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**Review of EEA and Norway Grants support to Regional Policy and Cross-
Border Activities
in new EU and EEA member states**

**Framework Agreement for review and evaluation of
EEA and Norway Grants**

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This review covers the Regional Policy and Cross-Border Activities priority sector of the Norwegian Financial Mechanism and the EEA Financial Mechanism, jointly referred to as the EEA and Norway Grants.

The review was carried out between June and September 2010, inclusive, by INTEGRATION International Management Consultants GmbH¹ under contract to the Financial Mechanism Office.

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Contents

Glossary of acronyms	1
Executive summary	2
Report.....	8
Introduction	8
Objectives	8
Scope	8
Methodology.....	8
Overview of EU Regional Policy and Cross-border Cooperation.....	9
Regional policy and cross-border cooperation: 2000-2006.....	9
Regional policy and cross-border cooperation: 2007-2013.....	10
Overview of EEA and Norway Grants	12
Donor objectives	12
The mechanisms	12
Sector overview.....	13
Findings	15
Relevance	15
Efficiency.....	29
Effectiveness and impact	31
Sustainability	34
Partnership.....	35
Examples of good practice	37
Recommendations.....	38
Annexes	41
Annex 1. List of consulted parties.....	42
Annex 2. Sector overview.....	48
Annex 3. Distribution of intervention categories.....	49
Annex 4. Partnership.....	50
Annex 5. Analysis of main intervention categories	51
Annex 6. Capacity building interventions.....	52
Annex 7. Regional policy interventions.....	53
Annex 8. Overview of funds and projects reviewed in depth	54
Annex 9. Regional Policy and Cross-Border Activities - national priorities.....	55
Annex 10. Main documents referred to.....	56
Annex 11. Survey of national focal points.....	57
Annex 12. Survey of sub-project promoters.....	65
Annex 13. Sub-projects with focus on children, youth, and families	76
Annex 14. Individual project overviews (in-depth projects).....	79
Annex 15. Poland regional development operational programmes and priority axes.....	80
Annex 16. Latvia regional development operational programmes and priority axes	84
Annex 16. Slovakia regional development operational programmes and priority axes	85
Annex 16. Overview of EU regional policy and cross-border cooperation funding.....	86

Glossary of acronyms

CBA	Cross-Border Activities
CBC	Cross-Border Cooperation ²
CF	Cohesion Fund
EC	European Commission
EEA	European Economic Area
EFTA	European Free Trade Association
ENPI	European Neighbourhood and Partnership Instrument
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	European Union
FMO	Financial Mechanism Office
GDP	Gross Domestic Product
GIS	Geographic Information System
GUAM	GUAM Organization for Democracy and Economic Development is a regional organization of four post-Soviet states: Georgia, Ukraine, Azerbaijan, and Moldova
IT	Information Technology
MoU	Memorandum of Understanding
NFP	National Focal Point
NGO	Non-Governmental Organisation
NUTS	Nomenclature of Units for Territorial Statistics
PPP	Public Private Partnership
RCBI	Regional Capacity Building Initiative
RP	Regional Policy
SME	Small and Medium Enterprise(s)

² The term 'CBC' is used in this report to refer to EU cross-border programmes. The full term 'cross-border cooperation' is used to refer to cross border cooperation in general.

Executive summary

This review covers the Regional Policy (RP) and Cross-Border Activities (CBA) priority sector of the European Economic Area (EEA) and Norway Grants. The sector comprises 56 projects and funds with grant allocations amounting to approximately €45.7 million. The review was carried out between June and September 2010, inclusive.

EEA and Norway Grants funding of €45.7 million, covering 56 funds and projects, has been provided to 10 countries in this priority sector as follows:

Beneficiary state	PL	LV	LT	SK	EE	HU	ES	BG	SI	RO
EEA and Norway Grants funding (€ million)	15.8	8.5	6.2	5	4.6	2.9	1.3	0.8	0.5	0.3

This sector is divided into two sub-sectors: RP and CBA, which account for approximately 65% and 35% respectively of grants by value and number.

The following 23 funds and projects were reviewed in depth

Case	Type	Title	Grant Committed €
B60026	Project	North West Bulgaria - regional administration capacity-building in business development	437,220
HU0003	Project	Cross-border training (Serbia, Ukraine) – Hungary	450,948
HU0013	Fund	Hungary-Ukraine cross border cooperation	2,000,000
HU0072	Project	Budapest -Transferring the Experiences of Visegrad Cooperation to the Western Balkans and the GUAM Countries	398,653
LV0016	Fund	National - Promotion of Development of Public and Private Partnership	1,795,068
LV0056	Project	Zemgale Region - Administrative capacity building.	439,263
LV0059	Project	Vidzeme - Innovation through partnership	1,274,835
LV0078	Project	Kurzeme - Establishment of Centre for Spatial and Regional Development	734,995
PL0217	Project	Carpathian Region - Cross-Border SME Centre	423,689
PL0218	Fund	Poland - Cross-border Partnership Program	1,078,296
PL0224	Project	Elk, Gdapski, Oleko sub-regions - Ecotourism promotion	259,134
PL0228	Project	Nowy Sacz - cross-border eco-tourism partnership	302,321
PL0398	Project	Czaplinek - Regional policy development	363,895
PL0401	Project	Krasnik - Centre of Polish-Ukrainian Cooperation	689,700
PL0403	Fund	Lubelskie Region - Cross Border program within the Bug Euroregion	425,000
PL0415	Project	Malopolskie - Promotion of cultural products from the Tatras	307,097
SK0022	Project	Presov - Innovation Partnership Centre.	555,499
SK0024	Project	Slovakia - Improved regional governance	240,276
SK0056	Fund	Slovakia - Regional and Cross-Border Block Grant	1,809,600
SK0084	Project	National - Competitive Regions 21	269,599
SK0105	Project	Slovak-Ukraine Research and Educational Center - SUREC	399,466
PL0040	Project	Poland - local government capacity building [included from human resource development priority sector]	2,853,009
PL0108	Project	Carpathians - Natura 2000 Protection and Education Initiative [included from Environment & Sustainable Development priority sector]	807,500
		23	18,315,063

The ten beneficiary states are the recipients of €184.6 billion in Cohesion Policy funding. Poland, the largest beneficiary state, has a European Union (EU) regional development funding allocation amounting €16.5 billion, in addition to which it has access to funding under eight EU cross-border/ transnational programmes with funding (for all eligible countries) amounting to approximately €1.4 billion. Latvia, the second largest beneficiary state, has an EU regional development funding allocation of approximately €4 billion, and access to four EU cross-border/ transnational funds with total funding of approximately €420 million.

Thus total EEA and Norway Grants RP and CBA funding to Poland amounts to approximately 0.1% of Poland's EU regional development funding. For Latvia, the figure is approximately 0.21%.

EEA and Norway Grants RP and CBA funding covers a wide range of activities and there is, understandably, considerable overlap with EU funded activities, although not necessarily duplication.

Efficiency and effectiveness

The added value of EEA and Norway Grants is most evident in the area of local cross-border co-operation, and in clearly defined capacity building subject areas, such as public-private partnerships, waste management, etc.

In particular, EEA and Norway Grants offer small grants, which are more accessible to local and regional non-governmental organisations (NGO) than EU cross-border funding, for example. In several beneficiary states, the NGO sector, especially at local and regional levels, is considered to be weak. In this respect, EEA and Norway Grants funding is, to some extent, addressing a gap.

With some exceptions, reviewed CBA sub-projects demonstrated real engagement with cross-border partners, and active involvement of large numbers of people on both sides of the relevant borders. Sub-projects seek to enhance cross-border dialogue through a wide range of themes, including environmental protection, art, culture, history, and tourism. Despite some administrative difficulties, the evidence indicates that CBA sub-projects have generally undertaken a significant proportion of activities in the partner country.

A small number of larger CBA projects in Slovakia and Hungary are not in line with the Financial Mechanism Office's (FMO) CBA guidelines,³ as their focus is more national and strategic, rather than local, and in one case the project includes participants from countries that do not share a border with the beneficiary state, Hungary.

There is also some evidence to suggest that the €2 million Polish CBA fund, PLO220 'Warmia-Mazury and Pomorskie - Cross-Border and Inter-regional Programme' may not be fully in line with FMO guidelines. It is evident from the title of one of its sub-projects that it involves partnerships with "old" EU members states, rather than non-EU member states. Moreover, the target location in Poland is more than 800km from the nearest of the two EU partner locations, and approximately 150km from the nearest land border (with Russia).⁴

Given the general lack of clarity in the objectives of some RP projects, and the broad range of activities, there must be some doubt as to whether or not the effects and impact can ever be assessed with any certainty. In particular, there is little evidence of impact on specific disadvantaged regions or target groups.⁵

A number of strategy development projects in several beneficiary states aim to stimulate investment, or at least include actions towards this aim. The potential effect of these activities must be somewhat doubtful, as promotional activities can not address the underlying causes of regional isolation and weak economic performance, such as lack of transport and communications infrastructure, lack of skilled workforce, etc.

Several projects involve the construction or renovation of buildings. Three of these relate to the establishment of business incubators. There have been some significant delays, and there is a risk that works may not be completed by the project implementation deadlines. Given the availability of significant EU funding in most beneficiary states for business development, there must be some doubt as to the real need for these facilities, especially in the current economic climate.

³ The guidelines were issued on 21 July 2006. Three CBA project applications were submitted to the FMO prior to this date: HU0003; PLO010; and PLO011. Two further CBA applications were submitted to the FMO, in November 2006: HU0013; and SK0015.

⁴ In its comments on the draft of this report, the Polish National Focal Point notes that 54% of sub-projects have involved partners from non-EU member states, mainly Russia, but also Ukraine and Belarus.

⁵ One of the questions in the terms of reference for this review was "*...to what extent have the grants covered identified needs in the most disadvantaged regions, addressing social inclusion for vulnerable populations?*" In its comments on the draft of this report, the Polish National Focal Point notes that there "*was no particular priority defined by the donors to address the support only to disadvantaged regions or target groups. Thus, in line with frames of the support all applicants were **treated equally** in the process of application and no additional scores were given to project connected with particular initiatives, addressed to needs of any particular group or implemented in any specific region*".

Sustainability

There is considerable continuity between many current projects and sub-projects and previous actions, especially where donor state, or cross-border partners are involved. Stakeholder feedback suggests that there often already plans in place for follow-up actions with donor state partners and cross-border partners.

The sustainability of some larger projects is less clear, in particular those aiming to establish new centres of excellence, research, innovation, etc.

Also of some concern, are a number of capacity building/ strategy development projects. The sustainability of these may be constrained because objectives lack clarity, activities lack coherence, and in some cases may not be the most appropriate activities to solve local or regional problems, as in the case of investment promotion.

Some outputs can not be maintained or renewed because project promoters are not permitted to derive income from them.

Partnership

Partnership in this priority sector is relatively widespread. To a large extent, these are a continuation of existing partnerships. Those involved in beneficiary states (projects and sub-projects) consider that is worth the effort and cost involved. Those not involved in partnership often indicate that they would be interested in partnership in the future.

Thus, there is scope for increasing partnership, particularly in the area of CBA, but stakeholder feedback indicates that efforts to find a donor state partner often end in failure. The main reason for this appears to be that the number of potential donor state partners is limited. This is hardly surprising, given that (a) the combined population of the three donor states is approximately 5.3 million, equivalent to approximately 4% of the combined population of the 10 beneficiary states, and (b) EEA and Norway Grants cover hundreds of projects and sub-projects in all priority sectors. Moreover, donor state organisations are involved not only in EEA and Norway Grants activities, but also bilateral programmes with Bulgaria and Romania, EU programmes (e.g. ENPI), and other international activities.

Estonia, Latvia, Lithuania, and Slovenia identify partnership with Norway as a priority in their memorandums of understanding (MoU). According to the FMO's database, 34% of all interventions accounting for 27% of sector funds have Norwegian partners. However, partnership is limited to four beneficiary states: Poland, Latvia, Slovakia, and Bulgaria. National focal points (NFP) in Slovakia and Poland, consider partnership to be useful in specific areas where donor states have recognised experience and expertise, but they do not prioritise partnership with donor states in itself. Nevertheless, projects in Poland were prioritised during the selection process if they involved partnership, as were projects in Hungary.

Only three CBA interventions accounting for €0.944 million involve partnership with a donor state. Given Norway's experience of cross-border co-operation with Russia, it is possible that there is scope for increased partnership between Norwegian institutions and beneficiary state CBA fund operators and project promoters.

Strategic planning

There is little evidence of a systematic strategic approach at national level to the utilisation of EEA and Norway Grants in this priority sector. Focus areas are frequently unclear. Experience sharing and partnership feature prominently in memorandums of understanding. These are important, but can hardly be described as focus areas. They are cross cutting issues that apply equally to all priority sectors, and do not provide a basis for sectoral programming. There is a lack of clear, specific, sectoral objectives, and there are no sectoral indicators.

Nine of the 10 beneficiary states share borders with countries outside the EU, but three have no cross-border focus areas, and only four have actually utilised CBA funding: Poland, Slovakia, and Hungary, and Latvia, which has no CBA focus area.

Survey feedback from NFPs suggests that there is less emphasis on disadvantaged regions in the RP and CBA priority sector than in other priority sectors. Nevertheless, analysis of the NUTS⁶ information from the FMO's project database indicates that

⁶ Nomenclature of Units for Territorial Statistics.

projects and funds in this priority sector are mainly focused on the most vulnerable NUTS 2 regions, although not so much in the Poland, the largest beneficiary state. Feedback from the NFPs in Poland and Slovakia suggests that the aim has been to spread EEA and Norway Grants funding as widely as possible, rather than focussing on specific disadvantaged regions.

While a number of sub-projects address children, youth and families (see Annex I3), there is little targeting of disadvantaged groups in this priority sector. This may be due to the fact that these groups, including Roma, are covered in other EEA and Norway Grants priority sectors. Substantial EU funding is also available, in particular focusing on the integration of Roma. Recent reports suggest that some countries may be having difficulty absorbing this funding.

A number of interventions have a clear thematic focus. However, in some cases, there is a lack of clarity in the purpose, and there is an emphasis on activities, rather than on specific, measurable outcomes. This is particularly the case for strategy development interventions.

Examples of good practice

The evaluators identified several examples of good practice in this sector. These include:

- PLO040 'Local government capacity building', has a comprehensive, and well thought out monitoring system, although there is limited focus on results and outcomes.
- In Latvia, the clearly identified public private partnership focus area (fund LV0016) 'Promotion of Development of Public and Private Partnership';
- The model developed by SK0084 'Competitive regions 2I', which is based on an extensive and systematic survey amongst businesses in all regions of Slovakia to identify obstacles to doing business. The model aims to give local and regional decision makers a clear overview of the main obstacles to economic development in their regions;
- In Hungary, the municipality of Nyíregyháza is using CBA funding (HU0013/NA/26) to help prepare for a much larger the European Neighbourhood and Partnership Instrument (ENPI) project, demonstrating good complementarity with EU funding;
- The Upper Tisza Region Environmental and Water Directorate in Nyíregyháza has used CBA funding (HU0013/NA/14 'Water base protection objects in Hungarian - Ukrainian boundary') to carry out an assessment of the sustainability of water resources shared with Ukraine. The project provided the project promoter with an entry point to address other cross-border issues, such as contaminated floodwater;
- The 'Via Reggia' sub-project in Slovakia (NPOA/2008/02/12, fund SK0056) is one phase of a longer-term project. It uses history and wine to enhance dialogue between regions adjacent to the border in Slovakia and Ukraine, by drawing a link between vineyards in Slovakia and Ukraine that were historically part of the same estate. The project has two partner organisations in Ukraine. It hired approximately 10 people, that were provided by the local unemployment office, to help renovate a historic building in Spišská Kapitula. The project continues to employ several people from the local Roma community. 250 young people have come from Ukraine to Slovakia to learn about wine and viticulture, and project is helping owners of recently restituted vineyards in Ukraine to establish themselves in the market.
- Also in Slovakia, the sub-project 'KINCS - cultural identity as tool for cross border cooperation' (NPOA/2009/01/14, fund SK0056) is promoting cross-border dialogue by introducing the art of Andy Warhol to school children on both sides of the Slovakian-Ukrainian border. In particular, the project examines the relationship between the artist and his mother. The project developed new, more imaginative teaching materials and tools for partner schools in Ukraine. It includes an art competition involving some 300 children in each country (600 in total). 20 winners from each country will visit schools and participate in workshops in the other country.

Main recommendations

Strategic planning

It is recommended that when identifying focus areas, beneficiary states should provide a justification for selecting each focus area. These should be presented to the FMO in the form of a comprehensive programming document, and it is recommended that these be subject to independent ex-ante evaluation. It is further recommended that the FMO consider the possibility of allowing a small part of the allocation to each country to be used for technical assistance to support the programming process.

It is recommended that the FMO issues guidelines to support the development of clear objectives and indicators that focus on clearly identified desired changes in the performance or behaviour of target groups, systems, or institutions.

Regional interventions

Regional interventions should address clearly identified issues in specific regions. Ideally, a single regional intervention should target a single NUTS 2 region, or one or more NUTS 3 regions within a single NUTS 2 region. It is recommended that Regional Policy funding is applied only to regions that meet specific criteria, such as below average gross domestic product (GDP) per capita, above average long-term unemployment rates, and other relevant indicators. Each country should define its own criteria. These should be published on the FMO's website, together with a list of the regions that meet these criteria, and the relevant statistical information to support the selection these regions.

Rather than attempting to solve regional problems with general, strategic interventions, it is recommended that regional interventions address the needs of specific, clearly identified disadvantaged target groups, such as long-term unemployed, female unemployed, minorities, etc. Emphasis should be placed interventions that are most likely to have a direct, immediate, positive, verifiable impact on the lives of the identified target groups.

Cross-border activities

Emphasis should be placed on projects focussing exclusively on communities adjacent to the shared border. CBA projects should demonstrate real, and equivalent benefits to communities on both sides of the common border. Emphasis should be placed on projects that include substantive activities on both sides of the border, and which effectively and directly involve larger numbers of people from communities on both sides of the border.

Where cross-border relations are already well-established, priority should be given to projects that aim to address specific, clearly identified issues/ problems, such as the needs of specific disadvantaged groups, conservation of shared natural resources, environmental protection, etc.

While the contracting of larger grants involves a lower administrative overhead, the evidence from the present review suggests that the results of smaller projects may offer better value for money, and better results, in terms of enhanced cross-border dialogue. It is therefore recommended that the emphasis be placed on projects of less than €100,000.

Projects involving the development of cross-border strategies (e.g. business promotion, inward investment, etc..) should be carefully assessed to establish if they are based on evidence of real need or potential, or if they are merely aspirational.

Business/ employment promotion

Business/ employment promotion is already extensively covered by much larger EU regional development and cross-border funding. It is therefore recommended that RP and CBA funding does not fund this type of activity. However, exceptions should be made where funding is used to target specific disadvantaged groups in specific regions, such as female entrepreneurs, minority entrepreneurs, unemployed women, etc.

Capacity building

Capacity building/ strategy development projects tend to have vague objectives, and include a range of activities lacking coherence. It is recommended that, in future, capacity building interventions focus on more specific, and clearly defined subjects.

It is recommended that future capacity building actions place more emphasis on capacity building at the institutional level. It should take into account not only individual needs, but also issues such as institutional structure and philosophy, leadership, human resource development, engagement with stakeholders, etc.

Partnership

It is probable that the supply of potential donor state partners is unable to satisfy the demand for partnership. It is recommended that, rather seeking to increase the number of partnerships, emphasis in future is placed on further enhancing the depth and quality of partnership. This could be achieved by identification of strategic partnership areas through bilateral discussion between the donors and beneficiary states. The efforts of different stakeholders, such as donor state embassies and NFPs, could then be concentrated on developing partnership in these mutually agreed thematic areas.

In order to make partnership more attractive to key donor state organisations, it is suggested that consideration be given to the possibility of retaining a proportion of funds allocated to each beneficiary state specifically to cover the participation of donor state organisations in agreed strategic partnership areas. Alternatively, it is recommended that the FMO, together with relevant authorities in beneficiary states, investigate the possibility of reaching agreement on standard rules and procedures across all beneficiary states for the allocation of funds to donor state partners.

Fund management

This sector includes more than 400 sub-projects. In order to enhance the transparency of fund management, it is recommended that a searchable, online database be established by the FMO, and that fund operators be required to enter, or provide for entry into the database, a standard set of basic data for each application and grant.

Report

Introduction

Objectives

The aim of this review is to assess the relevance, efficiency and expected impact of the grant support provided within the priority sector. Simultaneously, the review will provide an opportunity to bring together lessons learned that can be usefully applied in future mechanisms. To the extent possible at this stage, the review should comment on whether the grant support is expected to have an impact on positive regional development in the beneficiary states.

Scope

This review covers 56 individual projects⁷ and funds⁸ in the Regional Policy (RP) and Cross-Border Activities (CBA) priority sector of the European Economic Area (EEA) and Norway Grants with total grant funding of approximately €46 million.⁹

The review covers 18 projects and five funds in depth (45% of funds, and 40% projects by number) in five of the 10 beneficiary states, namely:

- Poland
- Latvia
- Slovakia
- Hungary
- Bulgaria

Methodology

This involved meetings with approximately 130 stakeholders in Poland, Latvia, Slovakia, Hungary, Bulgaria, Belgium (see Annex I). For the funds, this included meetings with sub-project promoters. These funds and projects accounted for approximately €18 million (40% of total sector funding, 31% funds by value, and 50% of projects by value). Meetings were also held in these countries with national focal points (NFP) and Norwegian embassies.

Four online surveys were conducted. These invited feedback from NFPs,¹⁰ fund operators,¹¹ project promoters, and some 330 sub-project promoters respectively.¹²

⁷ A project (individual project) is an economically indivisible series of works fulfilling a precise technical function and with clearly identifiable aims. An individual project may include one or more sub-projects. The amount of grant assistance applied for shall normally not be less than € 250 000.

⁸ In this report, the term "fund" covers programmes and block grants. Actions funded by grants provided by a fund are referred to as "sub-projects". A programme is a co-ordinated portfolio of separate projects, aimed at achieving common spatially/ sectorally/ thematically defined objectives. They are intended to facilitate the implementation of more comprehensive and cost-intensive strategies. A programme consists of an intermediary-level (implemented by a programme intermediary), and a sub-projects level (implemented by end-recipients). A fund (block grant) consists of an intermediary-level (implemented by a block grant intermediary) and sub-projects (implemented by end-recipients). A block grant is set up for a clearly defined purpose that may be used to provide assistance to individuals, organisations or institutions. Block grants are intended to facilitate activities where each sub-project or end recipient is too small to be identified a priori or to be administered cost-effectively on an individual basis.

⁹ Commitments here have been rounded to the nearest €1 million.

¹⁰ All 15 beneficiary state NFPs were invited to participate in the NFP survey, including those countries that do not have projects or funds in the Regional Policy and Cross-Border Activities priority sector. Responses were received from all NFPs, except that in Greece. The feedback from Cyprus was provided too late to incorporate it into the draft report.

¹¹ Only two of the 11 fund operators responded.

¹² It is estimated that approximately 25% of the sub-project promoters did not receive an email invitation to participate in the survey due to problems with email addresses. Sub-project information, including contact details, were not available in respect of two funds. These sub-projects were therefore not covered by the survey. Survey responses were received primarily from Lithuania, and Estonia. A smaller number were received from Poland and Hungary, and a limited number from Latvia and Slovakia.

This review also takes into account analysis of project documents, analysis of the Financial Mechanism Office's (FMO) project database, analysis of sub-project data provided by fund operators, and analysis of other relevant documents and statistics such as national strategic reference frameworks and Eurostat data.

Overview of EU Regional Policy and Cross-border Cooperation

The European Union with its 27 Member States and almost 500 million citizens is still characterised by significant economic and social disparities among these countries and/or between regions which is mainly indicated by a significantly varying gross domestic product (GDP) per capita. In order to achieve cohesion and to fight these inequalities, the European Union (EU) implements different instruments in the area of Regional Policy. In this context, the support is provided to Member States on the one hand, but also to (potential) candidate countries on the other.

In addition, especially border regions of EU Member States and/or (potential) Candidate Countries and/or EU Neighbour Countries are facing particular problems. Therefore, so-called cross-border cooperation (CBC)¹³ measures aim at promoting economic and social development in regions on both sides of common borders, addressing common challenges that transcend political borders (in areas like environment, fight against organised crime and public health issues), to ensure effective border management or to promote local cross-border "people-to people" actions). Depending on the status of the countries (being it a Member State, (potential) Candidate Country, or an EU Neighbour Country) different instruments are applied.

The following sections below briefly outline the policy, objectives and instruments of the EU Regional Policy as well as of CBC measures between 2000 and 2010 (further details are provided in Annex 16).

At this stage, it is important to note that for 2007 the EU instruments have been renewed, including those for Regional Policy and CBC. Since the EEA and Norway Grants cover the period 2004-2009, the instruments from 2000-2006 as well as those for the period 2007-2013 will be presented separately. In this context, it will be differentiated between instruments that are applicable to Member States, (potential) Candidate Countries, as well as (with regards to CBC), countries neighbouring the EU.

