

MAY 2014  
INVESTITIONSBANK SCHLESWIG-HOLSTEIN

# Ex-ante Evaluation of Cooperation Programme of the Baltic Sea Region 20142020 ^

DRAFT FINAL REPORT ^^^^^^



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# APPENDICES

Appendix A List of documents

Appendix B Concept Note Ex-ante Evaluation of  
BSR 2014-2020

## List of abbreviations

BSR	Baltic Sea Programme
CEF	Connecting Europe Facility
CO	Common Indicator
CP	Cooperation Programme
CPR	Common provisions regulation
CSF	Common Strategic Framework
ETC	European Territorial Cooperation
ENPI	European Neighbourhood & Partnership Instrument
EUSBSR	the EU Strategy for the Baltic Sea Region
FLC	First Level Controls
HAL	Horizontal Action Leaders
IB.SH.	INVESTITIONSBANK SCHLESVIG-HOLSTEIN
IP	Investment Priority
JPC	Joint Programming Committee
JTS	Joint Technical Secretariat
LNG	Liquefied natural gas
MA	Managing Authority
MC	Monitoring Committee
MIS	Management Information System
PAC	Priority Area Coordinators
PSI	Programme Specific Indicators
RACER	Relevance, Acceptability, Credibility, Ease, Robustness
R&I	Research and Innovation
SEA	Strategic Environmental Assessment
SD	Sustainable development
SLC	Second Level Controls
SME	Small and Medium-Sized Enterprise
SO	Specific Objectives
SWOT	Strengths; Weaknesses; Opportunities and Threats
TEN-T	The Trans-European Transport Networks
TF	Task Force for the Programming
TO	Thematic Objectives

## Executive summary

Status of the report	<p>This report contains the draft final evaluation of the Cooperation Programme for the Baltic Sea region 2014-2020. The report is based on the final programme document of 23.04.07 as well as earlier programme drafts and programme meetings. The cooperation programme has been in public consultations and reflects the responses to the consultation.</p>
Ex-ante process, criteria and methods	<p>The ex-ante evaluation process has been characterised by an iterative process between commentary and programme drafts as well as workshops and meetings with the programmers. The evaluation criteria and the methods are based on the ex-ante evaluation guidelines of the EU Commissioner as well as the relevant regulations.</p>
Coordination with SEA	<p>The Strategic Environmental Assessment (SEA) has been carried out by a team of environmental experts under the same contract. The SEA has been closely coordinated with the ex-ante evaluation. The environmental report has been in public consultation together with the cooperation programme.</p>
Programme strategy	<p><b>Chapter 3: Assessment of the programme strategy, relevance and needs</b></p> <p>The coverage of especially the SWOT and the background chapter has been improved. Generally, the now presented weakness seem well linked to the analysis and the priorities set in the programme. In relation to the programme strategy and SWOT it is recommended to ensure that the last links and justifications are introduced and strengthened.</p>
Objectives and needs	<p>Generally speaking the programme objectives are now well aligned towards identified challenges and opportunities. Most regions in Europe would probably agree that these challenges are important issues to tackle. The difficulty to formulate unique challenges and opportunities for a macro region such as the BSR is recognised. When challenges are generically formulated on programme level there needs to be high demands on the context specific challenges, when it comes to selection of projects for funding.</p>
Objectives	<p>Generally the links between IPs, objectives and needs have been strengthened since the previous assessment. All objectives thus include changes at several levels</p>



following an argument that, formulating the SOs in a manner that one change "leads" to another, is acceptable in cooperation programmes in order to avoid that the objectives are without higher goals.

#### **Chapter 4: The internal and external coherence**

Coherence with other programmes and strategies	<p>Overall there seems to be coherence with the key EU programmes, targeting themes/areas to which also the BSR programme will provide support. Each of the priority axes has coherence with one or more of the EU Programmes. Generally this coherence is regarded as complementarity - it is not expected that there will be overlap due to the different nature of the programmes. Coherence with the EUSBSR is high and the strategy has been used as one of the base documents for the programming, both in relation to the background analysis as well as in the priority descriptions.</p>
Intervention logic	<p>As a result of various revisions, the various elements of the intervention logic are now presented in a logical, complete and distinctive way. The definitions and levels of the different elements (objectives, results, outputs and actions) are well represented. The element descriptions have improved with avoidance of any paraphrasing. Recommendations to review the actions to ensure that these are truly actions and not sub-objectives have generally been followed and the programme now appears coherent and more comprehensive than the drafts.</p> <p>Critical assumption and lessons learned are only included to some extent in the programme and used to explain and justify particular choices and approaches. This being said, experience and lessons learned from the previous and current programmes have been better reflected in the current version.</p>
Programme synergies and complementarity	<p>The areas within which, possible synergy between the specific objectives were identified are growth and innovation, sustainability and transport. There is possible complementarity between some of the SOs, especially in P1, but generally the description of the SOs is not so elaborate that exhaustive assessments can be made.</p>
Horizontal principles	<p>The horizontal principles are included and described, especially focusing on how these are included in the different priorities. However the guiding principle for how these are going to be used in the selection and implementation of the programme is not fully developed. It is recommended to explicitly describe how the horizontal principle will be used in the selection of project and implementation in the programme manual.</p>
Budget, objectives and milestones	<p>The results in all priority axes and specific objectives concern capacity development and increase in capacity of both public authorities and private sector actors. The assessment is that the programme with the activities outlined and the outputs targeted will influence the capacity of the actors in question as analysed. The milestones included are assessed as relevant and generally achievable.</p>

## **Chapter 5: Indicators, monitoring & evaluation and administrative capacity**

Result indicators	The new result indicators included in the latest versions of the programme are greatly improved since the last version of the programme document. New in this version of the programme is that there are only qualitative result indicators and only one per objective. This is in line with the ETC Draft Template and the guidelines. As the result indicators have no measurement unit yet, no baseline and no target values, the assessment assess the indicators themselves and determine whether these are RACER.
Output indicators	Earlier assessments of the indicators found that the output indicators were staff focused and less focused on the expected outputs. This has been addressed in the current version of the indicators focusing on organisations. This is supported by the ex-ante evaluators as the output indicators have to support/underpin result indicators focusing on capacity of institutions and organisations. This way there is a link between the two levels of indicators and the output indicators provide a monitoring basis for the result indicators. Also the size (number of indicators) and target values are assessed as appropriate for the cooperation programme.
Administrative capacity	Initially, the ex-ante evaluator notes that the implementation structures and modalities for the current programme are well established and these will continue in the period 2014-2020. An established secretariat under the MA in Kiel based in Rostock and Riga implements the programme. There seems to be no wish to change this structure. Based on the assessment present below, the ex-ante evaluator proposes mainly to strengthen monitoring of effects and impacts as well as communication related to both.
Administrative burdens	Various efforts are made in the programme management, application process and implementation to reduce the burden to the applicants and project participants. In general, the assessment of the ex-ante evaluator is that the programme authorities are very aware of the need for reduction of administrative burdens and efforts are made to streamline and simplify processes and procedures. The assessment of the ex-ante evaluator is that ETC Draft Template requirements are met by the measures described in the current version of the OP.

## **Chapter 6: Contribution to Europe 2020**

Contribution to EU2020	Overall the assessment is that the cooperation programme contributes to the flagships of the Europe 2020. P1, P2 and P3 contribute to the flagship 'Innovation Union', 'Resource efficient Europe' and 'An industrial policy for the globalisation era' respectively: The programme contributes to Europe 2020 objectives 'research and development' and 'climate and energy'.
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## **Chapter 7: Strategic Environmental Assessment**

A draft environmental report was prepared in January 2014 on the basis of the draft BSR programme document of 15 January 2014. Subsequently, a public hearing of the draft Cooperation Programme as well as of the environmental report was conducted and ended on 11 April 2014. Only one comment on the draft environmental report was received through the public hearing (offering agreement with certain aspects of the draft environmental report). The revisions of the draft cooperation programme document did not

lead to any changes in the environmental assessment. An environmental statement will be issued for publication along with the final cooperation programme. The statement will summarise the SEA process and conclusions.

# 1 Introduction

This report contains the assessment of the draft Cooperation Programme (CP) for the Baltic Sea Region (BSR) for period 2014-2020 - final draft of 23 April 2014.

Earlier assessments have been made based on a previous version of the programme (29 September 2013 and 12 November 2013), draft priority papers and programme parts of February 2014. The assessments included this report is therefore based on the assessment process as such and references are made, in the report, to earlier assessments and comments by the ex-ante evaluator. The report is structured as follows:

- > Ex-ante process and methodology (Chapter 2)
- > Assessment of the programme strategy, relevance and needs (Chapter 3)
- > Assessment of the programme external and internal coherences (Chapter 4)
- > Assessment of indicators, monitoring and evaluation (Chapter 5)
- > Assessment of the contribution to Europe 2020 (Chapter 6)
- > A summary of environment report - SEA (Chapter 7)

Each chapter provides an assessment according to specific evaluation criteria. The relevant criteria are explained in the introduction to the chapter and furthermore, each provides an overall short conclusion to start with.

## 2 Ex-ante process and methodology

The framework for the assessment is described in a concept note on the ex-ante evaluation, developed by the ex-ante evaluator in May 2012 (Annex A). The methodology was developed based on the guidance from the EU Commission for the programming of the Programming Period 2014-2020 as listed in Box 2.1. below. In the assessment in chapters 3-6, references to relevant guidance documents are made as appropriate.

### *Box 2.1. Documents and sources*

- > **Common Strategic Framework (CSF), part I & II.** Commission staff working document. 13. March 2012. European Commission.
- > **Common provisions regulation (CPR).** 17 December 2013. (full title in Annex A)
- > **ERDF Regulation.** 17 December 2013. (full title in Annex A)
- > **ETC Regulation.** 17 December 2013. (full title in Annex A)
- > **Guidance document on monitoring and evaluation.** ERDF, ESF CF. Concepts and Recommendations. January 2014. European Commission. DG Regio
- > **Monitoring and Evaluation of European Cohesion Policy.** ERDF, ESF CF. Guidance document on ex-ante evaluation. January 2013. European Commission. DG Regio & DG Employment
- > **Draft Template and guidelines for the content of the Cooperation Program.** Version 3. 28 June 2013. European Commission. DG Regio
- > **Questions and Answers on ETC programmes and results orientation.** Evaluation and European Semester Unit. 3 February 2014

### Strategic Analysis

Part of the basis for the development of the cooperation programme was an analysis carried out by the ex-ante evaluator in 2012<sup>1</sup>. The analysis reviewed 24 reference documents covering the Baltic Sea Region and selected sectors in order to find the relevant correlation with the thematic objectives. This was used as input for the section of thematic concentration for the programme.

<sup>1</sup> Strategic Analysis of Reference Documents - BSR programme 2014-2020, COWI A/S. November 2012.

The list of documents in Annex A includes specifically the documents used for the ex-ante evaluation. The documents used for the 'Analysis of Strategic Reference Documents' is included in that report and not in Annex A. of the present report.

### Evaluation criteria

The ex-ante evaluation criteria were developed and detailed in the concept note of

May 2012 (Annex B). A summary of these are provide in the table 2.1. The ex-ante report is structured according to the four overall assessment areas and the criteria set-out on the concept note.

Table 2.1 *Evaluation components*

<b>Evaluation component</b>	<b>Brief overview over judgement criteria and analytical components</b>
Programme strategy (Chapter 3)	<ul style="list-style-type: none"> <li>&gt; Consistency between strategy, objectives and goals</li> <li>&gt; Challenges and needs are reflected in the programme (SWOT)</li> <li>&gt; Compliance with CSF (and template)</li> </ul>
External and internal coherence (Chapter 4)	<ul style="list-style-type: none"> <li>&gt; Coherence between objectives, results and activities (intervention logic)</li> <li>&gt; Internal coherence (synergy and complementarity)</li> <li>&gt; The coherence with other EU programmes</li> </ul>
Indicators, monitoring and evaluation (Chapter 5)	<ul style="list-style-type: none"> <li>&gt; Relevance and quality of the proposed indicators</li> <li>&gt; Assessment of the milestones (performance framework)</li> <li>&gt; Administrative capacity and administrative burdens</li> </ul>
Consistency of financial allocation (Chapter 4)	<ul style="list-style-type: none"> <li>&gt; Relation between objectives and budget allocations</li> </ul>
Contribution to Europe 2020 (Chapter 6)	<ul style="list-style-type: none"> <li>&gt; The expected results contributes to Europe 2020 (flagships and objectives)</li> </ul>

Iterative process	The ex-ante evaluation is an iterative process where the ex-ante evaluator provides on-going commentary on the programme development. The ex-ante evaluator has also participated in most of the meetings of the Joint Programming Committee (JPC) and the Joint Programming Task Force (TF) as depicted in Table 2.2. The ex-ante process has till now included the events and outputs illustrated in Table 2.2. A detailed plan was developed to guide the work of the ex-ante process together with the JTS. The plan is not attached, but available on request.
Comments and reactions	The ex-ante evaluator has provided comments and suggestions to various parts of the programme development either in the form of notes or ex-ante report drafts. These have been presented to the JPC or the TF. Reactions to the ex-ante report part 1 (November 2013) were received from the JTS in April 2014 and reactions to the ex-ante report part 2 (March 2014) were received in April 2014 <sup>2</sup> . Both have been reflected in the present report to the extent possible.
Workshops	In addition to this, the ex-ante evaluator has provided support to the preparation and facilitation of the programming workshops in April 2013. The ex-ante evaluator has also prepared and carried out four workshops with the JTS in

<sup>2</sup> Polish delegation



Rostock during the programming period. These have been used primarily for development of indicators and programme development issues.

