020 Strategy (headline targets & action fields)	Europe 2020 headline targets					Other relevant EU 2020 action fields	
	Employment	Innovation	Energy / environment	Education	Poverty / social exclusion	Competitiveness	Digital society
Specific ETC related needs and challenges in the 2 Seas Programme area linked to Europe 2020 objectives							
References for assessing cross-border needs and challenges in the 2Seas programme area: <ul style="list-style-type: none"> - Background report (2013) - Methodological note (2013) - Draft version of the Programme 		Raise R&D capacity of SME Develop specific R&D themes Enhance applied R&D cooperation Social innovation	Risks prevention Low-carbon economy and technologies Reduce environmental pressure Save biodiversity & avoid fragmentation	Develop high skilled human resources	Vulnerable groups and emerging new needs	Improve SMEs' conditions Demonstrate innovative SME business models Better use of natural heritage	
Specific ETC related issues in Belgium (Flanders) linked to Europe 2020 objectives							

References for assessing ETC related needs and challenges in Belgium: <ul style="list-style-type: none"> - NRP 2013 - Council recommendations 	Better use of migrants' skills & qualifications	Better cooperation in research & education	Resource efficiency, risk prevention, risk management & environmental protection Transfer good transport practices Renewable energies Energy efficiency	Investing in people and skills Quality of initial education	Reintegration into gainful employment of certain population groups	Increase agricultural productivity	
Specific ETC related issues in France linked to Europe 2020 objectives							
References for assessing ETC related needs and challenges in France <ul style="list-style-type: none"> - NRP 2013 - Council recommendations - Staff working paper 		Enhance links between private sector and research	Environmental protection, preservation of biodiversity		Precarious employment Youth unemployment	Improve business environment for SME growth Use of cultural heritage for business development	
Specific ETC related issues in the Netherlands linked to Europe 2020 objectives							
References for assessing ETC related needs and challenges in the Netherlands: <ul style="list-style-type: none"> - NRP 2013 - Council recommendations - Staff working paper 	Increase the employability of older workers, enhance employment	Improve SME's innovation competence Promote innovation, private R&D investment and closer science-business links	Renewable energies Energy efficiency, green growth, CO2 reduction	Early school leavers	The gradual increase of the statutory Inclusive labour market, minimum salary	Increase agricultural productivity entrepreneurship incentives in the context of the enterprise policy	Digital gap linked to rural areas
Specific ETC related issues in the United Kingdom linked to Europe 2020 objectives							
References for assessing ETC related needs and challenges in the United Kingdom: <ul style="list-style-type: none"> - NRP 2013 - Council recommendations - Staff working paper 	Specific population groups (young people)		Investment in new energy capacity, including in renewable energy		Low-income households, child poverty Women labour market participation	SMEs environment	Digital gap

Here below, a short paragraph summaries the coherence of the Two Seas Programme with the National Reform Programmes.

Belgium

The Programme is coherent with the priorities of the National Reform Programme. The latter is basically built upon the Europe 2020 priorities, focusing on smart, sustainable and inclusive priorities. The Programme is coherent with how the above priorities have been elaborated in the National Reform Programme, especially as regards priorities on innovation and research, education and training, reduction of carbon emissions, energy efficiency, climate and social inclusion (including poverty and social protection of the population and reduction of child poverty). Considering the environmental protection, Belgium has developed a Flemish climate policy plan 2013-2020, concerning GHG emission reduction targets, while an Air-Climate-Energy Plan 2013-2020 suggests concrete measures to be implemented. Research and development and innovation are also addressed through set targets, which also reflect the focus of the CP relevant Priority Axis and Specific Objectives. These are shared priorities and policy suggestions for both, having a complementary relation. None of the priorities of the NRP come to any conflict with the CP priorities and objectives.

Marine/Maritime dimension: Not explicitly addressed

France

Research and innovation is one of the strategic objectives of the Programme and it also reflects a new shift in France's national reform Programme. Its economy and infrastructure will be based a lot on research and innovation, while actions are also taken. The research, R & D and innovation will also be stimulated for enterprises and the development of the competitiveness of the country. On low carbon technologies and the promotion of renewable energies focuses the second Priority Axis of the FCE Programme. The Priority and its specific objectives reflect on the goals of the National Reform Programme, which also devotes a large part on the reduction of the gas emissions and the promotion and development of renewable energies. Especially for the region of Basse-Normandie it is foreseen to make advantage of its maritime renewable energy potentials. France has the objective to reach a 23% of renewable energy use. The promotion of social inclusion and the battle against poverty is one of the aims addressed in the National Reform Programme. This aim is also addressed by the CP, mainly through the delivery of social innovation.

Marine/Maritime dimension: Not explicitly addressed

The Netherlands

The Programme is coherent with the Dutch National Reform Programme, having also a complementary relation. The NRP also focuses on the Europe 2020 priorities, which are shared by most of the Priority Axes and Specific Objectives of the Programme. Innovation and research, as well as climate change adaptation and low-carbon economy in the region are addressed by both. There is no conflict between the CP and the NRP. Societal challenges, such as demography are addressed by the NRP, and the CP in the Specific Objective 1.3. Moreover, innovation and research and especially R&D investment and closer science-business links, knowledge institutes, business sector and public authorities, which are aims of the NRP, reflect the quadruple helix relation of the 1.1 Specific Objective of the CP. The Europe 2020 priorities on energy sustainability and climate change play an important role for the NRP in the Netherlands and are well reflected in the CP. The Netherlands have also set targets for combating social exclusion and poverty, which corresponds to the objective on delivering social innovation of the 2Seas Programme.

Maritime/Marine dimension: Not explicitly addressed

United Kingdom

The Programme is coherent with the priorities set in the National Reform Programme of the United Kingdom. The NRP is mainly nationally-oriented without addressing Europe 2020 priorities as the other NRP. Nevertheless, priorities such as innovation, research, adaptation to climate change, reduction of carbon emissions, but also social exclusion and poverty reduction are promoted by the NRP and also reflected in the Programme's priorities and specific objectives. Innovation and research have a high priority in the UK, considering that the government aims to promote excellent universities and research and increased business innovation, as well as to foster scientific and technological breakthroughs, also by better linking entrepreneurs and researchers, in accordance with the CP Specific Objectives (especially 1.1 and 1.2). Greenhouse emissions reduction and energy efficiency belong among the targets of the UK Programme's: 15% of renewable energies by 2020 and 34% less than 1990 by 2020 of greenhouse gas emissions are the targets. Therefore, both have a complementary relationship, regarding that different regions of the United Kingdom perform differently on the above priorities, while the Programme sets some general suggestions adapted to the 2Seas programme area.

Marine/Maritime dimension: Not addressed

ANNEX 2 LIST OF DOCUMENTS FOR THE EXTERNAL COHERENCE

Table 22 List of documents at European level

MS	Author (date)	Name
BE	EU Commission (2012)	Position paper
BE	EU Commission (2012)	Recommendation on National reform programme
FR	EU Commission (2012)	Position paper
FR	EU Commission (2012)	Recommendation on National reform programme
NL	EU Commission (2012)	Position paper
NL	EU Commission (2012)	Recommendation on National reform programme
UK	EU Commission (2012)	Position paper
UK	EU Commission (2012)	Recommendation on National reform programme
/	EU Commission	Communication on the Maritime Strategy
/	EU Parliament	Macro-regional strategy for the Atlantic
	Study for DG Mare	Blue Growth

A first list of documents required to carry out the coherence analysis is given below by country and region belonging to the cooperation area.