Regional policy and cross-border cooperation: 2000-2006

EU Member States

Between 2000 and 2006, the primary instrument of EU Regional Policy (and cross-border cooperation) for Member States was that of Structural Funds. In that period, a total of €195 billion was made available.

The Structural Funds consisted of the European Regional Development Fund (ERDF – the fund for the promotion of economic and social cohesion within the EU), the European Social Fund (ESF – a specific fund for the EU's realisation of its employment policy objectives), the European Agricultural Guidance and Guarantee Funds (EAGF – a specific fund for the structural reform of the agricultural sector) as well as the Financial Instrument for Fisheries and Guidance (FIFG – a specific fund for the structural reform of the fisheries sector).

Candidate Countries

Until 2006 inclusive, EU-funded assistance to candidate countries came from three instruments: PHARE, ISPA and SAPARD.

Between 1995 and 2006, PHARE and INTERREG financed cooperation between border regions of the EU and the candidate countries, as well as between candidate countries themselves, named PHARE-INTERREG programmes.¹⁴

¹³ The term 'CBC' is used in this report to refer to EU cross-border programmes. The full term 'cross-border cooperation' is used to refer to cross border cooperation in general.

¹⁴ More details can be found on http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/phare/index_en.htm

Countries Neighbouring the European Union

During the period 2000-2006, EU support was provided to countries neighbouring the EU in the East and in the South through MEDA and TACIS.

Among other things, TACIS supported border regions in addressing their specific problems (environmental, economic, social, etc.) as well as in establishing and enhancing networks between the regions. It targeted the land and sea border regions between, on the one hand, the Newly Independent States (including Belarus, Moldova, Russia and Ukraine) and, on the other hand, Member States or (at that time) Candidate Countries. Between 2000 and 2003 a total budget of €30 million was made available for TACIS-CBC measures.¹⁵

Besides other aims, MEDA also supported cross-border cooperation between Mediterranean partner countries, as well as between them and EU Member States. MEDA supported the establishment and development of structures and infrastructure for cooperation and networking between civil society organisations.

Regional policy and cross-border cooperation: 2007-2013

EU Member States

The approach for 2007 to 2013 has been somewhat modified and the specific objectives and instruments have been adjusted. For the years 2007 to 2013, the EU regional policy has the following three specific objectives:

- Convergence
- Regional Competitiveness and Employment, and
- European Territorial Cooperation.

For this period, a total budget of €308.042 billion of Structural Funds is available for these three objectives.

Total Cohesion Policy funding (2007-2013) for the 10 beneficiary states that received EEA and Norway Grants RP and CBA funding amounts to €184.6 billion.

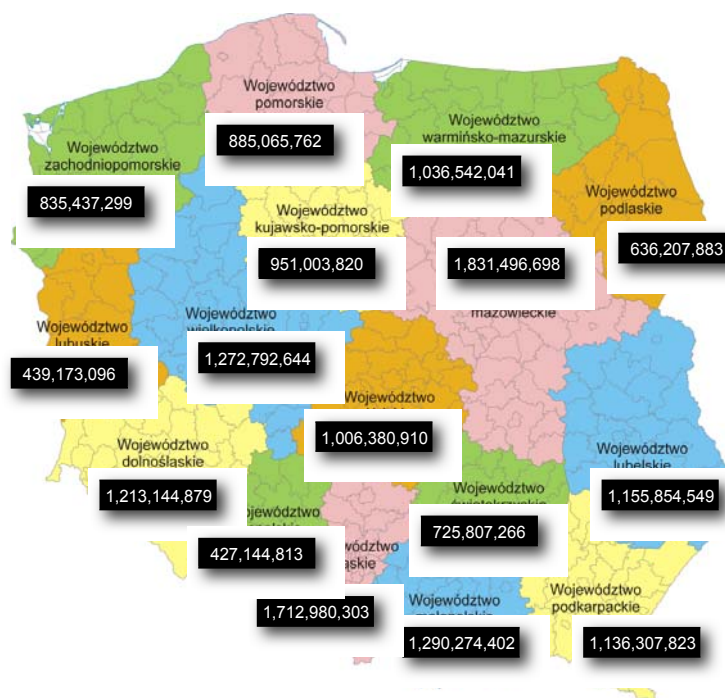
Poland, the largest beneficiary of EEA and Norway Grants funding in the RP and CBA priority sector, has EU regional development funding allocations of approximately €16.5 billion.¹⁶ It also has access to funding under nine EU cross-border/transnational programmes, with total funding (for all countries) of approximately €1.4 billion.¹⁷

¹⁵ More details can be found on <http://ec.europa.eu/agriculture/rur/leader2/rural-de/euro/p8-1-6.pdf>

¹⁶ http://ec.europa.eu/regional_policy/atlas2007/index_en.htm

¹⁷ The nine programmes are: Baltic Sea Region; Central Europe; Poland-Czech Republic; Poland (Zachodniopomorskie Voivodeship) – Germany (Mecklenburg/Vorpommern – Brandenburg); Poland (Lubuskie Voivodeship) – Germany (Brandenburg); Poland-Germany (Saxony); Poland-Lithuania; Poland-Slovakia; and South Baltic (Poland – Sweden – Denmark – Lithuania – Germany).

**Poland 2007-2013 NUTS II EU Regional Development Allocations
(excluding national contributions)**



Source of data: http://ec.europa.eu/regional_policy/atlas2007/index_en.htm

Latvia, the second largest beneficiary of EEA and Norway Grants funding in this sector has EU regional development funding of approximately €4 billion. It has also access to funding under four EU cross-border/ multi-country programmes, with total funding (for all countries) of approximately €420 million.¹⁸

Slovakia is the fourth largest beneficiary of EEA and Norway Grants funding in this priority sector (but the third largest of the countries reviewed in depth). It has EU regional development funding of approximately €9.8 billion, and access to additional funding under six EU cross-border/ multi-country programmes with total funding (for all countries) of approximately €939 million.¹⁹

Candidate Countries and Potential Candidate Countries

From January 2007 onwards, the Instrument for Pre-Accession (IPA) replaces the EU programmes and financial instruments for candidate countries (currently Turkey, Croatia and the Former Yugoslav Republic of Macedonia) or potential candidate countries (currently Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo under United Nations Security Council Resolution 1244/99), namely PHARE/PHARE CBC, ISPA, SAPARD, CARDS and the financial instrument for Turkey.²⁰

Regional policy is one of five IPA components. It supports investments in the current candidate countries (but not potential candidate countries) in areas such as infrastructure development similar to the support that regions within the Member States receive under the Cohesion Funds or the ERDF.

Cross-Border Cooperation (CBC) is another component of the IPA programme. The IPA-CBC programmes are implemented under a Structural Funds approach and focus on three types of cooperation:

- Cross-border cooperation between Member states and candidate or potential candidate countries

¹⁸ The programmes are: Baltic Sea Region; Central Baltic; Latvia-Estonia; and Latvia-Lithuania.

¹⁹ The programmes are: Slovakia-Austria; Central Europe; Slovakia-Czech Republic; Slovakia-Hungary; Slovakia-Poland; and South East Europe.

²⁰ More details can be found at http://ec.europa.eu/enlargement/index_en.htm

- Cross-border cooperation between candidate and potential candidate countries themselves, and
- Eventually, the involvement of candidate or potential candidate countries in transitional co-operation programmes under the Territorial Co-operation Objective (of Member States), particularly the south-east Europe and Mediterranean programmes.²¹

Countries Neighbouring the European Union

From January 2007 onwards, the European Neighbourhood and Partnership Instrument (ENPI) replaces the instruments TACIS and MEDA and is available to countries along the Eastern and Southern external borders of the European Union.²² Cross-border cooperation is a key priority of the ENPI, which offers in excess of €1 billion for this purpose.

Overview of EEA and Norway Grants

Donor objectives

In general, the donors' objectives in providing support through the EEA and Norway Grants mechanisms are to show solidarity with the EU,²³ enhance engagement between the donor states and the beneficiary states at national level, and strengthen practical cooperation between organisations in donor states and beneficiary states. Such co-operation provides an opportunity for mutually beneficial experience sharing and synergies.

More specifically, the objective of the mechanisms is to reduce social and economic inequalities in the EEA. This implies that grants should be focussed on the most vulnerable groups and regions, or at least on actions that will enable key actors to better address the needs of such groups and regions.

For the donors, the RP and CBA priority sector provides an opportunity to target specific vulnerable regions and vulnerable groups within these regions that might not be covered by other sectors. Much of the support provided within this priority sector could potentially be covered by other EEA and Norway Grants priority sectors, with the possible exception of large scale economic development interventions. Although cross-border cooperation is not covered in other sectors, the technical subject matter of these projects does nevertheless often correspond to subjects covered in other priority sectors (for example, restoration of historical buildings, eco-tourism, environment/ climate change mitigation).

Cross-border activities are supported only by the Norway Grants. The objective is to enhance co-operation between stakeholders at the local level on both sides of the EU's external border, to enhance dialogue between neighbouring EU and non-EU states at the national level. Whereas in some cases, meetings between local stakeholders on both sides of the border may be considered a successful project outcome, in other cases, where dialogue at the national level is more advanced, more ambitious outcomes are expected

The mechanisms

The EEA Grants represent the contribution of Iceland, Liechtenstein and Norway to reducing social and economic disparities in the European Economic Area. The Norway Grants are a separate contribution from Norway with the same objective.

The EEA Grants and the Norway Grants were established in connection with the enlargement of the European Union in 2004. Ten new member states joined not only the EU, but also the EEA, which brings together the EU and Iceland, Liechtenstein and Norway in the Internal Market. The accession of Bulgaria and Romania to the European Union led to an additional enlargement of the EEA and of the EEA and Norway Grants in 2007.

²¹ The following IPA CBC programmes have been established for the period 2007-2013: Mark: Adriatic IPA Cross-Border Co-operation Programme, Bulgaria-Serbia IPA Cross-Border Cooperation Programme, Bulgaria – the former Yugoslav Republic of Macedonia IPA CBC Programme, Bulgaria-Turkey IPA CBC Programme, Greece-Former Yugoslav Republic of Macedonia IPA CBC Programme, Greece-Albania IPA CBC Programme, Hungary-Croatia IPA CBC Programme, Hungary-Serbia IPA CBC Programme, Romania-Serbia IPA CBC Programme, Slovenia-Croatia IPA CBC Programme.

²² More details can be found on http://ec.europa.eu/world/enp/funding_en.htm

²³ Solidarity with the EU is important, not only because the donor states and the EU are neighbours, but also because, as members of the European Economic Area and the European Free Trade Association, the donor states apply a wide range of EU legislation.

The Norway Grants are solely targeted at the 12 new EU member states since 2004, while the EEA Grants also include the EU member states Portugal, Greece and Spain. Norway contributes with around 97% of the total funding.

Over a five-year period until 30 April 2009, Iceland, Liechtenstein and Norway have made available €1.309 billion to reduce economic and social disparities in the enlarged EEA. In total, 1,245 projects, programmes and funds are supported as of July 2010, including the Norwegian bilateral cooperation programmes with Bulgaria and Romania.²⁴

Sector overview

10 countries have benefited from funding under the RP and CBA priority sector. These are indicated in the table below:²⁵

	€ committed	% of total €	Count of projects	% of total projects
	45,659,260	100%	56	
PL	15,792,144	35%	26	46%
LV	8,518,694	19%	9	16%
LT	6,150,150	13%	2	4%
SK	4,963,041	11%	10	18%
EE	4,580,188	10%	1	2%
HU	2,849,601	6%	3	5%
ES	1,276,419	3%	1	2%
BG	776,656	2%	2	4%
SI	497,364	1%	1	2%
RO	255,003	1%	1	2%

This sector is divided into two sub-sectors, RP and CBA, which account for approximately 65% and 35% respectively of grants by value and number.

This sector includes 11 funds (four RP and seven CBA) with total funding of €23 million (RP €12 million, CBA €10 million), and 45 individual projects (31 RP, 14 CBA) with total funding of €22 million. Two projects are included in this review from other sectors and have been classified as RP for the purposes of this review.²⁶ Thus, in total, the sector consists of 21 CBA funds and projects with funding of €16 million, and 35 RP funds and projects with funding of €30 million.

Grant funding for four projects and one fund is provided exclusively by the EEA Grants (approximately €4 million). The Norway Grants are the exclusive source of grant funding for seven funds and 35 projects (approximately €26 million). Three funds and six projects are funded jointly by the EEA Grants and the Norway Grants (approximately €15 million).

Interventions are further grouped into the following categories:²⁷

²⁴ The bilateral cooperation programmes with Bulgaria and Romania are administered separately, by Innovation Norway, and are not covered by this review.

²⁵ The values given here are approximate.

²⁶ PL0040 Poland - local government capacity building (included from human resource development priority sector), and PLO108 Carpathians - Natura 2000 Protection and Education Initiative (included from Environment & Sustainable Development priority sector).

²⁷ The FMO's database has several levels of categorisation. Only the first level is used in this report. Somewhat confusingly, two of these categories are Regional Policy and Cross-Border respectively. Thus an intervention may be in the Regional Policy sub-sector, and then categorised as Cross Border. Similarly, interventions in both sub-sectors may be categorised as Regional Policy. When referring to the sub-sectors, this report uses the abbreviations, RP and CBA, and when referring to categories, it uses the full terms, Regional Policy, and Cross Border. A brief description of the categories is provided here, but due to the potential for confusion in the use of these terms, the main analysis in this report focuses primarily on the sub-sector level.

Sector	Regional Policy and Cross-Border Activities	
Sub-sector	Regional Policy	Cross-Border Activities
Categories		
Academic research	<input type="checkbox"/>	
Capacity building	<input type="checkbox"/>	<input type="checkbox"/>
Conservation of immovable cultural heritage including urban renewal	<input type="checkbox"/>	
Conservation of movable cultural heritage including museums and cultural institutions	<input type="checkbox"/>	
Intangible cultural heritage	<input type="checkbox"/>	
Cross border	<input type="checkbox"/>	
Education	<input type="checkbox"/>	
Hazardous Substances	<input type="checkbox"/>	
Inclusion of disadvantaged groups	<input type="checkbox"/>	
Regional policy	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable development	<input type="checkbox"/>	

Categorisation of interventions				
	Count	% of total count	Commitments (€)	% of total commitments
Academic research	3	5%	1,886,149	4%
Capacity building	18	32%	21,242,796	47%
Conservation of immovable cultural heritage including urban renewal	1	2%	339,436	1%
Conservation of movable cultural heritage including museums and cultural institutions	1	2%	373,289	1%
Intangible cultural heritage	1	2%	307,097	1%
Cross border	6	11%	2,066,599	5%
Education	1	2%	480,185	1%
Hazardous Substances	1	2%	261,888	1%
Inclusion of disadvantaged groups	1	2%	497,364	1%
Regional policy	18	32%	15,398,926	34%
Sustainable development	5	9%	2,805,531	6%

There are Capacity Building interventions in all but one of the 10 beneficiary states. However, the other three main categories are each concentrated in two or three countries, with Poland being one of these countries in all three instances. The other three countries are Slovakia (Cross Border and Regional Policy), Hungary (Regional Policy), and Latvia (Sustainable Development).

All CBA interventions are categorised as either capacity building or regional policy. The RP sub-sector interventions, on the other hand, are spread across the 10 categories, with Capacity Building accounting for all four RP funds and 10 of the 31 RP projects.

Of the 11 funds in this priority sector, six are categorised as Regional Policy, and five as Capacity Building. The five Capacity Building funds are located in the Baltic States and Hungary.

13 of the 17 interventions categorised as Regional Policy are implemented in Poland, with three in Slovakia, and one in Hungary. There are five CBA funds in this category (four in Poland and one in Slovakia), and they address general socio-economic development. Three funds (two in Poland and one in Slovakia) target NUTS 2 regions.²⁸ The other two target respectively the NUTS I PL6 North Poland region, and the entire country.

²⁸ PL31 (bordering Belarus and Ukraine), PL34 (bordering Belarus, and Lithuania), and SK04 (bordering Ukraine).

Analysis of the 411 sub-projects covered by this review²⁹ is problematic as there is no common categorisation system, and some financial and descriptive data are missing. The sub-project titles and brief summaries indicate that sub-projects are mainly addressing the following issues:

Subject	Count of projects	€ grant committed
Local government/ administration	82	3,460,111
Tourism (including eco tourism)	57	2,674,131
Environment (including water, waste, coastal management)	54	3,825,619
Economic/ business development	64	4,691,078
Vulnerable groups (children, people with disabilities, Roma (2 projects), women (1 project))	36	1,319,111
It should be noted that projects are likely to be included in two or more of the above categories, as project titles and descriptions indicate that many of them cover broad subject areas encompassing two or more of these categories.		

Findings

Relevance

Strategy for utilisation of EEA and Norway Grants

There is limited evidence of a systematic strategic approach at national level to the utilisation of EEA and Norway Grants in this priority sector. Experience sharing and partnership feature prominently in memorandums of understanding. These are important, but can hardly be described as focus areas. They are cross cutting issues that apply equally to all priority sectors. There is a lack of clear, specific, sectoral objectives, and there are no sectoral indicators. In Poland, rather than focusing EEA and Norway Grants funding on specific regions or themes, the strategy appears to have been to spread the funding as widely as possible.

The evaluators were unable to find evidence of a substantive, detailed programming exercise in any of the beneficiary states that were visited during the course of this review.

The Polish NFP informed the evaluators that EEA and Norway Grants funding was intended to complement Structural Funds. Priorities in this sector were based on internal negotiations during which all relevant institutions were consulted by the Ministry of Regional Development, including social partners and marshals' offices. Funding had to be flexible, and had to include soft measures. It was intended to cover all regions, with the exception of CBA funding, which was obviously restricted to border regions. Ultimately, just four of Poland's 16 NUTS 2 regions did not receive EEA and Norway Grants funding. The Polish authorities made few stipulations, as they wished to encourage project promoters to come forward with innovative approaches. Funding in Poland is split more or less evenly between RP and CBA.

Overall objectives for EEA and Norway Grants RP and CBA funding in Latvia are not clearly stated. The Memorandum of Understanding (MoU) covers a wide range of general issues. Nevertheless, it is clear that Latvia prioritised RP. There was just one CBA intervention in Latvia, a fund (approximately €2.3 million) which accounted for 27% of funding in Latvia. The other eight interventions were RP. There was an emphasis on the development of public private partnerships, with one fund (approximately €1.8 million) devoted to funding feasibility studies for this purpose. There was also one individual project covering this subject. The majority of grants were allocated to regions outside Riga, indicating a focus on the less developed regions, in particular Kurzeme and Zemgale, which accounted for almost 50% of funding in this priority sector in Latvia. EEA and Norway Grants RP and CBA funding appears to be one of the few streams of funding managed with a degree of independence by the Ministry of Regional Development and Local Government.

The Slovakian NFP informed the evaluators that EEA and Norway Grants RP and CBA funding in Slovakia does not have a regional or other focus, and that there is therefore significant diversity between projects. According to the NFP, EEA and Norway Grants funding in this sector is too small to have any visible impact on Slovakia's regional development needs, which can only be

²⁹ The evaluators were provided with details of 411 sub-projects covered by 10 of the 11 funds. Fund PLO416 Podlaskie and Warmia-Mazury - Cross Border program within the Euroregion Niemen has not yet been launched.

addressed by Structural Funds. For example, development in the east of the country requires major investment in transport infrastructure.

NFP survey responses

Of the six NFPs that responded to question three of the NFP survey,³⁰ all indicated that an important consideration in establishing priorities for the RP and CBA priority sector was that funding should be used in thematic areas that are not covered significantly by other sources of funding. However, the broad coverage of large, EU-funded regional development and cross-border operational programmes in beneficiary states suggests that this separation would have been hard to achieve (see annexes 15, 16, and 17 for details of regional development operational programmes in Poland, Latvia, and Slovakia). In practice, much of what has been covered by EEA and Norway Grants funding in this priority sector is also covered by EU funding.

Four NFPs indicated that funding should cover specific geographical areas that have limited access to other sources of funding. In practice, however, this does not necessarily mean that funding is always targeted at the most vulnerable regions (see Geographical focus, below). It is possible that some regions have limited access to other funding for the very reason that they are not the most vulnerable.

Four NFPs indicated that the funding should address the needs of specific target groups. NFP survey responses also indicated that projects were prioritised during the selection process if they included elements focusing on the needs of specific vulnerable target groups. However, responses to the project and sub-project promoter surveys suggest that there has been limited focus on vulnerable groups in practice (see Analysis of memorandums of understanding, and Target group focus, below).

Two NFPs indicated the funding should focus on a specific strategy.

All six of the NFPs responding to question eight indicated that RP and CBA funding should focus on local and regional administrative capacity. Only one indicated that funding should focus on specific non-governmental target groups, with three indicating that they were not sure.³¹

Three indicated that funding should focus on infrastructure investments, and three indicated that it should focus on soft investments. One indicated that it should not focus on soft investments.

Memorandums of understanding

In all, the MoUs of the 10 beneficiary states list 34 focus areas for the RP and CBA sector.

Neither Romania, nor Spain, which have received grants in this sector of approximately €0.26 million and €1.3 million respectively, have focus areas covering this sector.

While some focus areas are specific,³² others provide scope for an almost unlimited range of possibilities. Examples include:

- Strengthening competence and administrative capacity of regional and local authorities to support regional development (Estonia);
- Competence building of different levels of regional development (micro-regions, municipalities) (Hungary);
- Transfer of experience and strengthening of co-operation among local, regional and euro-regional partners in Lithuania and Norway (Lithuania);

³⁰ "Which of the following issues were important considerations when establishing priorities for the use of EEA and Norway Grants in the Regional Policy and Cross-Border Activities in your country?"

³¹ Question 8 was "Do you think that Regional Policy funding should focus on: Local and regional administrative capacity; Specific NUTS 3 (or smaller) areas; Specific non-governmental target groups; Infrastructure investments; Soft investments".

³² Estonia: increasing co-operation between local authorities and development of common services; Hungary: public transport development in connection with the conservation of European cultural heritage and environment protection; Latvia: development of public-private partnership, competence building on financial management and audit in the municipalities; Poland: ensuring communication and information system development, Cooperation in the field of cross-border ecological tourism in developing regions; Slovakia: strengthen participation of minority groups in society; Slovenia: increasing co-operation between local authorities and development of common services.

- Support of sustainable economic development (Latvia);
- Promoting regional and local development in Poland;
- Strengthening the competence and administrative capacity of local authorities to support regional development (Slovenia);
- Strengthening competence and capacity at local level – foster good governance in public administration (Slovakia).

In some cases, there is confusion between focus areas, and cross-cutting issues, such as partnership and experience sharing. For Poland and Slovakia, the focus areas are provided as examples rather than definitive focus areas.

References to vulnerable groups can be found only in the Slovakian MoU.

Focus areas given in MoUs tend to focus on activities rather than desired changes in the performance or behaviour of target groups, sectors, or regions (outcomes).

No strategic indicators are provided. Given the lack of strategic focus and the emphasis on activities rather than strategic outcomes, this is not surprising.

Calls for proposals generally duplicate the content of the MoUs and thus do not add definition to the focus areas. This suggests that little, if any, needs analysis or research were undertaken between the signing of the MoUs and the publication of the calls for proposals.

Estonia, Latvia, Lithuania, and Slovenia prioritise partnership with Norwegian local government units, but not in any specific thematic area.

Cross-border activities

Nine of the 10 beneficiary states share borders with countries outside the EU, but three have no cross-border focus areas, and only four have actually utilised CBA funding: Poland, Slovakia, and Hungary, and Latvia, which has no CBA focus area.

Survey responses from the Polish and Latvian NFPs indicate that these two countries have strategies for cross-border co-operation with non-EU member states. However, although the Polish MoU does include this as a main priority for this sector, the Latvian MoU refers to cross-border co-operation in general. One NFP responded that no such strategy exists, and two that they were not sure.

Only one MoU (Slovakia) refers to cross-border co-operation³³ with a specific non-EU member state (Ukraine), but this specifies national and regional levels, rather than the local level, which is emphasised in the FMD's explanatory memorandum on cross-border projects.³⁴ Poland's MoU does refer to co-operation with Belarus, Russia, and Ukraine, but after co-operation with EEA, the European Free Trade Association (EFTA), and countries of the Baltic Sea region.³⁵

Lithuania, which shares borders with Russia (Kaliningrad) and Belarus has no cross-border focus area, and neither of the two interventions (both funds, amounting to €6.2 million) covers CBA. Similarly, Latvia, which also shares borders with Russia and Belarus, has no cross-border focus area, although one fund, LV0017 (€2.3 million) does cover CBA. Estonia has one cross-border focus area, which simply encompasses all other focus areas, but the fund, EE0007, which accounts for all €4.6 million of grants, is RP, rather than CBA.

³³ For the purposes of this report, "cross-border" refers to co-operation at EU's external border. This does not include co-operation with donor states, which is referred to as "partnership". In several MoUs, however, "cross-border" appears to refer also to partnership.

³⁴ This state that cross-border co-operation projects should generally facilitate closer contact between local and regional institutions, organisations and enterprises in border areas, and be designed to prepare them for future challenges (within the sectors covered by the financial mechanisms). http://www.eeagrants.org/asset/834/1/834_1.pdf

³⁵ Improvement of communication and cross-border co-operation between the inhabitants and authorities of Poland and with the EEA EFTA countries, the Baltic Sea region countries and Poland's eastern neighbours: Belarus, the Russian Federation (Kaliningrad region) and Ukraine.