Table 2.2 Ex-ante and SEA process 2012-2014

Event	Date 2012	Activity or output
Kick-off meeting	May	Concept notes and time planning
1 <sup>st</sup> JPC meeting in Riga	June	Presentation of concept notes
2 <sup>nd</sup> JPC meeting Lillestrøm	September	Presentation of draft strategic analysis
Submission of Analysis of strategic documents	October	Draft and final report
3 <sup>rd</sup> JPC in Riga	November	Presentation of Analysis of strategic documents
Event		Activity or output
Submission of assessment on the draft priority descriptions 1, 6, 7 (not 11)	February	Three Assessment notes (Priorities 1-3)
2 <sup>nd</sup> TF meeting in Berlin	March	Participation/process observation (no presentation of notes)
Training for workshop facilitation for the Thematic Programme Workshop (in Rostock -	March	Training of JTS Workshop Facilitator (Daniel D. de la Cour)
Thematic Programming Workshop April - Berlin (by WS facilitator)	April	Facilitation and support by Workshop Facilitator (Daniel D. de la Cour)
3 <sup>rd</sup> TF in Berlin	May	Participation/process observation
4 <sup>th</sup> JPC in Tallinn	June	Participation/process observation
Workshop on indicators (Rostock)	June	Workshop with JTS (including preparation of log frames)
Workshop on intervention logic (Rostock)	September	Workshop with JTS (including preparation of log frames)
4 <sup>th</sup> TF in Berlin	October	Presentation of initial assessment and hand-outs
First draft of Ex-ante Report based on first programme draft	November	1 <sup>st</sup> draft ex-ante report
Submission of SEA Scoping Report	November	SEA Scoping Report (Birgitte Martens)
5 <sup>th</sup> JPC Tallinn	December	Presentation of the 1 <sup>st</sup> draft ex-ante
Event	Date 2014	Activity or Output
Submission of draft environmental report (SEA)	January	Draft environmental report (for public consultations)
Survey of MC members and project lead partners	January	Input to assessment of administrative capacity in ex-ante report (part 2)
Submission of 1 <sup>st</sup> draft ex-ante report (part 2)	March	1 <sup>st</sup> draft ex-ante report (part 2)
Workshop - Rostock	March	Work with JTD on programme comments
5 <sup>th</sup> TF in Berlin	March	Participation/process observation
6 <sup>th</sup> TF in Berlin	April	Presentation of the draft ex-ante report 2 <sup>nd</sup> part
Submission of final ex-ante report and final environmental report	May	Final ex-ante report, final environmental report, environmental statement
Participation in the JPC Warsaw	May	Presentation of final report

The cooperation programme was subject to a public consultation<sup>3</sup> by the programming authorities from 31 January 2014 until 28 March 2014<sup>4</sup>. A number of comments were received by programming authorities and assembled in a table for overview and action. The ex-ante evaluator has been provided with the comments. The comments and a strategic approach on how to deal with these were discussed by the TF. The approach has been; 1) not to broaden the strategic focus, 2) references to different sectors to remain proportional, 2) actions should stay at general level and 4) only main target groups should be mentioned. The assessment of the ex-ante evaluator is that this approach is laudable and that the relevant comments have been reflected in the final draft of the programme.

Strategic  
Environmental  
Assessment

A strategic environmental assessment (SEA) was carried out by the ex-ante evaluator as well (included in the same contract). The environmental report was submitted for public consultation together with the programme January -March 2014. Only one comment offering agreement with certain parts of the SEA was received. A summary of the process and the report is included in Chapter 7.

<sup>3</sup> Not mentioned in the programme document

<sup>4</sup> The public consultations were two weeks longer in Lithuania.

## 3 Assessment of the programme strategy, relevance and needs

This chapter consists of three main parts:

The first part (3.1) focuses on the programme strategy and whether the programme strategy reflects the development needs and challenges. An important part of this assessment is assessment of the SWOT and whether it covers the key needs and challenges of the region.

The second part (3.2) looks at the linkages between the needs and challenges of the selected investment priorities and the stated objectives i.e. whether the needs and challenges are reflected in the objectives.

The third part (3.3) considers whether the objectives reflect the required changes sought by the programme (in order to address the needs) and that the objectives are SMART and can be measured by relevant indicators (see assessment in Chapter 5).

In each of the three sections the presentation is structured as follows: review of previous assessment, assessment of the current programme document and provision potential recommendations to strengthen the CP.

### 3.1 Challenges and needs

This section discusses some overall issues on how challenges and needs are identified, justified and prioritized.

Improved SWOT and needs identification

In the initial review in March 2013 as well as later reviews, the assessment asked for a more stringent presentation of the contents of the SWOT. In particular, the mixture of "different" types of weaknesses, which made it appear more like brainstorming than the result of a thorough analysis, was identified as problematic. Especially less local weakness and more trans-national aspects were called for. The reworked SWOT has definitely improved. Generally, the now presented weakness seem well linked to the analysis and the priorities set in the programme.

SWOT based on thematic workshops

The initial SWOT was made based on a draft from the programming authorities, which was discussed with stakeholders at thematic workshops in March and April

2013. The initial ex-ante assessments found that the SWOT reflected, in general, the needs of the BSR and identified the main challenges. There were some areas which were not mentioned in the SWOT or only mentioned to a very limited degree (or only as opportunities). It was recommended to strengthen description of challenges and possibilities and presented initial suggestions, which to a large extent has been done.

Analytical data and use of data sources

The SWOT analysis is based on information from well-renowned reports and investigations and the analysis and conclusions regarding the programme area's needs and challenges appear multi-faceted and inclusive. It deserves to be repeated, however, that some sources of information date back to 2009 or 2008. Considering the turbulent developments of the global economy in the years after 2009 information may be partially obsolete.

The programme differentiates between different groups and needs

It is the assessment that the CP reflects relevant groups in a transnational programme and the needs of these stakeholders. The cooperation programme lists the relevant target groups for each priority. This is also reflected in the needs assessment/SWOT although the SWOT is at a more general level.

Selection of Thematic objectives

The choice of thematic objectives was based on three different analyses of the region and needs in the region as described in the CP. TO1, TO6, TO7 and T011 were chosen as the most relevant thematic objectives to steer the programme development. The ex-ante evaluator was involved in this assessment providing some of the inputs that formed the basis for the selection. Overall it is the assessment of the ex-ante evaluator that these objectives reflect the needs of the region and areas relevant for transnational cooperation in the BSR. It is the assessment that the selected IPs overall reflect the regional situation and needs as expressed in particular in the SWOT.

More analysis of the region

As a final comment, the ex-ante evaluator recommends, for the next programming period that a more up-to date and detailed analysis is made for the region in key sectors/areas. As it was noted in the analysis of strategic documents<sup>5</sup>, large parts of the data which the programming has been built on is relatively old and there are large differences between sectors in terms of the analysis and data available. There is a need, in the opinion of the ex-ante evaluator, for more comparable data of the countries and regions in the BSR.

### 3.2 The programme strategy and specific objectives reflect the challenges

Consistency between programme objectives and challenges

This section assesses the consistency between the strategy and programme objectives and whether this is reflected in the challenges and needs of the program area. In the previous CP draft not all objectives were directly reflected i.e. based on/respond to a need, problem or challenge. These were not explicitly included in the strategy description, and in some cases, also not in the SWOT.

<sup>5</sup> Strategic Analysis of Reference Documents - BSR programme 2014-2020, COWI A/S. November 2012.

**Recommended strengthening of description followed** As building and enhancing the capacity of actors in different areas is a key focus of the programme there was a need to identify this as a challenge, problem or issue which was only done in some cases (in the text or SWOT). The recommendation to further develop the text (and maybe SWOT) to include background/rationale for all objectives has generally been followed by the programmer.

Generally speaking the programme objectives are now well aligned towards identified challenges and opportunities. One should keep in mind however, that the statements concerning challenges facing the BSR are simplified, selective and in some of the sectors less region-specific. Most regions in Europe would probably agree that these challenges are important issues to tackle. The difficulty to formulate unique challenges and opportunities for a macro region such as the BSR is recognised. When challenges are generically formulated at programme level the context specific challenges needs to be well formulated, when it comes to selection of projects for funding.

#### P1 Capacity for innovation

**Consistency between strategy part and SWOT** In the previous assessment it was stated that the relation between the programme strategy and the SWOT was clear and that the selection of the priorities and corresponding specific objective seemed justified and well argued for. The CP listed five factors as primary justification for the investment priority but principally this priority can be justified by additional factors listed under weaknesses in the SWOT.

**Improvement of SWOT** It was suggested to add three further weaknesses as justification of the selection of Investment Priority 1 (a), namely:

- > Insufficient capacity of innovation intermediaries (for example, technology centres, incubators, chambers of commerce, development and innovation agencies) hindering development of the BSR
- > Insufficient coverage of SMEs with support measures (e.g. access to information, networks, early stage financing, etc.) for activating innovation
- > Weak innovation absorption capability of companies.

The "push" philosophy is strong in the SWOT. Many of the mentioned weakness are related to inabilities of the innovation-supporting structures to foster innovation. However, it does not matter how good such mechanisms are if companies are not willing or able to absorb and utilise knowledge. Therefore, it would be justified to add a weakness that highlights the issue of innovation capability of companies, which to some extent is inter-linked with the size of firms (which is actually presented as strength in the SWOT).

All of the above suggestions have been adopted in the SWOT.

**Links between SOs and needs/challenges (1.1)** The specific objective "Research and innovation infrastructure" is explicitly mentioned in the SWOT. The comment in the previous assessment that causal links between "market uptake of innovation" and "improved capacity of research and innovation infrastructure" are not necessarily very strong still hold, however.

Links between SOs and needs/challenges (1.2)	<p>The previous assessment stated that the need for smart specialisation was not explicitly grounded in the SWOT and the comments provided on this assessment confirmed the notion that smart specialisation is to be seen as a general development paradigm for the BSR (and other regions of the EU). The main rationale for smart specialisation is the need for innovation-promoting initiatives and policy measures supporting real and unique regional assets as well as the need to remedy the inertia of developing strategies along traditional sectors and structures.</p>
	<p>The assessment questioned the appropriateness of putting forward such a broad framework as a specific programme objective as it both may be redundant to activities relevant also to other specific objectives of this priority and the assumed difficulty to evaluate the results of the funded projects. Additional arguments and explanations are now included in the CP shedding more light on how this specific objective is positioned within the priority as well as towards the other specific objectives. Consequently, there is from the evaluation point of view no serious concerns about this objective anymore, merely a reminder to make sure that funded projects allow for proper follow up and evaluation.</p>
Links between SOs and needs/challenges (1.3)	<p>The previous assessment highlighted that is important to distinguish between non-technological innovation as in "service sector innovation" and as in "business model innovation". Business model innovation can be equally important to service companies as to product companies whereas service sector innovation is limited to service companies. It is still not clear from the SWOT if both perspectives are included, however, the text outlining the rationale of the specific actions as well as examples of actions now contain formulations that seem to open up also for business model innovation.</p>
Links between SOs and needs/challenges (1.3)	<p>The previous assessment highlighted that is important to distinguish between non-technological innovation as in "service sector innovation" and as in "business model innovation". Business model innovation can be equally important for service companies as for product companies whereas service sector innovation is limited to service companies. It is still not clear from the SWOT if both perspectives are included, however, the text outlining the rationale of the specific actions as well as examples of actions now contain formulations that seem to open up also for business model innovation.</p>
Comprehensiveness of the SWOT	<p>P2 Efficient management of natural resources</p> <p>The SWOT, as reflected in Annex 11.2 and in the text in Section 1 on transnational key challenges and opportunities related to environment and resource efficiency, has been reviewed.</p> <p>The previous ex-ante report came up with a number of suggestions for improvement of the SWOT analysis in relation to climate issues as well as resource efficiency and energy sector related content. These suggestions have generally been taken into account in the new version of the programme document (see table 3.1 for an overview of suggestions that have been included in the SWOT). The SWOT analysis is thus regarded as substantially</p>

improved. There is one comment in relation to the changes implemented: Europe 2020 targets are mentioned under

opportunities whereas regulatory framework and targets in the water sector are mentioned under strengths. It would seem most obvious to mention such issues under strengths. It can also be said that Europe 2020 targets are to some extent underpinned by a regulatory framework and, likewise the well-developed regulatory framework in the water sector (which is already mentioned in the SWOT) should be seen in conjunction with policy targets, in particular reference can be made to 'A blueprint to safeguard Europe's waters'.

Consistency between SWOT (Annex 11.2) and transnational key challenges text (section 1)

The previous ex-ante report mentioned that there were several issues, mentioned in the transnational key challenges (text in pages 8-9 and Table 1) and not in the SWOT and vice versa and also suggested to strengthen the justification in Table 1. In the current programme document, the suggestions with regard to strengthening the justification have been taken into account and the consistency between SWOT and key challenges is much improved.

However, there is still one important area where the analysis in the SWOT and the text in section 1 seem inconsistent: namely 'Capacities for water management'. The SWOT refers to insufficient capacities of administrations and industries in relation to hazardous substances. Table 1 refers to insufficient capacities of administrations and industries in relation to reducing water pollution as well as in-efficient management of nutrient resources. The text in section 1 refers to 'the potential to capitalise on existing water management expertise...' and does not mention the lack of water management capacities.

### P3 Sustainable transport:

Consistency between strategy part and SWOT

The previous assessment noted that there was a limited correlation between the needs assessed in the SWOT and in the strategy part of the operation programme and the IP and objectives selected for P3 sustainable transport. It meant that it was difficult to understand why the chosen objectives were targets for the programme. This has been strengthened in the recent program version by addressing the issues below as well as improving the text of the strategy in terms of explanation and justification, particularly with regard to maritime safety.

Improvement of SWOT

In the new version of the programme document a number of issues from the SWOT, the text and the justification as well as to update the SWOT so that it reflects the needs based on recommendation of the ex- ante evaluator. Thus the following points were added to threats in the Transport SWOT.

