

Thematic Evaluation

**Phare Cross-Border
Cooperation Programmes
1999-2003**

May 2007



The views expressed are those of the MWH Consortium and do not necessarily reflect those of the European Commission.

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TABLE OF CONTENTS

GLOSSARY OF ACRONYMS

PREFACE

EXECUTIVE SUMMARY

MAIN REPORT	1
1. INTRODUCTION	1
1.1. Objectives	1
1.2. Background and Context.....	1
1.3 Methodology	3
1.4 Limitations Affecting the Evaluation.....	4
2. KEY EVALUATION FINDINGS	5
2.1. Overall, CBC pre-accession focus started too late.....	5
2.2. CBC largely provided good capacity-building for INTERREG, despite a lack of benchmarking.....	6
2.3. The type of assistance used was largely appropriate.....	12
2.4. Low cross-border effects from investments, but impact from institution-building satisfactory	13
2.5. Sustainability of CBC results is mixed	16
3. CONCLUSIONS, RECOMMENDATIONS AND LESSONS LEARNED.....	19
3.1. Conclusions.....	19
3.2. Recommendations.....	21
3.3. Recommendations still valid from the previous evaluation	23
3.4. Lessons Learned	24
ANNEXES.....	25
Annex 1. Terms of Reference.....	26
Annex 2. Capability Management Grid.....	31
Annex 3. Spread of CBC funding	32
Annex 4. List of Sample Projects	34
Annex 5. Results of Sample Projects	36
Annex 6. Follow Up to Recommendations from Previous Report	43
Annex 7. List of Documents Consulted	47
Annex 8. List of Interviews.....	49

GLOSSARY OF ACRONYMS

<i>acquis</i>	<i>Acquis Communautaire</i>
AP	Accession Partnership
BCP	Border Crossing Point
BIP	Border Inspection Point
BSR	Baltic Sea Region
CBC	Cross-border Cooperation
CC	Candidate Country
CMR	Comprehensive Monitoring Report
DIS	Decentralised Implementation System
ECD	European Commission Delegation
EDIS	Extended Decentralised Implementation System
ESC	Economic and Social Cohesion
EU	European Union
FM	Financing Memorandum
IA	Implementing Agency
IE	Interim Evaluation
IoA	Indicator of Achievement
IPA	Instrument for Pre-Accession
JCC	Joint Coordination Committee
JHA	Justice and Home Affairs
JMSC	Joint Monitoring and Steering Committee
JPD	Joint Programming Document
JSC	Joint Steering Committee
JSPF	Joint Small Project Fund
JTS	Joint Technical Secretariat
MAP	Multi-Annual Programming
NAC	National Aid Coordinator
NAO	National Authorising Officer
NDP	National Development Plan
NGO	Non-Governmental Organisation
NRDP	National Regional Development Plan
NP	Neighbourhood Programme
NPAA	National Programme for the Adoption of the <i>Acquis</i>
PAO	Programme Authorising Officer
PF	Project Fiche
PRAG	Practical Guide to contract procedures for EC external actions
SF	Structural Funds
SME	Small and Medium-Sized Enterprise
SPF	Small Project Fund
TA	Technical Assistance
ToR	Terms of Reference

PREFACE

This *ex post* Thematic Evaluation Report has been prepared by the MWH Consortium between April 2006 and July 2006,¹ and reflects the provision of Phare assistance through the Phare Cross-border Cooperation (CBC) Programmes between 1999 and 2003. The cut-off date of the Thematic Report is 1 May 2006. It addresses four Evaluation Questions focusing on: the contribution of Phare CBC programmes to preparation for INTERREG; impacts and sustainability of support; appropriateness of instruments used and the contribution of CBC to the Phare pre-accession strategy. The Thematic Report draws conclusions, makes recommendations and highlights lessons learned relevant for future cross-border initiatives under the Instrument for Pre-Accession and Neighbourhood Programmes.

The thematic evaluation is based on an analysis of documents produced at the start, during and on completion of the CBC programmes, on interviews with European Commission at Headquarters and European Commission Delegations, CBC Implementing Agencies, beneficiaries of CBC activities across a sample of joint programmes in the new Member States, Bulgaria and Romania.

¹ The report was prepared by Elizabeth Cunningham, Lead Evaluator, assisted by Short-Term Technical Specialists Dietmar Welz and Rolf Berg. It was reviewed at MWH Central Office by Martin White and Richard Thomas.

EXECUTIVE SUMMARY

Scope and Objectives

The purpose of this *ex post* thematic evaluation is to review the 1999-2001 Phare allocation for cross-border cooperation (CBC) programmes, as well as allocations in the 2002-2003 period. The overall objective of the evaluation is to provide accountability with respect to the use of European Commission funds. The evaluation draws conclusions, highlights lessons learned relevant for future cross-border initiatives, and makes recommendations.

Evaluation Findings

Overall, CBC pre-accession focus started too late. CBC design was challenged because it was neither directly covered by specific *acquis*, nor by dedicated sections of the Accession Partnerships (APs), nor by the National Programmes for the Adoption of the *Acquis* (NPAAAs). In practice, CBC addressed a wider range of Accession Partnership and *acquis*-related priorities than most other programmes. CBC moved from filling gaps in the provision of relatively large-scale regional infrastructure to become closer to INTERREG through the introduction of a joint programming process and the use of grant schemes. This was rather late, but from 2002 onwards crucial support was given to the pre-accession strategy, as almost all countries accelerated their preparations for accession. All institutions concerned with CBC programming and implementation gained valuable experience as they prepared to take on board the obligations of membership and participate in European regional policy instruments. Implementing CBC activities allowed stakeholders to gain hands-on experience, which helped the relevant institutions to put in place appropriate structures for programming and implementing both INTERREG and Structural Funds.

CBC largely provided good capacity-building for INTERREG, despite a lack of benchmarking. Programming CBC provided good experience for INTERREG. Initial needs assessments and project design were poor, but largely improved in the post-2001 period. The joint programming process provided good ‘hands-on’ learning, and ownership of the process increased over time. The joint programming process helped to strengthen links between CBC, the Joint Programming Documents and national development priorities, but criteria other than need continue to be used for project selection, some positive, such as readiness of a project to start and equitable distribution, and some negative, such as vested interests, and there were continued difficulties in developing and implementing ‘joint’ projects. Effectiveness of multi-annual programming in Bulgaria and Romania was limited.

Implementation structures for INTERREG were developed under CBC, but experience varied considerably. CBC was an important driver for decentralisation, and programming benefited from decentralised structures. However, in the particular case of the Bulgaria and Romania joint programmes, effective regional participation in decision-making was hampered by over-centralisation of management structures. Implementation capacity has grown at regional level, but is still vulnerable at central and local levels, and the division of responsibility between local and central bodies was often unclear. The cumbersome administration and poor synchronisation of the implementation cycle created problems in delivering joint projects. Nevertheless, despite the many problems, investments in infrastructure were largely delivered and operational, except at the Romanian-Bulgarian border, where infrastructure projects from Phare 2001 onwards are to date still not completed.

Monitoring and evaluation systems were not sufficiently adapted to INTERREG requirements and suffered from lack of ownership. Evaluation of CBC focused on projects and CBC 'sectoral' issues, rather than on achievement of Joint Programming Document objectives. Indicators of achievement improved, but were still largely inadequate and un-monitored, and there was no measurement of impact.

CBC made an important contribution to development of regional partnerships, which is a fundamental part of creating the basis for future INTERREG projects. Without CBC support, it is doubtful whether bodies in border regions would have had the incentive or support to engage in cross-border networking.

Low cross-border effects from investments, but impact from institution-building satisfactory.

CBC delivered strong immediate impacts in the areas of environment, transport, and through the grant schemes (particularly the Joint Small Project Funds), for example in improved drinking water, wastewater, sewage treatment, emergency services, and road safety. However, environmental infrastructure projects generally had limited cross-border effect. CBC delivered reasonable immediate impact in border management and productive infrastructure, except in some border inspection points that had not been utilised to the extent originally expected. The grant schemes also made a strong intermediate impact in the ability to apply for and implement INTERREG and Structural Funds. Other CBC interventions made a reasonable intermediate impact in enhanced organisational capacities for project design and implementation, networking and increased cross-border trade. Wider impacts are difficult to measure, but in any case were limited owing to the small size of funding distributed over a wide geographical area. Nevertheless, the Joint Small Project Funds were important in raising awareness of the accession process in the border regions.

Sustainability of CBC results is mixed. Sustainability of capacities for INTERREG and Structural Funds was good, owing to the commitment of all candidate country governments to EU regional policy. Staffing levels and capabilities are adequate, and the risk from staff turnover low. Institutional cooperation structures were generally sustainable, but smaller locally-based organisations and regional offices were disproportionately affected by staff turnover. The impacts of CBC programmes that supported investments in environmental and economic infrastructure were largely sustainable, but there were concerns about the sustainability of some investments in border infrastructure. Some of the evaluated civil society projects were clearly sustainable, but there were a number of instances where beneficiaries requested funding year-on-year for continuation of largely the same activities.

Conclusions

The conclusions address the key issues raised in four Evaluation Questions: the extent to which CBC supported or complemented the accession strategy; preparation for INTERREG; the appropriateness of the type of assistance used; and the impact and sustainability of assistance.

Conclusion 1. The role of CBC in the pre-accession strategy was initially unclear, but was clarified and consolidated by successive reforms of the instrument.

Early CBC programmes focused on country-specific investments in infrastructure in response to: a) fiscal constraints in the beneficiaries, who viewed CBC as another source of funding, rather than as an instrument for cross-border cooperation; b) the need to deal with regional environmental problems and comply with the *acquis* and, c) the slow pace of decentralisation and the lack of local structures to participate in the programming and implementation process.

The introduction of the Joint Programming Document brought a new approach to CBC emphasising the need for each border region to be treated as one distinct area with specific development challenges and needs. While the new programming took time to ‘bed in’, the process of joint identification of needs and the experience of prioritising actions was extremely useful, even if at times programming and project selection were over-politicised. For those countries that took on board the opportunities provided by CBC, new decentralised structures were created that actively supported programming and implementation at regional level, thereby enhancing the effectiveness of their programmes (as in Hungary, for example). For countries that retained central control over the CBC process, truly joint projects were difficult to develop and implement, and an opportunity for capacity-building at the regional level was lost (as in Bulgaria, for example).

Conclusion 2. Within its constraints, CBC delivered a range of good capacity-building impacts for INTERREG.

Despite the considerable differences between CBC and INTERREG, CBC provided good capacity-building for INTERREG, but with some exceptions. Capacities to manage all stages of the programme cycle were strengthened at regional and local levels. There was a significant impact on the culture of work, in terms of procedures, attitudes and accountability, for example in terms of the change in attitude and commitment of public servants to social and cultural issues, environment protection and sustainable development. The impact of the support was strongest in promoting programming processes and structures, particularly where one of the countries in the border region already had adequate administrative capacities at regional and local level, generally in the candidate country’s or member state’s border programmes.

Conclusion 3. Despite improvements in programming and implementation, there were considerable difficulties in developing truly ‘joint’ projects.

Central to the CBC concept is the development of ‘joint’ projects. However in practice, coordination problems arose because of the differences between Phare and INTERREG, including differing programming cycles, implementing mechanisms, programming guidelines and regulations, which adversely affected candidate countries’ ability to deliver cross-border and, in particular, joint projects. In the case of the programmes between two candidate countries, difficulties were experienced in synchronising the implementation of joint grant schemes. The difficulty of synchronising the implementation cycle for projects under the joint small project funds meant either token participation of the partners, or abandonment of the ‘mirror’ project concept. Most CBC projects had a clear impact in one part of the border region but joint projects were the exception rather than the norm, and the focus on the ‘joint’ nature of the project, whether a large-scale infrastructure project or through a grant scheme, could have been stronger throughout the period under review.

Conclusion 4. Type of assistance used was largely appropriate, given the infrastructure needs, but grant schemes required a disproportionate level of administration.

The early CBC emphasis on relatively large-scale infrastructure projects was appropriate given the severe investment needs of the border regions, and as a first step in fulfilling the preconditions for economic development. The introduction of the grant schemes was an important step for CBC in terms of capacity-building for INTERREG, but in practice they were not as widely used as they could have been (with the exception of Hungary, where grant schemes of various types featured in each annual programme) and the focus on comparatively large-scale infrastructure continued. The development of the joint small project funds was an important tool involving additional actors such as schools, non-governmental organisations

etc., enhancing the visibility of the EU in the border regions, and strengthening cross-border contacts. However, operating within the Phare financial framework, the grant schemes demanded a disproportionate level of co-ordination, management, and administration, which restricted their ability to serve as capacity-building exercises for INTERREG.

Conclusion 5. The Commission Services could have promoted a more integrated approach to supporting cross-border regions to yield greater results.

While the individual results of large-scale investments or grant schemes were effective, CBC failed to make good use of larger, more strategic projects involving a number of different types of activities, for example development of priority sectors of the cross-border economy through investments in physical infrastructure and investments in the corresponding human resources. In practice, greater leadership by the Commission Services, and in particular DG Regio, throughout the process could have promoted a more integrated approach to regional development and encouraged countries to move beyond simple infrastructure provision. Contacts between the DG Enlargement Country Teams and their counterparts in DG Regio were largely *ad hoc* and there was little strategic input from DG Regio in terms of benchmarking for participation in INTERREG or in relation to programming of CBC.

Recommendations

The following recommendations are derived from the Phare experience, but are tailored to improving the programming basis for cross-border programmes, enhancing implementation capacities including monitoring and evaluation and promotion of active communication with stakeholders.

Recommendation 1. Establish coordination plans and mechanisms before signature of CBC Financing Agreements.

Synchronisation in joint projects is crucial for their success in terms of results, impact and sustainability. Future CBC programmes should require partner countries to build up their communication and collaboration processes for the implementation of projects, particularly those involving infrastructure. The partners should establish agreed coordination plans and mechanisms for CBC projects before Financing Agreements are signed. The Commission Services should make such coordination plans and mechanisms a pre-condition for signing Financing Agreements.

Recommendation 2. Strengthen the role of Joint Programming Document as a core basis for multi-annual programming and implementation.

The Joint Programming Document is a central instrument for programming and implementation. Unless it is based on a genuinely joint agenda and contains prioritised actions and objectives, it will be of limited value during implementation. The quality of Joint Programming Documents, in terms both of the process by which the Joint Programming Document has been developed, and of the final result, should be independently verified. Sound indicators need to be developed that are consistent with the indicators in place for economic and social cohesion and other regional development programmes. Project selection should be based primarily on the Joint Programming Document and only secondarily on the priorities in the Accession Partnership and National Programme for the Adoption of the *Acquis*. Actions implemented under the Joint Programming Document should be multi-annual or phased. For grant schemes, this could entail agreement on grant scheme guidelines for two- or three-year periods, rather than on an annual basis.

Recommendation 3. Monitoring and evaluation of cross-border assistance programmes should be strengthened.

Central to the Joint Programming Document process is a comprehensive monitoring system that can generate accurate and up-to-date information for the Joint Coordination Committees. Design and implementation of such a system, which will later be used for INTERREG and other Structural Funds, should be a priority. This can also be used for non-candidate country programmes. All Joint Programming Documents should be subject to a mid-term evaluation that is participative in character and also has a capacity-building component specifically addressing Structural Funds evaluation methodologies for all relevant stakeholders. A manual for monitoring and evaluation of grant schemes should be produced by the Commission Services, and supported by training.

Recommendation 4. Partner countries should establish the required institutional frameworks, identify the roles and responsibilities of key actors, and put in place relevant capacity-building in a timely manner.

The operation of CBC presupposes a degree of commonality of institutions on both sides of the border. However, given the different levels of decentralisation and different institutional frameworks this may not be the case. For each Joint Programming Document, the stakeholders, including where appropriate the EC Delegation, should:

- establish the institutional framework for the entire programme cycle for each joint programme;
- identify the roles and responsibilities of each actor;
- conduct an organisational capacity audit to ascertain functional capacities; *and*
- identify where and how capacity gaps can be filled.

Recommendation 5. Improve coordination between future cross-border assistance and INTERREG and enhance the involvement of DG Regio in CBC.

Although improvements have been made to the alignment between CBC and INTERREG, they have not yet matured, and a number of core points remain not fully defined. Further attention needs to be devoted to (i) the question how to organise and carry out joint *ex ante* and mid-term evaluations, (ii) the status and how to draft the Operational Programme jointly, (iii) the operation and financing of the Technical Secretariat, and (iv) how to establish a Joint Small Projects Fund and the resources for technical assistance on both sides of the border.

DG Regio should play a more active role in CBC-type actions, for example, by setting clear standards and benchmarks for participation in Structural Funds, including identification of gaps and needs at regional levels; and by further supporting the dissemination of information, contacts and good practice from Member States through its website, which could include examples of good practice, training materials, project reports, notice boards for discussion of relevant topics, and links to INTERREG news.

Recommendation 6. Invest more in the success of grant schemes.

Experience has shown that the grant schemes have generated good impacts, but that in some instances the number of good projects far outstrips the volume of funding available. If the management of the grant schemes could be made less cumbersome, impact could be increased even further by increasing the share of future cross-border assistance allocated to grant schemes.