The Hungarian MoU refers to the strengthening of *the principles of democracy, partnership and decentralization on EU external borders*. In practise, activities have included countries that are not Hungary's immediate neighbours, such as Moldova, countries in the Western Balkans, and Georgia and Azerbaijan.³⁶

Complementarity with EU funding

There is, understandably, considerable overlap with EU funding, although not necessarily duplication. The added value of EEA and Norway Grants is most evident in the area of local cross-border co-operation, and in clearly defined capacity building subject areas, such as public-private partnerships, waste management, etc. It is possible that EEA and Norway Grants will have an increasingly important role in supporting NGOs.

The Norwegian Ministry of Foreign Affairs notes that the EEA and Norway Grants should be used for purposes that are in line with EU priorities. It is therefore logical that the Grants overlap to a large extent with EU funding. The Ministry notes that, while funding areas not covered by the EU does enhance the visibility of the Grants, limiting the use of the Grants exclusively to such areas would run the risk of their being used to address only issues that are not high priorities for the EU.

Indeed, it would be difficult to avoid covering the same geographic and thematic areas as EU regional development funding, given the extensive range of priority axes covered, and the considerable volume of EU funding available.

It is, of course, vital to avoid duplication of activities. While activities funded by the EEA and Norway Grants are often similar to those funded by EU instruments, the evaluators did not find evidence of direct duplication.

It is clear that, in many cases, activities funded by EEA and Norway Grants are part of a series of actions that started several years ago with other funding instruments (e.g. EU pre-accession funds, Structural Funds, national funds, etc), and are expected to continue in the future. This is particularly evident in CBA projects and sub-projects, and those involving donor state partners, as stakeholder feedback indicates that in both cases, current co-operation is often a continuation of previous co-operation.

A number of sub-project promoters involved in CBA are also involved in the European Neighbourhood and Partnership Instrument (ENPI). However, CBA funds do appear to complement ENPI, rather than duplicating it. CBA funds provide small grants.³⁷ This enables smaller organisations to be actively involved in cross-border co-operation, and to address issues at a more local level. CBA tends to be more bilateral, whereas ENPI can involve several countries, including other EU member states. Thus CBA is a useful means of addressing specific issues between two neighbouring countries, such as the management of shared water resources, as in the case of sub-project HU0013/NA/14 "Water base protection objects in Hungarian - Ukrainian boundary". Another good example of complementarity is provided by the municipality of Nyíregyháza in Hungary, which notes that CBA is being used to prepare for a much larger ENPI project, by involving future ENPI partners from neighbouring EU countries, as well as from Ukraine in strategic planning activities funded by the EEA and Norway Grants.

It is understood that Structural Funds may, in future, focus less on grants and more on financial instruments, such as venture capital, guarantee funds, and micro-credit. There may be limited EU support for NGOs. Nevertheless, it is recognised in some beneficiary states that there is a continuing need to increase citizens' involvement in civil society. Continuing EEA and Norway Grants support in this area will therefore be important, in particular for the further development of NGOs.

Although substantial EU funding has been budgeted in beneficiary states for the social inclusion of vulnerable groups, in particular Roma, it is unclear how accessible this funding is, and to what extent it is being utilised. It is therefore possible that there is an important role for EEA and Norway Grants in this area, although this may already being fulfilled by other priority sectors (see the section on target group focus, below, for further details)

³⁶ Hungary is separated from Georgia and Azerbaijan by a distance of approximately 2,300km.

³⁷ Typically, ENPI provides grants in the region of €300,000.

Intervention objectives

A number of interventions have a clear thematic focus. However, in some cases, there is a lack of clarity in the purpose, and there is an emphasis on activities, rather than on specific, measurable outcomes. This is particularly the case for strategy development interventions.

RP interventions cover a wide range of themes, including:

- Policy development
- Regional development strategy elaboration;
- Development of regional promotional strategies;
- Regional and business development research/ model development;
- Spatial/ territorial planning and land use;
- Public private partnership development;
- Small and medium enterprise (SME) and entrepreneurship development;
- Cluster development;
- Good governance;
- Local government project development capacity;
- Electrical and electronic waste management;
- Renewable energy knowledge transfer;
- Ecological/ rural/ cultural tourism development;

Strategy development projects cover a broad range of activities often lacking coherence or a clear idea of what changes they are expected to bring about. For example, the purpose of PLO398 is to *map out a regional promotion development strategy and implement various activities promoting the Commune of Czaplínek on local, regional and transborder levels, with the overall objective of boosting the socioeconomic development in the region.* The main activities are:

- Preparation of a promotional strategy;
- Organisation of conferences; and
- Participation in fairs and exhibitions.

Similarly, SK0016 aims to develop and implement a strategic regional development approach and increase strategic capability on municipality and regional level, with the overall objective of supporting the political, economic and civil transformation process towards a prosperous and a positive development in the Kysuce region. Activities include:

- Development of a regional strategy;
- Training of public officials in strategic planning;
- Development of strategic documents at municipal and regional level;
- *Strengthening the capacities of the public administration in the area of strategic planning, financial management and performance based budgeting.*
- Establishment of partnerships between the public administration and stakeholders.

In contrast to these, fund LV0016 aims specifically to establish a number of public-private partnerships, and it is unique amongst RP funds in having such a specific aim.

Several RP projects aim to establish new centres of expertise or excellence, and they generally include construction or renovation works, possibly at the expense of developing real capacity.

Several RP projects involve, and in some case, revolve around multilateral international co-operation.

CBA projects cover, among other issues:

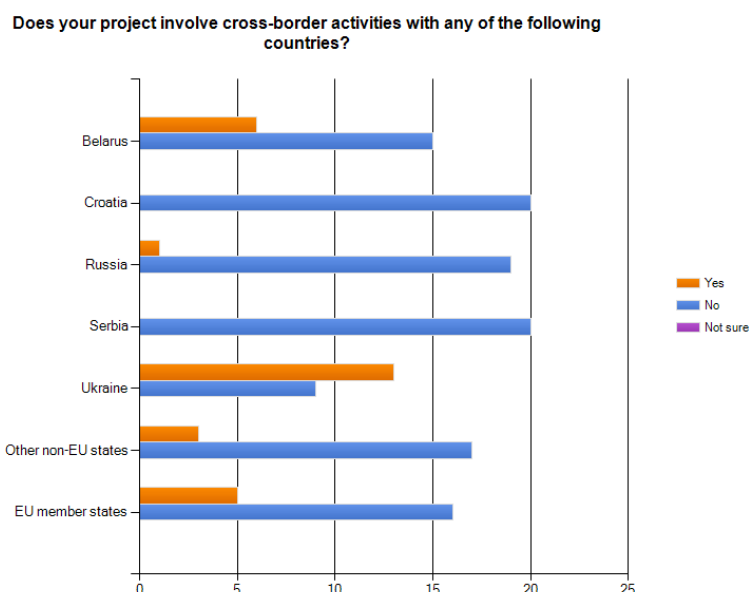
- SME development;
- NGO capacity development;
- Cross-border eco system management;
- Waste treatment;
- Eco tourism;

- Cultural tourism;
- Regional development knowledge transfer;
- International policy research

As with RP projects, the real objective of some CBA projects is unclear.

Although CBA funds lack thematic focus, the sample of sub-projects visited by the evaluators were found to be relevant to the donors' objective and the FMO's guidelines,³⁸ namely enhancement of cross-border dialogue at the local level at the EU's external border.

Responses from the survey of sub-project promoters suggests that cross-border co-operation has been mainly with Ukraine, and that there has been limited cross-border co-operation with Belarus and Russia. Of the 75 sub-project promoters who responded, 25 indicated that their project involves CBA with a non-EU member state. Of these, 13 indicated that they are co-operating with Ukrainian partners, six with partners from Belarus, and one with a Russian partner. Five indicated that they are co-operating with partners from EU member states. The following chart summarises the answers to the question "Does your project involve cross-border activities with any of the following countries?"



The Marshal's Office in the Lubelskie region of Poland considers that co-operation with Belarusian partners is increasingly developed and important. Feedback from Polish stakeholders indicates that partnership with Belarus is increasingly attractive to project and sub-project promoters, as Ukrainian partners have become more demanding.

Three CBA projects,³⁹ however, place limited emphasis on local cross-border dialogue, and deal more with issues at national level. Two projects target participants from countries that do not share borders with beneficiary state:

- While SK0056 is mainly implemented in the region of the Slovak-Ukrainian border, the emphasis appears to be on academic research related to national policy development, rather than on strengthening contacts between local actors, apart from academic and research bodies.

³⁸ The FMO's guidelines note that: "Cross-border co-operation projects should generally facilitate closer contact between local and regional institutions, organisations and enterprises **in border areas**, and be designed to prepare them for future challenges (within the sectors covered by the financial mechanisms)." The guidelines also note that: "Cross-border cooperation should **focus on countries outside the EEA, neighbouring the beneficiary state** promoting such cooperation. Priority should be given to projects with impact close to the border. In the case of competence building / training projects and projects implemented by NGOs, the geographical scope could be increased, although this would need to be justified." The guidelines were issued on 21 July 2006. Three CBA project applications were submitted to the FMO prior to this date: HU0003; PLO010; and PLO011.

³⁹ SK0105 Slovak-Ukraine Research and Educational Center - SUREC, HU0003 Cross-border training (Serbia, Ukraine) - Hungary, and HU0072 Budapest -Transferring the Experiences of Visegrad Cooperation to the Western Balkans and the GUAM Countries.

- HU0003 is intended to provide training to up to 400 participants from Serbia, Kosovo, Montenegro, Macedonia, Albania, Bosnia and Herzegovina, and Ukraine.⁴⁰
- HU0072 is intended to transfer the experience of Visegrad co-operation, not only to Ukraine, but also to Georgia, Azerbaijan, and Moldova.

There are no projects involving bilateral co-operation with Serbia or Croatia, both of which share borders with Hungary. As an EU candidate country, Croatia had an EU budget of approximately €40 million for cross-border co-operation for the years 2007-2009, and as a potential candidate country, Serbia had an EU cross-border co-operation budget of approximately €32 million for the same period. Thus, it is likely that cross border co-operation between Hungary and these two countries is already covered by EU funding.

Target group focus

With the exception of children and youth, there is little targeting of vulnerable groups. There is some evidence to suggest that this may in part be due to the availability of substantial EU funding, in particular focusing on the integration of Roma. A recent EC report suggests that some countries may be having difficulty absorbing this funding. Another reason for the lack of targeting of vulnerable groups in this priority sector may be that they are targeted by other EEA and Norway Grants priority sectors.

As mentioned above, there is only one project categorised as "Inclusion of Disadvantaged Groups", and this accounts for 1% of sector funding. Feedback from meetings with stakeholders, and from surveys, indicates that there has been limited focus on specific vulnerable target groups.

Up to 25% of responses to the sub-project promoters' survey confirm a focus on one or more vulnerable groups.

Sub-project promoter responses to the question "Does the project specifically address issues relating to any of the following groups?"				
	Yes	No	Not sure	Response Count
People over the age of 60	17.3% (13)	74.7% (56)	8.0% (6)	75
Children	24.0% (18)	73.3% (55)	2.7% (2)	75
Minorities	8.0% (6)	77.3% (58)	14.7% (11)	75
Women	20.0% (15)	68.0% (51)	12.0% (9)	75
People with disabilities	20.0% (15)	69.3% (52)	10.7% (8)	75
Families with low incomes	18.7% (14)	69.3% (52)	12.0% (9)	75
Other groups at risk of social or economic marginalisation	25.3% (19)	60.0% (45)	14.7% (11)	75

All six of the Polish project promoters that responded to the project promoter survey indicate that their projects do **not** focus on any of these groups. The seven project promoters that responded from other countries gave responses similar to those of the sub-project promoters.

There is no standard classification for sub-projects. The following is based on analysis of sub-project titles and short descriptions. Of the 411 sub-projects (for which details were provided) within this priority sector, only one⁴¹ refers to women or gender in their titles or short descriptions. Two specifically target the Roma community.⁴² Thirteen sub-projects in Estonia, Lithuania, and Poland address the needs of people with disabilities.⁴³ 45 sub-projects, with grants amounting to approximately

⁴⁰ It should be noted that the application for HU0003 was submitted to the FMO several months before the FMO's CBA guidelines were issued on 21 July 2006.

⁴¹ PLO220, sub-project IS1/09 Easier world for health woman.

⁴² (a) Fund SK0056, sub-project NPQA/2009/01/30 Integration of Roma in local community life, and (b) Fund HU0013, sub-project HU0013/NA/80 "Without Frontiers" preparation and broadcasting of joint radio programmes.

⁴³ Fund EE0007, sub-projects EU28598, Disabilities and special needs - training for the specialists of local government, EU30481, Provision of transportation for the disabled as a pilot project for common services offered by local governments in the Valga region, and EU30437, Creation of balanced development for young disabled people with low competitiveness; fund LT0009, sub-projects 2004-LT0009-TES-2NDR-02-044, Adaptation of eco tourism services and products of regional parks to the disabled people, 2004-LT0009-TES-2NDR-02-058, Promotion of the disabled people entrepreneurship competences in Lithuania and Norway, and 2004-LT0009-TES-2NDR-02-059, Promotion of the disabled people employment initiatives

€1.7 million, have addressed issues relating to children, youth, and families in Estonia (2 sub-projects), Hungary (8), Lithuania (18), Latvia (2), Poland (6), and Slovakia (3) (see Annex 13 for the list of sub-projects).

In the case of at least three funds, there appears to have been little, if any, prioritisation of issues affecting these target groups at the time of sub-project selection.

It is not clear if the lack of emphasis on these issues, other than children, is because they have been overlooked, or because they are already addressed in other priority sectors or by other instruments.

According to the European Commission,⁴⁴ in the 2007-2013 period, 12 member states target Roma, among other vulnerable groups, with European Social Fund (ESF) interventions with a total budget of €17.5 billion, of which ESF provides €13.3 billion. Activities for Roma are covered in 59 priority axes in 38 operational programmes. Eight of these states are beneficiary states in the EEA and Norway Grants RP and CBA priority sector.⁴⁵

The Commission notes that in Hungary and Romania, Roma are potential beneficiaries in more than 50% of the planned interventions for 2007-2013. Furthermore, the Czech Republic, Poland, Romania, Slovakia, and Spain have dedicated € 172 million for activities aimed solely at Roma. Almost 110,000 Roma already benefited from these interventions.

Interview feedback in Poland suggests that this, together with the reluctance of project and sub-project promoters to tackle such a sensitive issue, may indeed be the reason for the limited utilisation of EEA and Norway Grants RP and CBA grants to address Roma-related issues. According to feedback from some project promoters in Slovakia, addressing the needs of vulnerable groups, especially Roma, is a high priority.

Geographical focus

Survey feedback from NFPs suggests that there is less emphasis on vulnerable regions in the RP and CBA priority sector than in other priority sectors. This is to some extent substantiated by analysis of the NUTS information from the FMO's project database. This shows that while the majority of individual interventions target specific NUTS 2 or NUTS 3 regions, these are not necessarily always the most vulnerable (on the basis of GDP). In Poland, there is considerable geographical dispersion, and there is a lack of a clear relationship between regional funding, and vulnerability (e.g. GDP). Analysis of interventions in Estonia and Latvia implemented at NUTS 3 level suggests that the most vulnerable regions (on the basis of GDP) have not been prioritised. There is insufficient data to carry out this analysis for Lithuania. To some extent, the nature of CBA interventions helps to ensure that funding addresses the most vulnerable regions, as these are generally along the EU's external borders (e.g. SK0056 and HU0013). However, this does not necessarily hold true when CBA interventions are used to address co-operation with other EU members states (e.g. PLO220 and LV0017), or when the focus is more strategic (e.g. SK0105) or multi-lateral (e.g. HU0003 and HU0072). Furthermore, it is difficult to reconcile the focus of these latter CBA interventions with the donors' CBA objectives and the FMO's CBA guidelines.

Thirteen NFPs responded to the first question in the NFP survey: "To what extent have EEA and Norway Grants in the following priority sectors been allocated to specific vulnerable regions (e.g. regions with low GDP, regions with social inclusion issues, etc.)?"⁴⁶ The responses are summarised in the following chart (the horizontal axis shows the number of responses). This indicates that there is most emphasis on vulnerable regions in the cultural heritage, civil society, and sustainable development priority sectors. Only four NFPs indicated that there is a significant focus on vulnerable regions in the RP and CBA sector

in the state institutions and municipalities; fund PLO218, sub-project PPT/3/2009/W/42, Creativity is my life – developing the self-reliance through art, sport and education of the mentally disabled; and fund PLO220, sub-projects: FMG/11/54/09 International exchange of experience in working with intellectually disabled child and his parents; 110/09 FOR OUR TOMORROW – an international programme for exchanging experiences of organizations supporting the physically and mentally disabled people; FMG/1/20/08 Towards health through art and trans-border cooperation; 100/09 Motivation model of people with mental health need to undertake social and vocational activation – innovative instrument of work for social services workers; 160/09 Azimuth: FMG/1/17/08 Modern methods of kinesiotherapy.

⁴⁴ "The European Social Fund and Roma", 2010, http://ec.europa.eu/employment_social/esf/docs/esf_roma_en.pdf

⁴⁵ Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovenia, Slovakia, and Spain.

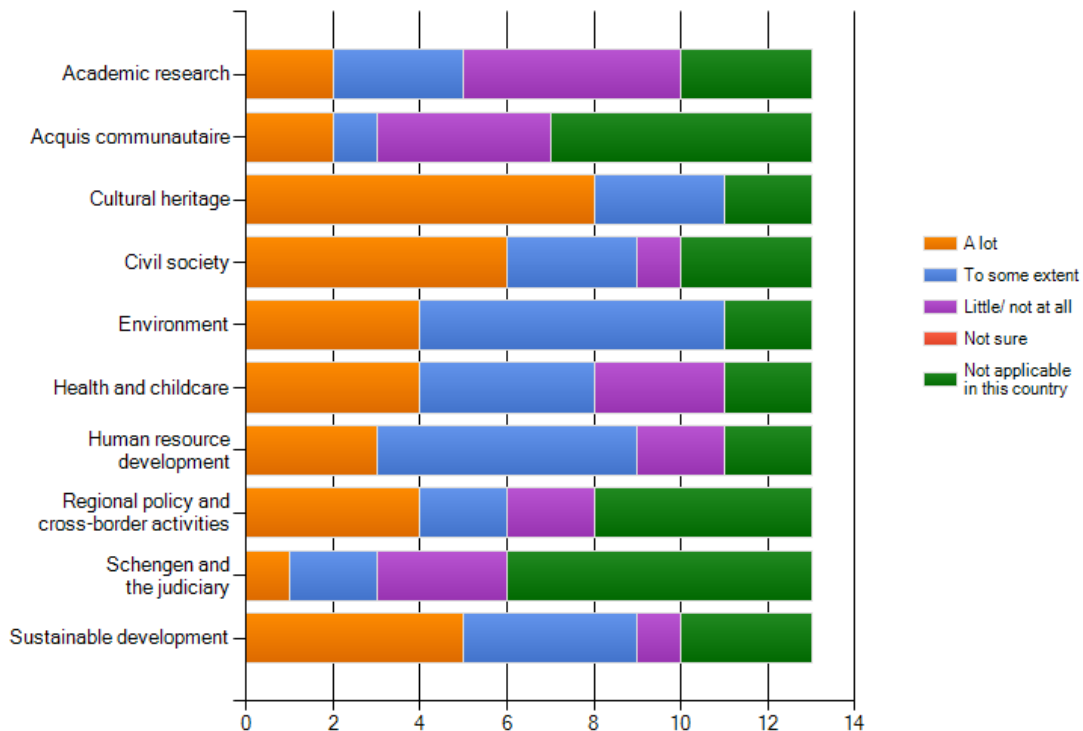
⁴⁶ The FMO requested that NFPs should be asked about all sectors, not only the Regional Policy and Cross-Border Activities priority sector.

(Latvia, Lithuania, Poland, and Slovakia), although this is not clearly reflected in the analysis of basic project data and regional GDP (see analysis below).

Five NFPs responded to this question that RP and CBA was not applicable in their countries, including three that have received funding in this sector, albeit limited funding (Bulgaria, Romania, and Spain).

The priority sectors with the least emphasis on vulnerable regions are academic research, Acquis communautaire, and Schengen and judiciary.

To what extent have EEA and Norway Grants in the following priority sectors been allocated to specific vulnerable regions (e.g. regions with low GDP, regions with social inclusion issues, etc.)?



Individual projects and funds concentrate mainly on individual NUTS 2 or NUTS 3 regions. Thus, at the level of the individual intervention, funding has been concentrated in specific areas, which should enhance impact:

- Interventions implemented at the NUTS 2 level account for 48% of the sector by number and 58% by value;⁴⁷ at the NUTS 3 level, the figures are 30% by number and 23% by the value of commitments;
- Eight of the 11 funds are implemented at NUTS 2 level and these account for 78% of fund commitments. One fund is implemented at NUTS 3 level (HU0013 Hungary-Ukraine cross border cooperation);
- 19 of the 45 projects are implemented at NUTS 2 level, accounting for 37% of project commitments. There are 16 NUTS 3 projects accounting for 38% of project commitments. Six of these are in Latvia, four in Slovakia, two in Poland, and one each in Spain, Hungary, Romania, and Slovenia.

Although eight NUTS 2 regions benefit from two or more interventions each, including interventions implemented at the NUTS 3 level,⁴⁸ many different regions are nevertheless benefiting from funding, especially in Poland. Thus, at the programme

⁴⁷ All interventions in Estonia, Latvia, and Lithuania are considered to be at NUTS 2 level or smaller. See Eurostat publication: Regions in the European Union Nomenclature of territorial units for statistics NUTS 2006 /EU-27

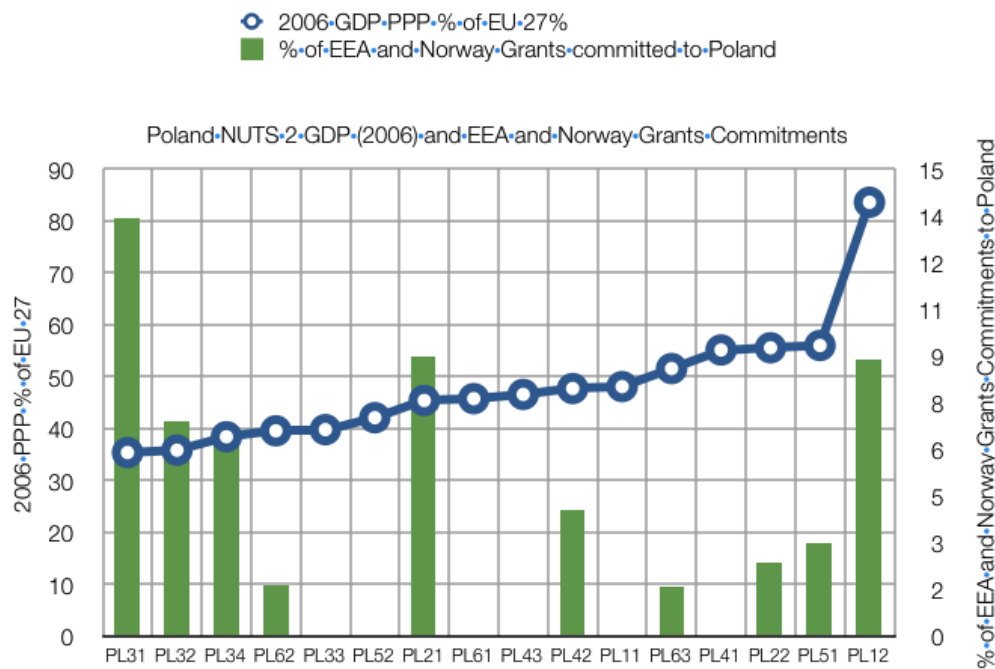
http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-RA-07-020

⁴⁸ Between them, they account for 40% of interventions by number and 48% by value of commitments.

(beneficiary state) level, there is less concentration on specific regions, which raises some doubts as to whether or not funding is in all cases targeting the most vulnerable regions in a systematic way. Further details are provided in the following text, tables, and charts.

NUTS 2 regions benefiting from two or more interventions				
	Count	% of total sector count	Committed €	% of total sector commitment
	28	50%	22,110,307	48%
BG31	2	4%	776,656	2%
LT	2	4%	6,150,150	13%
LV	9	16%	8,518,694	19%
PL12	2	4%	1,403,400	3%
PL21	3	5%	1,416,918	3%
PL31	5	9%	2,120,397	5%
PL32	3	5%	1,088,709	2%
PL42	2	4%	635,383	1%

The following chart plots GDP for Poland at NUTS 2 level in 2006 against EEA and Norway Grants commitments to Poland in the RP and CBA priority sector.⁴⁹ This chart does not take account of commitments at national or NUTS 1 levels that have been utilised in specific NUTS 2 regions.



PL31, PL32, PL34, and PL62 are on the EU's external border and have the four lowest GDP levels in Poland. Between them, they account for approximately 30% of funding in this priority sector to Poland. However, while they have similar GDPs, the level of funding differs significantly between them.⁵⁰

⁴⁹ GDP statistics are taken from the 2009 Eurostat Yearbook.