Belgium (Regional level)

- ✓ EU2020 Flemish Reform Programme Flemish Government, 2012
- ✓ Flemish Reform Programme 2013, Flemish Government, 2013
- ✓ White paper RIS³ Flanders/New Industrial Policy for Flanders Flemish Government, 2012
- ✓ Concept note on Smart Specialization Flemish Government, 2013
- ✓ General principles regarding Cohesion Funding Programmes 2014-2020 Flemish Government, 2011
- ✓ Territorial structural plan (Ruimtelijk Structuurplan) Vlaanderen - Flemish Government, 2011
- ✓ Flemish strategy sustainable development 2014 Flemish Government, 2010
- ✓ MIRA, Indicator Report 2012

The United Kingdom (National level)

- ✓ Biodiversity 2020: A strategy for England's wildlife and ecosystem services – Department for Environment, Food and Rural Affairs, 2011
- ✓ Climate Change Act 2008 - Parliament of the United Kingdom, 2008
- ✓ Flood and Water Management Act 2010 - Parliament of the United Kingdom, 2010
- ✓ National Planning Policy Framework - Department for Communities and Local Government, 2012
- ✓ Local growth: realising every place's potential – HM Government, 2010
- ✓ Using Industrial Strategy to help the UK economy and business compete and grow, 2013
- ✓ Boosting private sector employment in England, 2013
- ✓ Stimulating economic growth in rural, 2013
- ✓ Increasing the UK's exports and attracting inward investment, 2013
- ✓ Improving high streets and town centres (<https://www.gov.uk/government/policies/improving-high-streets-and-town-centres>), 2012
- ✓ Supporting economic development projects in coastal and seaside areas, 2013
- ✓ Sustaining a thriving maritime sector, 2012

United Kingdom (Regional level)

- ✓ State of the Environment - South East England, Environmental Agency
- ✓ State of the Environment - South West England, Environmental Agency
- ✓ State of the Environment – Anglian Regions, Environmental Agency

The Netherlands (National level)

- ✓ Draft National reform programme, 2013
- ✓ Government agreement 2012 -2015 (Regeerakkoord) - VVD / PvdA, 2012
- ✓ Agreement on sectoral policy for knowledge and innovation ‘topsectoren’ – Ministry of economic affairs, 2012
- ✓ Sustainability agenda summary (‘Duurzaamheidsagenda’) , 2012
- ✓ Digital agenda 2011-2015 (Digitale agenda – ICT voor innovatie en economische groei) - Ministry of economic affairs, 2011
- ✓ Structuurvisie infrastructuur en Ruimte 2012-2040 – Ministry of infrastructure and environment, 2012
- ✓ Mobility policy 2008-2020 (MobiliteitsAanpak) – Ministry of Transport, Public Works and Water Management, 2008
- ✓ Information letter on future environmental policy - Ministry of economic affairs, 2013
- ✓ Nature Outlook 2010–2040. Nature and landscape in 2040 - PBL Netherlands Environmental Assessment Agency, 2011

The Netherlands (Interregional level)

- ✓ National delta programme (deelprogramma Zuidwestelijke Delta, plan van aanpak) - Ministry of Transport, Public Works and Water Management, 2010
- ✓ Agenda Biobased economy – Southwest Holland - Province of Zeeland, North Brabant, 2011
- ✓ Smart specialization strategy 2014-2020– South Holland – Province of Zeeland, North Brabant and Limburg, 2013

France (National level)

- ✓ National reform programme - General secretariat for European affairs, 2012
- ✓ Position of the Commission Services on the development of Partnership Agreement and programmes in France for 2014-2020 period - European Commission, 2012

- ✓ Synthesis of regional innovation strategies (case studies for each participating region in the two areas) – DATAR, 2012
- ✓ Methodological guide - MOT (Mission opérationnelle transfrontalière) Cross border policy report - French parliament, 2010

France (Nord Pas de Calais)

- ✓ Territorial strategic diagnosis
- ✓ Regional innovation strategy
- ✓ Regional scheme for planning and sustainable development of territories (incl. thematic components):
 - regional scheme for transports and mobility
 - regional scheme for biodiversity (Trame verte et Bleue)
 - regional scheme for higher education and research
 - regional scheme for economic development
 - regional scheme for "climact "
- ✓ Project d'action stratégique de l'Etat en Nord- Pas De Calais (PASE) 2011-2013
- ✓ Profil environnemental Nord Pas de Calais – Tome 1 et 2, 2013
- ✓ Charte de Développement du Littoral Côte d'Opale, SMCO, 2008

The list of regional / national operational programmes is not available at the moment.

ANNEX 3 EXTERNAL COHERENCE ASSESSMENT

This annex reports the analysis of coherence with other relevant policy instruments.

Position papers

Table 23 Coherence of the CP with the European Commission Position Paper

Country	General assessment	Maritime dimension
Belgium	The Programme's Priority Axis on technological and social innovation is coherent with the themes developed in the Position Paper for the development of the Partnership Agreement of Belgium. The PA 1 covers objectives such as the improvement of framework conditions for delivering all forms of innovations involving actors from the business and research sectors (SO 1.1), the technological innovation applications (S.O 1.2) and social innovation development in response to societal challenges. This is in line with the themes of the PP, especially as regards research and innovation investments, business innovation for the creation of jobs and growth. The Priority Axis of the Programme on the use of innovation for the adoption of low-carbon technologies, as well as adaptation on climate change (PA 3) reflects the theme of the PP. The last priority on the sustainable use of the natural resources through the adoption of a green economy (PA 4) is mentioned in the actions supporting relevant initiatives. None of the priorities come into conflict with the themes of the PP.	It is mentioned in the PP. The support to maritime policy tools such as the Coastal Zone Management and Maritime Spatial Planning should be encouraged, while maritime transport should be improved.

Country	General assessment	Maritime dimension
France	<p>The Programme has well integrated the themes addressed in the PP of France. Starting from Priority Axis 1 on technological and social innovation, the Programme reflects the priorities of the PP. The latter aims at creating a competitive economic environment through reinforcing the technological development and research, improving the access to technologies and information and reinforcing the competitiveness of SMEs. Moreover, there is a focus on Smart Specialisation Strategies and technology transfer, but also on the promotion of competence centres and improvement of governance mechanisms for the realisation of R&D activities. The national objective for 2020 is to a 3% of R&D expenditures, which is in accordance with Europe 2020 priorities and shows that R&D and innovation is high on the priority level for France. The specific objective 1.1 reflects the above especially through the development of the quadruple helix, which involves research and business cooperation, while the Specific Objective 1.2 on smart specialisation, creation of networks and delivery of new products and technologies also reflects the same priority. Considering social inclusion, France has put a target of reducing up to 1.6 million of people that are at risk of social exclusion and poverty. Actions against poverty and for education access and capacity reinforcement are promoted. The Programme reflects this theme through the Specific Objective 1.3, which responds to social challenges through the use of innovation. Priority Axis 2 on low carbon technologies, as well as Priority Axis 3 on adaptation to climate change and Priority Axis 4 on the resource efficient economy reflect the environmental related priorities of the PP. Less CO₂ emissions in all sectors, the promotion of the climate change adaptation and risk prevention, as well as the environmental protection and the promotion of the rational use of natural resources are among the thematic objectives addressed in the PP. The promotion of the green (and blue) economy as envisaged in the PA 4, reflects the sustainable exploitation of marine resources necessary for marine biotechnologies.</p>	<p>Apart from the sustainable use of marine natural resources, the PP supports the exploitation of the offered high potential through cooperation and especially through Atlantic Maritime Strategy. The Strategy can bring a boost in the sectors of maritime economy.</p>