- > Regulations and economic competition force to operate on verge of profitability and therefore shipping companies cannot or are unwilling to direct much resources to safety and security issues or to manning and/or well-being of seafarers.
- > Regions suffering from demographic change and outmigration.

The latter point was substantiated by adding that might lack sufficient 'transport infrastructure' as it was unclear whether it was a threat to the region in general or if it is a particular threat in relation to sustainable transport.



Issues in the SWOT which previously were placed under the wrong heading or needs more explanation have been reorganised so that these are included as weakness.

**Links between SOs and needs/challenges** The findings in the previous assessment were that not all SOs were directly and reflected i.e. based on/corresponded to a need, problem or challenge. Building and enhancing the capacity of actors in different areas is a key focus of the programme but only in a few cases (in the text or SWOT) was this identified as a challenge, problem or issue. This has been addressed in the SWOT.

**Better transnational justification** Accessibility, interoperability, geography, sustainability, maritime safety and clean shipping - all seem to be well chosen challenges to be addressed in a transnational context. Urban transport is, however, a bit on the side and the argument for including it in a transnational programme is not very strong.

The weakness in the SWOT reflects key issues which are included in the IPs and the objective as well as it argues why these need to be tackled at a transnational level. The following points were added to the SWOT, on recommendation from the ex-ante evaluator, which gives a more complete picture of the challenges:

- > Maritime safety administration and related functions and tasks are mainly arranged and maintained by individual states at national level.
- > Implementation of international maritime safety regulations and standards vary a lot between states and even between regions. There is a lack of harmonised interpretation and implementation of safety codes, standards and regulations.
- > The harmonisation of the Port State Control methods and a sound professionalism of the Port State Control Officers to gain a similar level of competence throughout the region

#### Overview of linkages between specific objects and needs

**Overview over linkages between needs and objectives** Table 3.1 illustrates the linkages between the SWOT, the development needs (as described in the strategy part) and the specific objectives for each priority axes. The first column indicates relevant issues highlighted in section 1. The second column indicates additional elements from the SWOT which the ex-ante evaluators have suggested to be included. The last column includes the objectives as they are worded in the final draft CP document.

Table 3.1 Strengthening of linkages between SWOT, development needs and challenges and objectives

		Development needs & challenges		Specific Objectives
		Included in justification table or text	Justification added in the SWOT	
TO1 Strengthening research, and innovation	1 b	<ul style="list-style-type: none"> <li>❖ Wide range and uneven distribution of research and innovation infrastructures in the BSR</li> <li>❖ Potential for better links between research resources within BSR, and outside</li> <li>❖ Potential to improve governance structures and ensure optimal use of resources</li> <li>❖ Need for better involvement of infrastructures' users and potential for better translation of research into business</li> <li>❖ Insufficient cooperation among public, academic and private sectors hampering market-led R&amp;D and demand-driven</li> </ul>	<ul style="list-style-type: none"> <li>❖ Insufficient capacity of innovation intermediaries (for example, technology centres, incubators, chambers of commerce, development and innovation agencies) hindering development of the BSR</li> <li>❖ Insufficient coverage of SMEs with support measures (e.g. access to information, networks, early stage financing, etc.) for activating innovation potential</li> <li>❖ Limited innovation capability of enterprises (especially SMEs) in the BSR leading to limited absorption and utilisation of new knowledge</li> </ul>	<b>SO 1.1 'Research and innovation infrastructures':</b> To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users.
	1 b	<ul style="list-style-type: none"> <li>❖ Lack of framework (not in SWOT)</li> <li>❖ Potential to build on diversity to achieve smart combinations of competencies</li> <li>❖ Potential to build on diversity to achieve smart combinations of competencies</li> <li>❖ Need for capacity building measures to implement smart specialisation strategies</li> <li>❖ Potential for developing innovative responses to large societal challenges</li> <li>❖ Underused potential of excelling in non-technological innovation</li> <li>❖ Need for market-driven innovation and involvement of SMEs into discovering areas of future specialisation</li> </ul>	<ul style="list-style-type: none"> <li>❖ Deepening of the innovation gap between BSR and other regions on European and global scale due to insufficient exploitation of innovation potential in particular non-technological innovation;</li> <li>❖ Lack of effective mechanisms ensuring transfer of knowledge from research to enterprises</li> <li>❖ Missed new growth opportunities in the BSR due to lack of national and regional SMART specialisation strategies.</li> </ul>	<b>SO 1.2 'Smart specialisation':</b> To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach. <b>SO 1.3 'Non-technological innovation':</b> To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors
P2 Efficient management of natural resources - (TO6 Protecting the environment and	6b	<p><b>S</b> Impaired environmental state of the Baltic Sea caused by eutrophication and hazardous substances <b>S</b> Lack of cooperation between different sectors having an impact on the water status</p> <p><b>S</b> Insufficient capacities of administrations and industries to reduce the water pollution</p> <p><b>S</b> Shortcomings in existing monitoring and reporting systems ❖ <i>Targets set out at the pan-Baltic level (e.g. HELCOM BSAP)</i> (not clearly in SWOT)</p> <p><b>S</b> Dependence on fossil fuels <b>S</b> High greenhouse gas emissions</p> <p><b>S</b> Low energy efficiency and insufficient energy saving in the programme area</p> <p><b>S</b> Need to mediate contradictory interest of marine resources</p> <p><b>S</b> Europe 2020 Strategy target: create 20 % of energy consumption from</p>	<ul style="list-style-type: none"> <li>❖ Some of the key issues in the recent HELCOM thematic assessment on climate change in the Baltic Sea Area (Baltic Sea Environmental Proceedings No. 37)</li> <li>❖ In respect to resource efficiency and the energy sector related content:</li> <li>❖ Some countries in the BSR have efficient district heating systems and extensive experience in renewable energy production</li> <li>❖ An non-integrated energy market</li> <li>❖ Baltic-based initiatives for the energy sector not mentioned (e.g. BASREC)</li> <li>❖ EU policy/targets and regulation in the energy sector not mentioned</li> </ul>	<b>SO 2.1 'Clear waters':</b> To increase efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances to the Baltic Sea and the regional waters based on enhanced capacity of public and private actors dealing with water quality issues. <b>SO 2.2 'Renewable energy':</b> To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply.

		Development needs & challenges		Specific Objectives
		Included in justification table or text	Justification added in the SWOT	
P3 Sustainable mobility - (T07 Promotion sustainable transport and removing bottlenecks in key network infrastructures		<i>renewables and increase energy efficiency by 20 % by 2020.</i>	<ul style="list-style-type: none"> <li>❖ Lack of transnational energy planning thus hampering the exploitation of potential for efficiency gains (?)</li> <li>❖ lack of coordinated approaches and transnational cooperation on marine resources</li> <li>❖</li> </ul>	<p><b>SO 2.3 'Energy efficienc/:</b> To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning.</p> <p><b>SO 2.4 'Resource-efficient blue growth':</b> To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors.</p>
	6g	<p><b>S</b> Impaired environmental state of the Baltic Sea caused by eutrophication and hazardous substances <b>S</b> Lack of cooperation between different sectors having an impact on the water status</p> <p><b>S</b> Insufficient capacities of administrations and industries to reduce the water pollution</p> <p><b>S</b> Shortcomings in existing monitoring and reporting systems ❖ <i>Targets set out at the pan-Baltic level (e.g. HELCOM BSAP) (not clearly in SWOT)</i></p>		
	7b	<ul style="list-style-type: none"> <li>❖ Transport networks/modes are not fully interoperable and are separated by the sea</li> <li>❖ The BSR features distant areas with accessibility deficits</li> <li>❖ Demographic challenges affecting current transport systems</li> <li>❖ Sustainability in transport</li> <li>❖ Regions suffering from demographic change and outmigration.</li> </ul>	<ul style="list-style-type: none"> <li>❖ The harmonisation of the Port State Control methods and a sound professionalism of the Port State Control Officers to gain similar level of competence throughout the region</li> <li>❖ Regions suffering from demographic change and outmigration.</li> <li>❖</li> <li>❖ Regulations and economic competition force to operate on verge of profitability and therefore shipping companies cannot or are unwilling to direct much resources to safety and security issues or to manning and/or well-being of seafarers.</li> </ul>	<p><b>3.1 'Interoperability of transport modes':</b> To increase interoperability in transporting goods and persons in north-south and east-west connections based on increased capacity of transport actors.</p> <p><b>3.2 'Accessibility of remote areas and areas affected by demographic change':</b> To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change based on increased capacity of transport actors.</p>
7c	<ul style="list-style-type: none"> <li>❖ BSR features harsh climate conditions that put additional risk on the</li> <li>❖ Regulations and economic competition force to operate on verge of profitability and therefore shipping companies cannot or are unwilling to direct much resources to safety and security issues or to manning and/or well-being of seafarers.</li> <li>❖ Multimodality of urban passenger and freight transport facilitate the development of more sustainable urban transport systems (not in SWOT)</li> <li>❖ Maritime safety administration and related functions and tasks are mainly arranged and maintained by individual states on national level.</li> <li>❖ Implementation of international maritime safety regulations and standards vary a lot between states and even between regions. There is a lack of harmonised interpretation and implementation of safety codes, standards and regulations.</li> </ul>		<p><b>3.3 'Maritime safet/:</b> To increase maritime safety and security based on advanced capacity of maritime actors</p> <p><b>3.4 'Environmentally friendly shipping':</b> To enhance clean shipping based on increased capacity of maritime actors</p> <p><b>3.5 'Environmentally friendly urban mobility':</b> To enhance environmentally friendly transport systems at urban areas based on increased capacity of urban actors</p>	

### 3.3 Programme objectives reflect the investment priorities and are SMART

This assessment looks at the chosen investment priorities and the specific objectives (SOs) formulated within the investment priorities. The assessment focuses on the following criteria:

- > Objectives reflect a change (not an action) and the direction of the change.
- > Objectives are at the level of the programme (influenced by the programme) and specific (not influenced by other factors).
- > Objectives have a precise target (group or/and geography) which can be influenced by the programme interventions.
- > Objectives are SMART and do not include multiple objectives.

**Specific Objectives** Generally the links between IPs, objectives and needs have been strengthened since the previous assessment. The SOs have been formulated to contain two changes: e.g. one on a societal level, e.g. "environmental state" and one on programme level, e.g. "enhanced capacity of". All objectives thus include changes at several levels following an argument that, formulating the SOs in a manner that one change "leads" to the other, is acceptable in cooperation programmes in order to avoid that the objectives are without higher goals. It does make the objectives less specific, but the use of definitions, as included in the programme document, remedies this.

The objectives are measurable as the key aspect to be measured is the capacity of the actors and whether this capacity has been increased and this has led to the required change. This discussion will be continued in Chapter 5.

**EU guidelines** The EU Commission has in its communication to the programmes given guidelines on how to formulate the objectives and advised that wording like strengthening, promoting or supporting should be avoided. The recommendation is generally not to use "To"... which indicates an action and not a change.

#### P1 Capacity for innovation

1a "Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest"

The investment priority 1a "Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest" has the following specific objective:

- 1.1 "Research and innovation infrastructures": To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users".

This objective has been reformulated based on recommendations from the previous assessment. With a literary interpretation however, the specific objective refers more to the market uptake of research-based inventions than what is explicitly mentioned in the

priority, which rather speaks about R&I excellence and competence centres.

This may confuse potential applicants. The research institutions may read it as an invitation to enhance research excellence whereas

technology transfer offices will see it as a chance of supporting industry-science collaboration activities. The examples of actions provided in the CP are therefore very important for the purpose of indicating what types of projects that are preferred and for avoiding mistakes.

As for measurability of objectives it should be repeated from the previous assessment that market uptake of innovation to a very large extent is depending on factors that cannot be influenced by the programme (such as global economic development in different markets). Consequently, the causal links between the capacity of research and innovation infrastructures and innovation performance are probably hard to isolate. This said it should be possible to design both qualitative and quantitative indicators that allow for measuring both the market uptake of innovations that can be tracked to a certain research institution as well as the increase in capacity of the research infrastructures as such. It is the relation between the two that may be hard to establish.

The statement from the previous assessment that the objective is reasonable and achievable for the programme, relevant within the Europe 2020 framework and also in line with the EUSBSR is still relevant.

The investment Priority 1b "*Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector*"<sup>6</sup> corresponds to the following specific objectives:

- > 1.2 'Smart specialisation': To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach
- > 1.3 'Non-technological innovation': To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors

Both objectives have been reformulated based on comments from the previous assessment and are, if the framework of smart specialisation is acknowledged as appropriate within the BSR-programme, sufficiently specific.

1b Promoting business investment in R&I, developing links.."

The second specific objective is about increasing the capacity of innovation actors to improve conditions for non-technological innovation. As stated in the previous assessment this objective is sufficiently specific in order to provide good directions to organisations interested in developing projects in this field. The open issue whether "non-technological" refers to service sector innovation or business model innovation, or both has been clarified through amendments to the programme text. The objective is, as mentioned earlier, highly relevant for the BSR, in particular as business model innovation now is included in the objective description. Many companies can easily improve business performance if they re-think and adapt their

business models. This holds true for product companies as well as for service sector firms.

## P2 Efficient management of natural resources

Investment priority 6b "Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs identified in the Member States, for investment that goes beyond those requirements"

For investment priority 6b "Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs identified in the Member States, for investment that goes beyond those requirements" one specific objective has been formulated:

- > To increase efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances to the Baltic Sea and the regional waters based on enhanced capacity of public and private actors dealing with water quality issues. (NEW)

This reflects the spirit of the investment priority well. The SO has been reformulated in the current version of the programme document so that it is more in line with the formulation of the other SO's (focusing on capacity building as a means to achieve other objectives).