⁵⁰ In its comments on the draft of this report, the Polish National Focal Point notes that considering there was no geographical focus, the concentration of 30% of funds in the four poorest regions can be considered as high.

Several regions with higher levels of GDP have received funding, including PL12, which has by far the highest GDP of any NUTS 2 region in Poland, and is not on a border. It received the third highest level of grant funding of any Polish region.⁵¹

It is difficult to reconcile PLO220 (€2 million),⁵² a CBA fund, with the FMO's guidelines on CBA.⁵³ The project description notes that potential partner countries include *EEA and EFTA countries, Baltic Sea area countries and countries neighbouring Poland in the East*. It is evident from the title of one sub-projects that it involves partnerships with "old" EU members states, rather than non-EU member states. Moreover, the target location in Poland is more than 800km from the nearest of the two EU partner locations, and approximately 150km from the nearest land border (with Russia).⁵⁴ According to information provided in comments on the draft of this report, 54% of sub-projects involve partners from non-EU countries (mainly Russia, but also Ukraine and Belarus). This implies that 46% of sub-projects do not involve partners from non-EU member states.

In Slovakia, approximately 70% of EEA and Norway Grants funds in this priority sector are committed in the two regions with the lowest GDP of the four NUTS 2 regions. However, while these two regions have similar GDP levels, there is a significant difference between the levels of EEA and Norway Grants funding, as only one of these regions is at the EU's external border. 30% of funds are committed to interventions at national level.

Three of the four interventions implemented at NUTS 3 level in Slovakia are implemented in the three regions that had the lowest GDP in 2007. This suggests that these interventions are targeting the most vulnerable regions

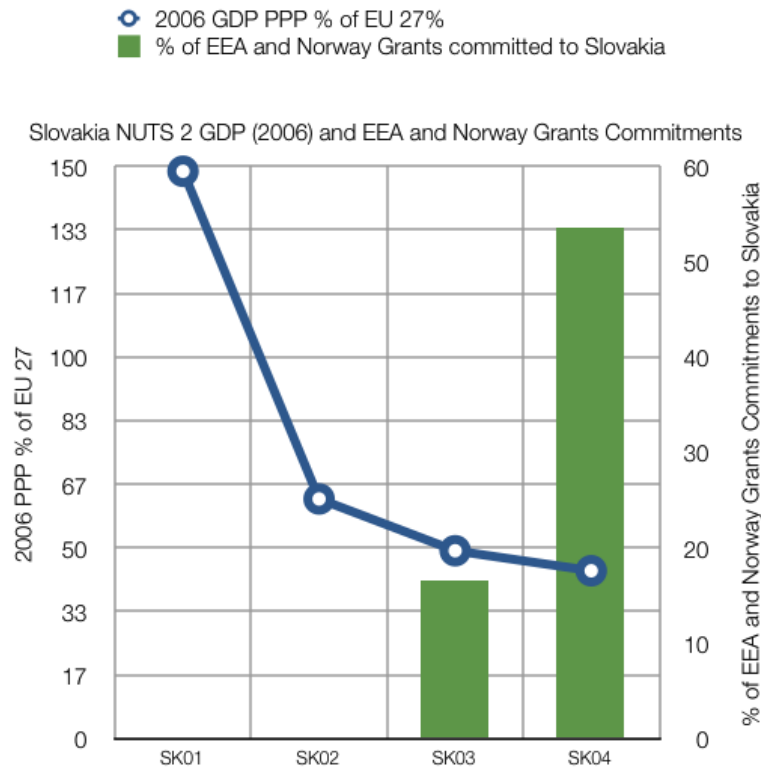
Slovakia 2007 NUTS 3 GDP, & Regional Policy and Cross-Border Activities interventions implemented at NUTS 3 level			
NUTS 3 region	2007 GDP €	Count	Grant €
SK041	5,600	1	555,499
SK032	7,500	1	480,185
SK042	8,300	1	295,565
SK023	8,500		
SK031	8,500	1	341,346
SK022	9,400		
SK021	12,300		
SK010	24,100		

⁵¹ The funding actually utilised in this region may have been less, as both projects covered more than one region.

⁵² PLO220 "Warmia-Mazury and Pomorskie - Cross-Border and Inter-regional Programme". This fund was not included in the list of interventions to be covered in-depth.

⁵³ The guidelines were issued on 21 July 2006. The application for PLO220 was submitted to the FMO in September 2007.

⁵⁴ It is worth noting that Poland participates in two EU-funded Baltic region funds, with total funding (for all countries) amounting to some €300 million.



In Hungary, the largest of the three interventions (HU0013 Hungary-Ukraine cross border cooperation, €2 million) is implemented in a single NUTS 3 region in the east of the country, which has had the second lowest GDP of Hungary's 20 NUTS 3 regions in 2007. This fund is therefore both concentrated, and well targeted in a particularly vulnerable area of the country.

HU003 Cross-border training (Serbia, Ukraine) – Hungary) focuses on the entire HU3 NUTS I region. This region includes the most vulnerable NUTS 3 regions in the country (from a perspective of GDP). However, only three of the nine NUTS 3 regions covered by the project actually share a border with a non-EU member state. It could be argued that limiting the project to these three NUTS 3 regions would have increased the impact adjacent to the relevant borders. In fact, despite its name, the project involves participants from six countries (Albania, Bosnia and Herzegovina, Macedonia, Serbia, Montenegro, and Ukraine), several of which do not share a border with Hungary. The logic behind the geographical focus of this project is unclear.

The third intervention, HU0072 'Budapest -Transferring the Experiences of Visegrad Cooperation to the Western Balkans and the GUAM Countries'⁵⁵, is, as its name suggests, implemented from Budapest, and involves participants from a number of countries. The relevance of this project to specific vulnerable regions in Hungary, and in neighbouring regions in Serbia and Ukraine, is unclear.

⁵⁵ GUAM Organization for Democracy and Economic Development is a regional organization of four post-Soviet states: Georgia, Ukraine, Azerbaijan, and Moldova.

Information from the operator of fund EE0007 "Estonia - Strengthening of local and regional development" (approximately €4.6 million grant), a national level intervention, and in fact the only intervention in Estonia in this priority sector, indicates that 48 of the funded sub-projects are implemented at NUTS 3 level. Information relating to grant amounts is not available. However, the number of projects supported in each NUTS 3 region suggests that the most vulnerable (on the basis of GDP) regions may have not been prioritised. For example, there are five projects in the region with the lowest GDP in 2007 (EE007), whereas there are 9 projects in the region with the highest GDP (EE004), which had a GDP approximately 2.5 times greater than that of EE007 in 2007.

Estonia 2007 NUTS 3 GDP, & Regional Policy and Cross-Border Activities and sub-projects of fund EE0007 implemented at NUTS 3 level		
	2007	Count
EE007	7,000	5
EE006	7,400	7
EE008	7,900	17
EE004	8,200	10
EE001	17,800	9
Total		48

Data from Latvia indicates a similar pattern there. There has been one intervention in LV005, the NUTS 3 region with the lowest GDP in 2007, accounting for just 10% of grants (by value) provided for NUTS 3 level interventions in Latvia. The region with the second highest GDP (LV003) had two interventions with funding accounting for approximately 30% (by value) of NUTS 3 level interventions.

Latvia 2007 NUTS 3 GDP, & Regional Policy and Cross-Border Activities interventions implemented at NUTS 3 level			
	2007	Count	Grants
LV005	5,000	1	431,428
LV008	5,900	1	1,274,835
LV009	5,900	2	1,011,329
LV007	6,900		
LV003	7,100	2	1,123,644
LV006	16,000		
Total		6	3,841,236

LV0017 "Latvia - Regional and Cross-Border Programme" is a CBA fund. Data from the fund operator again suggests a lack of prioritisation of the most vulnerable regions. Two grants amounting to €452,634 (17% of all awarded grants) were awarded for sub-projects in LV005. This region had the lowest GDP in 2007, and shares borders with Russia and Belarus. The remaining 83% of grants were awarded to eight sub-projects in other regions with higher GDPs, for co-operation with EU member state partners. This also raises questions as to what extent this fund has followed the FMO's CBA guidelines.

Latvia 2007 NUTS 3 GDP, & Regional Policy and Cross-Border Activities and sub-projects of fund LV0017 implemented at NUTS 3 level			
	2007	Count	Grants
LV005	5,000	2	452,634
LV008	5,900	3	1,173,096
LV009	5,900	4	716,853
LV007	6,900		
LV003	7,100	1	255,503
LV006	16,000		
Total		10	2,598,086

It is not possible to carry out a similar analysis for Lithuania, as for all sub-projects of the two funds, the NUTS code is given as LT00, which refers to the entire country.

EEA and Norway Grants funding in Bulgaria (two projects), Romania (one project), and Slovenia (one project) is in each case committed to the regions with the lowest GDP. However, the €1,276,419 committed in Spain is allocated to a single project in a region with a GDP only slightly below the EU average (the eighth lowest the of the 19 Spanish NUTS 2 regions).

Interventions at national level, while developing important tools for regional development, may be of limited immediate benefit to more vulnerable regions.

Twelve interventions (including two Polish funds), accounting for 19% of sector funding, are implemented at NUTS 1 and NUTS 0 levels. The two Polish funds relate to CBA, which, to some extent, narrows the geographical focus.

PL0040 Poland - local government capacity building (approximately €2.9 million), and SK0084 National - Competitive Regions 21 (approximately €0.3 million) are both implemented at national level. With the support of a Norwegian partner, PL0040 has developed tools for local and regional government units for continuous self-development. These include a statistical benchmarking system, bench-learning groups, best-practise awards, and participative training designed to help participants address real issues that they and their institutions are facing.

Development of these tools has sensibly been undertaken at the national level and they are available to all local and regional government units. However, according to the project promoter, uptake is highest in large urban areas, and higher in the west of the country than in the east. Local government units in more vulnerable parts of the country may have insufficient resources (mainly staff time) to make full use of these new tools. There may be some doubt, therefore, as to whether or not this project is a good fit with regional policy objectives of the EEA and Norway Grants.⁵⁶ It could be argued that the project should have placed more emphasis on involving local government units in more vulnerable regions. However, this may have made it less attractive to larger local government units, and those in more developed areas, as tools seen as targeting mainly local government units in more vulnerable regions might have been viewed as being of limited relevance to others. This in turn might have undermined impact as these local government units tend to be responsible for larger budgets.

SK0084 is developing a complex model, based on extensive research and consultations, to identify barriers to business in all regions of Slovakia. The aim is to help local government units to develop strategies to eliminate these barriers. The model will also enable investors to analyse, in considerable detail, the business environment in different localities. As with PL0040, this

⁵⁶ As mentioned elsewhere, this project is actually funded with a Human Resource Development grant, but has been included by the FMO in this review of the Regional Policy and Cross-Border Activities priority sector.

tool does not focus on any specific region, and while it should be of significant benefit to the most vulnerable regions, it is impossible to predict to what extent, and how quickly, key stakeholders in such regions will make use of the research findings.

Efficiency

As of early June 2010, approximately 59% of committed funds remain to be disbursed by the FMO. There is likely to be a disbursement shortfall in Latvia. While most funds have recommitted their entire allocations, one in Poland reports that it has utilised 63% its grant, and commitment rates are not known for three other funds (in Poland and Estonia) accounting for approximately €7.5 million.

For reasons that are well documented elsewhere,⁵⁷ overall operationalisation of the mechanisms was relatively slow, leaving much to be accomplished during the latter part of the current round of funding.

Funds remaining to be disbursed by the FMO as of mid-June 2008			
	Committed €	Remaining to be disbursed €	% remaining to be disbursed
	45,659,260	26,827,403	59%
BG	776,656	761,123	98%
EE	4,580,188	523,371	11%
ES	1,276,419	1,276,419	100%
HU	2,849,601	703,440	25%
LT	6,150,150	5,091,396	83%
LV	8,518,694	5,528,728	65%
PL	15,792,144	8,560,769	54%
RO	255,003	229,503	90%
SK	4,963,041	3,983,152	80%
SI	497,364	169,502	34%

It is worth noting, however, that while the FMO's involvement in the approval process is considered to have duplicated, to some extent, the role of the national authorities in beneficiary states, three Polish project promoters found the detailed appraisal reports to be most helpful. These reports are produced by independent consultants, under contract to the FMO, to provide a basis for the FMO to evaluate applications..

In Latvia, there is expected to be a shortfall in disbursement, largely due to the economic crisis and administrative reforms.

- Fund LV0016 National - Promotion of Development of Public and Private Partnership (€1.8 million), is now expected to develop only some of the envisaged partnerships, in part due to restrictions placed by the International Monetary Fund on public expenditure.
- LV0059 Vidzeme - Innovation through partnership (€1.3 million) has been delayed by administrative reforms and changed priorities due to the economic crisis.
- LV0078 Kurzeme - Establishment of Centre for Spatial and Regional Development (€0.735 million): construction works accounting for 70% of funding have not yet commenced.

According to information provided by the fund operator, PL0218 'Poland - Cross-border Partnership Program' only 63% of the funds committed to the operator have been recommitted. Commitment rates for EE0007 (€4.6 million) are not known. There has been no commitment under PL0416 (€1 million) as this has not yet been launched.

Although some concerns have been expressed by the FMO regarding administrative procedures, overall feedback indicates that they are demanding but manageable, and they are similar to, or easier than, procedures for comparable EU instruments.

In Slovakia, there has been some criticism, by the operator of fund SK0056 'Slovakia - Regional and Cross-Border Block Grant', of the amount of supporting documents required by the NFP.⁵⁸ However, the NFP notes that it is responding to national requirements. The three interviewed sub-project promoters of this fund informed the evaluators that they did not find the

⁵⁷ See, for example, Mid-term Evaluation of the EEA Grants, Norad, August 2008 at <http://www.eaagrants.org/asset/1047/1/Mid-term+evaluation.pdf>

⁵⁸ One project promoter in Latvia commented about the number of supporting documents required by the Latvian NFP.

administrative procedures excessively cumbersome. The fund operator has, however, found the requirements burdensome. It is possible that requirements have increased during the course of implementation and that the operator has struggled to meet them with a limited staff. The operator considers that, in view of these increasing requirements, that 10% is no longer sufficient to cover the fund's management costs, and it is unlikely to apply to manage funds in future.

There has been criticism of the NFP regarding disbursement delays by more than one stakeholder in Slovakia, and this has caused problems.

Feedback from meetings in Poland and Hungary indicate that administrative procedures are manageable. However, survey responses do highlight some problems in the area of CBA: approximately five (22%) out of 23 sub-project promoter respondents found monitoring and/ or accounting procedures for cross-border expenditures to be highly problematic, and six found them to be moderately problematic; three Polish project promoters also highlighted this to be a problem. It is understood that problems arise due to differences in accounting procedures and documentation in neighbouring countries, rather than to excessive administrative requirements on the part of NFPs and/ or fund operators.

Sub-project promoter survey question 21: "Did you experience any of the following problems when procuring goods and services in the neighbouring country (non-EU)?"					
	Big problem	Moderate problem	Small/ no problem	Not sure	Response Count
Required goods and services are not available in neighbouring (non-EU) partner countries	13.0% (3)	21.7% (5)	47.8% (11)	17.4% (4)	23
Accounting/ monitoring requirements are difficult to fulfill with respect to goods and services procured in neighbouring (non-EU) partner countries	21.7% (5)	26.1% (6)	26.1% (6)	26.1% (6)	23
We are not allowed to leave project equipment with our cross border partners at the end of the project	4.3% (1)	17.4% (4)	52.2% (12)	26.1% (6)	23
Other issue	4.3% (1)	0.0% (0)	34.8% (8)	60.9% (14)	23

The FMO expressed concern that administrative procedures may be discouraging the implementation of activities in CBA partner countries. However, only four out of 23 respondents indicated that there will be no cross-border expenditure, while nine indicated that it will be up to 10% of the project budget, seven between 10% and 40%, and two over 40%. This does not appear to have been an issue for any of the sub-project promoters met in Hungary and Slovakia.

There is a lack of transparency in fund management.

The evaluators encountered a number of problems regarding sub-project data:

- Basic sub-project information was not readily available and in several cases was provided only after several approaches to the fund operator. In one case the information was provided too late to arrange site visits;
- Sub-project promoter names have not been consistently recorded so that it is not always clear where a single promoter has received more than one grant;
- For one fund, two different data sets were provided. In one case the grants were given in local currency, while in the other in euro. For another fund, no grant amounts were indicated. In the case of PLO220 'Warmia-Mazury and Pomorskie - Cross-Border and Inter-regional Programme', basic data had to be extracted from multiple documents;
- There is apparently no common system for categorising sub-projects, as there is for large projects;
- In the case of PLO403, the operator provided only one on-site sub-project monitoring report, although it was reported that 10 sub-projects had been monitored.

Effectiveness and impact

Outcome assessment at national and fund level are weak.

Outcome assessment is complicated by the lack of clear, specific sectoral objectives, and the absence of sectoral outcome indicators.

It is further complicated by the lack of clear project objectives and the largely unsuitable outcome indicators, which emphasise outputs and activities. It is, of course, important to measure these, but ultimately, the effect on the target groups, sectors, and regions is what justifies the expenditure of public funds. It is unlikely that the impact of a single intervention on GDP, for example, can be identified with certainty, and during the project lifetime. However, it should be possible to assess the effect of an intervention on the behaviour or performance of target groups, sectors, and regions, in a narrowly defined thematic area, which is ultimately expected to contribute to increased GDP.

Even where objectives are relatively clear, such as increasing tourist numbers at specific locations and at specific times of year, it is unclear to what extent outcomes are actually assessed at project or national level. PLO224 "Elk, Goldap, Olecko sub-regions - Ecotourism promotion" aims to increase and diversify tourism in the region. The lack of adequate tourism statistics means that it is not known what effect the project has had, and there is no baseline from which to measure changes.

A comprehensive and logical monitoring system has been developed for PLO440 Poland - local government capacity building.⁵⁹ Although this is a well organised system, it focuses primarily on activities and outputs, and provides limited insight into the primary objective of the project, namely increased efficiency in the utilisation of public funds by local and regional government units.

The project implementation reports required by the FMD only track activity and output indicators. They do not cover outcome indicators, and this may contribute to the overall lack of focus on effectiveness and impact amongst NFPs, fund operators, and project promoters. However, the FMD notes project completion reports do report on outcome indicators.

The Polish NFP noted that it is impossible to assess the utility of interventions until years after completion (by which time there is little interest in, or memory of the intervention). This suggests a lack of understanding of what variables to track, when and how to track them, and how they relate to objectives and impact. It may well be the case that impact can not be assessed for some time, but it should be possible to assess the outcome (effectiveness) of project activities on the direct target group during project implementation, or shortly thereafter. For example, a project intended to improve environmental protection might seek to do this through raising public awareness on specific issues. It may be difficult to assess the impact of this project in the short term, but it should be possible to assess changes in the awareness and behaviour of the target group with respect to the identified issues.

A more rigorous implementation of these concepts at the strategic level would significantly enhance the clarity of sectoral objectives, and the coherence amongst projects within the sector. In particular, there is a need for clearer identification and separation of longer term objectives, expected short and medium term outcomes, and the activities intended to bring these about.

As mentioned above, the Slovakian NFP noted that EEA and Norway Grants RP and CBA funding is too small to have any visible impact.

Several of the RP interventions visited by the evaluators are likely to have a positive impact on regional development, in some case significant. However supporting statistics are largely unavailable. For example:

LV0016 'National - Promotion of Development of Public and Private Partnership' provides funding for feasibility studies. This fund has made a significant contribution to the introduction and understanding of this instrument in Latvia. However, the Latvian approach to public private partnership does not extend to the funding of public infrastructure by the private sector. Rather, the envisaged partnerships can generally be best described as concessions for private sector organisations to

⁵⁹ In establishing the monitoring system, the project promoter not only identified numerous indicators, but also identified how the data would be collected, by whom, how often, and what infrastructure needed to be put in place to operationalise the entire system.

operate public infrastructure. Latvia's capacity to fund new public infrastructure is currently highly constrained. As a result, few of the envisaged partnerships are likely to materialise, as they do not cover funding for development or construction.

Although not focussing on any specific region, PLO040 'Poland - local government capacity building' and SK0084 'National - Competitive Regions 2I' both address clearly defined subjects and both are likely to contribute, in the longer term, to enhancements in the way that local and regional authorities plan and manage public funds. However, the results of the research carried out under SK0084 have not yet been published and the reaction of the target group can not yet be assessed. Although a comprehensive monitoring system has been implemented for PLO040, it provides limited information regarding the impact of the key tools and activities on the target group.

LV0078 "Kurzeme - Establishment of Centre for Spatial and Regional Development" has developed important spacial planning tools that are likely to contribute to regional development planning in the future.

PLO224 'Elk, Goldap, Oleko sub-regions - Ecotourism promotion' is classified as an RP project, although it involves CBA with Russia and Ukraine. There have been 80,000 visits to the eco-tourism web portal developed by the project, but statistics are not available regarding the project's impact on the number of tourists, or their distribution by location and month of visit. The immediate CBA effect of the project is likely to have been limited, as it involved a small number of young people, and much of the activity took place in Poland. Nevertheless, it is reported that, as a result of the project, strong links have been established between participants from Poland and partner countries.

Similarly, statistics are not available regarding the impact of PLO415 'Malopolskie - Promotion of cultural products from the Tatras' on cultural products, although all activities are reported to have been successfully implemented.

PLO228 'Nowy Sacz - cross-border eco-tourism partnership' has reportedly led to a number of changes in the performance of the target group, including improved co-operation amongst key actors, changes in agri-tourism offers, and increased occupancy rate, including in winter. The last point is particularly significant, as it is objectively verifiable.⁶⁰

PLO108 'Carpathians - Natura 2000 Protection and Education Initiative' has delivered numerous activities involving many people, and it is reported to have significantly increased awareness of, and changed attitudes to Natura 2000. This may well be the case, but it is not clear if these changes have been objectively verified and quantified.

Given the general lack of clarity in the objectives of some RP projects, and the broad range of activities, there must be some doubt as to whether or not the effects and impact can ever be assessed with any certainty.

A number of strategy development projects in several beneficiary states aim to stimulate investment, or at least include actions towards this aim. The potential effect of these activities must be somewhat doubtful. In Slovakia, the research carried out by SK0084 highlights a number of constraints to business in different regions. The biggest constraint is the lack of transport infrastructure. Other constraints include the lack of a skilled workforce in certain areas.⁶¹ Similar constraints apply in other countries. These issues are likely to deter investors, and they can not be solved by promotional activities.

Several projects involve the construction or renovation of buildings. Three of these relate to the establishment of business incubators. There have been some significant delays, and there is an increasing risk that works may not, in all cases, be completed by project implementation deadlines. Given the availability of significant EU funding in most beneficiary states for business development, there must be some doubt as to the real need for these facilities, especially in the current economic climate..

⁶⁰ The evaluators did not have the opportunity to verify the statistics.

⁶¹ Interventions in this priority sector do not link quality of life and surroundings to economic development. However, this could be an important factor in maintaining a skilled workforce in vulnerable regions, if there is significant migration to the main economic centres.

CBA funds implemented at NUTS 2 level are contributing significantly to local cross-border dialogue, especially with Ukraine. However, the impact of projects implemented at national or NUTS 1 level is less clear. While the contracting of larger grants involves a lower administrative overhead, the evidence from the present review suggests that the results of smaller projects may offer better value for money, and better results, in terms of enhanced cross-border dialogue.

CBA funds are contributing significantly to local cross-border dialogue at the EU's external border, although feedback suggests that there is limited CBA with Russia and Belarus. However, the evaluators did not have access to sub-project details of one Polish fund covering the north east of the country and this is therefore not covered by the survey of sub-project promoters.

Sub-project survey responses indicate that, of four possible choices given in the questionnaire, the most common CBA outcome is agreement on concrete actions for future co-operation on specific issues affecting both sides of the EU external border. 17 out of 21 respondents selected this option. Just over half of the 21 respondents indicated that their sub-projects are solving specific problems affecting both sides of both sides of the border. Fourteen indicated the projects have improved trust between local groups on both sides of the border. Increased economic activity between communities on both sides of the EU external border was given as an outcome by a small number of respondents.

Sub-project promoter responses to the questions: What has been/ will be achieved by cross-border activities with partners in neighbouring non-EU states?		
(20 responses received to this question in total)	Response Percent	Response Count
Solved a specific problem affecting both sides of the EU external border	52%	11
Improved trust between local groups on both sides of the EU external border	67%	14
Agreed concrete actions for future co-operation on specific issues affecting groups on both sides of the EU external border	81%	17
Increased economic activity between communities on both sides of the EU external border	19%	4

Similar responses were provided by the five project promoters that answered this question.

Two sub-projects in Slovakia, 'Via Reggia' and 'KINCS - cultural identity as tool for cross border cooperation', with a combined grant allocation of approximately €150,000, have between them directly involved some 800 young people in Ukraine and Slovakia in the regions immediately adjacent to the border. A significant part of the activities have taken place in Ukraine. An additional impact of the latter project is that EEA and Norway Grants funding for the East Slovak Gallery (the project promoter) prompted the government to provide the gallery with additional funding that has enabled it to upgrade its security and climate control equipment. As a result, partner galleries in other countries are now more willing to lend their works of art to the East Slovak Gallery.