Country	General assessment	Maritime dimension
The Netherlands	<p>The Programme's priorities and specific objectives are very much in line with the themes of the EC Position Paper. The Priority Axis 1, focusing on technological and social innovation, has three main objectives: the improvement of framework conditions for delivering all forms of innovation, the delivery of innovation applications and the use of innovation in response to societal challenges. These reflect a range of themes in the PP. Innovation is high on the political agenda of the Netherlands (pg.5), while research and development can contribute to innovation and to an innovation-friendly business environment. Better cooperation between SMEs and the science and research world (pg.8) is encouraged and reflected in the quadruple helix suggested for the Programme. Moreover, social inclusion is also an important priority for the Netherlands especially towards more vulnerable groups. This is reflected considering Priority Axes 2 and 3 on the low carbon technologies and the adaptation to the climate change are also themes of the PP, taking into account that the gas emissions reduction is a set target for the country (-18% of emissions by 2020 and 3.8% increase in 2010 coming from renewable energies). Environment-friendly and resource-efficient economy is widely addressed in the PP and also reflected in the Programme's priorities (PA 2 and PA 4).</p>	<p>The maritime dimension is addressed in the PP, as regards growth and entrepreneurship encouragement, as well as the development of new products and processes and the integrated maritime policy. In that respect, sustainable growth will be promoted.</p>

Country	General assessment	Maritime dimension
United Kingdom	<p>Promoting R&D investment and competitiveness of the business sector is one of the themes of the PP of United Kingdom. This priority is also reflected in the Programme's Priority Axis on innovation, which also encompasses social inclusion aspects. The latter is a target for the UK, especially as regards the fight against poverty and the promotion of social inclusion. The theme on CO2 emissions reductions is also reflected in the Programme. UK has set as national targets a reduction of 34% by 2020 and an increase of 15% of energy from renewable sources. The Programme also focuses on these environment-related priorities through the PA 2 and 4. The adaptation to climate change is not addressed in the PP, and therefore its relation to the Programme's priorities is more related to the maritime policy, since rising sea levels are likely to have an impact on the UK coast: "Here, consideration should be given to the benefits of working in cooperation with neighbouring countries, for example through the Maritime Strategy for the Atlantic Ocean area" (pg.9). None of the Programme's priorities and specific objectives comes in any conflict with the PP themes.</p>	<p>"Special attention should be given to workers in sectors undergoing sectoral change such as the fisheries and maritime sector. In coastal areas, the main challenge is to ensure a transition towards new skills and jobs in sectors suffering from sectoral adjustments (for example, by facilitating the transition from fisheries and shipbuilding to marine biotechnology, maritime tourism, aquaculture, etc., which would increase employability in coastal areas)." (pg.7). UK has also developed a Maritime Policy Statement, while Regional Maritime Clusters and maritime knowledge and technology transfer are also important for the UK PP. The importance of the Atlantic Strategy, of maritime growth and marine and maritime economy is also highlighted in the PP.</p>

Smart Specialisation Strategies

Table 24 The Smart Specialisation Strategies in the area

	Smart Specialisation Strategies													
	Agro & Food	Biotechnology	Marine (&Technology)	Chemicals	Energy& Water	Manufacturing &Eng.	Logistics & transport & ports	Wholesale& Retail	Creative, digital & comm	Business Services, ICT	Tourism &Leisure	Life Science& Health	High tech (other)	Environmental Technology
UK	3	3	6	1	7	7	6	2	12	7	8	10	2	6
FR	2	1	1	1	0	1	3	0	0	1	1	1	0	1
NL	6	5	1	1	2	0	7	0	2	4	2	5	1	1
BE	6	3	2	2	4	2	5	0	2	1	1	1	3	3

Horizon 2020

Table 25 External coherence with Horizon 2020 (based on the draft regulation and on the key point of the communication)

			SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
Priority Excellent science	Specific objectives	European Research Council	N	N	N	N	N	N	N
		Future and emerging technologies	O	O	O	S	S	S	S
		Marie Curie actions	S	S	O	S	S	S	S
		Research infrastructures	N	N	N	N	N	N	N
Industrial leadership		Leadership in enabling and industrial techn.	O	O	O	O	O	O	O
		Access to risk finance	N	N	N	N	N	N	N
		Innovation in SMEs	O	O	O	O	S	S	S
Societal challenges		Health, demographic change, well-being	S	S	O	S	N	N	N
		Food security, agric., marine and maritime research, bio-economy	O	O	O	O	O	O	O
		Energy	O	O	O	O	S	S	S
	Transport	O	O	O	O	N	N	N	

			SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
		Climate action, resource efficiency and raw materials	N	N	N	O	O	O	O
		Inclusive, innovative and secure societies	S	S	O	S	S	S	S

Note: “C”: conflict; “N” : neutrality; “S” strategic relation; “O” strategic and operational relation

Table 26 External coherence with the Communication “Blue Growth opportunities for marine and maritime sustainable growth”

Blue Growth Focus Areas	SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
Blue energy (Energy resource, minimize land-use requirements and reduce European greenhouse gas emissions. Off-shore wind, tidal barrage)	S	O	N	S	O	S	S
Aquaculture (Sustainable aquaculture potential impacts on wild fish stocks and water quality)	O	N	O	N	O	S	S
Maritime, coastal and cruise tourism (Healthy environment; high quality bathing waters and pristine coastal and marine habitats increases)	O	S	O	O	S	S	S
Marine mineral resources (Non-energy raw materials)	N	O	N	O	O	O	O
Blue biotechnology (Resources from the sea for drugs, food, feed and chemical industries)	O	N	O	O	O	O	O

Legend: “C”= conflict; “N” = neutrality; “S” = strategic relation; “O” = strategic and operational relation

Action Plan for a Maritime Strategy in the Atlantic Area

Table 27 External coherence with the “Action Plan for a Maritime Strategy in the Atlantic Area. Delivering smart, sustainable and inclusive growth”

Priorities	SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
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Promote entrepreneurship and innovation	S	S	O	N	O	O	S
Protect, secure and develop the potential of the Atlantic marine and coastal environment	S	O	S	S	S	O	S
Improve accessibility and connectivity	O	S	N	N	N	N	N
Create a socially and sustainable model of regional development	S	O	N	S	N	O	N

Note: “C”: conflict; “N” : neutrality; “S” strategic relation; “O” strategic and operational relation

Maritime Strategy for the Atlantic Ocean Area

The analysis of the Maritime Strategy for the Atlantic Ocean Area can be carried by using the official Communication.