MAIN REPORT

1. INTRODUCTION

1.1. Objectives

1. This Phare cross-border cooperation (CBC) thematic evaluation, which will review 1999-2003 CBC programmes implemented up to 2005, forms part of a broader Phare *ex post* evaluation exercise that covers Phare multi-beneficiary programmes (Phase 1), national and CBC programmes (Phase 2), and the thematic evaluations (Phase 3).

2. The objectives of the Phare *ex post* evaluation are twofold: to provide accountability with respect to value-for-money and use of Community funds (summative evaluation); and to provide lessons learned for decision-making on improvements in pre-accession aid to remaining and future candidate countries, including the countries of the Western Balkans (formative evaluation). More specifically this thematic evaluation will focus on identifying immediate, intermediate and wider socio-economic impacts of the programmes delivered during the period in question.

1.2. Background and Context

3. The Terms of Reference (ToR) for this report (Annex 1) require the findings to be set in the context of “*a broad, contextual analysis of the design of Phare CBC, its history [and] developments in response to the accelerating demands of the accession agenda ...*”. The following paragraphs therefore set out first the particular nature of the problems facing cross-border regions and second the evolution of Phare support to these regions over time.

4. ***Border regions faced considerable development challenges.*** Border regions in candidate countries (CCs) were characterised by economic development lagging behind less peripheral regions, with generally high levels of unemployment and poor availability of training or educational opportunities. There were also considerable disparities in economic development between border regions in the EU-15 and those in the CCs. Although the environment for programming and implementing CBC programmes in the CCs improved considerably through the 1990s, important obstacles remained at the end of that decade. These included *inter alia*:

- ***over-centralisation of programming and implementation***, especially in the period 1999-2001, which was complicated by lack of clarity on the respective roles of central, regional and local bodies in relation to Phare assistance, particularly CBC;
- ***underdeveloped local institutions***, which suffered from lack of sufficient budgetary and human resources to engage fully and actively in programming and implementation;
- ***instability and underdevelopment of regional policy***; during the evaluation period, regional policies to support the preparations for Structural Funds (SF) were still under development and the institutional framework had not yet been settled. Institutional changes took place in many countries, with consequent changes in the institutional positioning of CBC Implementing Agencies (IAs);
- ***lack of baseline information and data on conditions in border regions***: most CCs lacked, and indeed continue to lack, robust analysis of local conditions; where such analyses exist, they are not easily available or monitored regularly;
- ***a wide range of border types*** ranging from relatively open, with strong socio-historical ties (e.g. the German/Poland border), to regions in which borders mainly reflect geography (e.g. the mountainous border region between Bulgaria and Greece);

- **heavy demand for infrastructure and environmental investments:** most of the border regions had extensive need for environmental and transport infrastructure, which strongly influenced the interest in and direction of the earlier CBC programmes.

5. **CBC has evolved to be closer to INTERREG.** The CBC programme was introduced in 1994 to help develop the kind of cross-border cooperation on the EU's external borders that the EU INTERREG programme was already supporting across the internal borders of the EU. CBC complemented the Phare national programmes by focusing on actions to improve social and economic conditions and links in border areas. Early CBC projects concentrated principally on environment (drinking and wastewater treatment), transport and border crossing-points. Investment in productive infrastructure, for example construction of business incubators or research centres, was on a comparatively small scale and constituted a small percentage of total CBC funding. The focus on infrastructure was driven partly by the Commission's promotion of larger projects,² and partly by the large-scale needs of the regions.

6. The instrument was revised in 1998 in line with the findings of a Court of Auditors' report on CBC.³ Geographical eligibility was extended to the borders between the CCs, emphasis was placed on the real cross-border nature of new projects and on improving the pace of their implementation, closer alignment of CBC with INTERREG (including the establishment of common cross-border programmes and common programming structures), and increasing local and regional capacities for programming, implementation and monitoring through the establishment of Joint Small Project Funds (JSPFs).⁴ The introduction of grant schemes in the form of Small Project Funds (SPFs) and JSPFs was an important milestone in the development of CBC. Not only did it assist the CCs in the move towards a SF approach (where a grant scheme is roughly equivalent to a 'measure'), it also promoted development of capacity-building at regional and local levels. However, the grant schemes only account for a small percentage of the total funding in the period. In more recent times the introduction of larger-value grant scheme in Romania accompanied by technical assistance (TA) for capacity-building was another important step.

7. In 2003 the Commission launched the concept of Neighbourhood Programmes to support cross-border and regional or trans-national cooperation along the external borders of the EU, combining both external policy objectives and economic and social cohesion.⁵ Under the first Neighbourhood Programmes for the period 2004-2006, cross-border projects operate on the basis of a single programme, a single application and a single selection process. With the accession of eight CCs to the EU in 2004,⁶ the CBC Regulation was amended to update the list of eligible countries,⁷ and extend its scope to the borders between Bulgaria and Romania and all their neighbouring countries, including non-CCs.

8. **IPA will replace Phare, but assistance to CBC will continue.** The Instrument for Pre-Accession Assistance (IPA) that replaced the existing pre-accession instruments from

² The Commission promoted the development of projects with a minimum size of M€ 2 (the so-called 'Day' rule). These larger projects were administratively easier to implement because they avoided potential difficulties with contracting and implementing a larger number of small contracts.

³ ECA Special Report No 5/99 concerning Phare cross-border cooperation (1994 to 1998), OJCE C48 of 21 February 2000.

⁴ Commission Regulation (EC) No 2760/98 of 18 December 1998, OJCE L345.

⁵ Communication from the Commission to the Council and the Parliament '*Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours*', 11 March 2003. This aims to work with neighbouring countries towards improving conditions for the free movement of goods, services, capitals and persons as well as developing a zone of prosperity and good neighbourhood relations.

⁶ Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovenia and the Slovak Republic.

⁷ Commission Regulation (EC) No 1822/2003 of 16 October 2003, OJEU L267.

1 January 2007 includes a component ‘*Regional and Cross-Border Cooperation*’ which will apply to i) cross-border activities with adjacent EU countries; ii) cross-border actions between adjacent CCs and potential CCs; and iii) participation of CCs and potential CCs in European Regional Development Fund (ERDF) trans-national and interregional cooperation programmes or in European Neighbourhood Policy Instrument (ENPI) actions.

1.3 Methodology

9. This thematic evaluation is an in-depth study focusing on CBC programmes for the period 1999-2003 and addressing two principal Evaluation Questions and two related questions (see Annex 1). They are addressed in Chapter 2 and have been analysed and structured as follows:

- i. To what extent did CBC support or complement the Phare accession strategy?
- ii. To what extent did CBC assist the new Member States and remaining CCs in preparing for participation in INTERREG on accession?
- iii. Was the range of instruments deployed, in particular the use of grant schemes, appropriate and correctly utilised?
- iv. What was the impact and sustainability of the activities supported across key areas – programming, project development, sound financial management, involvement of civil society etc.?

10. To address the question of capacity-building for INTERREG, the evaluators have used an adapted version of the capability grid, which examines structures, human resources and systems and tools in the key areas of i) programming, ii) implementation, and iii) monitoring and evaluation.⁸ The evaluators have added an additional category, iv) ‘Developing Partnerships’, which is fundamental to creating the basis for future INTERREG projects.

11. In addition to institution-building impacts related to preparations for INTERREG, the evaluators also looked at impacts in four ‘thematic’ areas arising from actions aimed at:

- i. improving *quality of life* (environment, social services, emergency services);
- ii. improving *border management* (i.e. to reduce the impact of the future EU internal borders, and to improve the management of the future EU external borders);
- iii. improving the *productive fabric* i.e. local infrastructure to support economic development, support for small and medium-sized enterprises (SMEs), research and development, labour market measures etc.;
- iv. *integrating border areas into cross-border and trans-Europe networks* (transport/energy/telecoms).

12. Two linked samples were used, first the sample used under Phase 2 which covered CBC interventions in the 1999-2001 period,⁹ and second a sample of joint programmes in four focus countries (Hungary, Poland, Bulgaria and Romania). This allowed in-depth analysis of developments in the post-2001 period and helped to draw out lessons for the IPA and future Neighbourhood Programmes. The final sample comprised 44 interventions across the ten Phare countries totalling €123.5m in the 1999-2003 period (approximately 16% of total funding allocated). The sample is heavily weighted towards projects in the 1999-2001 period, as it is here that impacts can most readily be identified. An important factor in the choice of

⁸ The capability grid is an adaptation of the grid used by DG Regio to evaluate CC capacity to manage EU Structural Funds (see Annex 2).

⁹ In the case of Bulgaria and Romania, these also addressed post-2001 allocations (see Annex 4 for the sample).

sample interventions was the type of activity funded, and while there is a focus on ‘quality of life’ projects, a solid sample of grant schemes has been included.¹⁰

1.4 Limitations Affecting the Evaluation

13. The evaluation exercise faced three principal limitations:

- Lack of available in-country data on monitoring of outputs and impacts, particularly after projects had ended.
- Limited access to project documentation. In many instances, information was available only in the form of hard copies of project completion reports obtainable only from archives. In a number of instances information was available only in local languages, particularly in the case of the decentralised Monitoring Reports. These factors put additional burdens on the evaluators and local partners.
- There was an unavoidable overlap with the work of the Interim Evaluation (IE) teams, particularly in Bulgaria and Romania. While the evaluators tried to minimise the potential burden on the local counterparts, some logistical problems were inevitable, for example lack of availability of local counterparts for interview.

¹⁰ More detail of Phare CBC funding and the sample by type of activity is given in Annex 3.

2. KEY EVALUATION FINDINGS

14. This chapter summarises the key evaluation findings supporting the four Evaluation Questions: the extent to which CBC supported or complemented the accession strategy; preparation for INTERREG; the appropriateness of the types of assistance used; and the impact and sustainability of assistance delivered.

2.1. Overall, CBC pre-accession focus started too late.

15. ***CBC played an important role in the toolkit of EU financial instruments available to support the accession process after 2002.*** Initially CBC was used to fill gaps in the provision of relatively large-scale infrastructure at regional level through the Phare national programmes (particularly in the areas of transport and environment).¹¹ Over time, however, and particularly following the Court of Auditors' Report in 2000,¹² it evolved to become closer in character to INTERREG through the introduction of a joint programming process and the use of grant schemes. This was rather late, but from 2002 onwards crucial support was given to the pre-accession strategy, as almost all countries accelerated their preparations for accession. CBC occupied an important niche in the range of EU funding instruments, and in particular it stimulated delivery of national and regional funds (with both Phare and CC co-financing) to border regions and provided funding to non-traditional actors, at least from the Phare side (i.e. schools, community groups, small locally-based businesses and municipalities) through the Joint Small Project Funds (JSPFs). Despite its not inconsiderable difficulties, CBC grew organically into an important, and indeed very visible, instrument in the participating regions.

16. ***CBC objectives and activities supported accession-related priorities.*** CBC is covered neither directly by specific *acquis*, nor by dedicated sections of the Accession Partnerships (APs), nor by the National Programmes for the Adoption of the *Acquis* (NPAAAs). However, all the sampled CBC programmes were closely related to cohesion and integration policy objectives, and geared towards membership of the EU. In practice the CBC programmes addressed a wide range of AP and *acquis*-related priorities, perhaps a wider range than most other programmes such as environment, justice and home affairs (JHA), Schengen (in particular border crossing points), transport, sound financial management, and regional policy. From 2002 onwards crucial support was given to the pre-accession strategy as almost all countries accelerated their preparations for accession, including finalising legislative and institutional frameworks for SF.

17. ***Working within the Phare financial framework complicated the delivery of joint projects.*** A key goal of the CBC instrument is to foster and support development and implementation of joint projects. However, the unique arrangements for CBC assistance did not sit easily either with those for the generality of Phare programmes or with those for INTERREG. Where there have been weaknesses in developing and implementing real 'cross-border' activities, these have stemmed from:

- a) the difficulty of trying to run a SF-type programme within the Phare financial framework (different cycles, a focus on disbursement rather than 'quality', and a tendency to develop country-specific programmes rather than genuine 'joint programmes', particularly in the CC-CC border regions);

¹¹ This is dealt with in more detail in the previous EMS Thematic Report on Phare Cross-Border Cooperation, 13 February 2004.

¹² ECA Special Report No 5/99 concerning Phare cross-border cooperation (1994 to 1998), OJCE C48 of 21 February 2000.

- b) lack of clarity at key stages regarding the institutional framework for the SF, which had a ‘knock-on’ effect on the extent of decentralisation of the programming and implementation tasks for CBC;
- c) lack of political will to support and facilitate joint projects, particularly in the Romania and Bulgaria programmes.

18. ***Linkages between CBC, Joint Programming Documents and national development priorities gradually improved, but the preparation of country-specific programmes persisted.*** Because CBC is located within the Phare framework, the Joint Programming Document (JPD) process runs alongside the annual Phare fiche-based programming process. In the 1999-2001 period, the tendency to use both programming instruments, the Project Fiche (PF) and the JPD relatively independently, created fragmentation and incoherence between the annual programme and the JPDs. In subsequent programming periods, that is from 2002 onwards, the JPDs were used more systematically, resulting in a more strategic approach to cross-border development. Spatial analysis and planning treated border regions as linked economic units rather than as separate territories. In turn the individual CBC projects became strategic parts of the JPDs and cross-border development programmes became more integrated into the frameworks of the National Regional Development Policy (NRDP) and the National Development Plan (NDP). However there was still a tendency to prepare country-specific programmes, rather than integrated joint cooperation programmes between neighbouring countries.¹³

19. ***CBC was an important driver of decentralisation of functions to border regions, with the exception of the Bulgaria and Romania.*** Despite the difficulties experienced by CBC, it was an important ‘driver’ of the decentralisation process and the creation of locally and regionally based capacities. All institutions concerned with CBC programming and implementation, in particular at regional and local level, such as the CBC implementing agencies, beneficiary institutions and the *Euroregions*, gained valuable experience as they prepared to take on board the obligations of membership as well as participate in European regional policy instruments. In addition, managing and implementing CBC activities allowed stakeholders to gain hands-on practical experience, which helped the CCs to identify and address institutional constraints and shortcomings in managerial and administrative capacities, and prepare the relevant institutions to put in place appropriate structures for programming and implementing in future both cross-border and SF actions. This learning and capacity-building process was of particular importance in the years immediately before accession. However, in the particular case of the Bulgaria and Romania joint programmes, effective regional participation in decision-making was hampered by over-centralisation of management structures.

2.2. CBC largely provided good capacity-building for INTERREG, despite a lack of benchmarking

20. ***Lack of agreed benchmarks for assessing capacity.*** Assessment of the contribution of CBC to preparing the CCs for participation in INTERREG was, and remains, complicated by the absence of an agreed definition of what constitutes capacity-building in this context. Benchmarks against which to measure progress or to identify gaps were not put in place, either by the Commission Services (DG Enlargement and DG Regio), or by the national authorities.

¹³ This was particularly the case in ‘Phare-to-Phare’ cross-border situations, where the annual Phare programming exercises failed to produce genuine cross-border initiatives. Furthermore, they made the process of initiating or implementing cross-border projects difficult, as all ‘Phare-to-Phare’ programmes demanded independent applications, separate selection, administration, and project monitoring procedures on both sides of the border).

Instead, capacity-building was seen as a task for the CCs themselves, with CBC funding to catalyse the establishment of appropriate structures and to test their operation. Despite the lack of guidance on capacity-building from the Commission Services, the participating EU-15 regions and partners played an important role in ‘hands-on’ capacity-building, imparting their knowledge, experience, and in some instances financial support to their CC colleagues.¹⁴

21. For the purposes of this thematic evaluation, ‘capacity-building’ is considered across four key areas: (i) programming; (ii) implementation, (iii) monitoring and evaluation, and (iv) developing partnerships.

(i) Programming CBC provided good experience for INTERREG

22. ***The joint programming process provided good ‘hands-on’ learning, and ownership of the process increased over time*** (see Box 1). CBC supported capacity-building for programming through the joint programming process. In line with CBC programming principles, specific co-ordination and programming bodies were established in all CCs for border regions supported by CBC programmes. Bilateral Joint Coordination Committees (JCCs) were established and made responsible for the preparation of the JPDs, which constituted the multi-annual framework for the CBC activities in their respective border areas. This facilitated both dialogue between the regions and ongoing practical cooperation for project development. For the period 2000-2006 the CCs prepared JPDs for their border regions with Member States and other Phare countries with the active participation of stakeholders. This improved CBC programme preparation over time. The process of bilateral or multilateral international consultation between all interested parties helped to identify the relevant needs, common strengths and weaknesses, and the most important and urgent areas for cross-border development; equally it helped establish programming objectives, priorities, strategy and intervention measures, and detailed structures for programme management and implementation. In particular, CCs benefited from the experience of EU-15 partners in the EU-15/CC border regions. However this was not the case in Bulgaria, where ownership of the JPD process at municipality level in the 1999-2001 period was limited.