Investment priority 6g "Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and the environmental performance management in the public and private sectors"

For Investment priority 6g "Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and the environmental performance management in the public and private sectors" three specific objectives have been formulated:

- > 2.2 'Renewable energy': To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply.
- > 2.3 'Energy efficiency': To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning.
- > 2.4 'Resource-efficient blue growth': To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors.

None of these SO's have been changed compared to the earlier version of the programme document. The three objectives are well in line with the investment priority. In the results listed for SO 2.2 and 2.4 (ref. Table 3.2), reference is made to improved regional economic performance (which the results are expected to lead to), whereas the investment priority focuses on industrial transition and the overarching Thematic Objective 6 focuses on

preserving and protecting the environment and resource efficiency. It therefore seems more relevant to describe the results in terms of environmental rather than economic performance. In addition, SO 2.4 refers to both 'sustainable' and 'resource efficient' blue growth. There are overlaps between the two concepts but they are not interchangeable. Hence, there is a certain level of multiplicity in the objective.

In the results listed for SO 2.3, reference is made to acknowledgement of BSR as a climate neutral region (which results are expected to lead to). Intentions of developing BSR into a climate neutral region are not mentioned in the programme document as a strength, opportunity or challenge, and therefore, it appears somewhat out of place.

### P3 Sustainable transport

The table below contain the assessment of the objectives for P3 Sustainable transport. The assessment for each of the objectives has been included in Table 3.2. Formulation of all objectives has been changed in the current version. Overall the assessment is that this has strengthened the objectives.

7b "Enhance regional mobility by connecting secondary and tertiary nodes to the TEN-T infrastructure, including multimodal nodes"

For investment priority 7b "Enhance regional mobility by connecting secondary and tertiary nodes to the TEN-T infrastructure, including multimodal nodes" the assessment is that the two objectives listed below reflects the spirit of the investment priority well:

- > 3.1 'Interoperability of transport modes': To increase interoperability in transporting goods and persons in north-south and east-west connections based on increased capacity of transport actors. (NEW)
- > 3.2 'Accessibility of remote areas and areas affected by demographic change': To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change based on increased capacity of transport actors. NEW

The first objective 3.1 reflects the investment priority more directly by focusing on interconnections. The second objective 3.2 will contribute to the investment priority by enhancing interregional mobility linking remote areas into existing connections.

Both objectives have been reformulated partly based on the recommendation of the ex ante evaluator. The objective 3.1 has become clearer in its formulation and generally complies with the requirements for objectives. Objective 3.2 have been strengthened and made more specific by emphasising that change is to be brought about by the increase in capacity of the transport actors (previous formulation "through economically efficient solutions" - which it was recommend not to use.).

Investment priority 7g "Developing and improving environmentally friendly, .. "

For investment priority 7g "Developing and improving environmentally friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility" - three objectives have been formulated which all have focus on "environmental" issues, namely:

- > 3.3 'Maritime safety': To increase maritime safety and security based on advanced capacity of maritime actors
- > 3.4 'Environmentally friendly shipping': To enhance clean shipping based on increased capacity of maritime actors
- > 3.5 'Environmentally friendly urban mobility': To enhance environmentally friendly transport systems in urban areas based on increased capacity of urban actors

All three objectives reflect a change (expressed as actions), and are specific. They should all be achievable at the level of the programme and target groups are included in the objectives.

SO 3.3 includes more than one objective namely "safety" and "security" - this should be addressed at the level of the indicators i.e. what are the indicators measuring? This may be addressed through the fact that this is a qualitative indicators which may include more aspects.



Thematic Objective  
11: Development and  
coordination of  
macro-regional and  
sea-basin strategies

### Development and coordination of macro region and sea-basin strategies

Thematic Objective 11 only has the one and only investment priority. 'Development and coordination of macro-regional and sea-basin strategies'. Two objectives have been formulated under this this priority:

- > Specific objective 4.1 'Seed Money' To increase capacity for transnational cooperation implementing the EU Strategy for the Baltic Sea Region and working on common priorities with partner countries:
- > Specific objective 4.2 'Coordination of macro-regional cooperation' To increase capacity of public administrations and pan-Baltic organisations for transnational coordination in implementing the EU Strategy for the Baltic Sea Region and facilitating the implementation of common priorities with the neighbouring countries.

The priority is not part of the SWOT and the initial needs assessment and is therefore only assessed in terms of the quality of the objectives, i.e. that these are SMART, which has been included in Table 3.2. An analysis of P4 is included in Chapter 4.

Overview table

Table 3.2 provides an overview of the investment priorities, the objectives, the results and the assessment of the quality of the objectives according to the SMART criteria.

Table 3.2 Link between the development needs and challenges and the objectives

2020	Objectives (Updated)	Results (updated)	Reflect a change	Not multiple	Target group	Achievable
O 4- 0.	<b>Investment priority 1(a): Enhancing research and innovation infrastructure (R&amp;I) and capacities to develop R&amp;I excellence and promoting centres of competence, in particular those of European interest</b>					
	<b>1.1 'Research and innovation infrastructures': To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users. NEW</b>	Improved capacity of research and innovation infrastructures and their users allowing for better market uptake of innovation This leads to more efficient utilisation of existing research and innovation infrastructures and through this to advancing innovation performance of the BSR.	Yes/express ed as action	Ok	Research and innovation infrastructures /users	Yes. See text
	<b>Investment priority 1(b): Promoting business investment in R&amp;I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies</b>					
	<b>1.2 'Smart specialisation': To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach. NEW</b>	Increased capacity of innovation actors (innovation intermediaries, authorities, research institutions, enterprises) to apply smart specialisation approach. This leads to unlocking growth opportunities of the BSR that are related to prominent areas of specialisation.	Yes/express ed as action	Ok	Not in objective - but in results	Sufficiently specific
	<b>1.3 'Non-technological innovation': To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors No change</b>	Increased capacity of innovation actors (innovation intermediaries, authorities, research institutions, enterprises) to improve conditions for non-technological innovation This leads to increasing the BSR ability to generate non-technological innovation and gives possibilities for development of regions technologically lagging behind.	Yes/express ed as action	Ok	Innovation actors	Yes
<b>Investment priority 6(b): Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements</b>						
<b>2.1 'Clear waters': To increase efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances to the Baltic Sea and the regional waters based on enhanced capacity of 1 public and private actors dealing with water quality 1 issues. NEW</b>	Enhanced capacity of public authorities, public and private practitioners (from water management, agricultural, forestry, fisheries etc. sectors) for improved water management This leads to reduced eutrophication and decreased discharges of hazardous substances to the regional waters and the Baltic Sea.	Yes/express ed as action	Ok	Public and private actors dealing with water quality	Yes (for enhanced capacity part)	
<b>Investment priority 6(g): Supporting industrial transition towards a resource-efficient economy, promoting green growth, eco-innovation and environmental performance management in the</b>						
<i>Table 3.2 Link between the develo</i>						

	Objectives (Updated)	Results (updated)	Reflect a change	Not multiple	Target group	Achievable	
2U							
	<b>public and private sectors</b>						
	<b>2.2 'Renewable energy':</b> <b>To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply. No change</b>	Enhanced capacity of public and private actors involved in energy planning and supply (public authorities, energy agencies, waste management, forestry, agricultural advisories, enterprises, NGOs) allowing for increased production and use of sustainable renewable energy. This leads to better utilisation of green growth opportunities across the Baltic Sea region and, thus, to better regional economic performance in the sectors concerned.	Yes/expressed as action	Ok	Public and private actors in energy planning and supply	Yes (for enhanced capacity part)	
	<b>2.3 'Energy efficient':</b> <b>To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning. No change</b>	Enhanced capacity of public and private actors involved in energy planning (public authorities, energy agencies, enterprises, NGOs) allowing for increased energy efficiency. This leads to better regional energy performance and contribution to the acknowledgment of the BSR as a climate neutral region.	Yes/expressed as action	Ok	Public and private actors in energy planning	Yes (for enhanced capacity part)	
	<b>2.4 'Resource-efficient blue growth':</b> <b>To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors. No change</b>	Enhanced capacity of public authorities, enterprises and NGOs within the blue economy sectors to advance resource-efficient and sustainable blue growth. This leads to better regional economic performance as regional and local actors are able to use new resource efficient and sustainable blue growth patterns in their daily practice.	Some uncertainty about which change is aimed for.	No. Dual focus on sustainability and resource-efficiency.	Public authorities and practitioners	Yes (for enhanced capacity part)	
	<b>7b "Enhance regional mobility by connecting secondary and tertiary nodes to the TEN-T infrastructure, including multimodal nodes"</b>						
EU i-01 n c E 4 1/1 3 3	<b>mobility - (T07)</b> <b>inable transport</b> <b>Promotion sust;</b>	<b>3.1 'Interoperability of transport modes':</b> <b>To increase interoperability in transporting goods and persons in north-south and east-west connections based on increased capacity of transport actors. NEW</b>	Increased capacity of authorities, public and private logistic and transport operators, ports, intergovernmental and research institutions for higher interoperability between transport modes and systems by sea, rail, road, inland waterways and air This helps to find optimal solutions for increased interoperability, to implement them or to attract funding for their implementation and limiting the risks connected to transport accidents.	Yes/expressed as action	Ok	Transport actors	The objective in itself is not achievable/but results are
		<b>3.2 'Accessibility of remote areas and areas affected by demographic change':</b> <b>To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change based on increased capacity of transport actors. NEW</b>	Increased capacity of authorities, public and private logistic and transport operators to apply economically efficient solutions maintaining and improving accessibility of remote areas and areas where accessibility is affected by demographic changes This helps to secure and improve the transport of goods and people in the currently least accessible areas of the region.	Yes/expressed as action	Ok	Transport actors	The objective in itself is not achievable/but results are
EU	Objectives (Updated)	Results (updated)	Reflect a	Not	ES	Achievable	

2U2U			change	multiple	group	
	<b>Investment Priority 7 (c): Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility</b>					
	<b>3.3 'Maritime safety':</b> <b>To increase maritime safety and security based on advanced capacity of maritime actors. No change</b>	Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to work with maritime safety and security Higher capacity of and increased cooperation among maritime actors in the field of maritime safety and security will help reduce risks associated with maritime transportation.	Yes/expressed as action	No.	Maritime actors	Yes
	<b>3.4 'Environmentally friendly shipping':</b> <b>To enhance clean shipping based on increased capacity of maritime actors. No change</b>	Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to reduce negative effects of shipping on the marine environment This leads to greater awareness of maritime actors towards clean shipping and better protection of the marine environment.	Yes/expressed as action	Ok	Maritime actors	Yes
	<b>3.5 'Environmentally friendly urban mobility':</b> <b>To enhance environmentally friendly transport systems in urban areas based on increased capacity of urban transport actors. No change</b>	Increased capacity of authorities, ports, infrastructure providers and operators, transport users to enhance the use of environmentally friendly transport solutions in urban areas This leads to increased acceptance and more application of environmentally friendly transport solutions and thus to less polluted cities in the Baltic Sea Region.	Yes/expressed as action	Ok	Urban areas/urban actors	Yes
<b>Institutional capacity for macro-regional cooperation</b>	<b>Development and coordination of macro-regional and sea-basin strategies (within the thematic objective of enhancing institutional capacity of public authorities and stakeholders and an efficient public administration)</b>					
	<b>4.1 'Seed Mone/':</b> <b>To increase capacity for transnational cooperation implementing the EU Strategy for the Baltic Sea Region and working on common priorities with the partner countries. Change</b>	Increased capacity of project ideas owners (public authorities, research institutions, NGOs, SMEs) to initiate complex projects with strategic impact, and to build up partnerships at transnational level	Yes	OK	OK	Yes
	<b>4.2 'Coordination of macro-regional cooperation':</b> <b>To increase capacity of public administrations and pan-Baltic organisations for transnational coordination in implementing the EU Strategy for the Baltic Sea Region and facilitating the implementation of common priorities with the partner countries. No change</b>	Increased capacity of public administrations, pan-Baltic organisations and transnational working groups to implement and follow up targets of the EUSBSR and to realise common priorities with the partner countries.	Yes	OK	OK	Yes

## 4 Internal and external coherence

Chapter 4 includes the assessment of the internal and external coherence of the cooperation programme. The assessment of internal coherence of the cooperation programme and the four priority axes takes up the lion's share. The core of this analysis is to assess whether the intervention logic is clear and the causality between objectives, actions, results and outputs can be confirmed.

Regarding the external coherence, the assessment considers how the programme relates to other, in particular EU, programmes and whether there is complementarity or overlaps/conflicts with these.

Coherence with other programmes

Overall there is coherence with the key EU programmes, targeting themes/areas to which also the BSR programme will provide support. Some complementarity is observed with key programmes such as COSME, HORIZON and LIFE.

Intervention logic

Although actions generally are well described in the priority descriptions -information concerning results and outputs is more limited making an intervention logic analysis possible only based on indicators as noted in earlier assessments. It was recommended to further strengthen the priority axis description with more info on the expected results and outputs. It was also recommended to review the actions to ensure that these are truly actions and not sub-objectives and that the intentions are fully understood. These have overall been followed and the programme now appears coherent and more comprehensive than the drafts.

Lessons learned

Critical assumption and lessons learned are only to some extent included in the programme and used to explain and justify particular choices and approaches. This being said, experience and lessons learned from the previous and current programmes have been better reflected in the current version.

Programme synergies and complementarity

Synergies across  
the priorities have

been identified for some SOs but complementarity exists between a few SOs. There may be more which will be visible once the projects have been selected.

Horizontal principles

The horizontal principles are included and described, focusing on especially how these are included in the different priorities. The guiding principle for how these

are going to be used in the implementation of the programme will be developed in the programme manual.