SK0105 'Slovak-Ukraine Research and Educational Center – SUREC' (grant approximately €400,000) is reported to have had some strategic impact, which has contributed to positive developments at the local level, such as improved border crossing procedures. However, although there is close co-operation between academic institutions on both sides of the Slovak-Ukrainian border, the project focuses largely on international policy research.

HU0072 'Budapest -Transferring the Experiences of Visegrad Cooperation to the Western Balkans and the GUAM Countries' (grant approximately €400,000) is even more strategic, as it focuses on co-operation with an international organisation comprising not only Ukraine, but also Azerbaijan, Georgia, and Moldova. It is hard to see what impact this will have in the near future on local cross-border dialogue at the EU's external border.

Sustainability

Stakeholder feedback suggests that there is good continuity for projects involving donor state and/ or cross-border partners. The sustainability of some capacity building/ strategy development projects is somewhat doubtful. In these cases, sustainability would be enhanced by clearer identification and understanding, during the planning phase, of problems to be addressed and expected outcomes.

As mentioned above, there is considerable continuity between many current projects and sub-projects and previous actions. Stakeholder feedback suggests that there often already plans in place for follow-up actions with donor state partners and cross-border partners.

The sustainability of some larger projects is less obvious, in particular those aiming to establish new centres of excellence, research, innovation, etc. These are inherently risky because:

- They involve large indivisible investments (e.g. for the construction of new buildings);
- They are sensitive to changes in the structure and priorities of regional and local administrations;
- They are vulnerable to changes in economic conditions;
- They require significant annual operational funding;
- The concepts are unproven and it is not always evident that they are based on a sufficiently rigorous analysis of target groups, their needs, and the likely uptake of the envisaged services.

Also of some concern, are a number of capacity building/ strategy development projects. The sustainability of these may be constrained because objectives lack clarity, activities lack coherence, and in some cases may not be the most appropriate activities to solve local or regional problems, as in the case of investment promotion. These projects also focus on the individual rather than the institutional level.

The longer-term sustainability of some outputs is unclear. In part, this is because project promoters are not permitted to derive income from them:

- One output of PLO224 is an attractive 100 page, hard cover book promoting the EGO⁶² region in Polish, English, German, and Russian. Although the book is distributed by the project promoter during events of different kinds, it is not publicly available as it can not be sold. The same project also produced maps of ecological trails but stocks of these in at least one local tourist information office had been exhausted long before the evaluators visited the project promoter in July 2010 and had not been replenished. The project portal⁶³ does, however, include an extensive, changing photo gallery (although with limited descriptive text), and similarly extensive list of walks (with descriptions available in Polish). It could be argued that these two tools provide the necessary sustainability, and that the book is therefore not so important.
- PLO217 'Carpathian Region - Cross-Border SME Centre' has developed a complex portal addressing the needs of SMEs in the Carpathian region. The project promoter, an NGO, has had to decline offers to lease the portal, or to link it other portals that would generate income. The project promoter is unable to maintain the portal from its own resources, and is therefore having to seek other funding to maintain the portal.
- Although these are the only examples that the evaluators are aware of, it is likely that others exist. It may be worth considering adjustment of the rules to permit income in certain cases, provided that it is used exclusively to maintain or renew project outputs.

Some of the outputs of PLO440 may not be fully sustained, because project funding has enabled the project to collect statistics for its benchmarking tool, which are not otherwise available. It is also unclear to what extent the benchmarking group activities will be maintained; the Norwegian project partners notes that even in Norway, the sustainability of these groups can not be assured. Nevertheless, overall sustainability is likely to be good as feedback indicates that participants find project outputs useful, and the project promoter is a consortium of three national local government associations.

⁶² Elk, Góldap, Olecko.

⁶³ <http://www.egoturystyka.pl/portal.php?lang=en>

Partnership

Partnership in this priority sector is relatively widespread. To a large extent, these are a continuation of existing partnerships. Those involved in beneficiary states consider that is worth the effort and cost involved. There is scope for increasing partnership, particularly in the area of CBA, but the supply of potential donor state partners may not be sufficient to meet demand.

Estonia, Latvia, Lithuania, and Slovenia identify partnership with Norway as priority in their MoUs. According to the FMO's database, 34% of interventions (19) accounting for 27% of sector funds have Norwegian partners. However, according to the FMO's database, at the level of individual projects (i.e. not including sub-projects) partnership is limited to four beneficiary states: Poland, Latvia, Slovakia, and Bulgaria.

NFPs in Slovakia and Poland, consider partnership to be useful in specific areas where donor states have recognised experience and expertise, but they do not prioritise partnership with donor states in itself. Nevertheless, projects in Poland were prioritised during the selection process if they involved partnership, as were projects in Hungary.

25 out of 66 sub-project promoter survey responses indicate their sub-project is implemented in partnership with a donor state organisation,⁶⁴ although it is not known how substantive this partnership is.⁶⁵ Almost all consider that partnership has been worth the effort and cost involved, and they plan to continue the partnership. To a large extent, current partnerships are a continuation of already established partnerships.

The small number of project promoters responding to relevant survey questions gave similarly positive responses.

Only three CBA interventions accounting for €0.944 million involve partnership with a donor state. Given Norway's experience of cross-border co-operation with Russia, it is possible that there is scope for increased partnership between Norwegian institutions and beneficiary state CBA fund operators and project promoters.

Survey feedback indicates that project promoters and sub-project promoters were generally encouraged to engage in partnership and were supported in locating donor state partners by various bodies, including NFPs, fund operators, donor state embassies, and other organisations. However, the operator of fund PLO403 did not promote partnership with donor state organisations, as it was considered that such partnerships would not add significant value.

The majority of sub-project promoter survey respondents that do not have donor state partners would be interested in partnership in the future (43 out of 46 respondents). However, for many projects and sub-projects that do not have donor state partners, the reason given is that partnership is not relevant to the project or sub-project. Nevertheless, it is likely that there is scope for useful partnership in some of these cases. For example, the model produced by SK0084 appears to be comprehensive and very well prepared. Nevertheless, partnership with a donor state organisation might have been useful for validation (and thus international recognition) and visibility.

Ten sub-project promoters indicated they were interested in partnership but either:

- Looked for a partner but could not locate one (4); or
- Did not look for a partner as they did not think they would be able to find one (2); or
- Did not look for a partner because setting up a partnership is too costly and/ or time consuming (4).

Three out of the six NFPs that responded to question 10 of the NFP survey indicated that there is scope for significantly more partnership with donor state organisations, while two were unsure, and one disagreed with this statement. Five of the six respondents agree that donor state partners can add a lot of value to most types of project, and four agreed that this applies to cross border projects with non-EU countries. Five agreed that partnership at the project level helps to strengthen ties with donor states at the national level.

⁶⁴ None of the sub-projects covered by PLO403 involve partnership with a donor state organisation.

⁶⁵ However, none of the funds involve any partnership in their operation.

It is possible that the supply of potential partner organisations is smaller than the demand for partners. The Norwegian Embassy in Slovakia has helped Slovakian organisations to locate partners in Norway, and it notes that despite its efforts, it was unable, in a number of cases to locate suitable partners. Supply may be constrained by several factors:

- The size of the donor states compared to the beneficiary states and the number of projects funded by the mechanisms in this and other sectors;
- Significant effort and cost are involved in establishing new partnerships for larger projects, and donor state organisations are understandably reluctant to partner with organisations that approach them with proposals lacking clear objectives. The Norwegian Association of Local and Regional Authorities received many requests for partnership but that it declined most of them for this reason, or because they felt the beneficiary state organisation lacked the capacity to contribute to the partnership in a meaningful way.
- The amount of funding that can be allocated to donor state partners differs between beneficiary states. In several countries, this is limited by public procurement thresholds, which vary from country to country. Of the six NFPs that responded to question 6 of the NFP survey,⁶⁶ five indicated that there is no limit on the allocation to the donor state partner, although it must be proportionate to the value added by the partner. One NFP responded "Not sure", while none indicated that it is determined by public procurement law. The NFP in Hungary informed the evaluators that the expertise of the partner, and the cost involved in delivering that expertise, are considered to be integral to the project,⁶⁷ and are thus not subject to public procurement thresholds (procurement of all equipment, supplies, works, etc., are, however, subject to these rules). This naturally makes it more attractive for donor states organisations to enter into partnerships in Hungary, than in Latvia, for example. An example of this is provided by the experience of the Norwegian Institute for Urban and Regional Development.

In late 2004, the Institute entered into discussions regarding a partnership in the framework of LV0054 "Promoting research potential for regional development in Latvia". A number of meetings and seminars were held to develop the project proposal. The Institute provided significant input into its development, and the application identified the Institute as a key actor in the project.

The Latvian authorities concluded that the level of funds allocated to the Institute in the proposal meant that the work should be tendered, rather than being assigned directly to the Institute. It was also concluded that since the Institute had participated in the development of the proposal it was not eligible to submit an offer. After this, the Institute had no further involvement in the project. In other words, without the partner, the character of the project would be significantly changed, or the project would not be feasible. Although it did receive a small seed money grant from the Research Council of Norway, this did not cover the time and money put into the development of the project by the Institute.

The Institute, which has considerable international experience in different parts of the world, has been involved in projects in other beneficiary states. However, it has concluded that, overall, the benefits of partnership do not outweigh the time and cost involved. It is therefore reluctant to participate in future partnerships unless it can be guaranteed a higher percentage of project funds.

⁶⁶ Question 6 of the NFP survey: "For each project, Is there a limit to the amount of grant that can be allocated to project partners from donor states?"

⁶⁷ In other words, without the partner, the character of the project would be significantly changed, or the project would not be feasible.

Examples of good practice

A comprehensive monitoring system was developed for PLOO40 'Local government capacity building'. Careful consideration was given at the start of the project to the information that was needed, who would be responsible for collecting it, and what systems needed to be put in place. Although the monitoring system focuses primarily on activities and outputs (rather than outcomes), it nevertheless provides a good example of how a monitoring should be developed.

In Latvia, there was a clear focus on the development of public private partnerships. One fund was established specifically to support public private partnership feasibility studies. Although the approach to public private partnerships was not ideal,⁶⁸ the emphasis on a specific, clearly identified issue is good practice.

SK0084 'Competitive regions 21' carried out an extensive and systematic survey amongst businesses in all regions of Slovakia to identify obstacles to doing business. The results are presented on the project promoter's website. The model allows users to rank a large number of criteria and results are adjusted accordingly.

In Hungary, the municipality of Nyíregyháza is using CBA funding to help prepare for a much larger ENPI project, demonstrating good complementarity with EU funding.

The Upper Tisza Region Environmental and Water Directorate in Nyíregyháza has used CBA funding to carry out an assessment of the sustainability of water resources shared with Ukraine. The project assessed water extraction rates on the Ukrainian side of the border, complementing an assessment that had already been undertaken on the Hungarian side. In addition to confirming the sustainability of shared water resources, the project provided the project promoter with an entry point to address other cross-border issues, such as contaminated floodwater.

The 'Via Reggia' sub-project in Slovakia (grant €99,000) (FEMAN Slovak-European Cultural Association) is one phase of a longer-term project. It uses history and wine to enhance dialogue between regions adjacent to the border in Slovakia and Ukraine, by linking vineyards in Slovakia and Ukraine that were historically part of the same Church estate.

- The project has two partner organisations in Ukraine;
- The project promoter hired approximately 10 people that were provided by the local unemployment office to help renovate a historic building in Spišská Kapitula.⁶⁹ The project continues to employ several people from the local Roma community;
- 250 young people have come from Ukraine to Slovakia to learn about wine and viticulture (the project helped the participants to obtain visas);
- The project is helping owners of recently restituted vineyards in Ukraine to establish themselves in the market.

'KINGS - cultural identity as tool for cross border cooperation' (grant €52,000) (East Slovak Art Gallery) is promoting cross-border dialogue by introducing the art of Andy Warhol to school children on both sides of the Slovakian-Ukrainian border. In particular, the project examines the relationship between the artist and his mother.⁷⁰

- The project developed new, more imaginative teaching materials and tools for partner schools in Ukraine;
- The project includes an art competition involving some 300 children in each country (600 in total). 20 winners from each country will visit schools and participate in workshops in the other country.

⁶⁸ The Latvian approach to public private partnerships is intended to contract out to the private sector, the operation of public infrastructure. Importantly, it does not extend to the funding of public infrastructure by the private sector. As Latvia's ability to fund new public infrastructure is currently highly constrained by its agreement with the IMF, it is unlikely that many of the envisaged partnerships covered by EEA and Norway Grants funding will actually materialize.

⁶⁹ Spišská Kapitula is a UNESCO World Heritage site. <http://www.slovakheritage.org/Unesco/spiskap.htm>

⁷⁰ Andy Warhol's parents emigrated to the USA in the early 20th century from Mikov in the Austro-Hungarian empire (present day Mikova in eastern Slovakia).

Recommendations

Programming

There is little evidence of a systematic approach at national level to the programming of EEA and Norway Grants for RP and CBA.

It is recommended that when identifying focus areas, beneficiary states should provide a justification for selecting each focus area. Among other things, this should include:

- Relevant statistical information;
- References to relevant reports, studies, and research;
- Details of support provided by EU and other funds, and a justification for the need for additional support in this area from the EEA and Norway Grants.

These should be presented to the FMD in the form of a comprehensive programming document, and it is recommended that these be subject to expert ex-ante evaluation.

It is further recommended that the FMD consider the possibility of allowing a small part of the allocation to each country to be used for technical assistance to support the programming process.

Objectives and Indicators

Project documentation and stakeholder feed back indicates a lack of understanding at all levels regarding the identification of clear objectives and indicators, and the different levels of impact.

It is recommended that the FMD issues guidelines to support the development of clear objectives and indicators that focus on clearly identified desired changes in the performance or behaviour of target groups, systems, or institutions.

Regional focus

Regional interventions should address clearly identified issues in specific regions. Ideally, a single regional intervention should target a single NUTS 2 region, or one or more NUTS 3 regions within a single NUTS 2 region. In the cases of larger countries, where an identified issue affects more than one NUTS 2 region, the geographical focus of the intervention could be expanded to cover two, or possibly three NUTS 2 regions, but these should be neighbouring regions.

Rather than attempting to solve regional problems with general, strategic interventions, such as the development of investment promotion strategies, tourism strategies, institutional capacity building, etc., it is recommended that regional interventions address the needs of specific, clearly identified disadvantaged target groups, such as minorities, the long-term unemployed, unemployed women, unemployed youth, and others. Emphasis should be placed on interventions that are most likely to have a direct, immediate, positive, verifiable impact on the lives of the identified target groups.

Additionally, it is recommended that Regional Policy funding is applied only to regions that meet specific criteria, including below average GDP per capita, and possibly also one or more of the following:

- Long-term unemployment rates above national average
- Female unemployment above national average
- Life expectancy below average
- Educational qualifications below national average
- High levels of outward migration
- Other economic and human development indicators

Each country should define its own criteria. These should be published on the FMD's website, together with a list of the regions that meet these criteria, and the relevant statistical information to support the selection these regions.

In countries that comprise a single NUTS 2 region, eligibility criteria should be applied at the NUTS 3 level.

CBA activities

It is difficult to make recommendations regarding which specific types of cross-border activities should be funded, as many types of activity may lead to *enhanced cross-border dialogue*, which is the overall objective of CBA. Nevertheless, the following general recommendations are made on the basis of the evidence of this review:

- Emphasis should be placed on projects focussing exclusively on communities adjacent to the shared border. CBA projects involving countries that do not share a border with the beneficiary state should not be funded, as there is likely to be less impact on local cross-border dialogue. Similarly, projects addressing national, rather than local, cross-border dialogue may have limited impact on local cross-border dialogue and should probably not be funded;
- CBA projects should demonstrate real, and equivalent benefits to communities on both sides of the common border;
- Emphasis should be placed on projects that include substantive activities on both sides of the border, and which effectively and directly involve larger numbers of people from communities on both sides of the border.
- Where cross-border relations are already well-established, priority should be given to projects that aim to address specific, clearly identified issues/ problems, for example:
 - Needs of specific disadvantaged groups;
 - Conservation of shared water resources;
 - Environmental protection.
- While the contracting of larger grants involves a lower administrative overhead, the evidence from the present review suggests that the results of smaller projects may offer better value for money, and better results, in terms of enhanced cross-border dialogue. It is therefore recommended that the emphasis be placed on projects of less than €100,000. Moreover, in some countries, the NGO sector, especially at regional and local levels, are considered to be weak and in need of further development; smaller grants are more accessible to such NGOs;
- Projects involving the development of cross-border strategies (e.g. business promotion, inward investment, etc..) should be carefully assessed to establish if they are based on evidence of real need or potential, or if they are merely aspirational, in which case they are likely to have limited impact. Such projects (like all projects) should have clearly identified expected outcomes describing how the issue/ problem will be affected by the project, to what extent, and in what timeframe;
- CBA grants should be awarded only to projects where the project promoter's centre of operations is in the relevant border region.

Business/ employment promotion

Business/ employment promotion is already extensively covered by much larger EU regional development and cross-border funding. It is therefore recommended that RP and CBA funding does not fund this type of activity. However, exceptions should be made where funding is used to target specific disadvantaged groups in specific regions, such as female entrepreneurs, minority entrepreneurs, unemployed women, etc.

Capacity building

With some exceptions, capacity building actions tend to focus on individuals. It is recommended that future capacity building actions place more emphasis on capacity building at the institutional level, thus taking into account not only individual needs, but also issues such as institutional structure and philosophy, leadership, human resource development, engagement with stakeholders, etc.

Capacity building/ strategy development projects tend to have vague objectives, and include a range of activities lacking coherence. It is recommended that, in future, capacity building interventions focus on more specific, and clearly defined subjects.

Partnership

It is possible that the supply of potential donor state partners is unable to satisfy the demand for partnership. It is recommended that, rather seeking to increase the number of partnerships, emphasis in future is placed on further enhancing the depth and quality of partnership. This could be achieved by identification of strategic partnership areas through bilateral discussion between the donors and beneficiary states. The efforts of different stakeholders, such donor state embassies and NFPs, could then be concentrated on developing partnership in these mutually agreed thematic areas.

In order to make partnership more attractive to key donor state organisations, it is suggested that consideration be given to the possibility of retaining a proportion of funds allocated to each beneficiary state specifically to cover the participation of donor state organisations in agreed strategic partnership areas. Alternatively, it is recommended that the FMO, together with relevant authorities in beneficiary states, investigate the possibility of reaching agreement on standard rules and procedures across all beneficiary states for the allocation of funds to donor state partners.

Fund management

This sector includes more than 400 sub-projects. In order to enhance the transparency of fund management, it is recommended that a searchable, online database be established by the FMO, and that fund operators be required to enter, or provide for entry into the database, the following sub-project information for each call:

For all applicants:

- Call identification
- Sub-project promoter name in original language and in English;
- Sub-project promoter unique identification number;
- Date of application submission;
- Grant applied for (in euro);
- Sub-project unique identification number;
- Sub-project title in original language and in English;
- Brief sub-project description or summary;
- NUTS 3 codes of up to three implementation locations in beneficiary states;
- Sub-project category selected from a common (universal) list of categories (which does not yet exist);

For applicants awarded a grant:

- Grant awarded (in euro);
- Date of grant contract signature;

For applicants not awarded a grant:

- Reason(s) for non-award of grant selected from a common (universal) list of (which does not yet exist).

Annexes

Annex 1. List of consulted parties

Last Name	First Name	Job Title	Organisation	Location of organisation.	Date of Meeting	Project Case Number(s)
Poland						
Zarich	Andrzej	Director	Novy-Sacz District Administration	Novy Sacz	28/06/2010	PL0228
Niesporek	Grzegorz	Project Manager	Novy-Sacz District Administration	Novy Sacz	28/06/2010	PL0228
Morozek	Gwa	Project Manager	Novy-Sacz District Administration	Novy Sacz	28/06/2010	PL0228
Kurnyta-Ciapata	Paulina	Project Manager	Novy-Sacz District Administration	Novy Sacz	28/06/2010	PL0228
Wicher	Sabina	Project Manager	Tatra Development Agency	Zakopane	28/06/2010	PL0415
Guzowska	Aleksandra	Specialist, Division for Implementation of International Aid Programmes	Ministry of Regional Development	Warsaw	28/06/2010	
Krępska	Marta	Specialist, Division for Implementation of International Aid Programmes	Ministry of Regional Development	Warsaw	28/06/2010	
Parol	Celina	Head of Unit, Regional Development Unit	Implementing Authority for European Programmes	Warsaw	28/06/2010	
Zalewska	Małgorzata	Deputy Director, Department for Aid Programmes and Technical Assistance	Ministry of Regional Development	Warsaw	28/06/2010	
Mróz	Wojciech	Project Manager	Institute of Nature Conservation of the Polish Academy of Sciences in Krakow	Krakow	29/06/2010	PL0108
Olszańska	Agnieszka	Project Manager	Institute of Nature Conservation of the Polish Academy of Sciences in Krakow	Krakow	29/06/2010	PL0108
Grabarczuk	Galina	Director of Secretariat	Association of Self-Governments Euro region Bug	Chełm	29/06/2010	PL0403
Jaszczołt	Krzysztof	Monitoring Expert	Association of Polish Cities	Poznan (met in Warsaw)	29/06/2010	PL0040
Porawski	Andrzej	Executive Director	Association of Polish Cities	Poznan (met in Warsaw)	29/06/2010	PL0040
Potkowski	Tomasz	Deputy Executive Director/ Project Manager	Association of Polish Cities	Poznan (met in Warsaw)	29/06/2010	PL0040
Rudka	Rafał	Department of specialist expertise, analysis and system initiatives	Association of Polish Counties	Warsaw	29/06/2010	PL0040
Czubowski	Piotr	Mayor	The Municipality of Krasnik	Krasnik	30/06/2010	PL0010
Gmurkowska	Natalia	Head of International Projects	Regional Division of Foundation for Support of Local Democracy	Lublin	30/06/2010	PL0010
Guzowski	Piotr	President	Polish-Kazakhstan Chamber of Commerce	Warsaw	30/06/2010	PL0010
Kaspruk	Igor	President	European Dialogue	Lviv, Ukraine (met in Poland)	30/06/2010	PL0010
Khimyak	Wasył	Interpreter	National Lviv University	Lviv, Ukraine (met in Poland)	30/06/2010	PL0010
Kulesza	Joanna	Project Manager	The Municipality of Krasnik	Krasnik	30/06/2010	subproject PL0403
Niedzialek	Beata	Secretary	The Municipality of Krasnik	Krasnik	30/06/2010	PL0010

Shynarovska	Olena	Vice-director	European Dialogue	Lviv, Ukraine (met in Poland)	30/06/2010	PL0010
Wyka	Monika	Project Coordinator	The Municipality of Krasnik	Krasnik	30/06/2010	PL0010
Zbytnevska	Anna	Director	Municipal Public Library	Krasnik	30/06/2010	subproject PL0403
Olshewski	Jaroslav	Supervisor of Road Services, Roads	County of Grajewo	Grajewo	30/06/2010	PL0040
Rutkowska	Alicja	Leader	County of Grajewo	Grajewo	30/06/2010	PL0040
Dzienisiewicz	Maria Wanda	Deputy Leader	County of Olecko	Olecko	01/07/2010	PL0224
Kuklinska	Grodyna		County of Suwalki	Suwalki	01/07/2010	PL0040
Turowska	Anna		County of Olecko	Olecko	01/07/2010	PL0224
Bleken	Sidsel	Counsellor (EEA Grants)	Royal Norwegian Embassy	Warsaw	02/07/2010	
Dutka	Bronislaw	Member of Parliament, Chairman Local Self-Government and Regional Policy Committee.		Warsaw	02/07/2010	
Kowalik	Jaroslav	President of the Management Board	Carpathian Institute	Nowy Sącz	07/07/2010	PL0217
Debowska	Magdalena	Cross Border Partnership Programme Coordinator	East European Democracy Centre	Poland	07/07/2010	PL0218
Fedorowiat-Nowacka	Malgorzata		Czaplinek Municipality	Czaplinek	07/07/2010	PL0398
Kazanecki	Pawel	Chairman	EEDC	Poland	07/07/2010	PL0218
Fotek-Kulek	Magdalena	Head of Division for European Territorial Cooperation	Lubelskie Marshall Office	Lublin	08/07/2010	
Pasternak	Cezary	Specialist for Innovative Projects, former Director for Projects Division	Lublin Development Foundation	Lublin	08/07/2010	
Latvia						
Grevstad	Jan	Ambassador	Royal Norwegian Embassy	Riga	06/07/2010	
Ozola	Linda	Adviser EEA/ Norway Grants	Royal Norwegian Embassy	Riga	06/07/2010	
Egle	Elina	Senior official at the EEA, Norwegian and Swiss Projects Monitoring Division	Ministry of Finance	Riga	06/07/2010	
Andreicika	Arina	Director of Support Instrument Department	Ministry of Regional Development and Local Governments	Riga	06/07/2010	
Atkauke	Diana	Head of EEA, Norwegian and Swiss Projects Monitoring Unit	Ministry of Finance of Republic of Latvia (Focal Point)	Riga	06/07/2010	
Berzina	Inga	Project Manager	Zemgale Region	Jelgava	06/07/2010	LV0056
Cimermane	Kristine	Project Lawyer	Zemgale Region	Jelgava	06/07/2010	LV0056
Kronberga	Arta	Head of Project Department	Zemgale Region	Jelgava	06/07/2010	LV0056
Rublevska	Ruta	Senior Official at EEA, Norwegian and Swiss Projects Monitoring Unit	Ministry of Finance of Republic of Latvia (Focal Point)	Riga	06/07/2010	
Pelne	Anete	Senior Officer at National and Foreign Support Instruments' Division Support Instruments' Department	Ministry of Regional Development and Local Governments	Riga	07/07/2010	