Box 1: Key messages about Phare CBC capacity-building for programming INTERREG

- Joint programming process provided good ‘hands-on’ learning for INTERREG;
- EU-15/CC borders benefitted from EU-15 experience;
- initial needs assessments poor, but improved over time;
- project selection over-politicised;
- limited effectiveness of Multi-Annual Programming in Bulgaria and Romania.

23. ***Initial needs’ assessments and project design were poor, but largely improved in the post-2001 period.*** Needs assessments for the 1999-2001 CBC programmes were generally not considered an important element of the planning cycle. In supply projects, gap analyses, equipment appraisals and feasibility studies were accepted as an adequate form of needs assessment. The design of projects was often constrained by over-ambitious objectives, poor problem definition and inadequate indicators of achievement (IoAs). Because pre-programming preparation was weak, projects all too often had to be realigned after the signature of the Financing Memoranda to ensure sectoral relevance. However, over time awareness grew and the situation began to improve from 2001 in most CCs, although problems persist in both Bulgaria and Romania. Efforts were also made to ensure that the geographical

¹⁴ It is also worth noting that while Phare is an external aid facility for CCs with a relatively short-term objective of accession, the Community Initiative INTERREG is part of the EC cohesion policy, with the long-term objective of social and economic integration across the EU for member states.

distribution of projects led to funding of projects in all eligible regions of the country concerned. However, there was no apparent overall correlation between CBC allocations and the extent of the border or the magnitude of the investments required.

24. ***Selection of CBC projects has been, and continues to be, over-politicised.*** In practice, CBC funds were important sources of funds to the border regions (in Bulgaria they are the principle source of development funding), and distribution has been politicised. Although efforts were undertaken at project design stage to prioritise investment projects and areas targeted by the grant scheme according to identified needs, the final decision on projects to be funded was very often taken at political level. The considerable deficiencies in infrastructure provision in all border regions meant that it was not difficult for project sponsors to make a justification for their own projects.

25. ***Continued difficulties in developing and implementing ‘joint’ projects.*** Despite the CBC focus on the development of joint projects, the experience of developing and implementing joint projects has varied between programmes and countries. Of the 32 projects sampled, only 5 (16%) demonstrated a ‘high’ degree of ‘joint-ness’, while 54% (17 projects) were rated ‘medium’ and 31% ‘low’.¹⁵ Box 2 identifies some characteristics shared by projects rated ‘high’ for ‘joint-ness’. In practice, a number of factors influenced the ability and indeed willingness of partners to develop joint projects including differences in the programming cycle between INTERREG and CBC and between CBC and TACIS CBC (in the case of the Baltic Sea Region); a concern with getting projects impacting on the particular border region up and running, rather than focusing on the joint nature of the project; and a lack of political will to support joint projects actively.

Box 2: Characteristics of successful joint projects

- Develops from pre-existing cooperation/relationship between partners;
- Meets clear needs/objectives as defined in the JPD;
- Clarity of roles between partners;
- A clear concept of the added value of each of the partners;
- Partners have access to resources to pursue work independently;
- Structured dialogue throughout implementation;
- Impacts benefit both sides of the border.

26. ***Effectiveness of multi-annual programming in Bulgaria and Romania was limited.*** Up to 2003 Phare had no multi-annual capability, and programmes continued on an annual cycle. In 2004 multi-annual programming (MAP) of Phare was introduced in Bulgaria and Romania, which should have improved the link with INTERREG and help prepare for SF. However, it was not possible to maximise the full potential of this approach because the multi-annual framework was still tied to the annual programming process. Every year either a new phase of a project or the continuation of the earlier phase had to be programmed and incorporated into the annual Financing Memorandum. While the change to a MAP perspective in 2004 had a generally beneficial effect in Romania, as it helped to reinforce the need to think in terms of a longer-term sectoral perspective, the Bulgarian experience was less successful.

¹⁵ The projects in the sample were rated for ‘quality of joint-ness’ as follows: High = where development and implementation of the project was shared and where there was clear added value of the partners; Medium = where there was cooperation in the development and implementation of the partners and where each partner made a contribution; Low = where partner involvement was minimal or token.

(ii) Implementation structures for INTERREG developed under CBC, but experience varied considerably

27. ***CBC was an important driver for decentralisation, and implementation benefited from decentralised structures*** (see Box 3). CBC stimulated and actively promoted the establishment of regional and local structures to support programme implementation, particularly grant schemes. Regional institutional set-ups and capacities for CBC varied considerably across the

Box 3: Key messages about Phare CBC capacity-building for implementing INTERREG

- Phare CBC an important driver for the creation of regional and local structures;
- implementation capacity increased at regional level, but vulnerable at central and local levels;
- division of responsibilities unclear;
- EDIS came too late to support capacity-building lessons for the Structural Funds.

CCs, ranging from high levels of decentralisation in Poland and Hungary, to considerable centralisation of activities in Romania and Bulgaria. In general, the level of operational decentralisation had an impact on the overall quality of the programme. For example in both Poland and Hungary, owing to their respective decentralisation policies regional offices were made responsible for CBC programme development, management and administration. The offices had been in existence for several years and were well established in each territory. The staff were highly qualified and already possessed experience in regional development planning based on past bilateral CBC programmes. There was a high level of understanding of the demands of cross-border development, cross-border cooperation and EU procedures. There are also instances where CBC promoted and led the creation of decentralised management structures, particularly through the *Euroregions* and other local offices with assigned responsibility for supporting both programming and implementation.

28. ***Implementation capacity grew at regional level, but was vulnerable at central and local levels.*** In all the countries evaluated, considerable efforts were made to build up managerial and administrative capacities for programme implementation. CBC promoted active involvement of local implementation structures, and regional offices were made formally responsible for managing the CBC programme cycle. Most of these regional offices had been in place for several years and were established in each territory. The staff teams were qualified and experienced in management of regional development programmes as a result of their experience in past bilateral and trilateral CBC programmes. The office staff seemed to understand the demands of cross-border development and cross-border cooperation and in the case of the 2004 new Member States were prepared for Structural Funds.

29. However, at central level CBC structures were negatively affected by institutional differences and instability. In a number of instances differences in government decision-making structures caused co-ordination difficulties, such as the lack of a direct counterpart organisation in the neighbouring country.¹⁶ In addition, changes in government structures invariably caused implementation delays when the parent ministry for the CBC Implementing Agency (IA) was changed, which occurred in most of the CCs.

30. While regional office staff were largely capable of managing CBC implementation competently and providing hands-on development support to beneficiaries, there was no systematic approach within CBC to strengthening local institutions. This lack of systematic

¹⁶ At programme level in general, JCC and Joint Steering Committees (JSC) are responsible for monitoring and guiding programme implementation. JSC members represent relevant ministries and coordinate activities with other those of other donors. JSC meetings are scheduled to coincide with the programming cycle phases. At national level, CBC programme implementation is the responsibility of the relevant Implementing Agency under the general coordination of the National Aid Coordinator (NAC).

approach to capacity-building for CBC implementation was less critical where the local offices were outposts of central bodies or networked with other organisations. However, where they were newly established or locally-based resource-constrained organisations, problems arose. In Bulgaria the strong centralisation of the CBC programme meant a limited focus on supporting the capacity of locally-based bodies for involvement in the programmes (see the case study in Box 4).

Box 4 - Case Study: Missed opportunity to build on CBC in Bulgaria

CBC 1999-2001 in Bulgaria represents a lost opportunity. Efforts to improve CBC programming and implementation were focused at central level with the result that local capacities were not enhanced. This reflects the high degree of centralisation of CBC in Bulgaria and the prevailing unsupportive attitude to decentralisation and regional policy.

The JPDs were of poor quality and did not actively support cross-border programming or implementation. Although the negative experiences with JPD preparations echoed those of other CCs in the early days, no attempts were made to learn from these experiences. Needs analysis at JPD level was poor, but feasibility studies were carried out at individual project level. At municipality level no viable local development plans were available to provide information for setting investment priorities or selecting investment projects.

Since 2002 the National Aid Coordinator (NAC) has made efforts to operate a transparent system for the selection of projects for inclusion in Phare programmes. The NAC communicated the priorities to the line ministries and other beneficiaries who then brought forward project proposals. NAC sector co-ordinators exercised a quality assurance role to check for technical compliance and the general feasibility of projects. The transparency of the process was enhanced by informing the line ministries of rejected projects and the reasons for their rejection. However, the quality and availability of routine information on the selection process was insufficient.

Investment projects are running consistently behind schedule and risk limited impact on the border regions or on cross-border development. The problems and delays in implementation of cross-border infrastructure investments, coupled with design flaws, have resulted in a situation where mirror projects in the neighbouring countries are absent. There also appears to be a significant lack of coordination between the authorities in Bulgaria and the neighbouring countries.

While the performance of the Ministry for Regional Development and Public Works in implementing CBC grant schemes has been reasonably efficient, efficiency was hampered by the lack of an adequate physical infrastructure and by final beneficiaries' difficulties with subcontracting procedures. There were specific problems with visa restrictions for Turkish citizens and a failure to contract technical assistance. The failure to decentralise implementation of CBC funds is a missed opportunity to establish an administrative structure in the border region and build capacity among local actors.

31. ***The division of responsibility between local and central bodies was often unclear***, both in the 1999-2001 and post-2001 periods. While local bodies focused strongly on programme preparation and SPF/JSPF management, their role with regard to the large infrastructure projects was unclear. In many instances, staffing of local offices was inadequate to manage the complexity of these infrastructure projects (in terms of number of staff or skills), and responsibilities were transferred back to headquarters. This resulted in over-concentration of tasks at central level and a number of problems at both the project preparation stage and during implementation, including:

- a) insufficient capacity-building for infrastructure projects at local level;
- b) over-politicisation of infrastructure components;
- c) implementation difficulties arising from poor local linkages e.g. uncompleted land acquisition or poor progress with supplementary works (such as relocating existing utilities to facilitate construction works).

32. ***EDIS came too late to support preparation for SF***. The CBC programmes sampled were implemented under the Decentralised Implementation System (DIS), with day-to-day implementation managed by the CBC IA. An important part of the preparation for SF was the move from *ex ante* control by the Commission (as exercised under Phare by the EC

Delegation) to a system of *ex post* control under the Extended Decentralised Implementation System (EDIS), similar to that required by a Member State. While the majority of CCs had put in place framework and implementing legislation to control pre-accession funding and structural actions, none of the eight CCs acceding in 2004 had managed to gain EDIS accreditation for their CBC IA by the time of accession. For these countries, the launch of EDIS was too close to their accession date. At the time of this evaluation, both Bulgaria and Romania had intensified their preparation for EDIS accreditation of their CBC IAs so as to be ready for accession on 1 January 2007.

(iii) *Monitoring and evaluation systems are insufficiently adapted to INTERREG requirements and lack ownership.*

33. *Evaluation of CBC focuses on projects and CBC ‘sectoral’ issues, rather than on achievement of JPD objectives* (see Box 5).

The location of the evaluation function within the Phare ‘system’ has a number of practical implications for CBC. Within the Phare ‘environment’ interim evaluation (IE) is carried out by external consultants and focuses both on operational, project-level issues, and wider sectoral relevance. The poor quality of the

Box 5: Key messages about CBC capacity-building for monitoring and evaluation

- Monitoring within Phare insufficiently adapted to INTERREG requirements;
- evaluations focus on projects and CBC ‘sector’, rather than JPD issues;
- IoAs improved, but more work needed at programme level;
- ownership is limited despite decentralisation of monitoring;
- impacts not monitored.

Monitoring Reports (throughout the Phare programme) resulted in provision of little substantive input to the IEs, which had difficulty in imposing a coherent logic on a wide range of interventions. The audience for the IE reports is the Sectoral Monitoring Sub-Committees rather than the CBC decision-making structures.¹⁷ Crucially, there was little or no monitoring and evaluation at JPD level, unless that was made a specific objective of an in-depth IE report. Monitoring and evaluation exercises are carried out by each CC separately, and there is no overall picture of the performance of the JPD itself. The opportunity to create linkages within a strategic and programme-driven context is thus not taken up.

34. *Indicators of achievement improved, but were still largely inadequate and were not monitored.* IoA were generally not defined according to PRAG guidelines and rarely followed the SMART principles.¹⁸ Much effort had been made in earlier years to improve the definition of IoA, especially through the IE process, and there had been significant progress in identification and development of IoA. However, the IoA still needed further improvements in order to enable all parties involved in programme implementation to utilise them as a useful managerial tool. For ‘soft projects’ such as those funded under SPFs and JSPFs, where it was generally difficult to identify measurable and verifiable indicators, the IoA were often defined in terms of activities and did not contain sufficient information on progress towards achieving the objectives. However, CBC programmes from 2000 onwards were to a limited extent accompanied by better-defined indicators than earlier Phare programmes.

35. Even where the IoA were properly identified and were measurable and objectively verifiable, there were no institutional structures responsible for gathering the relevant data and for checking progress towards the achievement of the immediate and wider objectives after the programme disbursement expiry dates. In relation to works and supply projects, only very limited attention was paid to whether the investments had made the expected impact.

¹⁷ In Bulgaria, CBC is split between regional development and transport for monitoring and evaluation purposes.

¹⁸ SMART = Specific, Measurable, Available, Relevant and Time-bound.

36. ***Decentralisation of monitoring to CCs has not supported project management.*** Official Monitoring Reports were available for all CBC programmes examined. They were prepared by the national authorities and in theory provided the factual basis for evaluating progress of implementation, assessment of first results, estimation of whether objectives are still achievable and whether sustainable impact can be guaranteed. However, not all Monitoring Reports fulfilled this requirement. Although there was significant progress in the quality of Monitoring Reports, they continued to fail to differentiate between detail and key issues, the information provided was often unclear and the presentation of activities was not structured. Problems and corrective actions were seldom highlighted. Thus the Monitoring Reports were not providing an adequate instrument for communication between all parties involved in the programme cycle, nor were they providing sufficient information to ensure that any corrective measures needed during day-to-day implementation were identified in good time.¹⁹

37. ***The impact of CBC programmes is not systematically measured.*** The impact of CBC programmes is not systematically measured, monitored or assessed by the government institutions responsible for CBC management. This coupled with poor IoA means that there is almost no statistical data available on impacts. Existing monitoring systems for review of CBC programmes do not include even rudimentary data collection to allow analysis of the direct, indirect and wider impact of project outputs. The project culture of Phare, which is largely ‘disbursement driven’, does not stimulate or encourage establishment of such data collection and analysis procedures, many of which would have demanded continuation beyond the term of the project. There is a widespread misconception that impact assessments are the task of the IEs, *ex post* evaluations and in particular sector studies. There are exceptions to this, for example in Hungary where an independent evaluation of impacts of the CBC 2000 Small Project Fund was commissioned.

(iv) CBC has made an important contribution to developing partnerships

38. ***CBC has made an important contribution to development of cross-border linkages and partnerships.*** Without CBC support it is doubtful whether bodies in border regions would have had the incentive or support to engage in cross-border networking. Through CBC, regional development institutions on both sides of the borders gained practical experience of working together. The capacities of local and regional authorities to develop and implement EU co-financed projects have improved and cross-border networking has been stimulated. These factors are important preconditions for ensuring effective absorption and utilisation of Structural Funds. The administrative experience gained from CBC had been incorporated into the structures of the intermediary bodies for European Regional Development Fund (ERDF) and was also being applied to INTERREG. Based on experiences with bilateral and trilateral CBC the partners were in a position to assist the neighbouring countries that joined CBC at later stages, and indeed assisted in putting their programmes in place (for example, Slovenia helping Croatia). However, the particular cases of Romania and Bulgaria, where cross-border linkages and contacts at central level were weak, must be noted.

2.3. The type of assistance used was largely appropriate

39. ***Investment was largely appropriate, given Phare constraints.*** Most CBC resources were allocated to relatively large-scale investments, which is understandable given both the severe needs of border regions and the push towards larger works and supply contracts to meet more easily the demands of Phare implementation arrangements (such as annual programming and financial management in line with PRAG). While investment is an appropriate type of

¹⁹ This is not confined to CBC and is a common problem throughout the Phare programme.

assistance for supporting socio-economic development, there was a concern that CBC was being used as a 'gap filler' for national programmes rather than for focusing specifically on border regions. This may have been true where national programmes did not provide for investments in transport or environmental infrastructure and where needs were therefore met through CBC, but the real test for potential 'gap filling' must be the extent to which the intervention complies with JPD priorities. This highlights the importance of the role of the JPD as an operational guide for project selection, rather than as a collection of aspirational statements.

40. **Limited but effective use was made of grant schemes.** SPF and JSPF comprised only a small proportion of total funding, but good use was made of the funds that were broadly in line with JPD priorities. The results of the grant schemes were good and capacity-building took place at all stages of the programme cycle to prepare CCs for INTERREG. The capacity to develop good projects had improved over time, with an increasing level of maturity in applications received, as reflected in the number of projects found to be administratively compliant year-on-year. However, funding allocations had not been altered to accommodate this improvement, with the result that a large percentage of administratively-compliant projects could not receive any support. For example, of the 126 applications received by the 2000 BSR, 87 were rated as eligible (indicating a good level of capacity for project development at that time) and 16 projects were finally funded under the Lithuanian component. For the Romania-Bulgaria JSPF, administratively-compliant applications for 2000-2003 rose from 78% of all submissions to 95%. Given that these schemes aimed *inter alia* at building capacity among beneficiaries to develop their project management capacities and build cross-border networks, the limited funding allocations and small numbers of final beneficiaries acted as a barrier to achieving such an objective.