Coherence between The last part of the chapter looks at the coherence between the budget and the budget and objective objectives and thereby the results and the outputs. The assessment attempts to assess whether the required results can be reached with the allocated budget. It is noted that for a programme where the results are soft and targets not yet developed, the assessment can only conclude that the ex-ante evaluator believes that the programme will be able to assist in achieving the objectives. A quantified expression of this is not possible.

## 4.1 Coherence with other strategies and programmes

The assessment of CP coherence with other EU programmes is based on the regulations or the draft regulations on the programmes HORIZON, COSME, LIFE, NER300 and CEF. The assessment is made separately for each priority axis.

**P1 Capacity for innovation** It is assessed that P1 has a thematic coherence with HORIZON 2020 (within part I Excellent Science) and COSME. The assessment shows that P1 complements COSME through support for activities focusing on improving research and innovation infrastructures, whereas COSME provides support to SMEs to enhance market access and expansion as well as access to finance through equity and debt platforms. P1 complements activities supported by HORIZON 2020.

**P2 Efficient management of natural resources** The assessment shows a thematic coherence between P2 and HORIZON 2020 (under the focus on the Societal Challenges Unlocking the potential of aquatic living resources as well as Secure, Clean and Efficient Energy), LIFE (under the specific areas Environment and Resource Efficiency and Environmental Governance and Information) as well as NER300 regarding support for renewable energy projects.

It is assessed that P2 complements HORIZON 2020 through support for activities in the specific objectives 2.2 and 2.4 including support for activities to enhance capacity of public and private actors within energy planning and supply and the blue sector as well as NER300 through support for pilot projects whereas NER300 provides support for demonstration projects at a pre-commercial scale. Furthermore, the assessment foresees possible coherence of type of support and supported activities between P2 (in all specific objectives) and LIFE regarding support for development, test, and demonstration of policy or management approaches, best practices, and solutions to environmental challenges, support for knowledge sharing as well as activities related to monitoring and evaluation.

**P3 Sustainable transport** P3 has a thematic coherence with HORIZON 2020 (under the focus on the Societal Challenges Secure, Clean and Efficient Energy as well as Smart, Green and Integrated Transport), LIFE (under the specific priority area Climate Change Mitigation) as well as the Connecting Europe Facility regarding the focus on the TEN-T network. The assessment identifies complementarity between P3 and HORIZON 2020 and the Connecting Europe Facility (see table 4.2).

Furthermore, it is assessed that there is some thematic coherence between activities supported under P3 and support provided by LIFE. The assessment identifies a possible overlap of support between the P3 support for piloting the use of alternative fuels for ships and support for test projects under LIFE.

**Contribution towards macro-regional strategies**

As part of the assessment of the coherence with other strategies and programmes the ex-ante evaluator has to assess the coherence with macro-regional strategies. Of specific relevance to the cooperation programme for the BSR is the European Union Strategy for the Baltic Sea Region and the North-West Strategy of Russia. These two strategies have already been assessed as well as used as basis for the analysis of strategic reference documents, SWOT analysis, and the SEA. So the priorities and foci of these strategies are well integrated in the programmes as these are some of the few comprehensive strategic documents covering the region or parts of the region.

**EUSBSR**

With regard to the coherence between EUSBSR and the cooperation programme, the programme document provides an overview of the priority area of the EUSBSR which the cooperation programme P1-P3 contributes to (Table 4.1). Examples of particular flagships of the EUSBSR that the programme contributed to in the period 2007-2013 are included as illustration of where the cooperation programme may contribute in the future. As the projects contribute across sectors this is not fully captured in the table below.

*Table 4.1 Links between BSR and EUSBSR (programme document)*

<b>BSR Priority 2014-2020</b>	<b>EUSBSR priority</b>	<b>Projects in 2007-2013 in support of</b>
P1: Capacity for innovation	Inno	Science Link and StarDust
P2: Efficient management of natural resources	Agri, Nutri and Hazards Inno	Cluster: Baltic Impulse (several projects) COHIBA Aquabest (Inno), Aquafirma, Submarine (inno) PartiSEApate
P3: Sustainable transport	Transport Ship and Safe	Cluster: Sustainable, multimodal and green transport corridors. Innoship and Cleanship, Efficient Sea
P4: Institutional capacity or macro-regional cooperation	"implementation"	n/a



Direct to EUSBSR implementation

The fact the cooperation programmes will contribute to the EUSBSR implementation directly through priority axis 4 is mentioned - seed money and support to priority coordinators for selected activities.

North-West Strategy of Russia

The programme document also mentioned specific links to the North-West Strategy of Russia, highlighting that the seed money facility can be used to find links with other strategies. No specific areas are mentioned in this regard. From the various analyses made for the cooperation programmes as well as for the present ex-ante report it is known that there are a number of focus areas with a high correlation with the BSR cooperation programme and the strategy.

Table 4.2 Overview of BSR Programme coherence with other EU programmes

EU Programme	P1: Capacity for innovation	P2: Efficient management of natural resources	P3: Sustainable transport
HORIZON 2020	<p>Thematic coherence of <b>SO 1.1 Research and innovation infrastructure</b> and <b>1.2 Smart specialisation</b> with HORIZON regarding focus on research infrastructure and of <b>SO 1.3 non-technological innovation</b> regarding focus on the Societal Challenge Innovative Societies.</p> <p>Possible overlap of supported activities through support for activities to improve research and innovation infrastructure.</p>	<p>Thematic coherence of <b>SO 2.2 Renewable energy</b> and <b>2.4 Resource-efficient blue growth</b> with HORIZON societal challenges Secure, clean and efficient energy and Climate action, resource efficiency and raw materials.</p> <p>Complements supported activities through support for activities enhance capacity of public and private actors.</p>	<p>Thematic coherence of <b>SO 3.4 Environmentally friendly shipping</b> and <b>3.5 Environmentally friendly urban mobility</b> with HORIZON societal challenges: Secure, Clean and Efficient Energy, and Smart, green and integrated transport.</p> <p>SO 3.4 complements supported activities through support for piloting measure within alternative fuel, whereas HORIZON 2020 provides support for research and innovation projects.</p>
COSME	<p>Thematic coherence of <b>SO 1.3 non-technological innovation</b> with COSME regarding supporting SMEs innovation and market access.</p> <p>Complements support for infrastructure and innovation actors, COSME focuses on market access, expansion and access to finance.</p>		
LIFE (2014-2020)		<p>Thematic coherence of <b>SO 2.1 Clear waters, 2.2 Renewable energy, 2.3 Energy efficiency</b> and <b>2.4 Resource-efficient blue growth</b> with LIFE sub-programmes Environment and Climate Action. Possible overlap of supported activities through support for development and demonstration of action plans, strategies and programmes and dissemination of management approaches, best practices, and solutions.</p>	<p>Thematic coherence of <b>SO 3.4 Environmentally friendly shipping</b> and <b>3.5 Environmentally friendly urban mobility</b> with LIFE specific objective Climate Change Mitigation.</p> <p>Possible overlap of supported activities through support for test projects. .</p>
NER300		<p>Thematic coherence of <b>SO 2.2 Renewable Energy</b> with NER300 regarding funding of renewable energy projects. Could complement through support for tests of renewable energy technologies including pilot investments.</p>	
Connecting Europe Facility (CEF)			<p>Thematic coherence of <b>SO 3.1 Interoperability of transport modes</b> with CEF regarding the focus on TEN-T networks. Complements through support for non-infrastructure aspects and investments related to TEN-T. SO 3.1 provides support to e.g bottlenecks within corridors, easing administrative and technical barriers to transport, bridging of TEN-T and other networks, CEF support for physical investments in the TEN-T network.</p>

## 4.2 Internal coherence - intervention logic

This section focuses on assessing whether the actions and outputs are linked logically to achieve the change described in the objective. The assessment discusses whether the selected actions are the most appropriate means to achieve the results, and whether the results address the identified challenges/problems/needs.

An important part is the assessment of whether the critical assumptions for the actions have been stated explicitly in order to understand what needs to be in place in order for the actions to contribute to the change. Which factors do the actions affect and how will the activities contribute to i.e. the strengthening of the capacities of actors, cooperation, coordination etc.? A third element is to check the extent to which the existing lessons learned are reflected in the strategy and priority description.

### Intervention logic

In general, for all three priorities, the intervention logic i.e. the link between the objectives, the results, the actions and the outputs has been strengthened by reorganising and adding information suggested by the ex-ante evaluator. The information included in the priority descriptions mostly concern the rationale for the objectives and to some extent the expected outputs and the results of the actions. Some more details were requested by the ex-ante evaluator in the first report, to make it easier to understand the priority axis but this was difficult to adhere to for the programmer due to the limitations in the length of text in the programme document format.

### Critical assumptions

The programme document contains no explicit explanations of critical assumptions in relation to the specific objectives although there are arguments (often in terms of expected potentials) for why a certain activity or action is motivated. Generally, however, arguments consist of a generic referring to the overall added value of transnational co-operation or to a specific plan or overall strategy within BSR and as evidence base for why a certain result can be expected from a certain action.

### Using lesson learned

The ex-ante evaluator had in the first report requested information regarding the needs for the cooperation and the interest of the actors (especially private sector), reference to existing platforms for cooperation and possible obstacles for cooperation for example in the transport area. This has been addressed in the programmes in all priority axes and the objective descriptions by references to the existing experience and on-going cooperation and strategies. These do not fully constitute lessons learned but strengthen the arguments for why certain specific objectives and actions are promoted by the programme.

References to the results from previous programmes and project are not very explicitly mentioned and not in a way that lessons learned can be drawn. It is mentioned specifically that projects should be taken into account, explicitly the existing projects and the experience these have gathered. This strengthens the

attempt to make sure that the next programming period will actually build on the results of the previous programming period.

Building on previous programmes and other cooperation in the region

It is clear from the CP that it is shaped on the background of previous programmes as well as the framework of general, well-established international cooperation around the Baltic Sea. This can also to some extent be seen in e.g. the description of P2, which (especially in relation to the 'clear waters' SO) refers to relevant HELCOM and EU set-ups as well as relevant projects from the previous programming cycle. In addition, while there is a strong reference to e.g. the HELCOM framework and the EU policy and legal framework in relation to water, similar (albeit perhaps less well established) frameworks in the energy sector are not mentioned or used to a much lesser extent as references (ref. also chapter 3).

One important previous experience taken into consideration is the fact that the BSR-programme is not alone co-financier of projects in the BSR. In addition to the EUSBSR the Development Strategy of the North-West Federal District of the Russian Federation (Russian North-West Strategy) is explicitly mentioned as an important and co-existing strategic framework where synergies need to be sought.

Also, the programming process has reviewed and analysed a large number of existing documents, consulted (via questionnaire) a reference group of over 80 institutions and analysed the conclusions from the internal evaluation of current projects. In particular these analyses have formed the basis for the selection of thematic objectives and the decision to develop funding priorities based on these objectives.

Target groups

The ex-ante evaluator had commented that it would be useful to standardise the wording used for different target groups under different priorities in order to ensure that it is understandable which type of group is mentioned. This was not taken on board by the programmers in spite of this being one of the principles for inclusion of comments from the public consultation. It does result in some confusion with regard to the description of the target groups as these are either very specific or very general.

SO 1.1 'Research and innovation infrastructures'

## 4.3 Priority 1 - Capacity for Innovation

A number of updates to the priority description have been made since the previous assessment report.

Many improvements concern minor issues and wording but significant additions and changes have been done as well, e.g. regarding the programme specific result indicator tables.

Furthermore, the text description of specific objectives 1.2 and 1.3 has seen substantial progress and the rationale for and thinking behind these objectives is now clearer.

The planned changes are achievable with the planned activities

This objective shall result in "Improved capacity of research and innovation infrastructures and

their users allowing for better market uptake of innovation".

## Actions

Only minor adjustments to the list of possible actions have been made since the previous assessment. I.e. the programme intends to support e.g. mapping of common challenges, development of tools/systems for cost-efficiency, pilot actions combining facilities, incentive and funding schemes, test of initiatives, promotion of best practice, pilot solutions, etc. What has been added is a valuable paragraph on the importance for new project proposals to take the lessons learned in the project funded by the previous BSR-Programme under consideration.

As stated in the previous assessment the mentioned actions seem reasonable for achieving the priority objectives. It should be emphasised again though, that actual uptake of innovations by the market can only be achieved by companies/commercial actors, i.e. the programme should ensure that sufficient funding is directed towards projects with strong private sector involvement/relevance.

**SO 1.2 'Smart specialisation'** This SO aims to enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach. The expected results are increased capacity of innovation actors (innovation intermediaries, authorities, research organisations, enterprises) to apply smart

specialisation approach, which in turn shall lead to the unlocking of growth opportunities of the BSR that are related to prominent areas of specialisation. A number of improvements to the text describing the SO have been done since the previous assessment.

The assumptions and intervention logic is of a more abstract nature than SO 1.1 as it delegates completely to the proposing organisations what will actually be done to realise the growth opportunities. Consequently it must be expected that most of the actions that will be funded will be of capacity-building nature and heterogenic in terms of application areas. This is accentuated by the examples of actions foreseen for this SO, which include:

## Actions

- Forming alliances between different research and innovation milieus with leading competences (including actors from private, public and academic sectors in cooperation with non-profit organisations),
- Establishing platforms enabling transfer of knowledge and building inter-regional synergies for the development of regional smart specialisation strategies.
- Setting up and piloting measures for regions allowing for exchange of experience on implementation of smart specialisation strategies.

The description of actions is clear when it comes to the general framework of cooperation (platforms, exchange of experience etc.) but less explicit regarding topics, this is in line however, with the nature of the SO.

*Specific objective*

## 1.3 'Non-technological innovation'

This SO aims to advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors. It is expected that this will result in an increased capacity of innovation actors (innovation intermediaries, authorities,

research  
organisations and  
enterprises) to  
improve  
conditions for non-  
technological  
innovation. This  
shall in turn lead  
to an increased  
ability of the BSR

ability to generate non-technological innovation and provide possibilities for development of regions lagging technologically behind.