The Programme has also well developed targets for the maritime environmental protection, in line with the Maritime Strategy for the Atlantic Ocean Area. It aids in:

- implementing the ecosystem approach (management of human activities that must deliver healthy and productive ecosystem) through an operational and / or strategic relation
- reducing Europe’s carbon footprint, through a rather strategic and / or operational relation
- the sustainable exploitation of the Atlantic seafloor’s natural resources, through a strategic and / operational relation

Table 28 External coherence with the Communication “Developing a Maritime Strategy for the Atlantic Ocean Area”

Challenges and opportunities	SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
-------------------------------------	--------	--------	--------	--------	--------	--------	--------

Implementing the ecosystem approach (management of human activities that must deliver healthy and productive ecosystem)	O	O	S	O	S	O	O
Reducing Europe's carbon footprint	O	S	N	S	S	O	O
Sustainable exploitation of the Atlantic seafloor's natural resources	S	S	O	O	S	O	O
Responding to threats and emergencies	O	O	N	N	N	N	N
Socially inclusive growth	N	S	O	N	N	N	N

Note: “C”: conflict; “N” : neutrality; “S” strategic relation; “O” strategic and operational relation

National Roma Strategies

Table 29 External coherence with the National Roma Strategies

		SO 1.1	SO 1.2	SO 1.3	SO 2.1	SO 3.1	SO 4.1	SO 4.2
BE	Education	N	N	N	N	N	N	N
	Employment	N	N/O	N	N	N	N	N
	Health	N/O	N	N	N	N	N	N
	Housing	N	N	N	N	N	N	N
	Structural requirements and funding	N	N	N	N	N	N	N
NL	Education	O	N	O	N	N	N	N
	Employment	N	N	N	N	N	N	N
	Health	N/O	N	N	N	N	N	N
	Housing	N	N	O	N	N	N	N
	Structural requirements and funding	O	N	O	N	N	N	N
FR	Education	N/O	N	O	N	N	N	N
	Employment	N	N	N	N	N	N	N
	Health	N	N	N	N	N	N	N
	Housing	O	N	N	N	N	N	N
	Structural requirements and funding	N	N	N	N	N	N	N
UK	Education	O	N	O	N	N	N	N
	Employment	N	N/O	O	N	N	N	N
	Health	N/O	N	O	N	N	N	N
	Housing	N/O	N	O	N	N	N	N
	Structural requirements and funding	N/O	N	O	N	N	N	N

Note: “C”: conflict; “N” : neutrality; “S” strategic relation; “O” strategic and operational relation

ANNEX 4 CONSISTENCY OF FINANCIAL ALLOCATION

This annex reports the analysis of consistency of financial allocation.

Table 30 Consistency of the allocation of ERDF resources to the programme objectives

Priority Axes (PA), Thematic Objectives (TO) and Specific Objectives	Needs and challenges	Consideration Level	Share in the total available ERDF resources for 2014-2020
PA 1 (TO1)	<ul style="list-style-type: none"> Need to create critical mass in key R&D themes 	+++	42%
SO 1.1	<ul style="list-style-type: none"> Need to secure availability of high-skilled human resources to strengthen development 	+++	
SO 1.2	<ul style="list-style-type: none"> Need to tap into the innovative potential of clusters across the borders for smart specialisation and innovation 	+++	
SO 1.3	<ul style="list-style-type: none"> Need to facilitate involvement of SMEs in international networks for research 	++	
	<ul style="list-style-type: none"> Need to support social innovation as a driver for welfare especially regarding ageing 	+++	
	<ul style="list-style-type: none"> Need for development of new and innovative social services for local communities and vulnerable groups 	++	

Priority Axes (PA), Thematic Objectives (TO) and Specific Objectives	Needs and challenges	Consideration Level	Share in the total available ERDF resources for 2014-2020
PA 2 (TO 4) SO 2.1	<ul style="list-style-type: none"> • Need to reinforce public acceptance of renewable energy to support the desired smart specialisation in this area • Need to increase the use of new renewable technologies for a less carbon dependent economy • Need to support eco-innovation by SMEs as a driver for competitiveness 	++ +++ +	20%
PA 3 (TO 5) SO 3.1	<ul style="list-style-type: none"> • Need to maintain and strengthen the adaptive capacity to climate change in a context characterised by risk of a likely increase in vulnerability to climate change • Need to develop and apply new technologies and solutions for the environmental and economic resilience of the area 	++ +	15%
PA 4 (TO 6) SO 4.1 SO 4.2	<ul style="list-style-type: none"> • Need to address the potential risks to cross-border heritage brought on by climate change. • Need to develop the build on the EU Blue Growth strategy to enhance cooperation between ports • Need for protection of natural resources (biodiversity, landscape, nature) 	+ + +++	17%

Legend: Levels of consideration:

+++ : Extensive and strong direct consideration;

++ : Focused and strong direct consideration

+ : Weak indirect consideration;

o : no consideration

The April 2015 updated version of the CP (Section 2) further specifies the needs for Priority Axis n.4, in particular for justifying SO 4.1 the “Need to develop resource-efficiency policies and change attitudes of economic stakeholders to more sustainable behaviour” and for SO 4.2 “Need to develop resource-efficiency policies and change attitudes of economic stakeholders to more sustainable behaviour in order to decrease the use of the following natural resources and materials”.

ANNEX 5 INTERVENTION LOGIC

This annex presents the materials used to carry out the analysis of the intervention logic in chapter 5.

External factors

In particular, below, there is the table reporting the list of external factors and driving forces used to carry out the PEST analysis in the Methodological Note of the ex-ante evaluators. Some of the policy factors have been taken into account in the CP.

Table 31 Identified driving forces

EU2020	Driving forces
Smart Growth	Economic globalisation and economic crisis ICT use, development and diffusion EU2020 Flagship initiatives and Horizon 2020
Sustainable Growth	Climate Change (e.g. economic and environmental vulnerability; coastal erosion...) Technological improvement for sustainable development and low-carbon economy Uncertainty on energy markets Increase in traffic, accessibility and transport networks EU2020 Flagship initiatives Climate agreements and negotiations Proximity to major global hubs
Inclusive growth	Ageing and demographic change (natural change and migration) Labour force dynamics (working age population) EU2020 Flagship initiatives Economic crisis Modifications in the higher education system required by the Bologna process

Delphi Analysis

The Delphi analysis has been used at the end of August 2013 in order to contribute to an accurate definition of the expected results linked to the specific objectives. Through the Delphi the ex-ante evaluators aimed to:

- collect specific information about the programme expected results,
- involve the relevant stakeholders,
- ensure, also during the summer break, the presence of an active and shared platform, which contributes to the development of the future programme.

A first round of the Delphi was launched at the beginning of September. The feedbacks received during a period of two weeks of consultation have been used for the organisation of the focus group held in the PPG meeting at the end of September. The second round contains, for each specific objective, a proposal of two options of the expected results. In order to elaborate the list of the expected results to be presented at the second round of the Delphi, the ex-ante evaluators have tried to identify the logical chain inherent to each specific objective. More precisely, the ex-ante evaluators have identified, for each specific objective:

- the starting point of the logic chain: the specific needs tackled by the specific objective
- the type and examples of actions that contribute to the specific objectives. From the list of planned actions presented in the last version of the CP, the ex-ante evaluators have identified, for each specific objective and in the light of the targeted needs, a specific sub-list of related actions;
- the target groups, on the basis of three main categories: business sector, local communities, public sector;
- the expected results at project level;
- the expected results at programme level.