Ulchike	Kristine	Project Accountant	Zemgale Region	Jelgava	07/07/2010	LV0056
Hohlouska	Ilona	Researcher	Riga Technical University	Kuldiga	07/07/2010	LV 0078
Lektauers	Arnis	Researcher at Spatial Regional Development Research Centre	Riga Technical University	Kuldiga	07/07/2010	LV 0078
Pajuste	Marta	Head of Development and Project Management Department	Kuldiga Town Council	Kuldiga	07/07/2010	LV 0078
Rasa	Kaspars	Project Manager	Kuldiga Town Council	Kuldiga	07/07/2010	LV 0078
Sturmane	Annija	Project Manager Assistant	Kuldiga Town Council	Kuldiga	07/07/2010	LV 0078
Medalaine	Laine	Project manager	Cesis City Administration	Cesis	08/07/2010	LV0059
Irbins	Pauls	Project Director	Cesis City Administration	Cesis	08/07/2010	LV0059
Feldmane	Andra	Former manager of EEA Grants at LIAA	Hypoteke Bank - Development Bank of Latvia	Riga	09/07/2010	LV0016
Praulina	Inta	Manager of EEA Grants	LIAA - Latvian National Agency for Development	Riga	09/07/2010	LV0016
Ripa	Cintija	Manager of EEA Grants	LIAA - Latvian National Agency for Development	Riga	09/07/2010	LV0016
Supe	Kristaps	Head of Project Coordination Sector	Riga City - Council Welfare Department	Riga	21/07/2010	LV0016
Remese	Inta	Head of Project-Control Dep	Ministry of Justice	Riga	21/07/2010	LV0016
Ieleja	Girts	Head of Development Dep	City of Limbazi	Limbazi	22/07/2010	LV0016
Briede	Jana	Project Director	City of Ogre	Ogre	22/07/2010	LV0016
Kurconoka	Inga	Project Director	Ministry of Welfare	Riga	23/07/2010	LV0016
Norway						
Hagen	Steinar Egil	Deputy Director General, Section for Central Europe and the EEA Financial Mechanisms	Norwegian Ministry of Foreign Affairs	Oslo	06/07/2010	
Naavik	Gunnbjørg	Special Adviser	KS (Norwegian Association of Local and Regional Authorities)	Oslo	06/07/2010	
Ringstad	Knut	Senior Manager, The Norwegian Bilateral Cooperation Program Bulgaria and Romania	Innovation Norway	Oslo	06/07/2010	
Schulerud	Ingrid	Ambassador - EEA Financial Mechanisms, Department for European Affairs and Trade Policy	Norwegian Ministry of Foreign Affairs	Oslo	06/07/2010	
Strand	Anne	Senior Adviser, Section for Central Europe and the EEA Fin	Ministry of Foreign Affairs Norway	Oslo	06/07/2010	
Langeland	Ove	Senior Researcher	Norwegian Institute of Urban and Regional Research	Oslo	07/07/2010	
Belgium						
Eday	Jan	National Expert (Norway)	DG Regional Policy	Brussels	08/07/2010	
Vestmann	Bjarni	Former Member of the Financial Mechanism Committee (Iceland)		By email	11/08/2010	
Fesus	Gabriella	Policy Analyst, Unit CI Conception, Forward studies, Impact assessment	EC DG Regional Policy	Brussels	08/11/2010	
Slovakia						

Mojzis	Jaroslav	Department of Management and Implementation of EEA and Norwegian Financial Mechanisms	Government Office of the Republic of Slovakia	Bratislava	12/07/2010	
Ridzon	Jan		Ministry of Finance of the Republic of Slovakia	Bratislava	12/07/2010	
Szabóová	Martina	Director, Department of Management and Implementation of EEA and Norwegian Financial Mechanisms	Government Office of the Republic of Slovakia	Bratislava	12/07/2010	
Tomagova	Petra	Department of Management and Implementation of EEA and Norwegian Financial Mechanisms	Government Office of the Republic of Slovakia	Bratislava	12/07/2010	
Vajdova	Katerina	Director	NPOA/CSDF (SK0056 fund operator)	Bratislava	12/07/2010	SK0056
Ziak	Rudolf	Dev Dep Director	Presov District Administration	Presov	13/07/2010	SK0022
Takac	Julius	Project Director	Presov District Administration	Presov	13/07/2010	SK0022
Owderko	Martin	Project manager	Presov District Administration	Presov	13/07/2010	SK0022
Radavnska	Maria	Project manager - Section of Business support in EU	Presov District Administration	Presov	13/07/2010	SK0022
Luptakova	Lucia	Project manager	Presov District Administration	Presov	13/07/2010	SK0022
Kurtyova	Martina	Project manager	Presov District Administration	Presov	13/07/2010	SK0022
Benc	Vladimir	Project Director at SUREC - Slovak-Ukraine Research and Educational Centre	Presov University Administration (SUREC)	Presov	13/07/2010	SK0105
Mytryayeva	Svitlana	Head of Uzgorod Branch of NISS (main Ukrainian partner in the project)	Ukrainian NISS - National Institute for Strategic Studies	Presov	13/07/2010	SK0105
Duleba	Alexander	Professor	Presov University Administration (SUREC)	Presov	13/07/2010	SK0105
Strazy	Tomas	Assistant Professor	Presov University Administration (SUREC)	Presov	13/07/2010	SK0105
Brezani	Peter	Editor-in-Chief	Research Centre of the Slovak Foreign Policy Association	Bratislava	13/07/2010	SK0105
Steiner	Andrej	Project Director	KRI - Carpathian Development Institute	Kosice	14/07/2010	SK0024
Kičina	Robert	Executive Director	PAS Business Alliance of Slovakia	Bratislava	14/07/2010	SK0084
Buraš	Eduard	Director	FEMAN Slovak-European Cultural Association	Kosice	15/07/2010	NPOA/2008/02/12
Kravicik	Michal		L'udia a voda	Kosice	15/07/2010	
Lešková	Lena	Manager	East Slovak Gallery	Kosice	15/07/2010	NPOA/2009/01/14 (SK0056)
Skymoen	Trine	Ambassador	Royal Norwegian Embassy	Bratislava	16/07/2010	
Bulgaria						
Hjorthol	Dagfrid	First Secretary	Norwegian Embassy	Sofia, Bulgaria	25/07/2010	
Dandelova	Nadia	Director for International Programmes	Bulgaria Economic Forum	Bulgaria	26/07/2010	BG0026
Johnsen	Anne Marten		Norwegian Embassy	Sofia, Bulgaria	26/07/2010	
Karadzov	George	Mayor of Levski Municipality	Levski Municipality	Bulgaria	26/07/2010	BG0026
Naydenov	Nikolay		National Focal Point	Bulgaria	26/07/2010	BG0026

Tabakov	George	Chairman	Bulgaria Economic Forum	Bulgaria	26/07/2010	BG0026
Hungary						
Hideg	Edina	Chief Financial Officer	International Centre for Democratic Transition (ICDT)	Budapest	26/07/2010	HU0072
Kalmar	Frank	Project Manager	International Centre for Democratic Transition (ICDT)	Budapest	26/07/2010	HU0072
Börcsök	Gizella	Programme Manager, Territorial Division, Programme Implementation and Control Directorate	VATI Nonprofit Kft.	Budapest	26/07/2010	HU0013
Csiki	Csilla	Project Manager, Managing Authority for International Co-operation Programmes	National Development Agency	Budapest	26/07/2010	
Gal	Edit	Programme Manager Hungary-Slovakia-Romania-Ukraine ENPI Cross-border Cooperation Programme, Joint Technical Secretariat	VATI Nonprofit Kft.	Budapest	26/07/2010	HU0013
Polgar	Tamas	Advisor	Royal Norwegian Embassy	Budapest	26/07/2010	
Szalontai	Kata	Project Manager, Managing Authority for International Co-operation Programmes	National Development Agency	Budapest	26/07/2010	
Torok	Attila	Head of Unit, Managing Authority for International Co-operation Programmes	National Development Agency	Budapest	26/07/2010	
Veres	Csilla	Head of Unit, Mateszalka Regional Office	VATI Nonprofit Kft.	Mateszalka (met in Budapest)	26/07/2010	HU0013
Bajusz	Janos	Programme Coordinator	Szeged Centre for Security Policy	Szeged	27/07/2010	HU0003
Kneczer	Gábor	Senior Clerk	Szeged Centre for Security Policy	Szeged	27/07/2010	HU0003
Csegény	József	Technical Expert	Upper Tisza Region Environmental and Water Directorate	Nyiregyhaza	27/07/2010	HU0013/NA/14 (SK0056)
Eberhardt	Gabor	Managing Director	North Great Plain Environmental Company	Nyiregyhaza	27/07/2010	HU0013/NA/34
Filipne	Nagy Éva	Deputy Director	Szabolcs-Szatmar-Bereg County Regional Development and Environmental Management Agency Nonprofit Company	Nyiregyhaza	27/07/2010	HU0013/NA/20 and HU0013/NA/21
Giba	Tamas	Deputy Mayor	City of Nyiregyhaza	Nyiregyhaza	27/07/2010	HU0013/NA/26
Hagymasi	Gyula	Senior Manager	Szabolcs-Szatmar-Bereg County Regional Development and Environmental Management Agency Nonprofit Company	Nyiregyhaza	27/07/2010	HU0013/NA/20 and HU0013/NA/21
Kató	Sándor	Project Manager	Upper Tisza Region Environmental and Water Directorate	Nyiregyhaza	27/07/2010	HU0013/NA/14
Nagy	Jármyné Éva	Economic Expert	Upper Tisza Region Environmental and Water Directorate	Nyiregyhaza	27/07/2010	
Peseli	Antal	Economic Vice Director	Upper Tisza Region Environmental and Water Directorate	Nyiregyhaza	27/07/2010	HU0013/NA/14
Szabó	Éva	Technical Expert.	Upper Tisza Region Environmental and Water Directorate	Nyiregyhaza	27/07/2010	HU0013/NA/14

Tatar	Aniko	Office Manager, Nyiregyhaza Office	Tourinform	Nyiregyhaza	27/07/2010	HU0013/NA/53 and HU0013/NA/70
Timkó	Zsuzsanna	Technical Expert,	Upper Tisza Region Environmental and Water Directorate	Nyiregyhaza	27/07/2010	
Ujhelyi	Rita	Projekt-koordinációs referens Nyiregyháza M.J.V. Polgármesteri Hivatal,	City of Nyiregyhaza	Nyiregyhaza	27/07/2010	HU0013/NA/26
Vattamany	Terezia	Deputy Head, Development Department	City of Nyiregyhaza	Nyiregyhaza	27/07/2010	HU0013/NA/26

Annex 2. Sector overview

Sector overview									
Commitments in euro				Fund			Project		
			% of total	Regional Policy	Cross-Border Activities	Total	Regional Policy	Cross-Border Activities	Total
Total count	56	100%		4	7	11	31	14	45
Total committed	45,659,260	100%		12,525,406	10,654,964	23,180,370	17,308,206	5,170,684	22,478,890
BG	Count	2	4%	0	0	0	2	0	2
	Committed	776,656	2%	0	0	0	776,656	0	776,656
EE	Count	1	2%	1	0	1	0	0	0
	Committed	4,580,188	10%	4,580,188	0	4,580,188	0	0	0
ES	Count	1	2%	0	0	0	1	0	1
	Committed	1,276,419	3%	0	0	0	1,276,419	0	1,276,419
HU	Count	3	5%	0	1	1	0	2	2
	Committed	2,849,601	6%	0	2,000,000	2,000,000	0	849,601	849,601
LT	Count	2	4%	2	0	2	0	0	0
	Committed	6,150,150	13%	6,150,150	0	6,150,150	0	0	0
LV	Count	9	16%	1	1	2	7	0	7
	Committed	8,518,694	19%	1,795,068	2,329,890	4,124,958	4,393,736	0	4,393,736
PL	Count	26	46%	0	4	4	12	10	22
	Committed	15,792,144	35%	0	4,515,474	4,515,474	7,676,325	3,600,345	11,276,670
RO	Count	1	2%	0	0	0	1	0	1
	Committed	255,003	1%	0	0	0	255,003	0	255,003
SI	Count	1	2%	0	0	0	1	0	1
	Committed	497,364	1%	0	0	0	497,364	0	497,364
SK	Count	10	18%	0	1	1	7	2	9
	Committed	4,963,041	11%	0	1,809,600	1,809,600	2,432,703	720,738	3,153,441

Annex 3. Distribution of intervention categories

Distribution of intervention categories between Cross-Border Activities and Regional Policy								
Commitments in euro			Cross-Border Activities			Regional Policy		
			Fund	Project	Total	Fund	Project	Total
Total count		56	7	14	21	4	31	35
Total committed		45,659,260	10,654,964	5,170,684	15,825,648	12,525,406	17,308,206	29,833,612
Academic research	Count	3	0	0	0	0	3	3
	Committed	1,886,149	0	0	0	0	1,886,149	1,886,149
Capacity building	Count	18	1	3	4	4	10	14
	Committed	21,242,796	2,000,000	1,279,731	3,279,731	12,525,406	5,437,659	17,963,065
Conservation of immovable cultural heritage including urban renewal	Count	1	0	0	0	0	1	1
	Committed	339,436	0	0	0	0	339,436	339,436
Conservation of movable cultural heritage including museums and cultural institutions	Count	1	0	0	0	0	1	1
	Committed	373,289	0	0	0	0	373,289	373,289
Intangible cultural heritage	Count	1	0	0	0	0	1	1
	Committed	307,097	0	0	0	0	307,097	307,097
Cross border	Count	6	0	0	0	0	6	6
	Committed	2,066,599	0	0	0	0	2,066,599	2,066,599
Education	Count	1	0	0	0	0	1	1
	Committed	480,185	0	0	0	0	480,185	480,185
Hazardous Substances	Count	1	0	0	0	0	1	1
	Committed	261,888	0	0	0	0	261,888	261,888
Inclusion of disadvantaged groups	Count	1	0	0	0	0	1	1
	Committed	497,364	0	0	0	0	497,364	497,364
Regional policy	Count	17	5	11	16	0	1	1
	Committed	13,069,036	6,325,074	3,890,953	10,216,027	0	2,853,009	2,853,009
Sustainable development	Count	5	0	0	0	0	5	5
	Committed	2,805,531	0	0	0	0	2,805,531	2,805,531
None	Count	1	1	0	1	0	0	0
	Committed	2,329,890	2,329,890	0	2,329,890	0	0	0

Annex 4. Partnership

Interventions involving partnership with donor state organisations									
Commitments in euro				Cross-Border Activities			Regional Policy		
				Fund	Project	Total	Fund	Project	Total
Total count	19	% of total for each beneficiary state		0	3	3	0	16	16
Total committed	12,282,122			0	944,217	944,217	0	11,337,905	11,337,905
BG	Count	1	50%	0	0	0	0	1	1
	Committed	437,220	56%	0	0	0	0	437,220	437,220
EE	Count	0	0%	0	0	0	0	0	0
	Committed	0	0%	0	0	0	0	0	0
ES	Count	0	0%	0	0	0	0	0	0
	Committed	0	0%	0	0	0	0	0	0
HU	Count	0	0%	0	0	0	0	0	0
	Committed	0	0%	0	0	0	0	0	0
LT	Count	0	0%	0	0	0	0	0	0
	Committed	0	0%	0	0	0	0	0	0
LV	Count	5	56%	0	0	0	0	5	5
	Committed	3,573,659	42%	0	0	0	0	3,573,659	3,573,659
PL	Count	8	31%	0	2	2	0	6	6
	Committed	6,254,471	40%	0	544,751	544,751	0	5,709,720	5,709,720
RO	Count	0	0%	0	0	0	0	0	0
	Committed	0	0%	0	0	0	0	0	0
SI	Count	0	0%	0	0	0	0	0	0
	Committed	0	0%	0	0	0	0	0	0
SK	Count	5	50%	0	1	1	0	4	4
	Committed	2,016,772	41%	0	399,466	399,466	0	1,617,306	1,617,306

Annex 5. Analysis of main intervention categories

Analysis of main intervention categories									
Commitments in euro		Capacity building		Cross border		Regional policy		Sustainable development	
Total count		18	% of	6	% of	17	% of	5	% of
Total committed		21,242,796	category	2,066,599	category	13,069,036	category	2,805,531	category
BG	Count	1	6%	0	0%	0	0%	0	0%
	Committed	437,220	2%	0	0%	0	0%	0	0%
EE	Count	1	6%	0	0%	0	0%	0	0%
	Committed	4,580,188	22%	0	0%	0	0%	0	0%
ES	Count	1	6%	0	0%	0	0%	0	0%
	Committed	1,276,419	6%	0	0%	0	0%	0	0%
HU	Count	2	11%	0	0%	1	6%	0	0%
	Committed	2,450,948	12%	0	0%	398,653	3%	0	0%
LT	Count	2	11%	0	0%	0	0%	0	0%
	Committed	6,150,150	29%	0	0%	0	0%	0	0%
LV	Count	4	22%	0	0%	0	0%	3	60%
	Committed	3,940,594	19%	0	0%	0	0%	1,695,710	60%
PL	Count	3	17%	3	50%	13	76%	2	40%
	Committed	1,301,053	6%	965,302	47%	10,140,045	78%	1,109,821	40%
RO	Count	1	6%	0	0%	0	0%	0	0%
	Committed	255,003	1%	0	0%	0	0%	0	0%
SI	Count	0	0%	0	0%	0	0%	0	0%
	Committed	0	0%	0	0%	0	0%	0	0%
SK	Count	3	17%	3	50%	3	18%	0	0%
	Committed	851,221	4%	1,101,297	53%	2,530,338	19%	0	0%

Annex 6. Capacity building interventions

Capacity Building interventions			
Case No.	Title	Sector	Type
BG0026	North West Bulgaria - regional administration capacity-building in business development	Regional policy	Project
EE0007	Estonia - Strengthening of local and regional development .	Regional policy	Fund
ES0017	Asturias/Gijon - Scientific Technological Park.	Regional policy	Project
HU0003	Cross-border training (Serbia, Ukraine) – Hungary	Cross-border activities	Project
HU0013	Hungary-Ukraine cross border cooperation	Cross-border activities	Fund
LT0009	National - Regional cooperation between Lithuania and Norway	Regional policy	Fund
LT0029	National - Strengthening of local and regional authorities' administrative capacity	Regional policy	Fund
LV0016	National - Promotion of Development of Public and Private Partnership	Regional policy	Fund
LV0056	Zemgale Region - Administrative capacity building.	Regional policy	Project
LV0057	Daugavpils - Preparation of Daugavpils Fortress Renovation (PPP)	Regional policy	Project
LV0059	Vidzeme - Innovation through partnership	Regional policy	Project
PL0010	Krasnik - Polish-Ukrainian distance learning centre	Cross-border activities	Project
PL0011	Podkarpackie - Cross-border co-operation in the Carpathian Region	Cross-border activities	Project
PL0216	Lower Silesian Voivodship - effectiveness in regional development policy	Regional policy	Project
RO0059	Bacau county - Integrated development strategy	Regional policy	Project
SK0024	Slovakia - Improved regional governance	Regional policy	Project
SK0078	Zilina region - Capacity building and good governance	Regional policy	Project
SK0084	National - Competitive Regions 21	Regional policy	Project

Annex 7. Regional policy interventions

Regional Policy interventions			
Case	Title	Sector	Type
HU0072	Budapest - Transferring the Experiences of Visegrad Cooperation to the Western Balkans and the GUAM Countries	Cross-border activities	Project
PL0040	Poland - local government capacity building	Regional policy	Project
PL0217	Carpathian Region - Cross-Border SME Centre	Cross-border activities	Project
PL0218	Poland - Cross-border Partnership Program	Cross-border activities	Fund
PL0219	Mazowieckie and Slaskie Voivodships - technology transfer of waste treatment	Cross-border activities	Project
PL0220	Warmia-Mazury and Pomorskie - Cross-Border and Inter-regional Programme	Cross-border activities	Fund
PL0223	Vistula Lagoon - Polish-Russian cooperation on environment protection	Cross-border activities	Project
PL0245	Middle Odra Region - Preparation of the Commune of Debno for EGTC (European Grouping of Territorial Cooperation)	Cross-border activities	Project
PL0397	Chelm - Eco-tourism in the Chelm-Kovel region	Cross-border activities	Project
PL0401	Krasnik - Centre of Polish-Ukrainian Cooperation	Cross-border activities	Project
PL0403	Lubelskie Region - Cross Border program within the Bug Euroregion	Cross-border activities	Fund
PL0405	Ustrzyki Dolne - Culture and tourist management development strategy	Cross-border activities	Project
PL0406	Rybczewice - The Sobieski cross-border heritage trail	Cross-border activities	Project
PL0416	Podlaskie and Warmia-Mazury - Cross Border program within the Euroregion Niemen	Cross-border activities	Fund
SK0015	Southern Slovakia - Regional development and cross-border cooperation	Cross-border activities	Project
SK0056	Slovakia - Regional and Cross-Border Block Grant	Cross-border activities	Fund
SK0105	Slovak-Ukraine Research and Educational Center - SUREC	Cross-border activities	Project

Annex 8. Overview of funds and projects reviewed in depth

Overview of funds and projects reviewed in depth								
Commitments in euro			Cross-Border Activities			Regional Policy		
			Fund	Project	Total	Fund	Project	Total
Total count	23		4	5	9	1	13	14
Total committed	18,315,063		5,312,896	2,362,456	7,675,352	1,795,068	8,844,643	10,639,711
BG	Count	1	0	0	0	0	1	1
	Committed	437,220	0	0	0	0	437,220	437,220
EE	Count	0	0	0	0	0	0	0
	Committed	0	0	0	0	0	0	0
ES	Count	0	0	0	0	0	0	0
	Committed	0	0	0	0	0	0	0
HU	Count	3	1	2	3	0	0	0
	Committed	2,849,601	2,000,000	849,601	2,849,601	0	0	0
LT	Count	0	0	0	0	0	0	0
	Committed	0	0	0	0	0	0	0
LV	Count	4	0	0	0	1	3	4
	Committed	4,244,161	0	0	0	1,795,068	2,449,093	4,244,161
PL	Count	10	2	2	4	0	6	6
	Committed	7,509,641	1,503,296	1,113,389	2,616,685	0	4,892,956	4,892,956
RO	Count	0	0	0	0	0	0	0
	Committed	0	0	0	0	0	0	0
SI	Count	0	0	0	0	0	0	0
	Committed	0	0	0	0	0	0	0
SK	Count	5	1	1	2	0	3	3
	Committed	3,274,440	1,809,600	399,466	2,209,066	0	1,065,374	1,065,374

Annex 9. Regional Policy and Cross-Border Activities - national priorities

Estonia	
	Strengthening competence and administrative capacity of regional and local authorities to support regional development
	Support of bilateral co-operation between Estonian and Norwegian local governments, local government associations, county governments, enterprises (only internships and scholarships) as well as co-operation projects within the priority areas of the agreement
	Increasing co-operation between local authorities and development of common services
	Supporting small scale projects in the field of local economic development and diversification of employment opportunities
	Innovative models for large infrastructure investment projects, including development of public-private partnership (local, regional and national level)
	Cross-border co-operation in the areas outlined in I-7 (i.e. other priority areas)
Hungary	
	Public transport development in connection with the conservation of European cultural heritage and environment protection.
	Strengthen the principles of democracy, partnership and decentralization on EU external borders
	Competence building of different levels of regional development (micro-regions, municipalities) (See also the priority sector 'Human resource development, education')
Lithuania	
	Transfer of experience and strengthening of co- operation among local, regional and euro-regional partners in Lithuania and Norway
Latvia	
	Local and regional development promotion programmes
	Development of public-private partnership
	Institutional strengthening of regional development bodies and institutions, involved in public-private partnership project implementation and promotion
	Support of sustainable economic development
	Strengthening research and assessment capacity on regional development
	Competence building on financial management and audit in the municipalities
	Networking and sharing of experience on local development between regional development bodies
	Networking between Latvian and Norwegian institutions and local governments
Poland	
	Main priority I: Improvement of communication and cross-border co-operation between the inhabitants and authorities of Poland and with the EEA EFTA countries, the Baltic Sea region countries and Poland's eastern neighbours: Belarus, the Russian Federation (Kaliningrad region) and Ukraine.
	Main priority 2: Promoting development at regional and local level in Poland.
	Eligible projects I: Creation and implementation programmes of cross-border co- operation aimed at improving self-governmental administration and stimulation of health and social initiatives and enterprise development in the regions;
	Eligible projects 2: Knowledge transfer from more to less developed regions;
	Eligible projects 3: Promoting regional and local development in Poland;
	Eligible projects 4: Ensuring communication and information system development
	Eligible projects 5: Cooperation in the field of cross-border ecological tourism in developing regions
	Eligible projects 6: Training for governmental and self-governmental administration in EEA countries to gain better qualifications.
Slovenia	
	Strengthening the competence and administrative capacity of local authorities to support regional development;
	Strengthen of the bilateral co-operation between Slovenian and Norwegian local governments, local government associations, enterprises (only internships and scholarships) as well as co-operation projects within the priority areas of the agreement;
	Increasing co-operation between local authorities and development of common services.
Slovakia	
	Regional development focused on priorities of particular regional authorities and municipalities e.g. in the field of:
	Regional development example I: strengthening competence and capacity at local level – foster good governance in public administration
	Regional development example 2: private sector development on local and regional level
	Regional development example 3: strengthen participation of minority groups in society
	Cross-border co-operation within priority areas focused on co-operation with Ukraine on national and regional level