2.4. Low cross-border effects from investments, but impact from institution-building satisfactory

41. **Despite often serious implementation problems, the majority of interventions surveyed had delivered their planned results** (see Annex 5). The programmes had important impacts at immediate and intermediate levels, but low cross-border effects. There was limited wider impact due to the distribution of comparatively limited CBC funds across a wide geographical area. The different levels of impact are described below for each of the four categories of CBC activity, (a) quality of life - environment, social services, emergency services, etc.; (b) border management; (c) productive infrastructure, and (d) integration into networks. The impacts of specific capacity-building activities have already been described in the previous section.²⁰ Grant schemes supported activities across the above categories, but there were additional institutional capacity impacts arising from the nature of the grant schemes themselves, and these are addressed in §§48-50.

²⁰ A medium level of immediate impact is seen in enhancement of the skills of direct beneficiaries, and of the quality of programmes and projects. A medium intermediate impact is seen through the ability to prepare projects for submission to INTERREG and other funding sources. Wider impact is low, due to the small volume of total funding, and in some cases limited institutional stability.

42. *Quality of life projects had strong immediate impacts but limited wider impact.* CBC

programmes contributed to quality of life mainly by reducing air and noise pollution; upgrading wastewater treatment and sewerage facilities; upgrading waste dumps; upgrading flood protection systems; and improving transport facilities (see Box 6). Road projects contributed to better traffic safety by upgrading infrastructure and by diverting traffic around built-up areas (through the construction of by-passes). Transport infrastructure beneficiaries indicated that these projects had led to a noticeable reduction in accidents in the area. Some transport projects had made a significant contribution to the economic development of the border region through reduced journey times. However, wider impacts were limited as CBC-funded infrastructure projects were small compared to the overall size of the remaining transport infrastructure needs of the border region.

Box 6. Impact on quality of life

CZ – Austria	• Reconstructed 21 km of major road plus 5 bridges, new cycle way, and border crossing • WWTP serving 3 municipalities operational
CZ – Germany	• Rural sewerage and 2 WWTP for 7 municipalities serving 4 500 inhabitants; • WWTP (100 000 population equivalent) modernised
HU-RO	• Road constructed
HU-SK	• Sewerage completed Zalavölgye Naturpark
SK-PL	• Sewerage systems in Tokaj region & WWTP in operation
SI-Austria	• 3.6 km road from Palota to the State border in operation • sewerage in 9 villages and 3 new WWTPs in the lower Poprad riverbed in operation
SI-HU-Austria	• Reduction of CO₂ and SO₂ emissions from installation of four wood-burning boilers.
SI-Italy	• Reduced water pollution in established trilateral nature park. • Reduced water pollution from operation of WWTP's constructed in Soča valley

43. *Environmental infrastructure projects generally had limited cross-border involvement.*

Most environmental infrastructure projects were implemented successfully and had the intended impact. The main purpose of the major part of these projects was upgrading of local infrastructure facilities in border regions without a clear cross-border impact or with limited involvement of partners on the other side of the border. However some projects focused on cross-border cooperation and had significant impact on both the environment and the cross-border cooperation. In addition, many CBC projects addressed environment protection issues although it was not their main target. This indicates that stakeholders are aware of environmental protection policies and the need to reflect environmental issues when designing and implementing projects (see the case study in Box 7).

44. *Border management projects had good immediate impacts, but with some important exceptions.* Border Crossing Points (BCPs) and Border Inspection Points (BIPs) funded by CBC programmes did not always achieve the expected results and impacts. When assessing the actual utilisation of the BIPs, a mixed picture appeared. At some borders, definite improvements were witnessed by the border guards in terms of waiting times, with queues generally eliminated at the upgraded crossing points and a dramatically increased volume of cross-border traffic as a result of the greater ease of passage. However, at other borders there was evidence that the

Box 7. Impact of CBC environment support in Hungary

CBC programmes introduced EU funding into Hungary's regions and allowed development of a range of different interventions that had a direct effect on local economies and on border residents' living conditions. Several large-scale works projects were planned and completed during sequential CBC programmes. For example, Phare 1997 set up a wastewater treatment plant in Oriszentpeter, a Hungarian/Slovenian/Austrian Nature Park area. Phare 2000 followed on with the Oriszentpeter sewer project, which provided rural sewerage services to many villages in this trilateral border area for the first time. The project included 29.5 km of new sewers (including road reconstruction), 1,020 house connections, 11 pumping stations, and six small packaged sewage treatment plants. The projects thus promoted compliance with the wastewater treatment acquis.

border points had not been utilised to the extent originally expected or at a capacity level that would have justified the scale of investment in their creation. Movement of goods had declined rather than increased. Even worse, some of these BIPs were due to have only very limited lifespan and would not be required after the accession of neighbouring CCs.

45. Support provided to police and border guards had increased cooperation between the relevant services in neighbouring countries and had contributed to the increase in public safety in the border areas. These projects had particularly visible cross-border effects as the facilities financed under the Phare programme for the services of one country are generally used also by the services of the neighbouring country, and this can be seen as a reasonable level of intermediate and wider impact.

46. ***Phare support for the productive fabric had good immediate and intermediate impacts, but limited wider impact.*** CBC support takes two main forms: investment and projects related to economic development with both infrastructure and ‘soft’ components, for example construction of conference centres, business incubators and so on. The CBC programmes upgraded economic and social infrastructure either following the objective of cohesion or as ‘mirror’ projects to facilitate economic and social linkages across the border. These cross-border facilities not only connected border areas to the neighbouring country but also connected isolated and remote areas with internal centres of economic activity. Wider impact was limited by the small scale of the investments.

47. ***The CBC contribution to integrating border regions into infrastructure networks had low immediate impact, but good intermediate and wider impact.*** Projects supporting integration into networks were of two kinds: first investments in infrastructure, for example the network of ‘A’ roads or telecommunications networks, and second ‘soft’ projects promoting international and cross-border networking (generally through SPFs and JSPFs). Because these interventions were directed at national rather than border region priorities, immediate impacts were low in the local border regions, while intermediate and wider impacts emerged over time, especially for transport projects in terms of improved national economic indicators.

48. ***The SPFs and JSPFs had good immediate and intermediate impacts, while wider impact of the funds was limited due to their small size.*** The SPFs and JSPFs strengthened partnerships between the participant organisations, which were thus able to address post-accession issues effectively in the long term, allowing collaborating regions on either side of the border to narrow the development gap between them and others in the EU. In addition, establishment of innovation centres created facilities for high-level innovative research activities. These centres, working together with universities and research institutes, had positive catalytic impacts on the scientific and innovation activities of the whole region. All *Euroregions* had projects that benefited the productive sector, with SMEs engaged in tourism and cultural activities particularly well placed to benefit from the programme. The majority of the projects appeared to have produced the intended results and the immediate impact on direct beneficiaries was considered by the grant scheme management to be good. However the small size of the individual projects and, indeed, of the grant scheme as a whole limited the potential socio-economic impacts.

49. ***An important intermediate impact of the SPFs and JSPFs was the ability to apply for SF.*** Project implementation skills for grant schemes were enhanced at local level in all CCs (with the exception of Bulgaria), despite the implementation problems mentioned earlier. Of the SPFs and JSPFs studied, it was clear that there had been considerable capacity-building among grant scheme recipients for project development and implementation. There was also some evidence (see case study in Box 8) that participation in JSPFs had helped build capacity for accessing INTERREG and Structural Funds. From the Latvian case it is clear that a high percentage of JSPF grant recipients had gone on to prepare successful applications under the INTERREG and Structural Funds, clearly demonstrating the utility of the CBC grant schemes and JSPF as preparatory measures for INTERREG and SF.

Box 8. Case Study in Latvia - JSPF recipients' experience of progress from CBC to SF

A short questionnaire was circulated by the *ex post* team to 2001 JSPF recipients. Response rate for the questionnaire was approximately 40%.

Key findings:

- 84% of respondents had applied for funding under EU Structural Funds, the majority of whom had applied to more than one fund as follows:
- 87% had applied to INTERREG, 87% to the ERDF, 62% to the ESF and 19% to the Cohesion Fund;
- 75% reported that their application was a continuation of their Phare project while 44% reported that their application was for a completely new project idea;
- 69% of projects were with existing partners, while 56% of projects involved new partners;
- 85% of applications had been successful, 11% were awaiting results and only 6% had failed.

50. ***SPFs and JSPFs made an important wider impact in raising the profile of the EU in the border regions.*** This is evidenced by the growing cultural and tourist exchange, by increased transit, and by the number of people attending various events organised within the framework of the Phare programmes. The JSPFs in particular initiated a very large number of cooperative structures of various types relating to the business community, NGOs and informal networks of citizens. Through the diverse range of activities funded, the JSPFs contributed to overcoming the historical lack of interaction between communities on different sides of the borders, and to deepening relations once these had begun. Importantly, the JSPFs involved actors and direct beneficiaries that were not targeted by the Phare national programmes, for example schools, NGOs, historical societies and others.

2.5. Sustainability of CBC results is mixed

51. In order to assess the sustainability of the achievements and impacts of CBC programmes a distinction between categories is made as follows:

- Sustainability of established capacities for SF management;
- Sustainability of cross-border cooperation structures;
- Sustainability of cross-border infrastructure
- Sustainability of civil society organisations participating in cross-border activities;

52. ***Sustainability of INTERREG and SF management is high owing to strong government commitment and stable and well-qualified administrative staff.*** Governments in most of the CCs, and in particular in the new Member States, are committed to the Structural Funds policy and to continuation of the decentralisation regarded as a prerequisite for effective implementation of cross-border activities and regional cooperation during the forthcoming SF period 2007–2013. Government commitments should guarantee adequate national budget resources to maintain administrative capacity.

53. Since accession in May 2004 a number of reorganisations have taken place in the new Member States to adapt administrative structures to the requirements of INTERREG. New staff have been recruited to increase the number dealing with SF. Government officials interviewed were generally optimistic that they could secure the necessary resources to maintain the staffing levels necessary to administer INTERREG and other SF. The establishment of a cadre of young, well-qualified professionals was an unexpected and significant spin-off and value added from Phare in most of the countries surveyed. An important threat to the sustainability of current administrative capacity was staff turnover, but the majority of respondents from evaluation interviews characterised staff turnover within their administration as relatively 'low'. Although some staff left public administration to take up new positions in Brussels or take advantage of other emerging opportunities, the majority of staff with professional and technical expertise who had previously been involved in Phare had remained, many in promoted positions, within the institutions created or supported by Phare, or else they had taken up newly-established positions within the institutional structures responsible for the management and implementation of the SF.

54. A new concern was Bulgaria, where the recent establishment of Joint Technical Secretariats (JTS) for implementation of the new Neighbourhood Programme (NP) were only envisaged as temporary structures to be phased out once the Phare programme was complete. There was therefore a question about the future sustainability of the capacity built, that is whether there would be continuity between the JTS and the bodies responsible for managing post-accession funds.

55. ***Institutional cooperation structures were generally sustainable, but regional and local offices were at risk.*** Institutional cooperation structures, which were established and strengthened under the CBC programmes, were sustainable in those border regions where both sides had started operating under EU membership conditions. Assuming that the governments on both sides of the border would give EU inter-regional policies and cooperation the appropriate priority, the current capacities would remain stable and sustainable. However, the risk of losing sustainability was much higher at the level of regional and local offices than at central level. During evaluation interviews concern was raised that the capacities of regional offices were relatively low given the magnitude of the management and implementation task, with the result that regional offices were always operating at their capacity limits. Regional offices were not in a position to cope with the consequences of staff turnover as easily as their headquarters given their restricted budgets and their limited numbers of personnel. Furthermore, staff turnover was higher at regional than at central level, in particular in border zones where economic and social living conditions were still seen as poor.

56. ***Long-term sustainability of cross-border infrastructure depended on continued supportive government policies.*** The impacts of CBC programmes that supported investments in environmental and economic infrastructure were largely sustainable. But there were concerns in some specific cases about the sustainability of investments in border infrastructure. In the medium to long term sustainability would depend on government commitment to balanced regional development and to guaranteed budget provision for maintenance and recovery of investment cost. To a large extent this would depend on future economic development and on whether or not severe budget constraints occurred, in particular during economic downturns or in times of fiscal austerity related to the convergence criteria for the Euro zone, when governments would tend to redefine budget priorities and reallocate financial resources to central structures.

57. Sustainability of civil society projects was dependent on continued efforts and a stable policy environment. The sustainability of ‘soft’ projects was difficult to assess as it depended on the ability of local societies, NGOs and their partners across the border to maintain funding. Such structures were often fragile, established for a particular, project-specific purpose and depended on personal relationships. Very often the activities of local initiatives and NGOs depended on continuous support provided by local or regional authorities. Sustainability of projects addressing people-to-people and business-to-business relations depended on continued efforts and stable policy on both sides of the border. Some of the evaluated projects were clearly sustainable where, following the initial kick-start provided by CBC, local beneficiaries were able to proceed using local resources. However, there were a number of instances where beneficiaries requested funding year-on-year for continuation of largely the same activities, and sustainability without continued external financing was in question.

3. CONCLUSIONS, RECOMMENDATIONS AND LESSONS LEARNED

3.1. Conclusions

58. This section addresses the central issues raised by the four Evaluation Questions: the extent to which CBC supported or complemented the accession strategy; preparation for INTERREG; the appropriateness of the type of assistance used; and the impact and sustainability of assistance.

Conclusion 1. The role of CBC in the pre-accession strategy was initially unclear, but was clarified and consolidated by successive reforms of the instrument.

59. The earlier CBC programmes focused heavily on country-specific investments in infrastructure. This approach arose from a number of factors including: (a) fiscal constraints in the CCs, which tended to view CBC as simply another source of funding, rather than as a distinct instrument within the Phare toolkit; (b) the need to address environmental problems at regional level and to assist with compliance with the *acquis* (particularly in the areas of environment, transport and border management); and (c) the slow pace of decentralisation and the lack of adequate local structures and actors to participate effectively in the programming and implementation process.

60. The introduction of JPD-based programming brought a new approach to CBC and clearly emphasised the need for each border region to be treated as one distinct area with specific development challenges and needs. While the process of JPD-based programming took time to 'bed in' (and indeed the first rounds of JPDs were of variable quality), the process of joint identification of needs and the experience of prioritising actions were both extremely useful, even if at times programming and project selection were over-politicised. From the introduction of JPD-based programming, and later with the introduction of grant schemes, CBC came to be viewed in a new light. For those countries that took on board the opportunities provided by CBC, new decentralised structures were created that actively supported programming and implementation at regional level, and this had positive impacts on the effectiveness of their programmes (as in the case of Hungary, for example). For countries that retained central control over the CBC process, truly joint projects were difficult to develop and implement, and an opportunity for capacity-building at regional level was lost (as in Bulgaria).

Conclusion 2. Within its constraints, CBC delivered a range of good capacity-building impacts for INTERREG.

61. Despite the considerable differences between CBC and INTERREG, CBC provided generally good capacity-building impacts, but with some important exceptions. Earlier lessons were applied and know-how was absorbed, as evidenced by the post-2001 improvements in initial needs' assessments, in relevance to JPD priorities, in project design, and in prioritisation of projects. Effective steering arrangements and bilateral and multilateral international consultations led to the development of wider and immediate objectives that addressed fields of crucial importance to the development of the border areas. There was a significant impact on the culture of work in terms of procedures, attitudes and accountability, for example in terms of changes in the attitudes and commitment of public servants to social and cultural issues, environment protection and sustainable development. Thus the administrative structures were well prepared for management of EU Structural Funds on accession.

62. CBC programmes either had a direct institution-building component or supported the institution-building process indirectly by 'learning-by-doing'. Institution-building was largely

successful as evidenced by the new institutions, especially the joint programming and management structures created or expanded as a direct consequence of CBC support.

63. Capacities to manage the programme cycle at all stages were strengthened at regional and local levels, although the evaluation stage, which was integral with that of the Phare national programmes, took insufficient account of the specificities of the CBC programme, including *inter alia* the importance of the JPD and the cross-border nature of the programme. Monitoring and evaluation of grant schemes was complicated by the use of a project-specific methodology which made it difficult to evaluate performance, particularly impact. Systems for gathering information at grant scheme level varied from country to country, depending on national institutional frameworks; and it was therefore difficult to identify good practice.

64. The impact of support was strongest in promoting programming processes and structures, particularly where one of the countries in the border region already had adequate administrative capacities at regional and local level, generally in the CC and Member State programmes.

Conclusion 3. Despite improvements in programming and implementation, there were considerable difficulties in developing truly ‘joint’ projects.

65. Central to the CBC concept is the development of ‘joint’ projects. However in practice, coordination problems arose because of the differences between Phare and INTERREG, including the different programming cycles, implementing mechanisms, programming guidelines and regulations, which adversely affected CCs’ ability to deliver cross-border and, in particular, joint projects. In the case of the CC-CC programmes, difficulties were experienced in synchronising the implementation of joint grant schemes. The difficulty of synchronising the implementation cycle for JSPF projects meant either token participation by the partners, or the abandonment of the ‘mirror’ project concept.