The distinction between the two levels of results (project and programme level) is inspired by the Complementary notes on outcome indicators presented by Fabrizio Barca and Philip McCann (Barca and McCann 2011). The Table below illustrates the process of the Delphi procedure.

Table 32 Calendar of the Delphi analysis

Date	Ex-ante evaluators
21 st August	As the first version of the Programme and the specific objectives are available, the ex-ante evaluators will start to work on a draft list of results

28 th /29 th August	The ex-ante evaluators send to the JTS the draft list of results. This first version is the one to be included in the first interim report
4 th September	JTS will integrate/modify the draft list of results prepared by the ex-ante evaluators and send the list of contacts.
9 th September	Launch of the Delphi by sending invitations to the participants (based on list of contacts provided by JTS)
23 rd September	Closure of the Delphi (evening)
24 th /26 th September	Elaboration of a note summarising the main results to be shared with the JTS and to be presented in the Focus Group
27 th September	“Second Round” of the Delphi during the Focus Group (PPG meeting)
30 th September	Final contribution from the Delphi to JTS and OP drafters

The main results of the second round of the Delphi are:

- A more structured and logic framework of the programme based on: the expected change at programme and project level; the definition of sectors and area of intervention; the indication of the cross cutting thematic and relevant external factors; the definition of target groups.
- A more focused structure of the programme. As a matter of fact:
 - the specific objectives of the Priority Axis n.1 have been clarified and this clarification has been used to open up the possibility inside the priority axis to include social innovation and to find a solution about the Priority Axis n.5, based on TO n.9. Priority Axis n.5 has been removed;
 - the specific objectives of the Priority Axis n.4 have been further concentrated around IP 6.g.
- A clearer definition of the changes has been reached paving the way to the elaboration of result indicators.

Logical Framework

Another tool used by the ex-ante evaluators is the logical framework. In the First Interim Report, the logical framework has been proposed. The following tables illustrate the logic structure of the updated CP.

Table 33 Intervention logic of the Priority Axes

IP		1b	1b	1b
Result indicator		Average level of performance of the 2 Seas area with regards to the framework conditions for innovation	Average level of performance of the 2 Seas area with regards to the delivery of innovation in smart specialisation sectors	Average level of performance of the 2 Seas area with regards to the development of social innovation applications
Specific objective		1.1 Improve the framework conditions for the delivery of innovation, in relation to smart specialisation	1.2 Increase the delivery of innovation in smart specialisation sectors	1.3 Increase the development of social innovation applications in order to make more efficient and effective local services to address the key societal challenges in the 2 Seas area
Results which MSs [...] seek to achieve	Reference to needs	The improvement of framework conditions for delivering innovation are necessary to tackle the following challenges identified in the SWOT analysis of the Programme: increasing global competition, diminishing public resources and risk of brain drain.	The SO exploits the high potential for innovation of the 2 Seas area which is mainly related to existing clusters for smart specialisation, networks of research, possibility of high technology transfer.	The development of social innovative applications is useful to tackle the challenges related to inclusion themes, and to promote more effective and efficient social support against unemployment, in particular for youth people, poverty and social exclusion.
	Description of the change	The improved framework conditions for innovation will lead to: increased capacities for technology transfer, development of clusters and increased capacities of innovative companies to engage in international activities.	To fully take advantage of the potentials and enhance innovation delivery, the SO supports a better exploitation of research outcomes for the development of new technologies / products / services generating an impact on key sectors of shared interest identified in smart specialisation strategies..	The development of social innovation will lead to an increased capacity in terms of efficiency and effectiveness of local services to address the key societal challenges in the 2 Seas area.

	Programme contribution	The programme will contribute to reinforce the framework conditions for delivering innovation by: stimulating the cooperation of public and private stakeholders, civil society and research entities according to the “quadruple helix” paradigm; introducing and adopting common approaches, collaboration arrangements, joint structures and policy tools supporting capacity for delivering innovation, in relation to smart specialisation.	Therefore, the programme contributes to increase the delivery of technological innovation applications throughout the innovation chain by: a) enhancing technology transfer, b) testing and developing pilot actions; c) promoting a tighter, more effective and operational cooperation among the key stakeholders of innovation.	The programme will contribute to develop social innovation applications by: exploiting and adopting the results of research; the involvement of the third sector and social enterprises, private and public sector.
	Target group / beneficiaries	Possible generic beneficiaries include public or public equivalent stakeholders (at local and regional scales) in charge of developing and delivering innovation policies. Improved framework conditions are envisaged to benefit all the key stakeholders of the innovation chain across the 2 Seas area.	Possible generic beneficiaries include: technology parks, clusters, incubators, business sector stakeholders, regional authorities, chambers of commerce, research centres, civil society.	Possible generic beneficiaries include public stakeholders (local and regional) which are in charge of developing and delivering social innovation and welfare policies, as well as social enterprises and more generally the third sector. The change will benefit all the stakeholders of social and local services as, for example, social enterprises, business sector organisations, public bodies, chambers of commerce, research centres, civil society.
Type of action	Formulation	X		
	Establishment	X		
	Development	X	X	X
	Adoption			X
	Prepare investment		X	X
	Investment		X	X
Sector	Smart specialisation sectors (Transport and ports; Environmental & marine technologies, Agro-food; Life sciences & health; Communication, digital and creative industries, Manufacturing)			The target sectors are those related to some of the key societal challenges
Territory	Supported projects can be implemented throughout the entire 2 Seas Programme cooperation area			
Form of support (non-repayable grant)	X	X	X	X

Table 34 Intervention logic of the Priority Axis n.2, 3, 4

IP		4f	5a	6g	
Priority Axis		2	3	4	4
Result indicator		Average level of performance of the 2 Seas area with regards to the adoption of low-carbon technologies and applications	Average level of performance of the 2 Seas area with regards to the adaptation capacity to climate change and its water-related effects	Average level of performance of the 2 Seas area with regards to the adoption of new solutions for a more efficient use of natural resources and materials	Average level of performance of the 2 Seas area with regards to the adoption of new circular-economy solutions
Specific objective		2.1 Increase the adoption of low-carbon technologies and applications in sectors that have the potential for a high reduction in greenhouse gas emissions	3.1 Improve the ecosystem-based capacity of 2 Seas stakeholders to climate change and its associated water-related effects	4.1 Increase the adoption of new solutions for a more efficient use of natural resources and materials	4.2 Increase the adoption of new circular economy solutions in the 2 Seas area
Results which MSs [...] seek to achieve	Reference to needs	Increasing the adoption of low-carbon technologies and applications is useful to tackle the identified needs in the 2 Seas area of reducing the emission of greenhouse gases, exploiting the potential of new renewable technologies and reinforcing their public acceptance.	Increasing the ecosystem-based adaptation capacity to climate change and associated phenomena is particularly important in the 2 Seas area, which is particularly prone to risks and effects of climate change - such as flood, coastal erosion - in a context of potentially increasing vulnerability and reducing public resources.	Achieving an increased adoption of new solutions for a more resource-efficient economy requires the reinforcement of the institutional framework conditions and the capacity of business, public bodies and other stakeholders in society to adopt new business models and approaches.	Achieving an increased adoption of new solutions for a circular economy requires the reinforcement of the institutional framework conditions and the capacity of business, public bodies and other stakeholders in society to adopt new models and approaches.