Annex 10. Main documents referred to






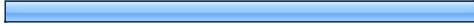


- Memorandums of understanding between the financial mechanisms and beneficiary states
- Calls for proposals
- Project applications
- Detailed appraisal report
- Project implementation plans
- Project implementation reports
- Project monitoring reports
- Project reports and publicity materials
- FMO guidelines
- National strategic reference frameworks
- Eurostat 2009 Regional Statistical Yearbook
- European Neighbourhood & Partnership Instrument Cross-Border Cooperation Strategy Paper 2007-2013 Indicative Programme 2007-2010
- EUROPE 2020 A European strategy for smart, sustainable and inclusive growth
- The European Social Fund and Roma, 2010. http://ec.europa.eu/employment_social/esf/docs/esf_roma_en.pdf




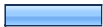




Annex 11. Survey of national focal points




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1. To what extent have EEA and Norway Grants in the following priority sectors been allocated to specific vulnerable regions (e.g. regions with low GDP, regions with social inclusion issues, etc.)?						
	A lot	To some extent	Little/ not at all	Not sure	Not applicable in this country	Response Count
Academic research	15.4% (2)	23.1% (3)	38.5% (5)	0.0% (0)	23.1% (3)	13
Acquis communautaire	15.4% (2)	7.7% (1)	30.8% (4)	0.0% (0)	46.2% (6)	13
Cultural heritage	61.5% (8)	23.1% (3)	0.0% (0)	0.0% (0)	15.4% (2)	13
Civil society	46.2% (6)	23.1% (3)	7.7% (1)	0.0% (0)	23.1% (3)	13
Environment	30.8% (4)	53.8% (7)	0.0% (0)	0.0% (0)	15.4% (2)	13
Health and childcare	30.8% (4)	30.8% (4)	23.1% (3)	0.0% (0)	15.4% (2)	13
Human resource development	23.1% (3)	46.2% (6)	15.4% (2)	0.0% (0)	15.4% (2)	13
Regional policy and cross-border activities	30.8% (4)	15.4% (2)	15.4% (2)	0.0% (0)	38.5% (5)	13
Schengen and the judiciary	7.7% (1)	15.4% (2)	23.1% (3)	0.0% (0)	53.8% (7)	13
Sustainable development	38.5% (5)	30.8% (4)	7.7% (1)	0.0% (0)	23.1% (3)	13
answered question						13
skipped question						0

2. Have any grants been awarded in your country in the EEA and Norway Grants Regional Policy and Cross-Border Activities priority sector?			
		Response Percent	Response Count
Yes		46.2%	6
No		53.8%	7
answered question			13
skipped question			0

3. Which of the following issues were important considerations when establishing priorities for the use of EEA and Norway Grants in the Regional Policy and Cross-Border Activities in your country?			
		Response Percent	Response Count
Address a small number of specific issues		16.7%	1
Funding should be used in specific NUTS 2 (or smaller) geographical areas		33.3%	2
Address the needs of specific target groups		66.7%	4
Target specific types of project promoter		16.7%	1
Focus on issues that needed to be addressed especially quickly		0.0%	0
Address a particular strategy, or part of a particular strategy		33.3%	2
Funding should be used in thematic areas that are not covered significantly by other sources of funding		100.0%	6
Funding should be used to reinforce/ enhance/ accelerate development in thematic areas that are already covered by other sources of funding		0.0%	0
Cover specific geographical areas that have limited access to other sources of funding		66.7%	4
Reinforce/ enhance/ accelerate development in geographical areas that are already covered by other sources of funding		0.0%	0
Other (please describe other key factors in establishing the priorities for this sector)		33.3%	2
answered question			6
skipped question			7




4. During the project selection process, were projects prioritised for including any of the following elements?			
		Response Percent	Response Count
The project focused on specific NUTS 3 or small geographical locations		60.0%	3
The project focused on the needs of minorities		20.0%	1
The project focused on the needs of women		40.0%	2
The project focused on the needs of the elderly		20.0%	1
The project focused on the needs of people with disabilities		40.0%	2
The project focused on the needs of the unemployed		40.0%	2
The project focused on the needs of other specific groups at risk of social and/ or economic marginalisation		20.0%	1
The project involved a partner organisation from a donor state		40.0%	2
answered question			5
skipped question			8

5. Is there a national strategy for cross-border co-operation with neighbouring non-EU states?			
		Response Percent	Response Count
Yes		33.3%	2
No		16.7%	1
Not sure		50.0%	3
Not applicable		0.0%	0
If "Yes", please give details			2
answered question			6
skipped question			7

6. For each project, is there a limit to the amount of grant that can be allocated to project partners from donor states?			
		Response Percent	Response Count
Yes, it is determined by public procurement law		0.0%	0
Yes, it is set by some other means		0.0%	0
No, but it has to be proportionate to the value added by the partner		83.3%	5
Not sure		16.7%	1
answered question			6
skipped question			7

7. To what extent could activities funded under the Regional Policy & Cross-Border Activities priority sector of the EEA and Norway Grants have been funded under other priority sectors of the EEA and Norway Grants						
	Most of the projects could have been funded under other priority sectors	Some of the projects could have been funded under other priority sectors	Few or none of the projects could have been funded under other priority sectors	Not sure	There were no projects in this area	Response Count
Regional Policy	16.7% (1)	66.7% (4)	16.7% (1)	0.0% (0)	0.0% (0)	6
Cross-Border Activities	0.0% (0)	33.3% (2)	33.3% (2)	16.7% (1)	16.7% (1)	6
answered question						6
skipped question						7

8. Do you think that Regional Policy funding should focus on				
	Yes	No	Not sure	Response Count
Local and regional administrative capacity	83.3% (5)	0.0% (0)	16.7% (1)	6
Specific NUTS 3 (or smaller) areas	66.7% (4)	0.0% (0)	33.3% (2)	6
Specific non-governmental target groups	20.0% (1)	20.0% (1)	60.0% (3)	5
Infrastructure investments	50.0% (3)	0.0% (0)	50.0% (3)	6
Soft investments	50.0% (3)	16.7% (1)	33.3% (2)	6
Other focus				1
answered question				6
skipped question				7





9. Do you think that reorganisation of priority sectors would enhance regional development? (For example, a priority sector dealing with economic development in specific regions?)			
		Response Percent	Response Count
Yes		16.7%	1
No		33.3%	2
Not sure		50.0%	3
If yes, please explain			0
answered question			6
skipped question			7

10. Do you agree with any of the following statements regarding partnerships with organisations from donor states?				
	Agree	Disagree	Not sure	Response Count
In future, we believe there is scope for significantly more partnership with organisations from donor states	50.0% (3)	16.7% (1)	33.3% (2)	6
Donor state partners can add a lot of value to most types of project	83.3% (5)	0.0% (0)	16.7% (1)	6
Donor state organisations can add a lot of value to cross-border projects involving non-EU member states	66.7% (4)	0.0% (0)	33.3% (2)	6
Partnerships are useful, but only in specific technical areas	0.0% (0)	50.0% (3)	50.0% (3)	6
Partnership at the project level helps to strengthen ties with donor states at the national level	83.3% (5)	0.0% (0)	16.7% (1)	6
answered question				6
skipped question				7




11. In general, in the Regional Policy and Cross-Border Activities sector, where can donor state partner organisations add most value? (i.e. in what thematic areas/ subjects do you think partnership with donor state organisations is likely to be most useful?)	
	Response Count
	6
answered question	6
skipped question	7

12. Approximately what % of individual projects and funds/ programmes/ block grants in this sector will be covered by a formal independent evaluation?										
	0%	1%	2%	3%	4%	5%	6%-10%	More than 10%	Not sure	Response Count
By 30.09.2010	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	33.3% (2)	66.7% (4)	6
By 30.04.2011	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	50.0% (3)	50.0% (3)	6
answered question										6
skipped question										7




13. Have there been any changes in EU policy in the last two years that have had a significant impact on project relevance, implementation, outcomes, and sustainability in this sector?			
		Response Percent	Response Count
Yes		0.0%	0
No	<div><div></div></div>	100.0%	6
If "Yes", please give details			0
answered question			6
skipped question			7







14. How has the economic crisis impacted project implementation, outcomes, and sustainability in this sector?			
		Response Percent	Response Count
Significant negative impact		16.7%	1
Moderate negative impact		50.0%	3
No impact		16.7%	1
Moderate positive impact		16.7%	1
Significant positive impact		0.0%	0
Please give further details			4
answered question			6
skipped question			7



Annex 12. Survey of sub-project promoters







1. Has your organisation received EEA and Norway Grants funding for projects in other sectors besides this sector (Regional Policy and Cross-Border Activities)?			
		Response Percent	Response Count
Yes		30.7%	23
No		65.3%	49
Not sure		4.0%	3
answered question			75
skipped question			0




2. Does the project specifically address issues relating to any of the following groups?				
	Yes	No	Not sure	Response Count
People over the age of 60	17.3% (13)	74.7% (56)	8.0% (6)	75
Children	24.0% (18)	73.3% (55)	2.7% (2)	75
Minorities	8.0% (6)	77.3% (58)	14.7% (11)	75
Women	20.0% (15)	68.0% (51)	12.0% (9)	75
People with disabilities	20.0% (15)	69.3% (52)	10.7% (8)	75
Families with low incomes	18.7% (14)	69.3% (52)	12.0% (9)	75
Other groups at risk of social or economic marginalisation	25.3% (19)	60.0% (45)	14.7% (11)	75
answered question				75
skipped question				0






3. Were you encouraged by any of the following to find a partner for this project in a donor state?			
		Response Percent	Response Count
National focal point		25.9%	15
Fund operator		27.6%	16
Other body		51.7%	30
answered question			58
skipped question			17







4. Did any of the following bodies facilitate the establishment of a partnership for this project with an organisation in a donor state? Please answer this question regardless of whether or not a partnership was actually established.			
		Response Percent	Response Count
National focal point		18.9%	10
Fund operator		30.2%	16
Donor state embassy		15.1%	8
Other body in my country		26.4%	14
Other body in donor state		11.3%	6
Other		26.4%	14
answered question			53
skipped question			22



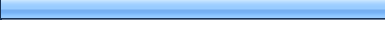

5. Does this project actually involve partnership with a donor state organisation?			
		Response Percent	Response Count
Yes		35.2%	25
No		57.7%	41
Not sure		7.0%	5
answered question			71
skipped question			4





6. How did you find this donor state partner?			
		Response Percent	Response Count
We had worked with them before		35.7%	10
We already knew about them		25.0%	7
Internet research		3.6%	1
They contacted us		7.1%	2
They were recommended to us by another organisation		21.4%	6
Other		7.1%	2
Not sure		0.0%	0
answered question			28
skipped question			47








7. How much time and effort were required to establish the partnership with the donor state partner(s)?			
		Response Percent	Response Count
Little or none		32.1%	9
Some		50.0%	14
A lot		17.9%	5
Not sure		0.0%	0
answered question			28
skipped question			47



8. How much money was spent in setting up the partnership with the donor state partner?			
		Response Percent	Response Count
None		28.6%	8
Less than €500		46.4%	13
€500 - €1,000		0.0%	0
€1,001 - €5,000		3.6%	1
€5,001 - €10,000		0.0%	0
More than €10,000		7.1%	2
Not sure		14.3%	4
answered question			28
skipped question			47




9. Approximately what % of the project budget was allocated to the donor state partner			
		Response Percent	Response Count
None		25.0%	7
Less than 5%		10.7%	3
5% - 10%		10.7%	3
11% - 20%		21.4%	6
More than 20%		28.6%	8
Not sure		3.6%	1
answered question			28
skipped question			47

10. Would you say that partnership with the donor state partner was worth the time, effort, and cost involved in setting up the partnership?			
		Response Percent	Response Count
No		7.1%	2
To some extent		7.1%	2
Yes		82.1%	23
Not sure		3.6%	1
answered question			28
skipped question			47







11. Do you plan to continue partnership with this donor state partner after the current project?			
		Response Percent	Response Count
No		3.6%	1
To some extent		14.3%	4
Yes		67.9%	19
Not sure		14.3%	4
answered question			28
skipped question			47

12. Wich of the following best describes why your project does not have a donor state partner?			
		Response Percent	Response Count
We looked but we were unable to find a suitable donor state partner		14.0%	7
We did not look for a donor state partner as we did not think we would be able to find a suitable one		6.0%	3
We did not look for a donor state partner because setting up a partnership is too costly and/ or time consuming		8.0%	4
Partnership with a donor state partner is not relevant to this project		40.0%	20
We were not aware of the possibility of working with a donor state partner		4.0%	2
Other reason		10.0%	5
Not sure		18.0%	9
answered question			50
skipped question			25

13. Would your organisation be interested in working with a donor state partner in future			
		Response Percent	Response Count
Yes		94.0%	47
No		0.0%	0
Not sure		6.0%	3
answered question			50
skipped question			25





14. Does this project involve cross-border activities with neighbouring non-EU states?			
		Response Percent	Response Count
Yes		35.7%	25
No		60.0%	42
Not sure		4.3%	3
answered question			70
skipped question			5




15. Does your project involve cross-border activities with any of the following countries?				
	Yes	No	Not sure	Response Count
Belarus	28.6% (6)	71.4% (15)	0.0% (0)	21
Croatia	0.0% (0)	100.0% (20)	0.0% (0)	20
Russia	5.0% (1)	95.0% (19)	0.0% (0)	20
Serbia	0.0% (0)	100.0% (20)	0.0% (0)	20
Ukraine	59.1% (13)	40.9% (9)	0.0% (0)	22
Other non-EU states	15.0% (3)	85.0% (17)	0.0% (0)	20
EU member states	23.8% (5)	76.2% (16)	0.0% (0)	21
answered question				23
skipped question				52

16. Approximately what % of the project budget was, or will be, spent by the end of the project in non-EU partner countries?				
		Response Percent	Response Count	
None		17.4%	4	
Less than 10%		39.1%	9	
10% - 20%		17.4%	4	
21% - 40%		13.0%	3	
More than 40%		8.7%	2	
Not sure		4.3%	1	
answered question			23	
skipped question			52	

17. To what extent have these groups participated in the project's activities?						
	A lot	To some extent	A little	Not at all	Not sure	Response Count
Local stakeholders	65.2% (15)	26.1% (6)	0.0% (0)	4.3% (1)	4.3% (1)	23
Regional stakeholders	17.4% (4)	30.4% (7)	13.0% (3)	30.4% (7)	8.7% (2)	23
National stakeholders	8.7% (2)	21.7% (5)	13.0% (3)	43.5% (10)	13.0% (3)	23
answered question						23
skipped question						52

18. To what extent have the following types of stakeholders been involved project activities?					
	A lot	To some extent	Little/ not at all	Not sure	Response Count
Public administration	43.5% (10)	17.4% (4)	30.4% (7)	8.7% (2)	23
Public services	13.0% (3)	21.7% (5)	47.8% (11)	17.4% (4)	23
Private enterprises	21.7% (5)	26.1% (6)	39.1% (9)	13.0% (3)	23
Educational/ academic institutions	21.7% (5)	30.4% (7)	47.8% (11)	0.0% (0)	23
NGOs	47.8% (11)	26.1% (6)	13.0% (3)	13.0% (3)	23
Individual citizens	21.7% (5)	39.1% (9)	30.4% (7)	8.7% (2)	23
answered question					23
skipped question					52

19. What has been/ will be achieved by cross-border activities with partners in neighbouring non-EU states?			
		Response Percent	Response Count
Solved a specific problem affecting both sides of the EU external border		52.4%	11
Improved trust between local groups on both sides of the EU external border		66.7%	14
Agreed concrete actions for future co-operation on specific issues affecting groups on both sides of the EU external border		81.0%	17
Increased economic activity between communities on both sides of the EU external border		19.0%	4
Other (please describe)			4
answered question			21
skipped question			54

20. Had your organisation previously worked your current partner(s) in neighbouring non-EU countries?			
		Response Percent	Response Count
Yes		60.9%	14
No		30.4%	7
Not sure		8.7%	2
answered question			23
skipped question			52

21. Did you experience any of the following problems when procuring goods and services in the neighbouring country (non-EU)?					
	Big problem	Moderate problem	Small/ no problem	Not sure	Response Count
Required goods and services are not available in neighbouring (non-EU) partner countries	13.0% (3)	21.7% (5)	47.8% (11)	17.4% (4)	23
Accounting/ monitoring requirements are difficult to fulfil with respect to goods and services procured in neighbouring (non-EU) partner countries	21.7% (5)	26.1% (6)	26.1% (6)	26.1% (6)	23
We are not allowed to leave project equipment with our cross border partners at the end of the project	4.3% (1)	17.4% (4)	52.2% (12)	26.1% (6)	23
Other issue	4.3% (1)	0.0% (0)	34.8% (8)	60.9% (14)	23
answered question					23
skipped question					52

Annex 13. Sub-projects with focus on children, youth, and families

FMO Case number	Reference number	Project name	Name of grantee	Amount of grant €
EE0007	EU28664	Family centre	Jeeriko NGO	
EE0007	EU30498	Developing a common model for optimum planning, administering and functioning in Setomaa's four rural municipalities in the fields of community care and recreational activity for the elderly, youth work and local cultural sphere	Union of Rural Municipalities of Setomaa	
HU0013	HU0013/NA/01	Our Everyday Energy	Crystal Foundation	33.809
HU0013	HU0013/NA/05	Working out a model for the sustainable tourism development on the Tisza	Association of Hungarian - Ukrainian Water Excursionists and Friends Club of Tourists	74.930
HU0013	HU0013/NA/17	Together in Europe	Regional Protection Foundation	72.948
HU0013	HU0013/NA/45	Culture and sport within and beyond borders	Local government of Beregsurány	34.626
HU0013	HU0013/NA/61	Increase of environment awareness in attitude of mind of school-age	GENEA Association for conservation and environment protection	94.601
HU0013	HU0013/NA/68	Borderless connections for promoting social integration	HUMAN-NET Foundation	15.266
HU0013	HU0013/NA/76	Cross-border experience exchange in kindergarten pedagogy	Napfelkelte Foundation	15.076
HU0013	HU0013/NA/80	"Without Frontiers" preparation and broadcasting of joint radio programmes	"EUROPA RADIO" Broadcasting Non-profit Public Benefit Ltd.	14.577
LT0009	2004-LT0009-TES-INOR-02-003	Improvement of work with children of delinquent behaviour by applying the average supervision measure and development of specialists' competences with the help of Norwegian experience	Public Institution "Global initiative in psychiatry"	40.306
LT0009	2004-LT0009-TES-INOR-02-004	For the child's wonderful world	Plunges special school	19.940
LT0009	2004-LT0009-TES-INOR-02-010	Strengthening of the influence of communities in the solution of children's problems at the municipal level	Public Institution Communities development center"	51.272
LT0009	2004-LT0009-TES-INOR-02-022	The family care – an alternative to the care within the institution	Administration of the Skuodas district municipality	32.294
LT0009	2004-LT0009-TES-INOR-02-027	Improvement of the Šiauliai region employees', in charge of the informal children's education, skills for the work within the virtual and integrated space www.bureliai.lt by promoting the bilateral partnership	Public Institute "Children and juvenile's supplementary education center"	32.486
LT0009	2004-LT0009-TES-INOR-02-028	Common efforts in the name of children with a disturbed development	Kaunas child's development clinics "Lopšelis"	52.301
LT0009	2004-LT0009-TES-INOR-02-031	Strengthening of cooperation between employees working with children with special needs in the Bjerkreim (Norway) and Plungė (Lithuania) municipalities	Administration of the Plungė district municipality	45.883
LT0009	2004-LT0009-TES-INOR-02-033	Enabling partnership by improving the employees' competence for the solution of crises and crisis situations in families in the Šiauliai region	Lithuanian Christian Charity and Mercy Fund Samarija"	43.625
LT0009	2004-LT0009-TES-2NOR-02-038	Exchange of good practice within the sphere of regulation, organization and implementation of children's informal education.	Lithuanian scouting	64.130
LT0009	2004-LT0009-TES-2NOR-02-039	Strengthening of cooperation between Norwegian family therapists and Trakai municipality specialists, accumulation and dissemination of experience in Lithuania.	Public entity Children's home "Atsigrąžk į vaikus"	29.872

FMO Case number	Reference number	Project name	Name of grantee	Amount of grant €
LT0009	2004-LT0009-TES-2NDR-02-041	Improvement of services related to deaf children's health protection and care of the child and family by accumulation of Norwegian experience.	Lithuanian Association of Families with Deaf and Hard of Hearing Children PAGAVA	46,984
LT0009	2004-LT0009-TES-2NDR-02-042	Strengthening of cooperation between Lithuanian and Norwegian associations of local authorities and municipalities in the sphere of organization of communal, non-stationary social services to children and other social groups.	Association of Local Authorities in Lithuania	36,735
LT0009	2004-LT0009-TES-2NDR-02-057	Establishment and development of a co-operation net and measures for organizations providing social services to families lacking paternity skills and experiencing difficulties by adopting Norwegian experience.	Lithuanian Christian Charity and Mercy Fund "Samarija"	36,206
LT0009	2004-LT0009-TES-2NDR-02-063	Development of the international dimension by strengthening the regional youth policy.	National association of coordination of the youth affairs	54,008
LT0029	2004-LT0029-SAC-2EEE/NDR-02-039	Strengthening the teachers' and other school specialists' capacities in the spheres of promoting the children's creativity, imagination and need for reading.	Vilnius Šeškinės primary mokykla	87,248
LT0029	2004-LT0029-SAC-2EEE/NDR-02-040	Strengthening of Kaunas Dainavos policlinics Youth center and Children's line specialists' capacities.	Public entity "Kaunas Dainavos policlinics"	21,193
LT0029	2004-LT0029-SAC-2EEE/NDR-02-049	Strengthening the municipal officials' efficient youth policy capacities	Public entity "National development institute"	67,619
LT0029	2004-LT0029-SAC-2EEE/NDR-02-057	Increasing the informal education providers' competencies by increasing the efficiency of preparation and implementation of the children and youth informal education programs promoting leadership in Šiauliai.	Šiauliai Gyčių Secondary school	24,241
LV0016		Renovation, maintenance and provision of children day-care-services of pre - primary education institution in Riga, Maskavas Street 256"	Riga city council	146,275
LV0017	8-29/LV0017/10	Creating of Rural area support system in Valgundes Municipality and Jonsišku district	Jelgava Municipality	50,849
PL0403	PWITERB/07/09	Art uniting people - our little piece of land in the artist's vision	Wierzbica Commune	9,294
PL0403	PWITERB/26/09	Let's get known each other through similarities and differences: local communities events in Opolsko-Nowowolskie region	Opole Lubelskie Commune	10,630
PL0403	PWITERB/17/09	Partnership above borders - transborder events of the Puchaczów, Lubliniec and Lubitów Communes	Puchaczów Commune	15,604
PL0403	PWITERB/19/09	Leader of Borderland	Gmina Wisznice	21,477
PL0403	PWITERB/28/09	Natural and historical variety of borderland	Commune Cultural Centre in Łaszców	13,674
PL0218	PPT/3/2009/W/08	Child with experience of sexual abuse - specialist in international cooperation	Nobody's Children Foundation	26,315
SK0056	NPOA/2009/01/10	International festival of youth orchestras	Musica Iuvenalis	20,000
SK0056	NPOA/2009/01/20	Connecting Youth at the Eastern border	Higher Vocational School in Snina	70,000
SK0056	NPOA/2009/01/08	Good start - good end	PSI Saris	57,061
SK0056	NPOA/2008/02/21	Youth and tradition open the borders	United School Svidnik	33,698
SK0056	NPOA/2009/01/05	From Downlands to Poloniny	Museum in Hanusovce nad Topľou	25,636
PL0220	FMG/11/08	ABC of entrepreneurship for children and youth	Regional Information and Support Centre for NGO's	30,000
PL0220	FMG/11/54/09	International exchange of experience in working with intellectually disabled child and his parents	The Special Education Needs School in Szymanowo	10,225

FMD Case number	Reference number	Project name	Name of grantee	Amount of grant €
PL0220	FMG/11/55/09	Prevention School - cycle of workshops for professionals working with the children and young people in the field of the risk behaviors	Ilawa City Hall, Psychoeducational Centre, Centre of Addiction Prevention and Family Help	23,683
PL0220	90/09	Social activation of Chojnice's youth through the transfer of knowledge on good practices from partner towns Emsdetten and Hengelo	Foundation for the Development of Chojnice; ul. Wysoka 3, 89-600 Chojnice	5,300
Total				1,711,897