66. Most projects had a clear impact in one part of the border region (such as improved water quality, transport infrastructure, wastewater treatment facilities, or construction of a road segment) but were programmed and implemented on a country-specific basis. Joint projects were the exception rather than the norm. In practice, as part of the annual programming process (and even in the context of multi-annual programming in Bulgaria and Romania), the national authorities and the Phare country coordinators took a pragmatic approach, focusing on the launch of projects with cross-border and border-region impacts in their respective countries rather than risking delays trying to meet stringent ‘joint action’ requirements. The focus on the ‘joint’ nature of projects, whether large-scale infrastructure projects or interventions through a grant scheme, could have been stronger throughout the period under review.

Conclusion 4. Type of assistance used was largely appropriate, given the infrastructure needs, but grant schemes required a disproportionate level of administration.

67. Early CBC was dominated by relatively large-scale infrastructure projects, which was appropriate given the heavy investment needs of the border regions. Infrastructure was also seen as the first step in putting in place the preconditions for economic development. This fitted well within the Phare Financial Regulation and Phare approach up to 2001. The introduction of the grant schemes was an important step for CBC in terms of capacity-building for INTERREG, but in practice they were not as widely used as they could have been (with the exception of Hungary where grant schemes of various types featured in each annual programme) and the focus on comparatively large-scale infrastructure continued. The development of the JSPF concept was an important tool within CBC, in that it involved non-

traditional actors (schools, non-governmental organisations etc.) and considerably enhanced the visibility of the EU in the border regions, as well as providing much needed opportunities for development and strengthening of cross-border contacts. However, operating within the Phare financial framework, the grant schemes demanded a disproportionate level of co-ordination, management and administration, which restricted their ability to serve as capacity-building exercises for INTERREG.

Conclusion 5. The Commission Services could have promoted a more integrated approach to supporting cross-border regions to yield greater results.

68. While the individual results of large-scale investments or grant schemes were effective, CBC failed to make good use of larger, more strategic projects involving a number of different funds and types of activity, for example development of priority sectors of the cross-border economy through investments in physical infrastructure and investments in the corresponding human resources. In practice, greater leadership by the Commission Services and in particular DG Regio throughout the process could have promoted a more integrated approach to regional development and encouraged countries, as and where ready, to move beyond simple infrastructure provision. Contacts between the DG Enlargement Country Teams and their counterparts in DG Regio were largely *ad hoc* and there was little strategic input from DG Regio in terms of benchmarking for participation in INTERREG or in relation to programming of CBC.

3.2. Recommendations

69. The introduction of the Neighbourhood Programmes (NP) and the IPA offers a new chance for further revitalisation of the CBC instrument. Importantly, both instruments focus on minimising the difference between rules and procedures applied to different geographical areas, and this should have a positive effect on the ability of partners to design and implement joint projects. The scope of this *ex post* exercise, however, did not allow for consideration of the first round of NPs. The following recommendations are therefore derived from the Phare experience, but are tailored to improving the programming basis for cross-border programmes and enhancing implementation capacities, including monitoring and evaluation and promotion of active communication with stakeholders. Thus they should be of relevance to preparations for the IPA and for ongoing NPs. This section also presents a selection of recommendations from the previous thematic evaluation of CBC that the evaluators consider to be still relevant (see Annex 6 for the full list and comments on their implementation status).

Recommendation 1. Establish coordination plans and mechanisms before signature of CBC Financing Agreements.

70. Synchronisation in joint projects is crucial for their success in terms of results, impact and sustainability. Future CBC programmes should require partner countries to build up their communication and collaboration processes for the implementation of projects, particularly those involving infrastructure. The partners should establish agreed coordination plans and mechanisms for CBC projects before Financing Agreements are signed. The Commission Services should make such coordination plans and mechanisms a pre-condition for signing Financing Agreements.

Recommendation 2. Strengthen the role of JPD as a core basis for multi annual programming and implementation.

71. The JPD is a central instrument for programming and implementation. Unless it is based on a genuinely joint agenda and contains prioritised actions and objectives, it will be of limited value during implementation. Therefore:

- the quality of JPDs, in terms both of the process by which the JPD has been developed, and of the final result, should be independently verified;
- sound indicators need to be developed that are consistent with the indicators in place for economic and social cohesion and other regional development programmes;
- project selection should be based primarily on the JPD and only secondarily on the AP and NPAA priorities;
- actions implemented under the JPD should be multi-annual or phased. For grant schemes this could entail agreement on grant scheme guidelines for two- or three-year periods, rather than on an annual basis.

Recommendation 3. Monitoring and evaluation of cross-border assistance programmes should be strengthened.

72. Central to the JPD process is a comprehensive monitoring system that can generate accurate and up-to-date information for the JCCs. Design and implementation of such a system, which will later be used for INTERREG and other Structural Funds, should be a priority. This can also be used for non-CC programmes.

73. All JPDs should be subject to a mid-term evaluation that is participative in character and also has a capacity-building component specifically addressing Structural Funds evaluation methodologies for all relevant stakeholders. A manual for monitoring and evaluation of grant schemes should be produced by the Commission Services, supported by training. Where possible, a joint monitoring and evaluation function should be put in place for each JPD, located in one of the participating countries and funded from joint resources.

Recommendation 4. Partner countries should establish the required institutional frameworks, identify the roles and responsibilities of key actors, and put in place relevant capacity-building in a timely manner.

74. The operation of CBC pre-supposes a degree of commonality of institutions on both sides of the border. However, given the different levels of decentralisation and different institutional frameworks this may not be the case. For each JPD, the stakeholders, including where appropriate the ECD, should:

- establish the institutional framework for the entire programme cycle for each joint programme;
- identify the roles and responsibilities of each actor;
- conduct an organisational capacity audit to ascertain functional capacities and;
- identify where and how capacity gaps can be filled.

Recommendation 5. Improve coordination between future cross-border assistance and INTERREG, and enhance the involvement of DG Regio in CBC.

75. Although improvements have been made to the alignment between CBC and INTERREG, they have not yet matured, and a number of core points remain not fully defined. Further attention needs to be devoted to (i) the question how to organise and carry out joint

ex ante and mid-term evaluation, (ii) the status of the Operational Programme and how to draft it jointly, (iii) the operation and financing of the Technical Secretariat, and (iv) how to establish a Joint Small Projects Fund and the resources for Technical Assistance on both sides of the border.

76. DG Regio should play a more active role in CBC-type actions. This role should comprise the following: setting of clear standards and benchmarks for CC participation in Structural Funds, including identification of gaps and needs at regional levels; and further support for dissemination of information, contacts and good practices from Member States through its website,²¹ which could include examples of good practice, training materials, project reports, notice boards for discussion of relevant topics, and links to INTERREG news.

Recommendation 6. Invest more in the success of grant schemes.

77. Experience has shown that the grant schemes have generated good impacts, but that in some instances the number of good projects far outstrips the volume of funding available. If the management of the grant schemes could be made less cumbersome, impact could be increased even further by increasing the share of future cross-border assistance allocated to grant schemes.

3.3. Recommendations still valid from the previous evaluation

78. The previous thematic report made 20 recommendations that addressed future cross-border programmes and initiatives, increasing the impact and efficiency of JSPFs and grant schemes in the cross-border context and specific actions to be taken by Bulgaria and Romania to improve the performance of CBC in those countries. Of the 20 recommendations made, 13 have been implemented either partially, or on an *ad hoc* basis while seven have not been implemented.²² In practice, many of the issues identified in the previous report have been taken up in the design of the NP and the IPA, but there are a number of recommendations that policy makers at Commission level and in the partner countries should take on board. These are given below.

79. **Recommendation 7.** A horizontal fund (as in INTERREG) should be established to support networking and information exchanges between bodies involved in implementation of the CBC programmes. This fund could also support the establishment and maintenance of a CBC 'portal' website, project database and partner-search facility. This would be of benefit in information dissemination and exchange between the new regions that will become involved in cross-border activities (linked to Recommendation 5 above).

80. **Recommendation 8.** Where institution-building focuses on the provision of business-related infrastructure, projects should include complementary capacity-building measures or funding to ensure that the infrastructure has added value.

81. **Recommendation 9.** JSPFs are a highly effective and efficiently implemented instrument. Consideration should be given to:

²¹ http://ec.europa.eu/regional_policy/index_en.htm.

²² 'Partial implementation' refers to instances where the rules and approach have been changed by the Commission Services, (e.g. the introduction of a single fiche for Bulgaria/Romania) while 'ad hoc' refers to implementation in practice and on a case-by-case basis by the new MS and CC partners (e.g.

- increasing their use;
- raising the percentage programmed to JSPFs or introducing additional funds to respond to high demand;
- introducing flexibility to transfer unused allocations to JSPFs or to other grant mechanisms when there is excess demand (see Recommendation 6 above).

82. **Recommendation 10.** Wherever JSPFs are at present centrally administered, conditions should be attached to future JSPFs to ensure that the funds are based and administered as locally as possible. Where possible intermediary organisations should be involved to provide counselling and mentoring for project development.

3.4. Lessons Learned

83. **Lesson Learned 1.** Experience of implementing CBC has shown that the preconditions for effective implementation include, besides close co-ordination between participating countries at political and operational levels (see Recommendation 1):

- cross-border cooperation between line ministries and effective working relationships between related organisations;
- functioning regional development authorities and local authorities, with appropriate staff in a stable environment;
- close working relationships between regional institutions and the respective ECDs;
- functioning cross-border cooperation between respective organisations of the private sector, such as chambers of commerce, company associations and NGOs.

84. **Lesson Learned 2.** Before investing heavily in new or upgraded border crossing points or border inspection posts, it is essential to undertake a comprehensive market analysis and forecast of future activity levels. Several border points that had benefited from CBC funds had not been utilised to an extent that would have justified the scale of investment in their creation. Movement of goods had declined rather than increased. Some BIPs will have a very limited lifespan and will not be required after accession of neighbouring CCs.

ANNEXES

Annex 1. Terms of Reference

[These terms of reference were approved 20 February 2006, and have not been updated to take account of small changes, for example, in the time line, that have occurred in the meantime.]

1. Objectives

1. This Phare Cross Border Cooperation (CBC) thematic evaluation, which will review 1999-2003 Phare CBC programmes implemented up to 2005, forms part of a broader Phare *ex post* evaluation exercise that covers Phare multi-beneficiary programmes (Phase 1), national and cross-border co-operation programmes (Phase 2), and the thematic evaluations (Phase 3).

2. The objectives of the Phare *ex post* evaluation are twofold: to provide accountability with respect to the value of money and the use of Community funds (summative evaluation); and to provide lessons learned for decision making on improvements of pre-accession aid to remaining and future candidate countries, including the countries in the Western Balkans (formative evaluation). More specifically, this thematic evaluation will focus on identifying immediate, intermediate and socio-economic impacts from the programmes delivered during the period in question.

2. Background and Context

3. The Phare Cross Border Co-operation programme (hereafter 'Phare CBC') was designed to help develop the kind of cross-border co-operation on the EU's external borders that the INTERREG programme, funded under the EU Structural Funds was already supporting across the internal borders of the EU. Phare CBC complemented, and indeed still complements, the Phare national programmes in the new member states and CCs by focusing on actions to improve social and economic conditions and links in border areas, whereas the Phare national programmes focused on national level priorities, including the provision of major national and international infrastructure links.

4. The Phare CBC instrument has undergone a number of substantive changes since its introduction in 1994. While expanding geographical eligibility to the borders between the CCs, the updated Phare CBC Regulation²³ of 1998, in line with the findings of a Court of Auditors report²⁴ on CBC, focused on:

- increasing the number of projects of a real cross-border nature and on improving the pace of their implementation;
- closer alignment of Phare-CBC with INTERREG including the establishment of common cross-border programmes and common programming structures, and;
- increasing local and regional capacities for programming, implementation and monitoring through the establishment of JSPFs.

5. With the accession of eight Phare CCs²⁵ in 2004, the Phare CBC Regulation was amended²⁶ to update the list of countries that remain eligible, and at the same time the scope of Phare CBC was extended to cover the borders between Bulgaria and all its neighbouring countries (e.g. Turkey) and the borders between Romania and all its neighbouring countries, including non-candidate countries. In addition, the Commission Communication '*Paving the*

²³ Commission Regulation (EC) No 2760/98 of 18 December 1998, OJCE L345.

²⁴ ECA Special Report No 5/99 concerning Phare cross-border cooperation (1994 to 1998), OJCE C48 of 21 February 2000.

²⁵ Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovenia and the Slovak Republic.

²⁶ Commission Regulation (EC) No 1822/2003 of 16 October 2003, OJEU L267.

*Way for a New Neighbourhood Instrument*²⁷ sees the Phare CBC Joint Programming Documents (JPDs) as a useful basis for the Neighbourhood Programme, designed to improve cooperation between an enlarged EU and its neighbouring non-candidate countries.

6. In September 2004, the Commission presented a proposal²⁸ for a Council Regulation establishing an Instrument for Pre-Accession Assistance (IPA). The IPA replaces existing pre-accession instruments (Phare, ISPA, SAPARD and the Turkey pre-accession instrument) and CARDS, and will be effective for the 2007-2013 period. The IPA comprises five components including Component 2 'Regional and Cross-Border Cooperation'. It is proposed that the new instrument apply to: a) cross-border actions with adjacent EU countries; b) cross-border actions among adjacent CCs and potential CCs and; c) participation of CCs and potential CCs in European Regional Development Fund (ERDF) trans-national and interregional co-operation programmes and/or in European Neighbourhood and Partnership Instrument (ENPI) sea basin programmes.

7. The Thematic Report on Phare CBC²⁹ prepared by EMS in 2004 found that Phare CBC had strongly helped beneficiaries to build their capacity to access funding under INTERREG and the mainstream structural funds. Decentralised working structures for programming and implementation were in place and had been tested. Where local actors were involved in information provision and implementation, capacity had been retained at local level. However, the Report found that the amounts of funding available under Phare CBC and the wide geographical coverage fostered an emphasis on infrastructure and environment projects with less funding available for Structural Fund-type measures e.g. JSPFs, grant schemes and 'soft' projects. The JSPFs were found to be highly effective mechanisms for mobilising projects at the local level and capacity-building for local implementation bodies. The learning experience of grant applicants was considered particularly valuable. The report found that if grant schemes are to be extended in the remaining CCs, adequate capacity to develop and implement good projects must be in place at both central and regional levels. Furthermore, the Report found that Phare itself must work towards eliminating administrative barriers to the development and implementation of joint and integrated projects and avoiding bottlenecks in the administration of grant schemes.

8. At the time of the EMS Report, negotiations were ongoing on Joint Programmes with the then newly eligible countries on the future external borders of the EU, Bulgaria and Romania. This Thematic Evaluation offers the opportunity to look at the extent to which lessons learned (both formally through the evaluation process and *informally* through 'learning by doing') have been transferred to these new joint programmes.

3. Scope

9. This Thematic Evaluation will be an in-depth evaluation. It will focus on Phare CBC programmes for 1999-2003. The key evaluation questions are formulated in the following Section 4. The report shall include relevant analysis, as well as conclusions, recommendations and lessons learned for future pre-accession programming, notably for the programming of IPA.

²⁷ COM (2003) 393 of 1 July 2003.

²⁸ COM(2004) 627 (final) of 29 September 2004.

²⁹ *Cross-Border Cooperation – Thematic Evaluation of Phare Support Allocated in 1999-2002 and Implemented Until November 2003*, February 2004.

10. This thematic evaluation will take into account other work undertaken as part of the overall *ex post* evaluation, and the evaluation work already carried out in this sector, notably the results of Phare Interim Evaluations (IEs) produced by the European Commission and those produced by the new member states on a decentralised basis.

11. The contribution of Phare CBC to preparing the new member states for participation in INTERREG III will be assessed (in particular the creation of institutional frameworks and project pipelines will be examined) as well as the role of the Joint Small Project Funds (JSPFs) in capacity-building and delivering impact at local level.

4. Key Evaluation Questions

12. The **overall framework questions** for the *ex post* evaluation of Phare programmes are as follows:

- Was Phare well focused on the objectives of pre-accession strategy?
- What were the results and impacts and are these results and impacts sustainable?
- Could the same results and impacts have been achieved more cost- effectively?

13. For the purpose of this Phare environment thematic evaluation the overall framework questions have led to the following **two key** evaluation questions:

EVALUATION QUESTION 1: To what extent has Phare CBC assisted the new member states and remaining CCs in preparing to participate in INTERREG on accession?

14. This will allow for a broad, contextual analysis of the design of Phare CBC, its history, developments in response to the accelerating demands of the accession agenda, and its key achievements in preparing the new member states and CCs for participation INTERREG, particularly in the years immediately before accession. The focus will be on analysing the Phare CBC contribution to: a) the creation of an institutional framework for engaging in INTERREG on accession; b) capacity to develop joint programmes; and c) the capacity to develop a pipeline of projects for future funding.

EVALUATION QUESTION 2: To what extent has Phare CBC supported and/or complemented the Phare accession strategy?