	Description of the change	<p>An increased adoption of low-carbon technologies and application shall reduce carbon dependency and GHG emissions of the 2 Seas area.</p>	<p>An increased adaption capacity to, climate change and its effects ena shall reduce damage to, and increase resilience of, the built environment and other infrastructures. It will decrease future pressure on water resources, result in better and more robust flood and coastal defences, protect biodiversity and decrease the vulnerability of ecosystems in order to increase ecosystem resilience and enable ecosystem-based adaptation.</p>	<p>This specific objective responds to the identified need of the 2 Seas area to develop resource-efficiency policies and changing attitudes of economic stakeholders to more sustainable behaviour in order to decrease the use of the following natural resources and materials:</p> <ul style="list-style-type: none"> • Land and Soil • Minerals and metals • Water • Marine resources <p>Considering the maritime nature of the programme area, this Specific Objective will pay particular attention to the opportunities connected to the EU Blue Growth strategy which provides room for cooperation among maritime stakeholders in a context of lack of sufficient public resources. The term “Blue Economy” relates to the opportunities for eco-innovation and sustainable growth based on marine and maritime assets, as identified in the EU strategy "Blue Growth".</p>	<p>This specific objective responds to the identified need of the 2 Seas area to develop resource-efficiency policies and change attitudes of economic stakeholders to more sustainable behaviour.</p>
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	<p>Programme contribution</p>	<p>In this context, to enhance the uptake of innovative low-carbon technologies, the Programme will contribute by:</p> <ul style="list-style-type: none"> a) enhancing the uptake of state-of-the art solutions; b) testing and demonstration of these technologies and applications to pave the way for their wider uptake; c) promoting a closer, more effective and operational cooperation of businesses, knowledge institutes and public sector 	<p>In this context, the programme will contribute by: a) Increasing the awareness on the potential consequences of climate change; b) Enabling stakeholders in the area to develop a collective approach which will be integrated into spatial planning (notably of coastal areas and including marine spatial planning) and (innovative) solutions for environmental and economic resilience and integrated management of coastal zones (ICZM); c) improving the coherence and coordination between adaptation strategies and actions, and the mechanisms for the crossborder exchange of information and data related to climate change expected effects</p>	<p>The programme will contribute by adopting and implementing collaborative approaches, structures and policy tools in order to facilitate the transition towards a greener and more circular economy, and towards the development of the blue economy in coastal areas.</p>	<p>The Programme will contribute to this Specific Objective by adopting and implementing collaborative approaches, structures and policy tools in order to facilitate the transition towards a circular economy.</p>
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	Target group / beneficiaries	Possible generic beneficiaries include all the relevant entities and stakeholders that could directly benefit from the services, improved conditions, economic opportunities such as: businesses, research institutes, knowledge institutes and public sector.	Possible generic beneficiaries include all stakeholders dealing with climate change issues (local and regional authorities, emergency services and coast guard centres, universities and research centres, communities, local population, businesses park and area potentially affected by the effect of climate change).	Possible generic beneficiaries are the stakeholders involved in the development and implementation of policies, strategies and business models that increase the efficient use of resources in the public sectors and in businesses. Stakeholders from maritime sectors are also specifically targeted. Also stakeholders involved in the management and exploitation of natural resources of the 2 seas area are targeted.	Policy-makers and economic actors in charge of developing and implementing circular economy policies, strategies and business models are among the expected beneficiaries.
Type of action	Formulation		X	X	X
	Establishment		X	X	X
	Development	X			
	Adoption	X		X	X
	Prepare investment	X	X		
	Investment	X	X	X	X
Sector		Targeted sectors: Renewable energies, Transport, Agriculture, Manufacturing industries, Building	A particular attention will be given to the most vulnerable sectors and those likely to be affected by stronger impacts	Potentially all sectors are affected, including e.g. manufacturing, transport, energy, agriculture, fisheries, tourism, with direct. Side-effects are expected on a better preservation of the main natural resources of the area (water, soil, air, biodiversity).	This Specific Objective focuses on the adoption of circular economy solutions across all sectors relevant to the 2 Seas area.
Territory		In any territory within the eligible area	The Specific Objective shows a strong territorial dimension notably for coastal areas.	The entire 2 Seas Programme cooperation area	The entire 2 Seas Programme cooperation area

Form of support (non-repayable grant)	X	X	X	X
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ANNEX 6 ANALYSIS OF THE ACTIONS AND OUTPUT INDICATORS

This annex examines the relation between the examples of actions and output indicators. In each of the following table, the “X” indicates a link between the action and the output indicator.

Table 35 Output indicators and actions (SO 1.1)

		Explicit / direct link with the output indicators		
		Number of joint strategies and action plans developed to improve the framework conditions for innovation	Number of networks and structures established or enlarged to improve the framework conditions for innovation	Number of solutions (methods/tools/services) established to improve the framework conditions for innovation
Actions	Formulation of common development strategies and joint policy action plans to support the innovation capacity of stakeholders	X		
	Establishment of new cross-border networks and platforms bringing together clusters (promotion of inter-clustering) or groupings of centres of excellence, higher education institutions, SMEs and the civil society (quadruple helix), in particular on maritime-oriented issues		X	
	Establishment of joint tools/services for delivering all forms of innovation at cross-border scale			X
	Establishment of joint innovation funding scheme, crowd funding, etc aiming at promoting any form of innovation within the area	X		X
	Establishment of pilot actions linking capabilities of several facilities by networking the partners of the quadruple helix		X	X
	Development of support actions to SMEs to engage in innovation leading to increased activity on international-markets.			X

Table 36 Output indicators and actions (SO 1.2)

		Explicit / direct link with the output indicators			
		Number of tests, pilots, demonstration actions and feasibility studies implemented related to the delivery of technological innovation	Number of small scale physical or e-infrastructures/equipments related to the delivery of technological innovation partly or entirely supported by the operations	Number of research institutions participating in cross-border, or interregional research projects	Number of enterprises participating in cross-border, trans-national or interregional research projects
Actions	Development of technological and applied research, in particular based on the application and use of Key Enabling Technologies	X		X	X
	Development of early product validation actions, in particular based on the application and use of Key Enabling Technologies	X		X	X
	Development of demonstration projects and pilots testing innovative technologies, products, processes and services, in particular by SMEs	X		X	X
	Prepare for investments for the joint economic exploitation of new ideas of products, services and processes	X		X	X
	Investment in small-scale physical infrastructure or e-infrastructure related to technological innovation deriving from a preparation stage jointly designed and carried out by cross-border partnerships		X	X	X

Table 37 Output indicators and actions (SO 1.3)