Annex 14. Individual project overviews (in-depth projects)

Annex provided separately



Annex 15. Poland regional development operational programmes and priority axes

Dolny Śląsk
Operational Programme 'Lower Silesia'
Education
Energy
Enterprises and Innovation
Environment and Ecological Safety
Health
Information Society
Technical Assistance
Tourism and Culture
Towns
Transport
Kujawsko-Pomorskie
Operational Programme 'Kujawsko-Pomorskie'
Development of social infrastructure
Development of technical infrastructure
Development of the infrastructure of information society
Increase of competitiveness of companies
Maintenance and rational utilization of environment
Support for changes in the cities and areas requiring renovation
Support for the development of tourism
Technical Assistance
Łódź
Operational Programme 'Łódzkie'
Economy, innovativeness, entrepreneurship
Environmental protection, prevention of threats, and energy
Information Society
Revitalisation of urban areas
Social infrastructure
Technical Assistance
Transport infrastructure
Lubelskie
Operational Programme 'Lubelskie'
Attractiveness of urban areas and investment areas
Culture, tourism, and inter-regional co-operation
Economic infrastructure
Entrepreneurship and innovation
Environment and clean energy
Information Society
Social infrastructure
Technical Assistance
Transport infrastructure
Lubuskie

Operational Programme 'Lubuskie'
Development and modernisation of infrastructures for tourism and culture
Development of infrastructure to enhance competitiveness of the region
Développement et modernisation des infrastructures/établissements sociaux
Protection and management of the environment's natural resources
Stimulating investment growth in enterprises and strengthening the potential for innovation
Technical Assistance
Malopolska
Operational Programme 'Lesser Poland'
Conditions for the development of the knowledge society
Infrastructure for economic development
Infrastructure for environmental protection
Intra-regional Cohesion
Kraków Metropolitan Area
Regional opportunity economy
Technical Assistance
Tourism and culture industry
Trans-regional co-operation
Mazovia
Operational Programme 'Mazovia'
Accelerating the e-development of Mazovia
Creating and improving conditions for human capital development
Creating conditions for development of innovation potential and entrepreneurship in Mazovia
Environment, prevention of threats, and energy
Making use of nature and culture vales for development of tourism and recreation
Regional transport system
Strengthening the role of cities in the development of the region
Technical Assistance
Opolskie
Operational Programme 'Opolskie'
Environmental protection
Information Society
Mobilisation of municipal and degraded areas
Social infrastructure and higher education
Strengthening economic attractiveness of the region
Technical Assistance
Transport
Podkarpackie
Operational Programme 'Podkarpackie'
Competitive and Innovative Economy
Environment Protection and Risk Prevention
Information Society
Intra-regional Cohesion
Public Infrastructure
Technical Assistance
Technical Infrastructure

Tourism and Culture
Podlaskie
Operational Programme 'Podlaskie'
Development of infrastructure for environment protection
Development of tourism and culture
Development of transport infrastructure
Increase of innovation and support of entrepreneurship in the region
Information Society
Social infrastructure development
Technical Assistance
Pomerania
Operational Programme 'Pomerania'
Environment and environmental friendly energy
Health protection and emergency system
Knowledge society
Local basic infrastructure
Local social infrastructure and civil initiatives
Regional transport system
SME development and innovation
Technical Assistance
Tourism and cultural heritage
Urban and metropolitan functions
Śląskie
Operational Programme 'Silesia'
Culture
Education infrastructure
Environment
Health and recreation
Information society
Sustainable urban development
Technical assistance
Technical research and development (R and D), innovation and entrepreneurship
Tourism
Transport
Łódzkie
Operational Programme 'Łódzkie'
Business Development
Development of Cities and Revitalisation of Small Towns
Development of the Environmental Protection and Energy Infrastructure
Enhancing the Quality of the Regional Transport System
Improved Quality of Social Infrastructure and Investment in Cultural Heritage, Sport and Tourism
Supporting Innovation, Developing the Information Society and Increasing the Investment Potential of the Region
Technical Assistance
Warmińsko-Mazurskie
Operational Programme 'Warmińsko-Mazurskie'
Development, restructuring and revitalization of towns

Entrepreneurship
Information society infrastructure
Nature environment
Regional and local transport infrastructure
Social infrastructure
Technical Assistance
Tourism
Wielkopolska
Operational Programme 'Greater Poland'
Competitiveness of enterprises
Environment
Infrastructure de communication
Infrastructure for human capital
Revitalization of problem areas
Technical Assistance
Tourism and cultural environment
Zachodniopomorskie
Operational Programme 'Zachodniopomorskie'
Development of metropolitan functions
Development of social infrastructure and health care
Development of the information
Development of transport and energy infrastructure
Economy – Innovation – Technology
Infrastructure of environmental protection
Technical Assistance
Tourism, culture and revitalisation

Annex 16. Latvia regional development operational programmes and priority axes

Operational Programme 'Entrepreneurship and Innovation'
Science and Innovation
Access to Finance
Promotion of Entrepreneurship
Technical assistance
Operational Programme 'Infrastructure and Services'
Infrastructure for Strengthening Human Capital
Promotion of Territorial Accessibility
Development of Transport Network of European Significance and Promotion of Sustainable Transport
Quality Living and Business Environment
Promotion of Environmental Infrastructure and Environmentally Friendly Energy
Polycentric Development
Technical Assistance ERDF
Technical Assistance CF

Annex 16. Slovakia regional development operational programmes and priority axes

Operational Programme 'Bratislava'
Infrastructure
Knowledge Economy
Technical assistance
Operational Programme 'Competitiveness and Economic Growth'
Energy sector
Innovation and competitiveness
Technical assistance
Tourism
Operational Programme 'Environment'
Air Protection and Minimisation of Adverse Effects of Climate Change (ERDF)
Flood Protection (CF)
Protection and Rational Utilisation of Water Fund (CF)
Protection and Regeneration of Natural Environment and Landscape (ERDF)
Technical assistance (CF)
Waste Management (CF)
Operational Programme 'Health'
Health Promotion and Health Risks Prevention
Hospital Healthcare System Modernization
Technical assistance
Operational Programme 'Information Society'
Development and renewal of the national infrastructure of repository institutions
Electronisation of public administration and development of electronic services
Improvement of broadband internet access
Technical assistance
Operational Programme 'Research & Development'
Infrastructure of higher learning schools
Infrastructure of R&D
Infrastructure of R&D in the Bratislava region
Support to R&D
Support to R&D in the Bratislava region
Technical assistance: Convergence Objective
Technical assistance: Regional Competitiveness and Employment Objective
Operational Programme 'Technical Assistance'
Financial management, control, audit and reinforcement of the administrative capacities in these fields
Operational Programme 'Transport'
Infrastructure for integrated transport systems
Intermodal transport infrastructure
Public railway passenger transport
Railway infrastructure
Road infrastructure
Road infrastructure TEN-T
Technical assistance

Annex 16. Overview of EU regional policy and cross-border cooperation funding.

Regional policy and cross-border cooperation: 2000-2006

EU Member States

Between 2000 and 2006, the primary instrument of EU Regional Policy (and cross-border cooperation) for Member States was that of Structural Funds. In that period, a total of €195 billion was made available.

The Structural Funds consisted of the European Regional Development Fund (ERDF – the fund for the promotion of economic and social cohesion within the EU), the European Social Fund (ESF – a specific fund for the EU's realisation of its employment policy objectives), the European Agricultural Guidance and Guarantee Funds (EAGF – a specific fund for the structural reform of the agricultural sector) as well as the Financial Instrument for Fisheries and Guidance (FIFG – a specific fund for the structural reform of the fisheries sector).

All in all, the Structural Funds were used in the following way - for which of the objective and funds EU Member State regions were eligible, depended on their NUTS code classification:^{71,72}

Fund	Outside Objective 1 regions							Leader +	Equal
	Objective 1	Objective 2	Objective 3	Interreg III	Urban II				
ERDF	X	X		X	X				
ESF	X	X	X					X	
EAGGF	X	X					X		
FIFG	X	X							

Source: http://ec.europa.eu/regional_policy/funds/prord/sf_en.htm

Objective 1 aimed at cohesion of the various regions by allocating Structural Funds appropriations to areas with a GDP below 75% of the EU average (at that time)/NUTS 2. Between 2000 and 2006, about 50 regions (addressing 22% of the EU population) benefited from the Structural Funds e.g. in terms of support to the provision of basic infrastructure, support in human resource development or support business investments.

Objective 2 aimed at revitalising areas in the EU (NUTS 1 or NUTS 2) with structural difficulties such as industrial, rural, urban or dependent on fisheries. In this context, Structural Funds were allocated to regions whose GDP level was close to EU average but which were facing socio-economic difficulties such as high unemployment rates.

Objective 3 aimed at adapting and modernising education, training and employment policies and systems. In this context, Structural Funds appropriations were allocated to regions not eligible under Objective 1.

Between 2000 and 2006 the Structural Funds also supported four initiatives (LEADER+, EQUAL, URBAN II and INTERREG III):

LEADER+ targeted the promotion of rural development through improving the economic environment to create job opportunities, also via capacity building and training. For the period 2000 to 2006 a total of €5.046 billion was available.

The EQUAL initiative aimed at fighting discrimination and inequality (on the basis of race, religion or belief, disability, etc.) in the labour market with a total budget of €3.274 billion for the years 2000 to 2006.

The initiative URBAN II targeted sustainable development in the troubled urban districts of the EU between 2000 and 2006. As a follow up to URBAN I (1994 – 1999) it aimed more precisely at promoting the design and implementation of

⁷¹ For more details see: http://ec.europa.eu/regional_policy/funds/prord/sf_en.htm and following pages.

⁷² The whole area of the European Union is covered either by only one or several objectives of the cohesion policy. Which of these apply/ies depends on the classification of the region. For this purpose and based on statistical data the whole of Europe has been divided into various groups of regions. These classifications are known by the acronym NUTS (Nomenclature of Units for Territorial Statistics). Consequently, depending on this NUTS classification, different instruments apply.

innovative models of development for the economic and social regeneration of troubled urban areas. It also supported the exchange of experiences with regards to urban sustainable development in the EU.

With regards to cross-border cooperation, INTERREG was the initiative to finance measures that supported/enhanced the cooperation between towns and regions of member states as well as the cooperation between member states on a national level. In this regards, the cooperation could be cross-border (INTERREG A), trans-national (INTERREG B) or inter-regional (INTERREG C). The means were provided via the European Funds for Regional Development and eligibility depended on the NUTS code classification. Since its set-up, there have been three editions of INTERREG, namely I, II and III. INTERREG III provided support between 2000 and 2006 with a total budget of €4.875 billion. In this context, measures focused e.g. on the support of economic and social cooperation or the exchange of experience/ setting up of cooperation networks.⁷³

Candidate Countries

Until 2006 inclusive, the EU funded assistance to the candidate countries came from three instruments: PHARE, ISPA and SAPARD.

Since its set-up in 1989, PHARE was reformed a few times with changes in focus, i.e. to pre-accession only in 1997. Since then, PHARE specifically aimed at preparing the previously candidate countries for their EU accession. Between 2000 and 2006, PHARE provided support of €11 billion. One of PHARE's three objectives was the promotion of Economic and Social Cohesion and in this context, regional policy measures as well as cross-border cooperation (PHARE-CBC) were funded.

Between 1995 and 2006, PHARE and INTERREG financed cooperation between border regions of the EU and the candidate countries, as well as between candidate countries themselves, named PHARE-INTERREG programmes.⁷⁴

SAPARD aimed at enhancing efficiency and competitiveness in the agricultural/farming sector and the food industry with a budget of €520 million between 2000 and 2006.⁷⁵

ISPA aimed at economic and social cohesion and, more specifically, was designed to address environmental and transport infrastructure priorities in candidate countries (which were not eligible for PHARE). ISPA was under the remit of the Directorate General for Regional Policy and ran between 2000 and 2006 with a budget of more than €1 billion per year. Between 2000 and 2003, 300 infrastructure projects were implemented in Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia in the area of environment and transport. Between 2004 and 2006, Bulgaria and Romania benefited from ISPA and Croatia since January 2005. ISPA followed the Cohesion Funds approach and therefore, was a project-oriented instrument aiming at familiarising candidate countries with regards to EU related procedures, policies and funding principles.⁷⁶

Countries Neighbouring the European Union

For the purpose of this review a few aspects need to be mentioned about the countries neighbouring the EU in the East and in the South. In the years 2000 -2006 their EU support came from the instruments called TACIS and MEDA.

One important element of the TACIS support was cross-border cooperation (TACIS-CBC). TACIS-CBC aimed at supporting border regions in fighting their specific problems (environmental, economic, social, etc.) as well as in enhancing/establishing networks between the regions. It targeted land and sea border regions of the so-called Newly Independent States (including Belarus, Moldova, Russia and Ukraine) and those of Member States or (at that time) Candidate Countries. Between 2000 and 2003 a total budget of €30 million was made available for TACIS-CBC measures.⁷⁷

⁷³ More details on INTERREG III can be found on www.interreg.de

⁷⁴ More details can be found on http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/phare/index_en.htm

⁷⁵ More details can be found on http://ec.europa.eu/agriculture/external/enlarge/back/index_en.htm

⁷⁶ More details can be found on http://ec.europa.eu/regional_policy/funds/ispa/ispa_en.htm

⁷⁷ More details can be found on <http://ec.europa.eu/agriculture/rur/leader2/rural-de/euro/p8-l-6.pdf>

Besides other aims, MEDA also supported cross-border cooperation, namely between the Mediterranean partner countries as well as between them and EU Member States. In this context, the establishment/development of structures and infrastructure for cooperation, as well as the exchange/networking between Civil Society (local communities, non-governmental organisations (NGO), private business, etc.) of and between Mediterranean partners and EU Member States was supported.⁷⁸

Regional policy and cross-border cooperation: 2007-2013

EU Member States

Based on the experience from previous years, the approach for 2007 to 2013 has been somewhat modified and the specific objectives and instruments have been somewhat adjusted. For the years 2007-2013, the EU regional policy has the following three specific objectives:

- Convergence
- Regional Competitiveness and Employment, and
- European Territorial Cooperation.

For this period, a total budget of €308.042 billion of Structural Funds is available for these three objectives.

Similar to 2000-2006 the Objective 1 aims at convergence, i.e. promoting growth-enhancing conditions and factors leading to real convergence for the least-developed Member-States and regions.

The Objective 2, Regional Competitiveness and Employment, aims at strengthening competitiveness, attractiveness and employment via programmes that promote innovation/knowledge society, entrepreneurship, as well as the protection of the environment. In addition, employment shall be supported by investments in human resources.

The Objective 3, European Territorial Co-operation, (substituting INTERREG) targets the strengthening of cross-border cooperation via joint local and regional initiatives, trans-national co-operation aiming at integrated territorial development as well as inter-regional co-operation and exchange of experience.

In order to achieve these three objectives, mainly the ERDF,⁷⁹ the European Social Funds (ESF)⁸⁰ as well as the Cohesion Fund⁸¹ are used in the following way:

⁷⁸ More details can be found on

http://europa.eu/legislation_summaries/external_relations/relations_with_third_countries/mediterranean_partner_countries/r15006_en.htm

⁷⁹ In order to strengthen economic and social cohesion, the ERDF can intervene in the three objectives mentioned above. In regions covered by the Convergence objective the interventions focus on modernising and diversifying economic structures or creating jobs in areas such as information society, tourism, culture, energy, education, etc.

With regards to the Regional Competitive and Employment objective the ERDF interventions focus on the areas of innovation and knowledge-based economy (capacity building, fostering innovation and entrepreneurship, etc.), environment and risk prevention (supporting energy efficiency, cleaning up polluted areas, promoting clean transport, etc.) and access to transport and telecommunication services of general economic interest.

In relation to the European Territorial Cooperation objective the ERDF intervenes in the areas of developing economic and social cross-border activities, establishing/developing trans-national cooperation (e.g. between maritime regions), efficiency improvements with regards to regional policy (e.g. exchanging experiences).

⁸⁰ The ESF aims at improving employment and job opportunities in the EU by focusing its interventions on adapting workers and enterprises (e.g. lifelong-learning schemes), access to employment for job seekers, social integration of disadvantaged people (incl. in the job market) and strengthening human resources by reforming education system.

⁸¹ With regards to the Convergence objective, the CF focuses on interventions in the area of trans-European transport networks as well as environment. The CF is aimed at Member States whose Gross National Income (GNI) per capita is less than 90% of the EU average. For the 2007-2013 period the following countries are eligible for CF financed actions: Bulgaria, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. (Spain for phase-out fund).

Objectives	Structural Funds and instruments		
Convergence	ERDF	ESF	Cohesion Fund
Regional Competitiveness and Employment	ERDF	ESF	
European Territorial Cooperation	ERDF		

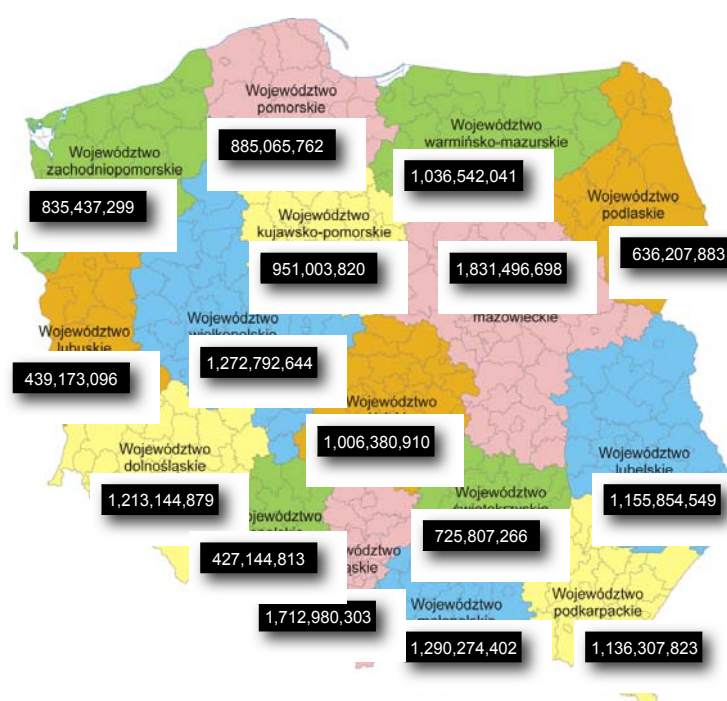
Source: http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/newreg10713_en.htm

Total Cohesion Policy funding (2007-2013) for the 10 beneficiary states that received EEA and Norway Grants RP and CBA funding amounts to €184.6 billion.

Cohesion Policy Funding in the 10 beneficiary states 2007-2013 (€ billion)										
BG	EE	ES	HU	LT	LV	PL	RO	SI	SK	Total
6.9	3.4	36	25.3	6.8	4.6	66	19.7	4.2	11.7	184.6

Poland, the largest beneficiary of EEA and Norway Grants funding in the RP and CBA priority sector, has EU regional development funding allocations of approximately €16.5 billion.⁸² It also has access to funding under nine EU cross-border/ transnational programmes, with total funding (for all countries) of approximately €1.4 billion.⁸³

**Poland 2007-2013 NUTS II EU Regional Development Allocations
(excluding national contributions)**



Source of data: http://ec.europa.eu/regional_policy/atlas2007/index_en.htm

Latvia, the second largest beneficiary of EEA and Norway Grants funding in this sector has EU regional development funding of approximately €4 billion. It has also access to funding under four EU cross-border/ multi-country programmes, with total funding (for all countries) of approximately €420 million.⁸⁴

⁸² http://ec.europa.eu/regional_policy/atlas2007/index_en.htm

⁸³ The nine programmes are: Baltic Sea Region; Central Europe; Poland-Czech Republic; Poland (Zachodniopomorskie Voivodeship) – Germany (Mecklenburg/Vorpommern – Brandenburg); Poland (Lubuskie Voivodeship) – Germany (Brandenburg); Poland-Germany (Saxony); Poland-Lithuania; Poland-Slovakia; and South Baltic (Poland – Sweden – Denmark – Lithuania – Germany).

Slovakia is the fourth largest beneficiary of EEA and Norway Grants funding in this priority sector (but the third largest of the countries reviewed in depth). It has EU regional development funding of approximately €9.8 billion, and access to additional funding under six EU cross-border/ multi-country programmes with total funding (for all countries) of approximately €939 million.⁸⁵

Candidate Countries and Potential Candidate Countries

From January 2007 onwards, the Instrument for Pre-Accession (IPA) replaces the EU programmes and financial instruments for candidate countries (currently Turkey, Croatia and the Former Yugoslav Republic of Macedonia) or potential candidate countries (currently Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo under United Nations Security Council Resolution 1244/99), namely PHARE/PHARE CBC, ISPA, SAPARD, CARDS and the financial instrument for Turkey.⁸⁶

The regional policy component is one of five IPA components and is managed by the Commission Directorate general for Regional Policy. It aims at supporting investments in the current candidate countries (but not potential candidate countries) in areas such as infrastructure development similar to the support that regions within the Member States receive under the Cohesion Funds or the ERDF.

Cross-Border Cooperation (CBC) is another component of the IPA programme. The IPA-CBC programmes are implemented under a Structural Funds approach (incl. multi-annual programming) and focus on three types of cooperation:

- Cross-border cooperation between Member states and candidate or potential candidate countries
- Cross-border cooperation between candidate and potential candidate countries themselves, and
- Eventually, the involvement of candidate or potential candidate countries in transitional co-operation programmes under the Territorial Co-operation Objective (of Member States), particularly the south-east Europe and Mediterranean programmes.⁸⁷

Countries Neighbouring the European Union

From January 2007 onwards, the European Neighbourhood and Partnership Instrument (ENPI) replaces the instruments TACIS and MEDA and is available to countries along the Eastern and Southern external borders of the European Union.⁸⁸

Cross-border cooperation is a key priority of the ENPI. The ENPI cross-border cooperation component (ENPI-CBC) has a total funding of €1,118,434 million for the period 2007-2013.⁸⁹ In this regard, 15 CBC programmes are grouped according to land borders,⁹⁰ sea-crossing⁹¹ and sea basin programmes.⁹² The approach applied by the ENPI- CBC programmes is also closely related to "Structural Funds" principle, i.e. it includes multi-annual programming, partnership and co-financing. However, it has been adapted in order to take into account the European Commission's (EC) external relations rules and regulations.

⁸⁴ The programmes are: Baltic Sea Region; Central Baltic; Latvia-Estonia; and Latvia-Lithuania.

⁸⁵ The programmes are: Slovakia-Austria; Central Europe; Slovakia-Czech Republic; Slovakia-Hungary; Slovakia-Poland; and South East Europe.

⁸⁶ More details can be found at http://ec.europa.eu/enlargement/index_en.htm

⁸⁷ The following IPA CBC programmes have been established for the period 2007-2013: Adriatic IPA Cross-Border Co-operation Programme, Bulgaria-Serbia IPA Cross-Border Cooperation Programme, Bulgaria – the former Yugoslav Republic of Macedonia IPA CBC Programme, Bulgaria-Turkey IPA CBC Programme, Greece-Former Yugoslav Republic of Macedonia IPA CBC Programme, Greece-Albania IPA CBC Programme, Hungary-Croatia IPA CBC Programme, Hungary Serbia IPA CBC Programme, Romania Serbia IPA CBC Programme, Slovenia-Croatia IPA CBC Programme.

⁸⁸ More details can be found on http://ec.europa.eu/world/enp/funding_en.htm

⁸⁹ For more details on the individual programmes see http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/programmes/index_en.htm

⁹⁰ Land Border Programmes: Kolarctic-Russia CBC Programme, Karelia-Russia CBC Programme, South-East Finland-Russia Programme, Estonia-Latvia-Russia CBC Programme, Latvia-Lithuania-Belarus CBC Programme, Lithuania-Poland-Russia CBC Programme, Poland-Belarus-Ukraine CBC Programme, Hungary-Slovakia-Romania-Ukraine CBC Programme, Romania-Ukraine-Republic of Moldova CBC Programme.

⁹¹ Sea-Crossing Programmes: Spain-Morocco CBC Programme, CBC Atlantic Programme, Italy-Tunisia-CBC Programme

⁹² Sea-Basin Programmes: Black-Sea Programme, Mediterranean Sea Programme, Baltic Sea Region Programme.

In order to technically support these ENPI-CBC programmes, the EC has set-up two special projects, the Regional Capacity Building Initiative (RCBI) and INTERACT. RCBI was a technical assistance scheme set up by the EC to provide practical support with regards to the development, management and implementation of ENPI CBC programmes in the participating partner countries.⁹³ Activities included e.g. the provision of information in ENPI-CBC opportunities, support to identify partners on both sides of the border or training in project management. The RCBI phased out at the end of 2009.

One major element of INTERACT since 2008 is the provision of a platform for ENPI-CBC stakeholders to meet and share their experiences and good practices. Further activities include the provision of advisory services to the programme Joint Managing Authorities or the organisation of seminars on technical or strategic matters. In contrast to RCBI which focused on assistance at project level, INTERACT aims at improving the management as well as implementation of the ENPI-CBC programmes.⁹⁴

⁹³ This support was provided in addition to the 10% technical assistance which is an integral part each individual ENPI CBC programme.

⁹⁴ For more details see: <http://www.interact-eu.net/enpi>