15. While Phare CBC is to a large extent a unique instrument, it is programmed within the overall context of the Phare pre-accession strategy. This evaluation question focuses on the links between Phare CBC, its approach and areas of intervention, in relation to the overall strategic framework of Phare and its relationship with Phare national programmes.

16. Consideration of these two key questions will enable an analysis of whether the underlying intervention logic of the Phare CBC concept was appropriate. Based on, and in addition to, the overarching questions, a set of **related** evaluation questions will be addressed including:

- Whether the range of instruments deployed, in particular the use of grant schemes, has been appropriate and appropriately utilised?
- What has been the impact and sustainability of supported activities across key areas – programming, project development, sound financial management, involvement of civil society etc.? The Evaluation will look in particular at the socio-economic impact of CBC in the cross-border regions and the impact of the JSPF activities.

5. Methodology

Data collection and analysis

17. Data sources include previous and ongoing studies including:

- The EMS Consolidated Summary Report;³⁰
- Relevant Interim Evaluation reports produced under centralised and decentralised IE contracts
- Country Evaluation Summary Reports;
- Lessons learned/ recommendations from above IE reports
- Phare programme planning documents, including Financing Memoranda and Project Fiches,
- Relevant pre-accession documentation (notably Regular Reports, Comprehensive Monitoring Reports; Accession Partnership and NPAA documents);
- The EMS Thematic Report on Phare CBC (ZZ/CBC/03081);
- The EMS '*Phare Grant Scheme Review – Interim Evaluation of Phare Support Allocated in 1999-2002 and implemented until November 2003*';
- Joint Programming Documents for selected Phare CBC programmes, available documents from the Joint Cooperation Committees, Joint Monitoring and Steering Committees etc.;
- Reports from other donors and IFIs.

18. This thematic evaluation also builds on the results of evaluations carried out under Phase 1 (multi-beneficiary programmes) and Phase 2 (National and CBC programmes) of the overall *ex post* evaluation.

19. The evaluation will be in-depth, and will involve, in addition to documentary research:

- A *sampling approach*, which will comprise the selection of a set of Joint Programmes for detailed analysis (see also 'Geographical focus' below). Insofar as practicable, and to be explored in more detail in the Evaluation Plan, the Report will look at the impacts of the JSPF activities;
- *Structured interviews* with key personnel in Brussels (DG Enlargement, DG Regio) and in the new member states and CCs (Interact Secretariat/Contact Points, Joint Technical Secretariats, Managing and Paying Authorities for INTERREG, Steering Committees, Monitoring and Evaluation Committees for the selected Joint Programmes and Phare CBC Implementing Agencies), relevant line ministries and regional bodies;
- A set of 4-6 *Case Studies* on Good Practice/Lessons Learned, with a focus on the JSPF activities.

Geographical focus

20. The geographical focus of the evaluation will be confirmed during the Inception Phase/kick off meeting. It is proposed to include Bulgaria and Romania, together with a sample of the new member states (for example Poland, Hungary and Slovenia) based on a number of considerations including:

- Distribution of INTERREG funding;

³⁰ '*From Pre-Accession to Accession*', *Interim Evaluation of Phare Support Allocated in 1999-2002 and Implemented Until November 2003*, March 2004.

- Importantly, the review will look at a selection of Joint Programmes and projects that operate on both sides of borders (member states/new member states, new member states/new member states and new member states/CC) and representing different kinds of priority measures (i.e. infrastructure, business development, human resource development etc.).
- Distribution of Phare CBC funding;
- Known Phare CBC success stories.
- Availability of data in country.

Consultation

21. As part of the consultation process, a kick off meeting will be held and participants will be invited to comment on the Draft ToR. Relevant stakeholders will be invited to comment on the final draft report.

6. Target Audiences

22. The main users of the evaluation will be the relevant Country Coordinators and relevant units in DG Enlargement. Other users will be line DGs concerned, EC Delegations/Representations, and the National Aid Co-ordinators in beneficiary countries. Moreover, users will include relevant stakeholders for Western Balkans and Turkey.

7. Activities, Resources and Timetable

23. The Phare CBC Thematic Review will be conducted in a number of stages as follows:

Step	Activity	2006						
		Feb	Mar	Apr	May	Jun	Jul	
1	Preparation of ToRs							
2	Kick off meeting							
3	Data collection and analysis/fieldwork							
4	Submission of draft report for consultation							
5	Preparation of final report							

24. The evaluation will be carried out by a team consisting of the deputy project director, the lead evaluator, a short-term international expert (STIE), and other senior and junior local experts. The Phare CBC total resources envelope available for this exercise amounts to 75 man-days.

Annex 2. Capability Management Grid

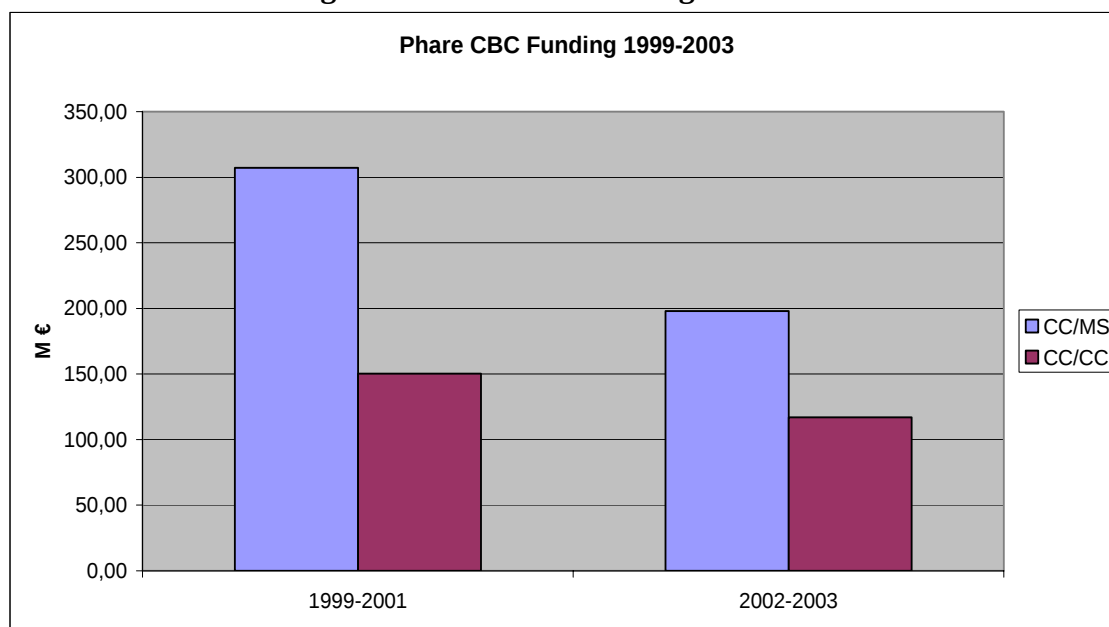
	Structure	Human Resources	Systems and Tools
Programming	To what extent did the Joint Programming Document (JPD) reflect a <i>joint</i> analysis and agenda setting; To what extent were the regions themselves involved in the programming process? To what extent was civil society/NGOs involved in the programming process? How effective has the Joint Coordination Committee (JCC) been in practice? Have the structures changed since the 1999-2001 programmes? What lessons were learned, if any? Is there continuity between the Phare CBC and INTERREG structures?	Were analytical and strategic skills present in the Implementing Agency, JCC (CC side) to manage the programming exercise; Did staff have skills/resources to create and manage indicator systems? Did any changes take place since the 1999-2001 programmes? What lessons were learned, if any? Is there continuity between the Phare CBC staffing and the staffing in place for INTERREG?	Were the systems and tools in place to support programming of the 1999-2001 programmes? Did guidelines for programme preparation exist and were they disseminated? What changes in tools/guidelines took place in the post-2001 CBC programmes? Is there any evidence of lessons learned? Is there continuity between Phare CBC and INTERREG systems/tools?
Implementation	Were the implementation structures for the CBC programmes effective? Was there an appropriate division of responsibility between central and regional levels? Was support in place for project development at regional level? Did a project pipeline exist? Have bodies other than central state bodies been involved in implementation/project development? Has this been successful? Have the implementation structures changed since the 1999-2001 programmes? What lessons were learned³¹? Is there continuity between the Phare CBC and INTERREG implementation bodies?	Were central bodies adequately staffed (in terms of numbers of staff and skill ranges?) Were regional bodies adequately staffed (in terms of numbers of staff and skill ranges?) Did any changes take place since the 1999-2001 programmes? What lessons were learned if any? Has the staffing at the implementation structures remained in place for INTERREG?	Were the systems/tools/guidelines in place to support project development? Were project selection criteria clear and coherent? Were cost/benefit analyses conducted and were they robust? Were environmental impact assessments conducted and were they robust? Have any changes taken place since the 1999-2001 programmes? What lessons were learned if any? Is there continuity between Phare CBC and INTERREG systems/tools?
Evaluation and Monitoring	Were monitoring structures in place and effective? Was a mid term evaluation of the JPD conducted and results fed into later drafts? Did the monitoring and evaluation structures change for the post 2001 CBC programmes and were any lessons learned? Is there continuity between the Phare CBC and INTERREG implementation bodies?	Was independent evaluation expertise available and utilised? Was local evaluation expertise used at any stage in the process (<i>ex ante</i>, mid-term)? Did any changes occur after the 1999-2001 programmes? What lessons were learned if any? Have the HR arrangements for monitoring and evaluation remained in place for INTERREG?	Was a computerised monitoring system in place? Were monitoring results available to management and policy makers? Have any changes taken place since the 1999-2001 programmes? What lessons were learned? Have the monitoring and evaluation systems remained in place for INTERREG?

³¹ Please note that this refers to whether those involved in the CBC programmes learned any lessons, rather than lessons learned by the STTS.

Annex 3. Spread of CBC funding

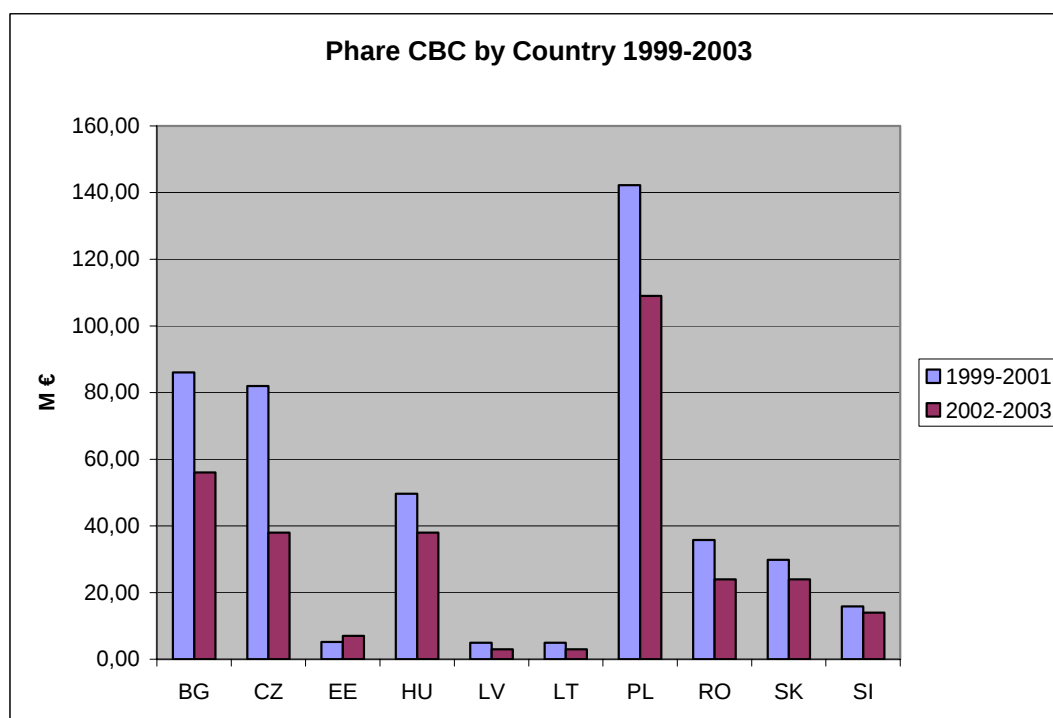
In the *ex post* period (1999-2001) Phare delivered €457.5m to 63 CBC programmes. Of this total, 67% was allocated to CC/Member State borders with the remaining 33% focused on CC/CC borders. In the subsequent period, 2002-2003, a further €315m was allocated to 45 programmes with 67% targeting the CC/Member State border regions and 33% targeting the CC/CC borders (see Figure 1 below).

Figure 1. Total CBC Funding 1999-2003



Breaking this down by country (Figure 2) we can see that Poland is by far the biggest beneficiary of CBC funding, followed by Bulgaria, the Czech Republic and Hungary.

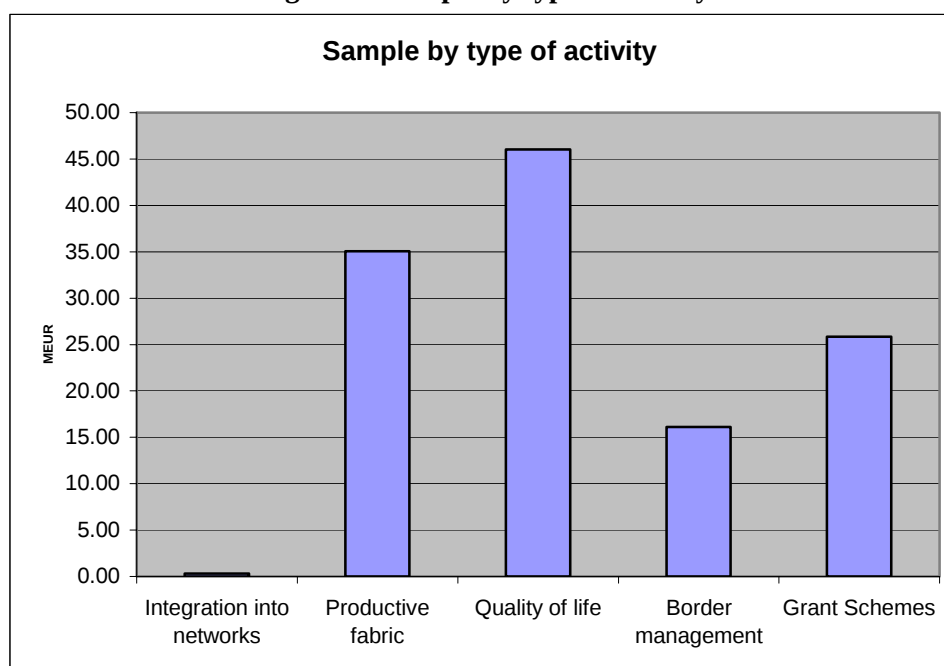
Figure 2. CBC allocations by country



On comparing rates of disbursement of allocated funds for the entire period, the rate is approximately the same for both CC/Member State (67.8%) and CC/CC (66.43%). Based on disbursement of funds alone, it would appear that there is little difference between the capacities of either group to absorb Phare funds. However, breaking this down into the two periods under consideration we see that the CC/CC programmes in the period 2002-2003 have performed marginally better in terms of disbursement (36% for the CC/CCs compared with 30.5% for the CC/Member States).

Figure 3 below shows the final breakdown of the sample by activity-type.