		Explicit / direct link with the output indicators			
		Number of research institutions participating in cross-border, transnational or interregional research projects	Number of small scale physical or e-infrastructures/equipments related to the development of social innovation applications partly or entirely supported by the operations	Number of tests, pilots, demonstration actions and feasibility studies implemented related to the development of social innovation applications	Number of enterprises participating in cross-border, trans-national or interregional research projects
<i>Actions</i>	Investment in small-scale physical infrastructure (e.g. equipment) or e-infrastructure related to social innovation deriving from a preparation stage jointly designed and carried out by cross-border partnerships	X	X		X
	Development of pilot actions for the use of social innovation platforms and observatories (e.g. Social Innovation Europe Initiative)	X		X	X
	Prepare for investments for the joint economic exploitation of new ideas of products, services and processes	X		X	X
	Adoption of new solutions based on research to deliver innovative social services	X		X	X

Table 38 Output indicators and actions (SO 2.1)

		Link with the output indicators		
		Number of solutions (methods/tools/services) established to increase the adoption of low carbon technologies	Number of small scale physical or e-infrastructures/equipments related to the adoption of low carbon technologies partly or entirely supported by the operations	Number of tests, pilots, demonstration actions and feasibility studies implemented related to the adoption of low-carbon technologies
Actions	Adoption by stakeholders of low-carbon technologies to increase the use of energy from renewable sources. These could include in particular technologies linked to marine or maritime sources	X		X
	Adoption by stakeholders at different territorial and administrative level of identical or similar innovative low-carbon technologies to reduce their CO2 emissions	X		
	Development of comparative pilots actions to test and demonstrate innovative low-carbon technologies and applications	X		X
	Prepare for investments in the further roll-out of low-carbon technologies			X
	Investments in low carbon technologies, for instance to enable demonstrations of innovative low-carbon applications, or to realise innovative small-scale infrastructures for renewable energy generation, production and distribution.		X	

Table 39 Output indicators and actions (SO 3.1)

		Link with output indicators		
		Number of small scale physical or e-infrastructures/equipments related to adaptation capacity to climate change and its water-related effects partly or entirely supported by the operations	Number of strategies and action plans developed to improve the adaptation capacity to climate change and its water-related effects	Number of solutions (methods/tools/services) established to improve the adaptation capacity to climate change and its water-related effects
Actions	Formulation of common strategies, protocols and action plans to optimise ICZM practices in the maritime basin complementary to those developed by national authorities, and in line with the framework of the Integrated Maritime Policy and in the implementation of the Marine Strategy Framework Directive (aligned with the Directive 2014/89/EU of the European Parliament and of the Council of 23 July 2014 establishing a framework for maritime spatial planning in Europe)		X	
	Establishment of common awareness-raising campaigns aiming at creating the conditions and support for local communities to take local preparedness and adaptation measures		X	X
	Establishment of joint measures (e.g. infrastructure planning tools) integrated tools and technical solutions (e.g. soil management, coastal defence lines or concepts (e.g. managed realignment) aiming at protecting built-up areas (e.g. urban areas) and coast lines against erosion/flooding through the promotion and implementation of nature and ecosystem-based solutions		X	X
	Establishment of joint measures which address biodiversity loss and climate change in an integrated manner to fully exploit co-benefits and avoid ecosystem feedback issues that could accelerate global warming			X
	Establishment of better coordinated collective emergency planning and preparedness for flooding (water management, flood risk techniques, awareness-raising on flood)		X	X
	Establishment of better coordinated collective emergency planning and preparedness for flooding (water management, flood risk techniques, awareness-raising on flood)		X	X
	Establishment of systematic data exchange systems and crossborder better coordinated monitoring systems, e.g. impacts of climate change on eco-systems and biodiversity and transformation of the coastline, etc.		X	X
	Prepare investment in measures to prevent climate change effects (e.g. potential flood risks), by means of joint actions that could include design of solutions or cost-benefit analyses, notably through the promotion and implementation of nature-based solutions.		X	
	Investment in small scale technical solutions such as coastal defense lines or concepts (e.g. managed realignment) and flood protection, notably through the promotion and implementation of nature-based solutions.	X		

Table 4o Output indicators and actions (SO 4.1)

		Link with output indicators			
		Number of strategies and action plans developed for a more efficient use of natural resources and materials	Number of solutions (methods/tools/services) established for a more efficient use of natural resources and materials	Number of tests, pilots, demonstration actions and feasibility studies implemented for a more efficient use of natural resources and materials	Number of small scale physical or e-infrastructures/equipments related to a more efficient use of natural resources and materials
Actions	Formulation of common agreements and joint action protocols between stakeholders for more sustainable and resource-efficient activities	X		X	
	Formulation of approaches (protocols, tools) for green public procurement (GPP) to promote the efficient use of natural resources and materials		X		
	Establishment of collaborative platforms and services towards the key economic stakeholders to strengthen a more resource-efficient economy	X	X		
	Adoption of new technological solutions that reduce the use of natural resources and raw materials of companies and that encourage bio-based		X	X	
	Adoption by economic stakeholders in the maritime sector (e.g. ports) of green technologies to increase resource efficiency, for instance by reduction of waste flows or increasing recycling of shipping-related waste		X	X	
	Investments in support of the application of more resource efficient solutions, for instance as part of cross-border pilot initiatives to implement nature-based and green technology solutions				X

Table 41 Output indicators and actions (SO 4.2)

		Link with output indicators			
		Number of strategies and action plans developed for a more circular economy	Number of solutions (methods/tools/services) established for a more circular economy	Number of tests, pilots, demonstration actions and feasibility studies implemented for a more circular economy	Number of small scale physical or e-infrastructures/equipments related to a more circular economy partly or entirely supported by the operations
Actions	Formulation of approaches (protocols, tools) for green public procurement (GPP) in order to limit the outflow of wastes to ecosystems and optimize recycling		X		
	Establishment of collaborative platforms and services towards the key economic stakeholders to strengthen a circular economy (promoting waste management at cluster level)	X	X		
	Establishment of joint programmes and pilot actions to introduce the concept of the circular economy to companies	X	X	X	
	Adoption of new technological solutions for recycling notably through the promotion and implementation of nature-based solutions		X	X	
	Investments in support of the application of more resource efficient solutions, for instance as part of cross-border pilot initiatives to improve recycling of waste material notably through the promotion and implementation of nature-based solutions			X	X

ANNEX 7 MONITORING AND DATA COLLECTION FOR EVALUATION

This annex illustrates the different options for data collection and provides some direct inputs to the programme authorities of the Two Seas Programme for setting the monitoring system. The ex-ante evaluators have already contributed to defining the monitoring and evaluation system through the main indications provided in Second Interim Report and through the focus group held in November 2013 as to identify and select evaluation questions at programme and project level.

First of all, it is important also to bear in mind that SEA has proposed an environmental monitoring system, with some specific indicators to be monitored during the implementation phase of the Programme. Such monitoring system is required by Directive 42/2001/CE and should be taken into account by the MA in building up their monitoring system.