A key assumption of the SO is that there is an under-utilised potential, in general, in non-technological innovation and that better capabilities of managing such aspects also provides an opportunity for regions lagging behind technologically to reap market opportunities. As already stated in the previous assessment this is a fair assumption, well in line with the overall programme strategy and the priority as such.

**Actions**

The list of possible actions is very long and a wide set of possible projects are mentioned. In general the mentioned actions provide sufficient information to be understandable, although some may be too long. As stated earlier the actions seem reasonable in order to progress towards the defined objectives and expected results. It is recognised that business model innovation has been included as a possible component of actions.

#### Causal link between different actions, outputs and results for P1

In general the causal links between objectives, foreseen actions and expected results are now clear and comprehensible. There are differences between SOs, though. SO 1.1 and SO 1.3 are more explicit in the expected results and also have a broader set of foreseen actions than SO 1.2. All in all, this should not have negative effects on the possibilities to achieve and monitor results however.

**Rationale**

The rationale for the objective under this priority is profoundly discussed in Chapter 3 of this report. It can be highlighted, however, that all objectives are grounded in the fact that there are significant difference in innovation performance within the BSR and that there is much to be won e.g. by sharing experiences between innovation leaders and followers.

**Intervention logic**

The bottom line of the programme's intervention logic is that by fostering the sharing of physical and intangible assets (infrastructure, knowledge/experience) as well as by promoting the enhancement of networks, good ideas and collaboration platforms the innovation performance of the BSR will increase. This is expected, in particular, for sub-regions lagging behind structurally and technologically.



As for the appropriateness of the foreseen actions within the intervention logic in Table 4.2 it is the opinion of the ex-ante evaluator that the link between result as well as output indicators and actions is reasonably strong meaning that if the programme funds actions in the field outlined it is plausible that this will lead to desired results.

Table 4.2 Priority axis 2 - Capacity for innovation - Ex-ante Intervention logic

Specific Objectives	Actions	Output indicators
<p><b>SO 1.1 'Research and innovation infrastructures':</b></p> <p>To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users.</p>	<ul style="list-style-type: none"> <li>• <i>Identifying challenges in management of research and innovation infrastructures</i></li> <li>• <i>Mapping and enhancing roles of different actors (including public sector) in development of the research infrastructures</i></li> <li>• <i>Developing incentive and funding schemes improving interactions among research and innovation infrastructure providers, public sector as innovation driver and consumer, and other user communities including enterprises (notably SMEs)</i></li> <li>• <i>Optimising test bed functionality and synergies</i></li> <li>• <i>Piloting solutions to the large societal challenges in the</i></li> <li>• <i>Networking regions with a view to better utilising existing or planning new research and innovation infrastructures.</i></li> </ul>	<ul style="list-style-type: none"> <li>&gt; No. of documented learning experiences</li> <li>&gt; No. of documented newly developed market products and services</li> <li>&gt; No. of enterprises cooperating with research institutions</li> <li>&gt; No. of enterprises receiving non-financial support</li> </ul>
<p><b>Results</b></p> <p>&gt; Improved capacity of research and innovation infrastructures and their users allowing for better market uptake of innovation. This leads to more efficient utilisation of existing research and innovation infrastructures and through this to advancing innovation performance of the BSR.</p>	<p><b>SO 1.2 'Smart specialisation':</b></p> <p>To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach.</p> <p><b>SO 1.3 'Non-technological innovation':</b></p> <p>To advance the Baltic Sea Region performance in non-technological</p>	<p>innovation based on increased capacity of innovation actors</p> <p>&gt; Increased capacity of innovation actors (innovation intermediaries, authorities, research institutions, enterprises) to apply smart specialisation approach. This leads to unlocking growth opportunities of the BSR that are related to prominent areas of specialisation.</p>

> Increased capacity of innovation actors (innovation intermediaries, research authorities, research institutions, enterprises) to improve conditions for non-technological innovation. This leads to increasing the BSR ability to generate non-technological innovation and gives possibilities for development of regions technologically lagging behind.

*Forming alliances between different research and innovation milieus with leading competences, in such a way that a unique, smart combination of capabilities occurs with good potential to find new solutions to great societal challenges and market needs; Building cooperation structures to obtain innovation capacity needed to be globally competitive*

*Establishing platforms enabling transfer of knowledge and building inter-regional synergies for the development of regional smart specialisation strategies Setting up and piloting measures for regions allowing for exchange of experience on implementation of smart specialisation strategies*

*Pilot cooperation measures to develop and implement smart specialisation strategies Alliances between R&I milieus (measurability)*

*There are a number of action in the text (make sure that these all can be measured by the indicators).*

*Combining technical and non-technical approaches to support promotion and utilisation of new ideas (products, services and models) that meet important social needs Involvement of municipal residents, non-profit organisations in planning of services) aimed at renewing public services through innovations by focusing especially on public private partnership Joint developing of products and services (e.g. networked support centres) which are supporting social innovations and service innovations (incl. service design)*

*and foster cultural entrepreneurship and job creation in the creative industries; Actions improving support of innovation intermediaries for SMEs to advance their internationalisation capacity Developing low-cost instruments for sharing and exchanging knowledge and skills supporting business development in the Baltic Sea region.*

## 4.4 Priority 2 - Efficient management of natural resources

Overall the description of priority 2 has been developed since the first ex-ante report. A number of changes and improvements, some based on the ex-ante comments and suggestions, have been introduced which has strengthened the logic and consistency of the description. There is still some difference in the way in which actions are formulated although many of the actions have been strengthened with clearer language.

The output indicators are the same for the entire priority and are added in Chapter 5 as indicators. The output indicators are in this section used as expression of the outputs and for assessing the causality between the actions, outputs and results.

The planned changes are achievable with the planned activities for P2  
The nature of the programme is that it is based on project applications and therefore, activities are not 'planned' in the same way as for other programmes. The evaluation therefore relies on the given **examples** of activities supported. The specific objectives are not provided with specific targets in the programming document. This makes the 'planned change' a somewhat undefined state. The evaluation is hence qualitative and tentative.

The following general observations arise from the evaluation:

- > The defined types of actions are assessed to generally lead towards the desired type change and a more favourable situation. It is not possible to assess whether the planned changes will be achieved as it is unclear precisely what the extent of the planned changes are.
- > The programme document and the description of the SO's places emphasis on using the previous experience from earlier programme periods. The description relevant projects, which should be taken into account, are provided and this is better described in the present version of the programme document. However, the examples of activities provided seem to place little emphasis on this, which could be done e.g. through dissemination of results and support to up-scaling of pilot projects implemented under the previous programme (e.g. pilot projects involving testing of solutions, measures and technologies).

SO 2.1 Clear Waters     The objective shall result in an increase of the capacity of actors involved in water quality by actions aimed at strengthening the capacity.

Generally actions focusing on Integrated action plans, Transnational structures for a cross-sectorial policy-orientated dialogue, Regional strategies on integrated water management, climate change adaptation, Sector-based management models addressing biodiversity protection and Training clearly contribute to capacity development.

- > The 'clear waters' SO mentions in the text that focus should be on going from the piloting level to full-scale BSR implementation and a focus on realisation of existing strategies, however, this perspective is not fully seen in the examples of actions supported.

SO 2.2 renewable energy

The objective shall result in an increase of the capacity of actors involved in energy planning and supply by actions aimed at strengthening the capacity. The examples of actions given in the programme document clearly contribute to capacity development (ref. Table 4.3).

SO 2.3 energy efficiency

The objective shall result in increase of the capacity of actors involved in energy planning by actions aimed at strengthening the capacity. The examples of actions given in the programme document clearly contribute to capacity development (ref. Table 4.3).

SO 2.4 resource-efficient blue growth

The objective shall result in increase of the capacity of actors involved in the blue economy by actions aimed at strengthening the capacity. The examples of actions given in the programme document clearly contribute to capacity development (ref. Table 4.3). The piloting of applications and projects may lead to investments as indicated in the output indicators and this way indirectly contribute to the development of the capacity of blue economy actors.

Causal link between different actions, outputs and results for P2

In line with the assessment above, it is assessed that there is good reason to believe that implementation of the examples of actions given will contribute to the expected outputs and results, i.e. the causal links are there. Compared to the earlier programme document, the intervention logic is now better described.

As illustrated in table 4.3, the intervention logic is that in order to improve the efficiency of the management of natural resources in the BSR, various challenges need to be tackled through better water management, use of renewable energy, and increasing energy and resource efficiency. In order to achieve this, the capacity of relevant actors in the public and private sectors has to be enhanced through common planning and systems illustrated and demonstrated through pilot actions and investments.

Table 4.3 Priority axis 2- Efficient Management of natural resources - Ex-ante Intervention logic

Specific Objectives	Results	Actions	Output indicators
<p><b>SO 2.1 'Clear waters':</b> To increase efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances to the Baltic Sea and the regional waters based on enhanced capacity of public and private actors dealing with water quality issues.</p>	<p>&gt; Enhanced capacity of public authorities, public and private practitioners (from water management, agricultural, forestry, fisheries etc. sectors) for improved water management This leads to reduced eutrophication and decreased discharges of hazardous substances to the regional waters and the Baltic Sea.</p>	<ul style="list-style-type: none"> <li>• <i>Integrated action plans</i></li> <li>• <i>Transnational structures for a cross-sectoral policy-orientated dialogue</i></li> <li>• <i>Regional strategies on integrated water management, climate change adaptation, etc.</i></li> <li>• <i>Sector-based management models addressing biodiversity protection</i></li> <li>• <i>Training</i></li> <li>• <i>Developing and piloting common models</i></li> <li>• <i>Introducing innovative measures for recycling, recovery and reductions of nutrients and hazardous substances</i></li> <li>• <i>Development of ecosystem compensation schemes and methodologies for valuation</i></li> </ul>	<p>Learning experiences Planned investments A number of involved local/regional public institutions National public authorities Enterprises receiving non-financial support</p>
<p><b>SO 2.2 'Renewable energy':</b> To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply.</p>	<p>&gt; Enhanced capacity of public and private actors involved in energy planning and supply (public authorities, energy agencies, waste management, forestry, agricultural advisories, enterprises, NGOs) allowing for increased production and use of sustainable renewable energy. This leads to better utilisation of green growth opportunities across the Baltic Sea region and, thus, to better regional economic performance in the sectors concerned.</p>	<ul style="list-style-type: none"> <li>• <i>Policy incentives for place-based sustainable renewable energy growth;</i></li> <li>• <i>Testing innovative green solutions to produce energy from renewable sources, including pilot investments;</i></li> <li>• <i>Evaluating and testing alternative technologies for energy recovery from waste;</i></li> <li>• <i>Improving sustainable energy networks;</i></li> <li>• <i>Demonstrating and implementing innovative renewable energy storage technologies and distribution patterns.</i></li> </ul>	
<p><b>SO 2.3 'Energy efficiency':</b> To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning.</p>	<p>&gt; Enhanced capacity of public and private actors involved in energy planning (public authorities, energy agencies, enterprises, NGOs) allowing for increased energy efficiency. &gt; This leads to better regional energy performance and contribution to the acknowledgment of the BSR as a climate neutral region.</p>	<ul style="list-style-type: none"> <li>• <i>Improving and implementing sustainable urban and rural energy strategies;</i></li> <li>• <i>Developing better coordination of regional energy planning;</i></li> <li>• <i>Developing and testing incentive policies</i></li> <li>• <i>Developing new financing models;</i></li> <li>• <i>Developing multi-level transnational strategies</i></li> <li>• <i>Developing initiatives for promoting green entrepreneurship for energy efficiency</i></li> </ul>	
<p><b>SO 2.4 'Resource-efficient blue growth':</b> To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors.</p>	<p>&gt; Enhanced capacity of public authorities, enterprises and NGOs within the blue economy sectors to advance resource-efficient and sustainable blue growth. &gt; This leads to better regional economic performance as regional and local actors are able to use new resource efficient and sustainable blue growth patterns in their daily practice.</p>	<ul style="list-style-type: none"> <li>• <i>Piloting application of advanced marine technologies;</i></li> <li>• <i>Testing models for cross-sectorial cooperation;</i></li> <li>• <i>Implementing pilot investments,;</i></li> <li>• <i>Conducting market surveys</i></li> <li>• <i>Developing transnational strategies;</i></li> <li>• <i>Developing and endorsing integrated management plans;</i></li> <li>• <i>Exchange know-how and establish common standards</i></li> </ul>	

Table 4.3 **Results (updated)** **Summary of Actions (summarized by the ex-ante evaluator)**  
 Priority axis 2- Efficient Management of  
**Specific Objectives**



## 4.5 Priority 3 - Sustainable transport

Overall the description of the transport priority has been developed since the first ex-ante report. A number of changes and improvements, some based on the ex-ante comments and suggestions, have been introduced which has strengthened the logic and consistency of the description. There is still some difference in the way in which actions are formulated although many of the actions have been strengthened by clearer language.

The output indicators are the same for the entire priority and are assessed in Chapter 5 as indicators. The output indicators are in this section used as expression of the outputs and for assessing the causality between the actions, outputs and results.

The planned changes are achievable with the planned activities (actions)

SO 3.1  
"Interoperability of transport modes"

The objective 'To increase interoperability in transporting goods and persons in north-south and east-west connections based on increased capacity of transport actors' shall result in increased capacity of various transport actors (authorities, public and private logistic and transport operators, ports, intergovernmental and research organisations) by actions aimed at strengthening the capacity.