Figure 3. Sample by type of activity



Annex 4. List of Sample Projects

Country	Partner Country	No	Title	Allocated (M€)
Bulgaria	Romania	0007.01.01.01	Telecoms Infrastructure of BG-Rom Electricity Companies	0.30
	Romania	0007.04.01	JSPF	0.50
	Romania	0107.01	Construction of Crossing Points at Silistra	2.60
	Greece	2002/000.624.05	Small projects with Greece	0.85
Czech Republic	Germany	9914.01.05	Klatovy WWTP (INV)	3.34
	Austria	9912.01.03	Breclav – Repair of Road I/55 (INV)	2.00
	Germany	0012.04	Chodská Liga WWTP (INV)	2.00
	Austria	0014.02	Hovorany WWTP (INV)	4.70
	Austria	0111.01	Nové Hradky Biotechnology Centre (INV)	1.36
Estonia	Latvia, Lithuania, Poland	EE9911	Special Action in Favour of the Baltic Sea Region 1999	3.00
	Latvia, Lithuania, Poland	EE0013	ES 0013 Cross-Border Co-operation Programme	3.00
Hungary	Romania	HU9914	RO-HU CBC	5.00
	Slovenia	HU0016-01-01	Joint Naturpark Development-Expert Advisory Group	0.60
	Slovenia	HU0016-01-02	Joint Naturpark Development - Naturpark Contact Institutions	1.00
	Slovenia	HU0016-02	Joint Small Project Fund (JSPF)	0.40
	Austria	HU0108-01	Bucsu by-pass road leading from the border to the cross road of the road No 89.	2.50
	Austria	HU0108-02	Cross-Border Waste-Water Canalisation	2.00
	Austria	HU0108-03	Small Project Fund	1.00
	Austria	HU010804	Waste-Water Canalisation of Zalavölgye Naturpark	2.00
	Austria	HU0108-05-01	Establishment of the Sopron Innovation Center	2.35
	Austria	HU0108-05-02	Establishment of the Sopron Innovation Center	0.15
Latvia	Estonia, Lithuania, Poland	LE01.07	Cooperation Programme in the Baltic Sea Region 2001– 38 subprojects	3.00
Lithuania	Estonia, Latvia, Poland	LT-0016	Baltic Special Action	3.00
Poland	Germany	PL9913	Cross Border Cooperation Programme Poland-Germany – Transport measures	15.50
	Germany		Cross Border Cooperation Programme Poland-Germany – Environment measures	12.30
	Germany		Cross Border Cooperation Programme Poland-Germany – SPF	4.20
	Czech Republic	PL0011	Cross Border Cooperation Programme Poland-Czech Republic – Roads	5.00
	Czech Republic		Cross Border Cooperation Programme Poland-Czech Republic – JSPF	
	Czech Republic		Cross Border Cooperation Programme Poland-Czech Republic – Monitoring	
	Estonia, Latvia, Lithuania	PL0111	Cooperation Programme in the Baltic Sea Region 2001 – SPF	
Romania	Bulgaria	RO-0002.03.01	Danube Border Crossing Facilities	2.50
	Hungary	RO-0102.02	CBC Romania/Hungary - Protection and promotion of the meadows of Mures river	2.00

	Bulgaria	RO-0103.01	CBC Romania/Bulgaria – Border crossing between Calarasi and Silistra	3.30
	Hungary	RO-9912.01	CBC Romania/Hungary - Transport Infrastructure – Arad airport cargo	3.00
	Bulgaria	RO-2002/000-625.01	Check Point and Cross-Border by Ferryboat Turnu Magurele (Romania) and Nikopol (Bulgaria)	3.20
Slovakia	Hungary	0011.01	WWTP and Sewerage System Tokaj Region (INV)	1.60
	Poland	0015.01	Reconstruction Road Radoszyce-Palota (INV)	2.00
	Poland	0101.02	Clean Water – Riverbed Poprad and Dunajec (INV)	1.80
	Austria	0113.03	Business Incubator Malacky (INV)	1.60
Slovenia	Hungary	0008.01	Joint Nature Park Development (CBC SI-HU), works	1.60
	Italy	0108.01	Eco Adria (CBC SI-IT), (works)	4.00

Annex 5. Results of Sample Projects³²

Bulgaria

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
BG 0007.04.01	Joint Small Project Fund with Romania	500,000.00	484,476.90	459,981.15	Grant scheme to fund 'people to people' projects that stimulate cooperation and potentially joint activities and join up commitments from both sides of the border. 13 projects funded covering a range of activities such as business cooperation, conferences, cultural exchange etc. Technical assistance to assist potential applicants to complete application forms. Grant management and administrative capacity-building including preparation of call for proposal, evaluation of applications, and implementation monitoring.
BG 0007.01.01.01	Development of the Telecommunication s Infrastructure of the BG-RO electricity companies for the improvement of data exchanges between their Dispatching Centre and UCTE – technical Study.	300,000.00	119,878.00	110,901.20	<i>Improve the on-line data exchange between the Dispatching Centres of both countries with the UCTE Accounting Centre complying with the EC Directive for the open electricity market</i> • Technical Study to identify the best technical and financial solution for the improved telecommunication infrastructure, the total investment cost and the technical specifications of the necessary equipment to be procured for interconnection of power networks was proposed. • Supplied and installed new equipment in both power systems (on the interconnection lines, in the NDCs and at the UCTE accounting Center • Certification by UCTE of new metering equipment and of new information provided by both power systems • Training on the job of technical staff from the National Dispatching Centers of both countries. • New hardware, software and communication equipment in both power systems on the electricity interconnection lines and at National Dispatching Centres (NDC) and at the UCTE Accounting Center, on-line information from the two power systems at both NDCs

³² Information not available for Estonia and Poland

BG 0107.01	CBC BG-RO Construction of a crossing border check points in Silistra	2,600,000.00	1,979,211.73	686,807.77	- The contract under the project was signed in 2003. The construction work is not finished; the expectation is completion by end of June 2006. The Romanian border check point was officially opened on 26 of January 2006. - In order to put in operation border checkpoints two additional contracts were signed: 1) the design of the road to border was finished and contract for construction was signed; construction will start in April and finish in November; 2) The construction of a ferry port and the provision of a ferry was contracted through a concession procedure.
BG 2002/000.624.05	Small projects Bulgaria – Greece	850,000.00	688,174.00	650,645.50	- Grant scheme to fund ‘people to people’ projects that stimulate cooperation and potentially joint activities and join commitment from both sides of the border. 9 projects funded covering a range of activities such as business cooperation, conferences, cultural exchange etc. - Technical assistance to assist potential applicants to complete application forms. - Grant management and administrative capacity-building including preparation of call for proposal, evaluation of applications, and implementation monitoring.

The Czech Republic

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
9914.01.05	Klatovy WWTP (INV) – Germany	3.343	100	100	<i>Resources</i> Completed modernisation of WWTP (100 000 population equivalent)
9912.01.03	Breclav – Repair of Road I/55 (INV) – Austria	2.000	100	100	<i>Resources</i> Reconstructed 21.2 km of major road including five bridges and new cycle way (plus border crossing with Austria)
0012.04	Chodska Liga WWTP (INV) – Germany	2.000	100	100	<i>Resources</i> Rural sewerage and two small WWTP for seven municipalities serving 4 500 inhabitants
0014.02	Hovorany WWTP (INV) – Austria	1.110	100	100	<i>Resources</i> WWTP serving 3 municipalities operational
0111.01	Nove Hradky Biotechnology Centre (INV) – Austria	1.360	100	98	<i>Resources</i> - Biotechnology Centre established - Education support - New technologies introduced and international co-operation initiated

Hungary

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
HU9914	RO-HU CBC	5.0	4.8	4.8	Road constructed
HU0016	SL-HU CBC	2.0	0.5	0.5	
HU0016-01-01	Joint Naturpark Development-Expert Advisory Group	0.60			Network established;
HU0016-01-02	Joint Naturpark Development-Naturpark Contact Institutions	1.0			- Economic development plans prepared; - Marketing strategy devised; - Local employment initiatives generated.
HU0016-02	Joint Small Project Fund (JSPF)	0.40	0.5	0.5	- JPD prepared; 16 local initiatives funded - capacity-building and training of beneficiaries; - management structures established
HU0108	AU-HU CBC	10.00	9.3	9.3	
HU0108-01	Bucu by-pass road leading from the border to the cross road of the road No 89.	2.50	2.5	2.5	Road constructed
HU0108-02	Cross-Border Waste-Water Canalisation	2.00	1.25	1.25	Canalization completed
HU0108-03	Small Project Fund	1.00	0.94	0.93	24 projects implemented
HU010804	Waste-Water Canalisation of Zalavölgye Naturpark	2.00	1.94	1.94	Canalization completed
HU0108-05-01	Establishment of the Sopron Innovation Center	2.35	2.68	2.68	Innovation Centre established
HU0108-05-02	Establishment of the Sopron Innovation Center	0.15			Failed

Latvia

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
LE01.07	Cooperation in the Baltic Sea Region 2001 (38 sub projects) Estonia/Latvia/Lithuania/Poland	3,000,000.00	2,814,121.53	2,507,245.50	38 sub-projects funded through a grant scheme and a Joint Small Project Fund classified as follows: • 18.4% (7 projects) addressed 'quality of life issues' including small scale improvements to the physical environment • 44.7% (17 projects) addressed 'productive infrastructure' with a particular focus on improving conditions for tourism in the Latvian regions through development of tourism information points, web-sites, brochures etc.; • 15.8% (6 projects) addressed programme management issues, through both support for implementation and monitoring of the scheme and support for the development of Euroregions; • 21% (7 projects) are classified as 'miscellaneous' and addressed issues such promotion of e-learning, reintegration of young offenders and support targeted at other marginalised groups.

Lithuania

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
LT -0016	Cross Border Co-operation – Lithuania Estonia/Latvia/Lithuania/Poland	2.00	2,000,000	2,000,000	There were 16 projects contracted from the SPF and 15 from CBC including: • Networking Logistics Centre in the Baltic Sea Region • Euro-region Seshupe established • Curonian Split Environmental Monitoring and Tourism Centre • New Clothes for Old Buildings • Development of Non-Motorised Transport Sector in the Coastal Region • Modernising International Bus lines Network in the Baltic Sea Region – for the needs of Tourism and NGO • Rambynas Cultural and Natural Heritage Use for Cognitive Tourism • The Development of the Tourism System in the Pajuris Regional Park • ECO Forum Baltica • Strengthening Local Capacities for Introduction of Sustainability Principles to Strategic Regional Development • BARDI-net Strengthening local co-operation and democracy for enhanced economic development in the Baltic Sea Region • Kings Road • Pre-Feasibility Study of International Inland Waterways System development • Euro-region Nemunas Marijampole Bureau • Adaptation of new learning methods for the increase of employability in SME Sector and Reduction of Unemployment in Siauliai region. The conclusions are based on a sample of projects

Romania

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
RO-0002.03.01	Danube Border Crossing Facilities – Bulgaria	2,500,000	2,497,622.85	2,420,892.5	Improved efficiency of the border check procedures on the Romanian side through upgraded equipment.
RO-0102.02	CBC Romania/Hungary - Protection and promotion of the meadows of Mures river	2,000,000	1,781,157.08	1,108,559.39	The project is not complete.
RO-0103.01	CBC Romania/Bulgaria – Border crossing between Calarasi and Silistra	3,300,000	3,289,072.62	3,103,557.98	The project is not complete.
RO-9912.01	CBC Romania/Hungary - Transport Infrastructure – Arad airport cargo	3,000,000	1,997,911	1,997,908	- Operational terminal used for commercial purposes. - Current assessment of the economic benefits of the terminal's commercial operations not available.

Slovakia

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
0011.01	WWTP and Sewerage System Tokaj Region (INV) - Hungary	1.600	1.387	1.387	sewerage systems in municipalities of the Tokaj region constructed and the WWTP equipped, and in operation;
0015.01	Reconstruction Road Radoszyce-Palota (INV) – Poland	4.000	3.944	3.944	3.6 km road from Palota to the State border with Poland constructed and in operation;
0101.02	Clean Water – Riverbed Poprad and Dunajec (INV) – Poland	1.800	1.458	1.458	sewerage networks in nine villages and the construction of three new WWTPs in the lower Poprad riverbed finished and in operation;
0113.03	Business Incubator Malacky (INV) – Austria	1.600	1.599	1.599	2,600 m² of office space provided including offices and meeting facilities via re-construction of an old building and construction of a new one to serve companies; incubator operational;

Slovenia

Project No.	Project Title	Phare allocation (€)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
9912.01	Biomass District Heating Systems – Austria	1,500,000.00	1,500,000.00	1,500,000.00	Reduction of CO₂ and SO₂ emissions by installing four wood-burning boilers and developing district heating systems initiated. This is claimed to result in a reduction of approximately 150 tons/year of SO₂ and 15,000 tons/year of CO₂, compared to the current emissions in the area of Gornji Grad, Nazarje, Preddvor and Solčava.
0008.01	Joint Nature Park Development - Hungary	1,600,000.00	1,486,854.39	1,486,854.39	Environment protected by reducing water pollution and by establishing a trilateral nature park.
0108.01	Eco Adria – Italy	4,000,000.00	3,704,031.09	3,591,230.28	WWTP's constructed, from 500-2,000 population equivalent (PE), in the valley of the Soča river and the Littoral-Karst area, thus reduction of pollution and an increase in the number of inhabitants and other potential polluters connected to the public sewage system and WWTP.

Annex 6. Follow Up to Recommendations from Previous Report

Recommendation	Comments on Implementation Status
Recommendation 1: Re-think funding for infrastructure, in particular for road rehabilitation and construction by: • Funding road infrastructure projects through Grant Schemes under the Phare National Transport Programmes or, if possible through ISPA; • The only exception to this should be access roads to border crossing points. However where possible, these should be integrated into national border management programmes; • Where possible, environmental projects to support implementation of the <i>acquis</i> should be dealt with by the national Phare Environment programmes. This will free up considerable funds for projects that would have more added value in terms of capacity-building for Structural Funds.	Implemented on an <i>ad hoc</i> basis There has been a greater focus on ‘soft’ measures (particularly in Hungary) but most countries continue to focus on infrastructure.
Recommendation 2. Waive the €2m guideline for Phare CBC, or at least allow some degree of flexibility regarding the distribution between €2m+ projects, JSPFs (to a maximum of 20% of the annual allocation) and GS. The respective balance between these delivery mechanisms should be set by the Commission Services, jointly with the JCCs on a case-by-case basis and in relation to the specific requirements of the border regions themselves.	Only partially implemented. There has been some loosening of the €2m ‘rule’. However the amount allocated to JSPFs has remained relatively constant.
Recommendation 3. Reward success by allowing for the transfer of unused funds between programmes. Criteria for good performance could include a high ratio of high scoring applications to projects funded under the JSPFs and GS, as well as demonstrated technical capacity for management and monitoring by the IA and intermediary bodies.	Not implemented, although there are instances where national authorities have added their own resources to successful grant schemes to enable additional contracting under the scheme.
Recommendation 4. A horizontal fund (as in INTERREG) should be established to support networking and information exchanges between bodies involved in implementation of the CBC programmes. This fund could also support the establishment and maintenance of a CBC ‘portal’ website, project database and partner-search facility. This would be of benefit in information dissemination and exchange between the new regions that will become involved in cross-border activities.	Not implemented.
Recommendation 5. Increase ability for programmes to work together by three measures: • One fiche with a single set of objectives at the project level, together with clear indicators for monitoring and evaluation; • A joint project steering structure involving relevant representatives from both regions and; • One monitoring report covering both components of the project. This arrangement should be applied to those projects where a joint response to a common issue is required, for example environmental monitoring, crisis response etc. and decided on a case-by-case basis.	Partially implemented in the case of fiches for the Bulgaria/Romania programmes. Joint Project Steering and monitoring arrangements may be put in place under European Neighbourhood and Partnership Instrument and Instrument for Pre-Accession arrangements.

Recommendation 6. Improve joint programming by: • Involving the social partners on the JCCs; • Supporting the JCCs with Thematic Working Groups who will take responsibility for periodic monitoring of JPD priorities; • Developing harmonised monitoring systems that can generate data not only on use of inputs, but also in relation to progress in meeting the objectives set at the JPD level; • Production of an annual monitoring report per JPD and; • Ensuring that mid-term evaluations at the JPD level are carried out for the Phare CBC/Phare CBC joint programmes (see also Recommendation 18).	In the Phare context, this has been partly implemented and on an <i>ad hoc</i> basis. The Neighbourhood Programmes 2004-2006 provide for civil society representation on the JCCs and monitoring of funding will be conducted at the project level by the Contracting Authorities. Neighbourhood Programmes will attempt as far as possible to report on progress across the whole programme. A joint progress report will be prepared, covering both Phare CBC and Tacis/Cards activities, and submitted to the Commission on a yearly basis. When an evaluation is conducted, every effort should be made to evaluate all elements of the programme (Phare CBC and Tacis/Cards).
Recommendation 7. Where institution-building focuses on the provision of business-related infrastructure, projects should include complementary capacity-building measures and/or funding to ensure that the infrastructure has added value.	Not implemented.
Recommendation 8. The Phare CBC budget should contain a specific percentage for support for project preparation. This should include not only preparation of tender dossiers, but also support for 'soft' measures (including ex ante evaluation of Grant Schemes).	Implemented on an <i>ad hoc</i> basis.
Recommendation 9. More extensive use should be made of Grant Schemes: • Investigate the 'matching' of Grant Schemes across borders, with one fiche operating on both sides (particularly between Bulgaria and Romania); • Where a Grant Scheme can work across borders, use one implementing structure with regional representation on both sides; • Ex ante control should be performed by one ECD per Grant Scheme; • Support the multi-annual approach by prioritising follow-on projects under the Grant Schemes (see also Recommendation 15).	Partially implemented. More use is being made of Grant Schemes, but the practical problems for joint operation of the funds have not been resolved. In the particular case of Bulgaria/Romania, there has been little improvement.
Recommendation 10. JSPFs are a highly effective and efficiently implemented instrument. Consideration should be given to: • Increasing their use; • Raising the percentage programmed to JSPFs and/or introducing additional funds to respond to high demand; • Introducing flexibility to transfer unused allocations to JSPFs, or other grant mechanisms when there is excess demand (see Recommendation 3 above).	Not implemented.
Recommendation 11. In any cases where JSPFs are centrally administered, conditions should be attached to future JSPFs to ensure that the funds are as locally based as is possible. Where possible intermediary organisations should be involved to provide counselling and mentoring for project development.	Implemented on an <i>ad hoc</i> basis.