Table 42 Definition of one set of indicators for monitoring, performance, SEA and ongoing evaluation

Type of information/indicator	Source	Monitoring	Performance	Evaluation	SEA
		Indicator	Milestones		
Procedural	Project Monitoring (Financial/activity report)				
Output	Project monitoring (Activity report)				
Result	Survey / ETC Programme Database etc.				
Impacts /effects	Survey				

A pre-condition for the definition of the table above is the selection of evaluation questions which, shall be identified in the (compulsory) Evaluation Plan. The ex-ante evaluators and SEA experts are strongly convinced that the selection of the main/key evaluation questions shall be anticipated (informally) during the programme drafting for the following reasons:

- a) Timing.** The Evaluation Plan shall be submitted to the Programme Monitoring Committee within a year from the approval of the programme. In practical terms, the Plan shall be ready few months after the coming to force of the programme. Therefore,

its preparation shall start earlier.

- b) Consistency.** Since the system of data collection shall be described also for the evaluation, the nature and type of information shall be already defined. This kind of information naturally depends on the evaluation questions. Furthermore, evaluation shall be able to explain the results of the monitoring. Finally, evaluation might help justify the failures of the performance framework through the identification of external factors and estimate their influence on the programme efficiency and effectiveness.
- c) Efficiency.** In the 2007-2013 programming period the total amount of information is already burdensome. There is the clear need of avoiding overlaps and reducing the administrative costs and burdens. Exploiting all possible synergies and re-using information is evidently very important. However, the whole information system shall provide the financial and realisation data and other qualitative information useful for the evaluation and “early warning” for the JS.
- d) Involvement of the key stakeholders.** The ongoing evaluator already suggests that it is important a fully involvement of the stakeholders. This suggestion is now also a requirement of the new regulative framework. The process of evaluation building shall be participative.

Once that evaluation questions, even if broadly defined, are identified it will be possible to define the set of the required information. Basically, there are two models:

1. **Top-down.** The JS is the main responsible for collecting information. Beyond the regular project monitoring, the JS systematically surveys the Project Partner. The information are centrally elaborated, compared and assessed. The ongoing evaluator has an “on demand” role and he will perform “thematic evaluation”, organising for example, a number of case studies to collect qualitative information to complement the data from the surveys adopting a “theory-based” approach.
2. **Bottom-up.** Each project is in charge of collecting information also regarding the “quality” of the intervention and performs auto-evaluations. The project (lead) partner will be in charge of coordinating the activities within the project partnership. The JS, beside the regular project monitoring, shall have a role of operational coordination and supervising the correct flow of information. The ongoing evaluator will operate side by side with the JS being in charge of the methodological and quality aspects. He will support the evaluation capacity building process organising peer reviewing, specific training among the projects, elaborating guidance, aggregating the findings of the project evaluation, providing meta-evaluation and making in depth analyses when necessary.

These two models can be adopted for different evaluation focuses (performance, effectiveness,

efficiency) or for thematic evaluation. Furthermore, the two models might be combined. Naturally the different models have different consequences on the role of JS, ongoing evaluator, and project partner. Therefore, there is a different allocation of resources for managing the programme and technical assistance. The table below sums up some key features of the two models.

Table 43 Role and tasks of JTS, ongoing evaluator and project (lead)partner in a bottom up/ top down model

	JTS	ON GOING EVALUATOR	PROJECT (LEAD) PARTNER
TOP DOWN	a)Managing regular survey b)Elaborating data and information c)Reporting the analysis and information d)Supervising the evaluation activities	a)Collecting directly information through case studies b)Elaborating analysis on the data collected by JTS	a)Providing information and data trough the regular reporting b)Providing data and information for the survey
BOTTOM UP	a)Defining the framework of reporting information b)Supervising the quality of the information collected c)Organising capacity building on evaluation for Project partner c)Integrating information in the annual Report	a)Elaborating Meta – evaluation b)Providing the methodological framework c)Organise peer reviewing c)Performing “on depth” analysis	a)Providing qualitative information beyond regular reporting (financial – activity data) b)Interacting with the evaluator and other project partner on a “peer” basis

The two models have also a different logic as well as their strengths and weaknesses. Thus, the selection of the two models or their combination shall take into account the following elements:

- a) **The capability of the JS.** The previous ongoing evaluation as well as the activities performed in the 2007-2013 (e.g. the functional capitalisation) show that the JS is technically capable to handle both models. However, the workload will be significant higher in the “Top-down” model; therefore an additional investment is required in terms of human resources.
- b) **The capacity of the project partner.** The “bottom-up” model requires Project partner to have evaluation capacity. Normally, the situation is very different case by case, thus a wide activity of capacity building is needed.
- c) **The costs.** The top-down activity requires more resources for technical assistance. On the opposite, the bottom-up model needs an investment at project level. Although, in general, the bottom-up model require to re-shape all the information collection (from the project application to the Project report), thus there will be surely a higher “cost” in terms of time to adapt the present documents and systems.

- d) **The final purpose.** If the programme wishes to reinforce the identity and the ownership, the natural choice will be on the bottom-up. If there is a necessity of full accountability and sharp steering, top-down is more appropriate.

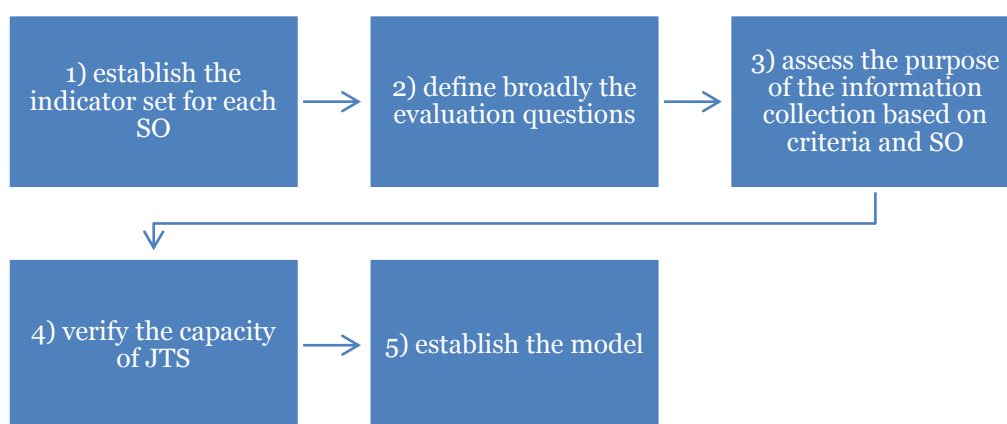
The table below provides a synthesis of the “consequences” of the two models.

Table 44 Purpose, weaknesses and strengths of the two models

	Purpose	Strengths	Weaknesses
TOP DOWN	Efficiency Accountability	More accurate analysis Time - ready information	More workload for the JS
BOTTOM UP	Institutional Strengths Knowledge production	Project ownership Reinforcement of the capacity of local / regional partner Richer “knowledge” about the programme	Less homogenous information Need for a wide capacity building activity Impact

In order to put in place the above described system and define the model of information collection the ongoing evaluator suggests the following steps indicated in the figure.

Figure 4 Following steps indicated by the ongoing evaluation



In terms of evaluation, the new Performance Framework and result-oriented approach needs for a solid evaluation plan along the whole Programme implementation. This will also include a tool

for the evaluation and monitoring of the indicators.

In terms of capitalisation, the way how it will be implemented at programme and/or project level in the future needs to be discussed and decided by the 4 Member States.