Actions

General actions focusing on joint planning, administrative barriers, development of feasibility studies are clearly pointed at a capacity development of the actors. The facilitation and piloting of transport links may lead to investments as indicated in the output indicators and this way indirectly contribute to the development of the capacity of transport actors as mentioned previously by the ex ante evaluator.

SO 3.2  
'Accessibility of remote areas and areas affected by demographic change'

The second objective 3.2: 'Accessibility of remote areas and areas affected by demographic change', has also been rephrased changing focus from the solutions to the actors. This gives the objectives a stronger link to the actions which primarily concern capacity building of actors. The rationale is that increased capacity of transport actions will lead to development of economically sustainable transport solutions in support of areas with particular challenges in terms of remoteness or demography. The overall aim is to ensure accessibility to areas which today have very limited or diminishing accessibility and transport possibilities for reasons mentioned above.

In the priority description, tourism is mentioned as a sector which will demand transport services, although no particular actions which target this sector and target group is included. The programmers have argued that tourism actors are part of those groups already mentioned and that the activities will support the framework conditions for tourism.

Actions

In this objective the actions are clearly formulated and it is stated what type of actions will be supported. From the standard list of output indicators one can deduce that the relevant indicators to capture the outputs of the projects most probably will be those relating to institutions and learning processes.

SO Specific objective 3.3

Under the third objective (Investment Priority 7c). 3.3 'To increase maritime safety and security based on advanced capacity of maritime actors', the actions are

'Maritime safety'

relatively brief but concisely described.

All activities seem well conceived and relevant in a transnational cooperation context and will increase the maritime safety and security. Activities dealing with safety code, standards and regulations, introducing new technology, comprehensive risk assessments and training are all likely to bring about increase in capacity of the actors and thereby increase safety and security. It is noted that this is one of the few priorities which specifically target education and training, which must be considered essential in a programme aiming at capacity building.

Specific objective  
3.4  
'Environmentally  
friendly shipping'

The second objective under this investment priority is 'To enhance clean shipping based on increased capacity of maritime actors' is well described and the rationale well explained.

Some of the activities, which in previous versions of the programme were not clearly formulated and appeared as sub-objectives, have been removed from the list or rephrased. Overall the actions are adequately described in order to understand the targeting of a reduction of emission, waste handling from ships, new technology securing environmentally sustainable transport at sea, and use and risks of LNG.

Specific objective 3.5 ' Environmentally friendly urban mobility'	<p>The last objective of this priority aims 'To enhance environmentally friendly transport systems at urban areas based on increased capacity of urban actors'. This objective as mentioned earlier is probably the least obvious in a transnational context. In the rationale it is explained how this is foreseen integrated in the programme and how the transnational aspect will be included through cooperation between actions in the BSR. Some of the actions have been reformulated in relation to the previous version and are now clearer in terms of what the real content of the action is and what the output of this action would be.</p> <p>The new output indicators are general for all priorities and the causal link between actions and outputs has been increased by focusing more on the target groups.</p> <p>Causal link between different actions, outputs and results (objectives)</p> <p>In line with the assessment above, it is assessed that there is good reason to believe that implementation of the examples of actions given will contribute to the expected outputs and results (objectives), i.e. the causal links are there.</p>
Rationale	<p>The overall rationale behind the objectives is that the Baltic Sea is facing a number of problems which have to be tackled by common actions through the BSR programme. The background for this and the identification of needs have been discussed under Chapter 3.</p>
Intervention logic	<p>The intervention logic is that in order to improve the accessibility of the BSR various transport and mobility challenges needs to be tackled through better interoperability, improved connections, and better safety, all in a more sustainable manner. In order to achieve this, the capacity of relevant transport actors in the</p>

public and private sectors has to be enhanced through common planning and systems, and demonstrated through pilot actions and investments.

The link between result indicators and actions is reasonable, meaning that if the programme funds actions in the fields outlined above under the objectives, it is plausible that this will lead to desired capacity increase. The output indicators, previously focussed on staff, have now been changed so that these represent different aspects of the outputs of the activities of the priority. Following ex-ante comments, the outputs now cover investments, institutions

involved, learning experiences (which most probably need a definition) and enterprises involved.

Table 4.3 Priority axis 2- <u>Efficient Management of Specific Objectives</u>	Results (updated)	Summary of Actions (summarized by the ex-ante evaluator)	Output indicators
<b>3.1 'Interoperability of transport modes':</b> To increase interoperability in transporting goods and persons in north-south and east-west connections based on increased capacity of transport actors.	<ul style="list-style-type: none"> <li>&gt; Increased capacity of authorities, public and private logistic and transport operators, ports, intergovernmental and research institutions for higher interoperability between transport modes and systems by sea, rail, road, inland waterways and air</li> <li>&gt; This helps to find optimal solutions for increased interoperability, to implement them or to attract funding for their implementation and limiting the risks connected to transport accidents.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Simplifying customs procedures for vessels</i></li> <li>• <i>Facilitating the development of multi-modal transport nodes,</i></li> <li>• <i>Demonstration actions on greening of transport</i></li> <li>• <i>Facilitating efficient transport modes crossing BSR</i></li> <li>• <i>Promoting better connections between airport and rail infrastructure</i></li> <li>• <i>Establishing platforms to improved governance of transport corridors;</i></li> <li>• <i>Developing solutions for emergencies and accidents</i></li> </ul>	<ul style="list-style-type: none"> <li>&gt; Learning experiences</li> <li>&gt; Planned investments</li> <li>&gt; A number of involved local/regional public institutions</li> </ul>
<b>3.2 'Accessibility of remote areas and areas affected by demographic change':</b> To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change based on increased capacity of transport actors	<ul style="list-style-type: none"> <li>&gt; Increased capacity of authorities, public and private logistic and transport operators to apply economically efficient solutions maintaining and improving accessibility of remote areas and areas where accessibility is affected by demographic changes</li> <li>&gt; This helps to secure and improve the transport of goods and people in the currently least accessible areas of the region.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Implementing mobility management schemes</i></li> <li>• <i>Developing models/pilots for financing operation and maintenance</i></li> <li>• <i>Developing and implementing new transport service models</i></li> <li>• <i>Developing and implementing strategies for improved transport</i></li> <li>• <i>Developing strategies potential in the Arctic region.</i></li> </ul>	<ul style="list-style-type: none"> <li>&gt; National public authorities</li> <li>&gt; Enterprises receiving non-financial support</li> </ul>
<b>3.3 'Maritime safety':</b> To increase maritime safety and security based on advanced capacity of maritime actors.	<ul style="list-style-type: none"> <li>&gt; Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to work with maritime safety and security</li> <li>&gt; Higher capacity of and increased cooperation among maritime actors in the field of maritime safety and security will help reduce risks associated with maritime transportation.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Implementation of safety codes, standards and regulations;</i></li> <li>• <i>Implementing technologies for maritime safety and security,</i></li> <li>• <i>Deploying dynamic risk assessment systems</i></li> <li>• <i>Developing security risk assessment</i></li> <li>• <i>Piloting solutions for risk prevention and response</i></li> <li>• <i>Developing self-regulative maritime safety,</i></li> <li>• <i>Improving education and training systems for seafarers</i></li> </ul>	
<b>3.4 'Environmentally friendly shipping':</b> To enhance clean shipping based on increased capacity of maritime actors.	<ul style="list-style-type: none"> <li>&gt; Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to reduce negative effects of shipping on the marine environment</li> <li>&gt; This leads to greater awareness of maritime actors towards clean shipping and better protection of the marine environment.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Implementing actions to reduce emissions from shipping;</i></li> <li>• <i>Developing voyage related information sharing</i></li> <li>• <i>Piloting retrofitting ships for environmental performance;</i></li> <li>• <i>Piloting support structures for use of alternative fuels for ships;</i></li> <li>• <i>Developing oil contingency plans</i></li> <li>• <i>Facilitate the implementation of the EU sulphur directive,</i></li> <li>• <i>Piloting measures for clean inland shipping (rivers, lakes);</i></li> </ul>	
<b>3.5 'Environmentally friendly urban mobility':</b> To enhance environmentally friendly transport systems at urban areas based on increased capacity of urban actors.	<ul style="list-style-type: none"> <li>&gt; Increased capacity of authorities, ports, infrastructure providers and operators, transport users to enhance the use of environmentally friendly transport solutions in urban areas</li> <li>&gt; This leads to increased acceptance and more application of environmentally friendly transport solutions and thus to less polluted cities in the Baltic Sea Region.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Developing sustainable urban mobility policies/plans</i></li> <li>• <i>Auditing of urban transport systems</i></li> <li>• <i>Developing urban mobility management systems</i></li> <li>• <i>Piloting the use of hybrid or alternative fuel</i></li> <li>• <i>Promoting market for energy-efficient road transport</i></li> <li>• <i>Piloting mobility management in cities</i></li> <li>• <i>Piloting intelligent transport systems for urban mobility.</i></li> </ul>	

## 4.6 Priority 4 - Institutional capacity for macro-regional cooperation

This priority has been developed last and was not assessed by the ex-ante evaluators until the first ex-ante report. The priority is not part of the SWOT and the initial needs assessment and is therefore not assessed as part of Chapter 3. The background and justification is included in the strategy.

The two objectives are well described.

- > Specific objective 4.1 'Seed Money' To increase capacity for transnational cooperation implementing the EU Strategy for the Baltic Sea Region and working on common priorities with partner countries:
- > Specific objective 4.2 'Coordination of macro-regional cooperation' To increase capacity of public administrations and pan-Baltic organisations for transnational coordination in implementing the EU Strategy for the Baltic Sea Region and facilitating the implementation of common priorities with the neighbouring countries.

### Planned change

The priority description is clear and detailed and contains explicit outputs in SO 4.1. The planned changes described in the objectives are achievable with the planned activities. Although one can discuss whether it is an increase in "capacity" or resources. The description in SO 4.2. has improved, and it is clearer how the "change" will be achieved. The focus on not funded issues has been deleted on the recommendation of the ex-ante evaluator.

### Intervention logic

The intervention logic of these two objectives is relatively straight forward. The text explains clearly for 4.1 what will be the causal link between different actions, outputs and results. For 4.2 due to the improved description it has become easier to follow the intervention logic. The actions of 4.2 are rather detailed and reveal also what some of the intended outputs may be (some of the actions are maybe close to being output).

### Output indicator

The output indicators for P4 are clear about the intended outputs for both SOs, and an additional indicator has been included. This does provide clear input to the intervention logic analysis as can be seen Table 4.5.

### Experience from previous programmes

Experience from previous and other programme is clearly included as rationale for a seed money facility in SO 4.1. In the SO 4.2, the description focuses more on the rationale for providing support than the experience. The recommendation to model the description of SO 4.2 more on SO 4.1 has been adhered to.

Table 4.5 *Institutional capacity for macro-regional cooperation - Ex-ante Intervention logic*

Challenges/development needs	Investment Priority	Specific Objectives
<ul style="list-style-type: none"> <li>❖ Mobilisation of funding sources and preparation and governance of complex projects including EU and non-EU countries is challenging</li> <li>❖ Tasks of the PACs and HALs often reach beyond the regular tasks of the staff in the responsible organisations (mainly ministries and agencies)</li> </ul> <p>4- Need financial resources during the initiation of complex projects</p> <p>4- PACs and HALs need additional resources in particular for frequent communication with project leaders and stakeholders</p>	<p>£ "5. s s</p> <p>.c</p> <p>-o c (3 5 c .g &amp;</p> <p>£ ■ &amp; c .o 4 ^ (3 c " 2 U o c (3 4 ^ c £ c l .o</p> <p>.o L 4*</p>	<p><b>4.1 "Seed Money":</b></p> <p>To increase capacity for transnational cooperation implementing the EU Strategy for the Baltic Sea Region and working on common priorities with partner countries. (minor change)</p> <p><b>4.2 "Coordination of macro-regional cooperation":</b></p> <p>To increase capacity of public administrations and pan-Baltic organisations for transnational coordination in implementing the EU Strategy for the Baltic Sea Region and facilitating the implementation of common priorities with the neighbouring countries</p> <ul style="list-style-type: none"> <li>&gt; Amount of funding for projects implementing the EUSBSR resulting from seed money projects</li> <li>&gt; Number of organisations from the partner countries working on joint projects</li> </ul> <p>resulting from seed money projects</p> <ul style="list-style-type: none"> <li>&gt; Percentage of EUSBSR priority areas and horizontal actions reaching the identified targets</li> <li>&gt; Percentage of EUSBSR priority areas and horizontal actions facilitating the implementation of joint priorities with the partner countries</li> </ul> <p>Preparation of projects under the priority areas and horizontal actions of the EUSBSR Strategy (including building partnerships, planning the activities and outputs, preparing an indicative budget and searching for funding possibilities, pre-investment studies), preferably link to joint priorities with the partner countries</p> <p>Facilitating policy discussions in the Baltic Sea Region, Facilitating development and implementation of actions and flagship projects • Conveying relevant results and recommendations o Ensuring communication and visibility Maintaining a dialogue with bodies in charge of implementation Intensifying links of the EUSBSR with strategies</p> <p>Implementing the Strategy Forum, including a platform of civil society</p> <ul style="list-style-type: none"> <li>&gt; No of project plans for a main project including information on possible financial sources</li> <li>&gt; No of project plans contributing to joint priorities with neighbouring countries</li> <li>&gt; No of transnational meetings held to facilitate implementation of the EUSBSR targets</li> <li>&gt; No of transnational meetings held to facilitate joint work on common priorities with the neighbouring countries</li> <li>&gt; No of strategic policy documents supporting the implementation of the EUSBSR targets and/or common priorities with the neighbouring countries.</li> <li>&gt; No of support measures provided to the EUSBSR</li> </ul>



## 4.7 Potential synergies and complementarity

The following presents the assessment of the internal coherence of the operation programme. The assessment includes an analysis of the relationship between the specific objectives of each priority axis, and between the specific objectives of the different priority objectives verifying complementarities and potential synergies<sup>7</sup>. The assessment is based on the following definitions.