Recommendation 12. A degree of flexibility should be introduced to administrative compliance checks, which could be formalised in PRAG. A current good practice adopted by some intermediary organisation is the use of a 48 hour window after opening to contact applicants who are, for example, missing procedural documents or signatures. Respondents who fax appropriate follow-up material will still be eligible for their applications to be assessed. This is good practice and should be extended as far as possible.	Implemented on an <i>ad hoc</i> basis.
Recommendation 13. Some flexibility should be introduced in ensuring that applicants comply with the formal requirements. Consideration should be given to: • Introducing administrative compliance checks prior to formal submission of the application. The check could be undertaken by the local level organisation (intermediary organisation) and an original application that meets the criteria could be stamped; • Pre-screened applications would not be subject to administrative compliance checks again after the tender opening session. This together with Recommendation 12 above, should reduce the failure rate of proposals failing to satisfy basic administrative requirements.	Implemented on an <i>ad hoc</i> basis.
Recommendation 14. Materials and guidance should be disseminated in the national language, including translation of PRAG.	Implemented on an <i>ad hoc</i> basis. Since the accession of the new MS, this is generally the case.
Recommendation 15. Consideration should be given to introducing a consistent approach to dealing with repeat applications to a JSPF (or Grant Schemes) in one year to the next. It is recommended that ranking should first be made according to the best projects, which may include repeats. Where differentiation needs to be made over equal ranked projects for which there is insufficient funding for both, preference should be given first to a follow-on project that demonstrates an innovative feature, second to a new project and third to a direct repeat project.	Not implemented.
Recommendation 16. Both Romania and Bulgaria need to address fundamental weaknesses in their implementation structures for Phare CBC. These include institutional instability at the level of their CBC IAs, insufficient staffing and limited involvement of local bodies in implementation. The Romanian and Bulgarian authorities should therefore: • Clearly outline how they intend to increase the implementation capacity for CBC; a) at the IA level, including ensuring stability of staffing and resources and b) in the regions (see Recommendation 17). In Romania, a first level of project selection/prioritisation under the JSPFs should be carried out at the regional level, rather than at the central level as is currently the case.	Partially implemented. While actions have been taken, these have been insufficient to ensure adequate local/regional participation in the CBC programmes.

Recommendation 17. Consideration should be given by the Commission Services and the authorities in Bulgaria and Romania to: • Supporting the establishment of a regionally based network of regional secretariats to support the implementation of the new Joint Programmes; • These agencies should be staffed jointly by representatives of the participating regions, together with Technical Assistance Teams funded under a horizontal programme (see Recommendation 4). • The secretariats could be hosted by existing organisations in the regions, while maintaining an internal line of accountability to their respective IAs, NACs and NAOs. One secretariat should however be operating per programme and with a cross-border mandate.	Partially implemented. Regional secretariats have been established, but their future after accession is unclear.
Recommendation 18. The Interim Evaluation process yields useful information on project progress however, the nature of the CBC programme means that a more innovative approach to IE is needed. This should ensure that both sides of a joint programme are considered. To this end, one IE should be completed by a joint team for consideration by a joint meeting of the SMSCs and by the respective JMCs. This should be introduced for the next round of IEs in Bulgaria and Romania.	Not implemented. Interim Evaluation continues to be conducted on a country specific basis.
Recommendation 19. The authorities in the new MS should look at the profile of successful INTERREG and Phare CBC projects to investigate the opportunities for replicating or mirroring them in the new INTERREG/Phare CBC programmes.	Not implemented.
Recommendation 20. Co-financing should be in place at the fiche stage. The fiche should set out clearly how co-financing should be reported. This should be followed up as a matter of course during ongoing monitoring.	Implemented on an <i>ad hoc</i> basis.

Annex 7. List of Documents Consulted

Originator	Date	Title of Document
OVERALL DOCUMENTS		
European Commission	December 1998	CBC Regulation – No 2760/98, OJ CZ L345
	June 1999	Article 20(2) of the Council Regulation 1260/99
	October 2003	Commission Regulation No 1822/2003; OJ EU L267
	July 2003	Paving the Way for a New Neighbourhood Instrument, COM 393
	September 2004	Proposal for a Council Regulation establishing and Instrument for Pre-Accession Assistance (IPA), COM 627
	March 2003	Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbour, COM 104
EC (author EMS)	February 2004	Cross-Border Cooperation – Thematic Evaluation of Phare Support Allocated in 1999-2002 and Implemented Until November 2003
	March 2004	‘From Pre-Accession to Accession’, Interim Evaluation of Phare Support Allocated in 1999-2002 and Implemented Until November 2003
	January 2004	Phare Grant Scheme Review – Interim Evaluation of Phare Support Allocated in 1999-2002 and Implemented Until 2003
	February 2004	Thematic Report on Phare Cross-Border Cooperation
Court of Auditors	February 2000	ECA Special Report no 5/99 concerning Phare cross-border cooperation (1994 to 1998), OJCE C48
VATI	September 2004	Manual for Effective Identification, Development and Management of INTERREG Projects
RvBI and DIW	November 1998	Evaluation of the Cross-Border Cooperation
BULGARIA		
ECOTEC	20 March 2006	Interim Evaluation Report, R/BG/ENV/0515
ROMANIA		
European Commission	May 2006	Monitoring Report on Romania’s progress towards accession
	October 2005	Country Comprehensive Monitoring Report
EC (author ECOTEC)	29 September 2005	Interim Evaluation Report R/RO/CBC/0524
Government of Romania (GoR) and EC	1999, 2000, 2001; 2002; 2003	Financing Memoranda Phare CBC RO/HU & RO/BG
Ministry for European Integration (MEI)	6 April 2005	CBC Capacity-building Action Plan
	30 January 2006	Monitoring Report no.2 (6 June 2005 – 10 January 2006) - M/RO/CBC/06002
MEI - CBC Directorate	2001	RO-0102.02 Project Fiche
	2003, 2005	RO-0002.03.01 Monitoring Report
	2003, 2005	RO-0102.02 Monitoring Report
	2003, 2005	RO-0103.01 Monitoring Report RO-9912.01 Monitoring Report
Ministry of Public Finance	April 2006	National Strategic Reference Framework 2007-2013 (draft version)
GoR & EC	1999	Joint Programming Document 2000-2002
Foundation St. Gheorghe	2002	Completion Report – JSPF 2001
CLB Littlejohn Frazer	Oct. 2005	Auditor’s Report on Phare Sub-Programmes: RO9904.04 – RICOP - SME Finance, RO9910 – Romania Pre-Ins Facility, RO9912 – Cross-Border Cooperation Programme between Romania and Hungary and RO0003 – Cross-Border Cooperation Programme between Romania and Hungary
SLOVENIA		
EC	December 1998	Commission Regulation 2760/98 on Phare-CBC

Policy Research & Consultancy	May 1999	Assessment of the Phare-CBC Programmes Slovenia-Italy: Review of the projects 'Regional Development Policy in the Border Region' and 'Small Projects Fund'
	March 2002	Interim Evaluation of the Interreg IIIA/Phare-CBC Programmes Slovenia-Italy,
	March 2002	Interim Evaluation of the Interreg IIIA/Phare-CBC Programmes Slovenia-Austria
	March 2002	Interim Evaluation of the Interreg IIIA/Phare-CBC Programmes Slovenia-Hungary

Annex 8. List of Interviews

INSTITUTION	INTERVIEWEE	DATE
European Commission DG Enlargement Rue de la Loi 170 Brussels Belgium	Andrew Blackmore Country Coordinator – Bulgaria	24/04/2006
European Commission DG Enlargement Rue de la Loi 170 Brussels Belgium	Tina Doerffer Country Coordinator – Romania	24/04/2006
European Commission DG Regio Cour Saint-Michel 2 Avenue de Tervuren, 41 1040 – Bruxelles, Belgium	Dirk Peters Task Manager	24/04/2006
BULGARIA		
Delegation of the European Commission to Bulgaria, 9, Moskovska Street 1000 Sofia Bulgaria	Konstantinos Soupilas, Phare Section, Horizontal Issues	13/06/2006
Delegation of the European Commission to Bulgaria, 9, Moskovska Street 1000 Sofia Bulgaria	Alexander Alexandrov Transport Advisor	13/06/2006
Delegation of the European Commission to Bulgaria, 9, Moskovska Street 1000 Sofia Bulgaria	Judit Goldstein Task Manager, Regional Development and Structural Funds	13/06/2006
Ministry of Finance, Management of EU Funds Directorate, Coordination of Projects and Programmes Department, Bulgaria	Jenya Dinkova Head of Phare and ISPA Department	13/06/2006
Ministry of Finance, Management of EU Funds Directorate, Management of Phare Funds Department, Bulgaria	Daniela Tzoneva Head of Monitoring and Evaluation Unit	13/06/2006

Ministry of Finance, Management of EU Funds Directorate, Coordination of Projects and Programmes Department, Bulgaria	Svetlin Tanchev Junior Expert	13/06/2006
Ministry of Regional Development and Public Works, Phare IA Directorate, Director, Bulgaria	Stefan Gerasimov Director	13/06/2006
Ministry of Regional Development and Public Works, Phare IA Directorate, Bulgaria	Margarita Bogova, Chief Expert	13/06/2006
Ministry of Regional Development and Public Works, Directorate General Programming of Regional Development, Bulgaria	Dimana Sadonkova Head of CBC Department	15/06/2006
Ministry of Regional Development and Public Works, Directorate General Programming of Regional Development, Bulgaria	Boyana Tchavdarova Expert	15/06/2006
Ministry of Environment and Waters, Air Directorate, Bulgaria	Angel Kostov Expert	15/06/2006
Ministry of Environment and Waters, CBC Projects Department, Bulgaria	Mariana Hristrova Expert	15/06/2006
Ministry of Environment and Waters, CBC Projects Department, Bulgaria	Maria Gergelcheva Head of Department	15/06/2006
Hadji Dimovo Municipality, Bulgaria	Murat Arnaudov Deputy Mayor	14/06/2006
Cross-Border Check Point, Customs Authorities, Ilinden, Head of Customs Authority, Ilinden, Bulgaria	Murat Dzhugdanov	14/06/2006
Phare Road Executive Agency, Bulgaria	Galina Vasileva Head of EU Phare Programme Department	15/06/2006
LDK, Information and Consultancy Centre, Bulgaria	Dona Prodanova Expert	15/06/2006
ECOTEC, Phare Interim Evaluation and Monitoring Services, Bulgaria	Steve O'Connor Team Leader	15/06/2006
HUNGARY		

VÁTI – Békéscsaba Regional Representative Office of Hungarian Public Nonprofit Company for Regional Development and Town Planning Magyar Regionális Fejlesztési és Urbanisztikai Közhasznú Társaság, Dél-Aföldi Regionális Képviselő, Programmedzer, Hungary	Kasa Pribojszkiné Expert	22/05/2006
VÁTI – Békéscsaba Regional Representative Office of Hungarian Public Nonprofit Company for Regional Development and Town Planning Magyar Regionális Fejlesztési és Urbanisztikai Közhasznú Társaság, Dél-Aföldi Regionális Képviselő, Programmedzer, Hungary	Katalin Szécsi Programme Manager	22/05/2006
VÁTI – Western Transdanubia Regional Representative Office of Hungarian Public Nonprofit Company for Regional Development and Town Planning Magyar Regionális Fejlesztési és Urbanisztikai Közhasznú Társaság, Nyugat-Dunántúli Regionális Képviselő Hungary	Tibor Polgar Head of Regional Office	23/05/2006
VÁTI – Western Transdanubia Regional Representative Office of Hungarian Public Nonprofit Company for Regional Development and Town Planning Magyar Regionális Fejlesztési és Urbanisztikai Közhasznú Társaság, Nyugat-Dunántúli Regionális Képviselő Hungary	Peter Virágh Deputy Head of Regional Office	23/05/2006
VÁTI – Hungarian Public Nonprofit Company for Regional Development and Town Planning Magyar Regionális Fejlesztési és Urbanisztikai Közhasznú Társaság Hungary	Mihály Galovicz Programme Authorising Officer - Chief Executive Officer	24/05/2006
VÁTI – Budapest Regional Representative Office of Hungarian Public Nonprofit Company for Regional Development and Town Planning Magyar Regionális Fejlesztési és Urbanisztikai Közhasznú Társaság, Közép-Magyarországi Regionális Képviselő Hungary	Gabor Füle Regional Representative	24/05/2006

VÁTI – Interreg Directorate, Programme Implementation Unit of Hungarian Public Nonprofit Company for Regional Development and Town Planning Magyar Regionális Fejlesztési és Urbanisztikai Közhasznú Társaság, Interreg Igazgatóság – Programvégrehajtási Egység Hungary	Márta Gordos Head of Unit	24/05/2006
LATVIA		
Ministry of Regional Development and Local Government, Lacplesa street 27, Riga, Latvia.	Arina Andreicika Director, Programme Dept.	15.02.2006
POLAND		
Implementing Authority for Phare Crossborder Co-operation Programme, Head of Unit Poland	Magdalena Marciniak – Komorek, Head of Unit	05/05/2006 15/05/2006
Implementing Authority for Phare Cross-border Cooperation Programme, Poland	Jakub Kowalczyk Specialist Monitoring and Evaluation Unit	15/052006
Implementing Authority for Phare Cross-border Cooperation Programme, Head of Unit, Poland	Anna Zabicka Head of Unit	16/05/2006
Implementing Authority for Phare Cross-border Cooperation Programme, Poland	Joanna Szczesny – Smolarka Head of Unit	16/05/2006
Interreg PL – SK Interreg IIIA Programme Poland – Slovak Republic, Joint Technical Secretariat, Poland	Jan Krzesinski Programme Manager	16/05/2006
Zachodnio-pomorskie Region, Marshal's Office, Department of European Integration, Poland	Robert Michalski Expert. Dept. of European Integration	17/05/2006
Zachodnio-pomorskie Region, Marshal's Office, Department of European Integration, Poland	Ania Bleszynska Expert. Dept. of European Integration	17/05/2006
Euregion Pomerania, Polska Deutschland Service, Stowarzyszenie Gmin Polskich Euroregionu Pomerania, Kierownik, Zespołu ds. Funduszy Pomocowych, Poland	Monika Zienkiewicz Expert, Pomeranian Euroregion	17/05/2006

ROMANIA		
Delegation of the European Commission 18-20, Jules Michelet st Bucharest Romania	Camelia Chirascu Task Manager	01/02/2006
Ministry of European Integration The CBC Directorate Bv Libertatii 12, Bucharest Romania	Marius Radu Head of Unit	21/02/2006 02/05/2006 02/06/2006
Ministry of European Integration The CBC Directorate Bv Libertatii 12, Bucharest Romania	Alina Constantin Task Manager	02/05/2006
Ministry of Water Management and Environmental Protection 12, Libertatii Blvd., Bucharest Bucharest Romania	Alberto Simion Expert	02/05/2006
Central Financing and Contracting Unit Sector 3 Mircea Voda Boulevard 44 Bucharest Romania	Oana Baz Task Manager	02/05/2006
The General Inspectorate of the Border Police The Programme Implementation Unit Str Razoare 2, Bucuresti Romania	Andrei Voicu Head of PIU	09/03/2006
Arad Airport Cargo Terminal Str Aeroportului 4 Arad, Romania Romania	Adrian Nasui General Manager	02/03/2006
JSPF Secretariat, Foundation St. Gheorghe Giurgiu Romania	Florentina Cristea Director	03/05/2006
JSPF Secretariat, Foundation St. Gheorghe Giurgiu Romania	Vaitici Leonidi Deputy Director	03/05/2006
The Regional CBC Office, within the ADAR (Arad Promotion and Development Agency) Str Unirii 19, Arad Romania	Lucia Chisbora General Manager	12/06/2006

Municipality of Arad Str Revolutiei 75, Arad Romania	Nora Grosan Counsellor	12/06/2006
National Council of SMEs – Arad branch Bv Revolutiei 57, Arad Romania	Mihaela Breaz Executive Director	12/06/2006
"Vasile Goldis" High School Arad Romania	Duca Diana Deputy Director	12/06/2006
City Museum of Arad, Arad Romania	Sorin Sabau Gabriel Halmagean Project team members	12/06/2006

Focus Group: Latvia Cross Border Co-operation, 3 March 2006

Name, Surname	Organisation represented	Contract number
Iveta Graudiņa	Rezekne Higher Education Institution	LE 01.07/ SPF /0027
Atis Kapenieks	Riga Technical University Distance Education Study Centre	LE 01.07/ SPF /0035
Anna Krastiņa	Jelgava District Council	LE 01.07/SPF/0017
Armands Pužulis	Baltic Sea Coastal Zone Development Agency	LE 01.07/GS/0014
Marika Rudzīte	Livani District Council	LE 01.07/GS/0012
Valdis Šaplaks	Riga City Council	LE 01.07/GS/0004
		LE 01.07/ SPF /0019
		LE 01.07/ SPF /0018
Ilze Stabulniece	NGO Euroregion “Country of lakes”	LE 01.07/GS/0015
Laimonis Vaļēvičs	Bauska Town Council	LE 01.07/ SPF /0029
Anda Vilka	Vidzeme Development Agency	LE 01.07/GS/0008
Daina Vinklere	TIC of Salacgrīva	LE 01.07/ SPF /0029
Inese Vītola	Jekabpils District Council	LE 01.07/ SPF /0031
Ģirts Ziemelis	Latvian Country Tourism Association “Lauku Celotajs”	LE 01.07/GS/0002