Table 4.5 Definitions for the analysis of internal coherence

Definition	Type of relationship	Difference in types of activity	Level of analysis
Potential synergy	Possible positive effect on same result	Not relevant	Results
Complementarity	Expected or known contribution to the same problem	Yes	Activities

Table 4.: Requirements in Draft Template

Outline of the description in

Definitio

Princ  
iples

the result of supported activities. The second level of the analysis looks at direct complementarity between the activities supported by the SOs, where synergy was identified. The results of the coherence assessment are presented Table 4.7 below. The matrix presents the SOs in a relationship to each other.

Possible synergy

The following presents the main findings from the first level of analysis.

- > the majority of the SOs have possible synergy with 3-5 of the other SOs;
- > there is little synergy between the SOs under priority axes 2 and 3;
- > the SOs 3.1 and 3.2 show limited synergy with SOs under other priority axes;
- > P1 (and its SOs) has possible synergy with all other SOs.

Areas with possible synergy

The areas within which, possible synergy between the specific objectives were identified, by the ex-ante evaluator, are growth and innovation, sustainability and transport. It should be noted that some areas belong to only one of the three issues.

## Complementarity

The second level of analysis looks at complementarity between the SOs. There is possible complementarity between some of the SOs, especially in P1 (see comment on smart specialisation below), but generally the description of the SOs do not provide an adequate basis for an exhaustive assessments. It is suggested to elaborate the description on complementarity between the SOs in Section 2, considering complementarity within each priority axis as well as between the priority axes.

Table 4.7 Overview of synergy between the specific objectives

	1.1 Research	1.2 Smart specialisation	1.3 Non-technological	2.1 Clear waters	2.2 Renewable energy	2.3 Energy efficiency	2.4 Resource-efficient blue growth	3.1 Interoperability	3.2 Accessibility of remote areas	3.3 Maritime safety	3.4 Env. friendly shipping
<b>1.1 Research and innovation infrastructure</b>											
<b>1.2 Smart specialisation</b>	POSSIBLE SYNERGY										
<b>1.3 Non-technological innovation</b>	POSSIBLE SYNERGY	POSSIBLE SYNERGY									
<b>2.1 Clear waters</b>	NO SYNERGY	NO SYNERGY	NO SYNERGY								
<b>2.2 Renewable energy</b>	POSSIBLE SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	NO SYNERGY							
<b>2.3 Energy efficiency</b>	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY						
<b>2.4 Resource-efficient blue growth</b>	NO SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	NO SYNERGY					
<b>3.1 Interoperability</b>	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY				
<b>3.2 Accessibility of remote areas</b>	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY			
<b>3.3 Maritime safety</b>	NO SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	NO SYNERGY		
<b>3.4 Env. friendly shipping</b>	NO SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	

<b>3.5 Env. friendly urban mobility</b>	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	NO SYNERGY	NO SYNERGY	POSSIBLE SYNERGY	
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## 4.8 Horizontal principles

This section includes assessment of the horizontal principles of the CP Section 8<sup>1</sup>. The ex-ante evaluator is required to assess "the adequacy of planned measures to promote equal opportunities between men and women, to prevent discrimination and to promote sustainable development"<sup>2</sup>.

Overall the assessment focuses on whether the horizontal principles have been taken into consideration in the preparation of the cooperation programme as well as how the principles are incorporated in the programme. This will in particular concern whether the horizontal principles are especially included in the project selection as well as in the monitoring and evaluations of the programme.

The horizontal principles are described in the programme document in the way that they are addressed in the description of the priorities. However, the programme document does not fully develop the guidelines for how the principles are going to be applied in the implementation of the programme. It was recommended in earlier assessment to make the description on how the horizontal principle will be used in the selection of project and implementation explicit. This has not been followed and the programming authorities have stated that this will be addressed in the programme implementation manual.

The following actions for the programme implementation manual are therefore suggested for all three horizontal principles:

- > develop guidelines on how to integrate the horizontal principles e.g. a list of questions for the applicants when formulating the application<sup>3</sup>;
- > provide case examples for inspiration;
- > include training on this issues in applicant information and training events to provide applicants;
- > incorporate selection criteria, as is already the case for the horizontal principle sustainable development<sup>4</sup> with explanation in the guide for the applicants.

### 4.8.1 Sustainable development

For the sustainability principle the ETC Draft Template<sup>5</sup> requires that the description explains how sustainable development (SD) is taken into account in the selection of projects.

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<sup>1</sup> ETC regulation and Draft Template (Draft Template and Guidelines for the Content of the Cooperation Programme - version 3 (28.06.13)).

<sup>2</sup> CPR Article 48 (3) (l-m)

<sup>3</sup> See e.g. the guide published by the Oresund-Kattegat-Skagerrak Interreg IVA Programme. Downloaded from: <http://www.interreg-oks.eu/se/Menu/Download/Download/Guide+horisontella+kriterier>

<sup>4</sup> BSR Programme Manual v. 6, p. 91

Section 8 in the programme document describes that project applicants will be asked to include SD aspects in project design. A specific criterion is not mentioned. Ex-ante evaluator has suggested that this would strengthen the description. It is however clearly mentioned that this will be included in the programme manual

Section 8.1 describes how specific priorities (and thereby possible actions) focus on aspects of sustainable development and mentions that this is further addressed in the priority descriptions.

#### 4.8.2 Equal opportunities and non-discrimination

For equal opportunities and non-discrimination, the ETC Draft Template requires that the programme identifies specific target groups, how the principle will be mainstreamed in project selection and whether specific monitoring and evaluation measures are envisaged.

The description states that the programmes implement the general policy but do not identify any specific target group. To the ex-ante evaluators this seems reasonable considering that it is a transnational programme. Instead the programme requires that all projects will be assessed in relation to which actions and impact they include in order to foster the principle. This means that this will be a selection criterion as it was in the 2007-2013 programme. Examples are included to show which activities will be assessed positively in the selection process.

The annual programme report will include an overview of the monitoring of the principle. Regarding the planned project reporting, it is suggested to consider developing specific indicators for the horizontal principles to be included in the activity report submitted by the beneficiaries.

#### 4.8.3 Equality between men and women

Section 8 states that "equality between men and women is an integral part of the BSR programme". It is however not very specific on how this is done. Projects applicants have to describe how promotion of gender and equality is included as a positive factor in the project. And it is therefore assumed that this is a criterion in the project selection. The programme document states specifically that it is not a core policy of the programme. Monitoring and evaluation is not described in detail. It is assumed that it follows the same pattern as the two other principles.

It was recommended to include a specific description of the programmes contribution to the promotion of equality between women and men. The programme has chosen not to develop this section further. Ex-ante evaluator notes that the projects have to provide specific examples and cases in their examples. The details on how to integrate the principle in the programme and in the project will be described in the programme manual.

The assessment of each of the three principles and the specific findings and recommendations of the ex-ante evaluator are summarised in Table 4.5 and subsections below.

Table 4.7 Assessment of the horizontal principles

Principles	Requirements in Draft Template	Outline of the description included the CP Section 8	Assessment
Sustainable development	1) A description of specific actions to take into account environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, in the selection of operations	<i>All projects will be required to include these aspects into their project design. Beneficiaries are required to report on their implementation. Will be followed up in the project monitoring process. More details on this approach will be further developed in the Programme Manual.</i>	The requirements regarding description of how the SD aspects are taken into account in the project selection process not included.
Equal opportunities and non-discrimination	1) Identification of particular targets groups, which may have a reduced access to support or are at risk of discrimination and identification of the measures to mitigate these risks	<i>There are no particular target groups identified at Programme level, which may have a reduced access to support or are at risk of discrimination.</i>	The requirements regarding justification of why no particular target group is identified is not included.
	2) Any initiatives aimed at mainstreaming these principles in project selection and implementation	<i>All funded projects will be assessed for their planned actions and impacts on fostering equal opportunities and on the prevention of discrimination, including accessibility for disabled people. The promotion of equal opportunities and non-discrimination will be regarded a positive factor in the project selection. All projects will be asked to integrate these horizontal issues into their activities, or at least, to consider the project's influence on these. In practical terms, the projects will have to describe in the application form what impact it will have towards equal opportunities and non-discrimination and to provide examples in case concrete activities/outputs are planned in that respect.</i>	General requirements included No specific description
	3) Any specific monitoring and evaluation measures envisaged to ensure the follow-up of the implementation of these principles and how these results	<i>Expected impact and implementation of planned activities or output will be followed up during the monitoring of the project implementation, and reported upon in the Programme's annual implementation reports (p. 114).</i>	Mentioned that the criteria will be included in the monitoring.
Equality between men and women	1) The contribution of the Cooperation Programme to the promotion of equality between men and women, with reference to specific challenges faced in this area, as appropriate		On general text description that it is a core policy to promote equality of women and men in the programme.
	2) The actions planned to ensure the integration of the gender perspective at operational level including any initiatives aimed at mainstreaming this principle in project selection and implementation	<i>The promotion of equality between men and women will be regarded a positive factor in the project selection. In the application form, the projects will have to indicate whether they will contribute to gender equality, and to provide examples in case concrete activities/outputs are planned.</i>	To be completed are the requirements regarding description of actions planned to ensure the integration of the gender perspective at operational level not included.
	3) Any specific monitoring and evaluation measures envisaged to ensure the follow up of the implementation of this principle and how these results of monitoring and evaluation will be taken into account	<i>Implementation of planned activities or output will be followed up during the project monitoring process, and reported upon in the annual implementation reports of the programme.</i>	Mentioned that the criteria will be included in the monitoring.



## 4.9 Coherence between budget and objectives

This section contains an assessment of whether the programme aims can be reached using the funds and resources available. Furthermore the chapter includes an assessment of the distribution of funds between priorities as well as an assessment of whether the milestones are realistic in relation to the allocated funds and timelines.

### Assessment basis

This assessment is based on information provided at the TF meeting in Berlin in February 2014 as well as the first version of the Programme Document of November 2013. The assessment also includes information provided to the ex-ante evaluator by the programming authorities (JTS) in meetings.

### 4.9.1 Consistency between the budget, the objectives and the milestones

As the specific programme aims (objectives) themselves are not quantifiable (as mentioned earlier under Chapter 3) the assessment focuses on whether the resources allocated in the programme, will have the desired effect on the results and the result indicators - i.e. influencing these in a positive direction from the baselines. It should be noted that baselines for the result indication will be developed later.

### Results concerning capacity increase

The results in all priority axes and specific objectives concerning capacity development and increase in capacity of both public authorities and private sector actors as outlined in Table 4.8. For each SO, one or several groups of actors are identified and it is indicated which type or for which area the capacity will be increased or developed. The assessment is that the programme with the activities outlined and the outputs targeted (see output indicators in Chapter 5 of this report as well as in Table 4.7) will influence the capacity of the actors in question as analysed.

### Assessment of the result indicators

In table 4.8 the expected results as stipulated in the CP of the SOs have been inserted as reflection of the results of the programme.

### Baselines and targets to be developed

The baselines and targets for the capacity development result indicators will be established by either a survey and study or a baseline description prepared by experts for the programme. The data for the baseline and targets will be developed during 2014. It is therefore at this point of time not possible to assess neither the targets nor the baselines.

*Table 4.8 Thematic objectives, objectives, results and resources*

Thematic objectives	Priority axis	Resource	Output	Comment
TO 1 - Strengthening research, technological development and innovation	P1 Capacity for innovation	84,43	32.0	<p>1) Improved capacity of <u>research and innovation infrastructures</u> and their users allowing for better market <b>uptake of innovation</b></p> <p>2) Increased capacity of innovation actors (<u>innovation intermediaries, authorities, research organisations, enterprises</u>) to apply <b>smart specialisation</b> approach.</p> <p>3) Increased capacity of innovation actors (innovation intermediaries, authorities, research organisations, enterprises) to improve conditions for <b>non-technological innovation</b></p>
TO 6 - Protecting the environment and promoting resources efficiency	P2 Efficient management of natural resources	84,43	32.0	<p>1) &amp; Enhanced capacity of <u>public authorities, public and private practitioners</u> (from water management, agricultural, forestry, fisheries etc. sectors) for <b>improved water management</b></p> <p>2) Enhanced capacity of public and private actors involved in <b>energy planning and supply</b> (<u>public authorities, energy agencies, waste management, forestry, agricultural advisories, enterprises, NGOs</u>) allowing for increased production and use of sustainable renewable energy.</p> <p>3) Enhanced capacity of public and private actors involved in <b>energy planning</b> (public authorities, energy agencies, enterprises, NGOs) allowing for increased energy efficiency.</p> <p>4) Enhanced capacity of <u>public authorities, enterprises and NGOs</u> within the blue economy sectors to advance <b>resource-efficient and sustainable blue growth</b>.</p>
TO 7 - Promoting sustainable transport and removing bottlenecks in key network infrastructures	P3 Sustainable transport	66,00	25.0	<p>1) Increased capacity of authorities, <u>public and private logistic and transport operators, ports, intergovernmental and research organisations</u> for higher <b>interoperability between transport modes</b> and systems by sea, rail, road and air</p> <p>2) Increased capacity of authorities, <u>public and private logistic and transport operators</u> to <b>apply economically efficient solutions</b> maintaining and improving accessibility of remote areas and areas where accessibility is affected by demographic changes</p> <p>3) Increased capacity of maritime actors (<u>maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations</u>) to work with <b>maritime safety and security</b></p> <p>4) Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to <b>reduce negative effects of shipping</b> on the marine environment</p> <p>5) Increased capacity of <u>authorities, ports, infrastructure providers and operators, transport users</u> to enhance the use of environmentally friendly <b>transport solutions in urban areas</b></p>
TO 11 - Enhancing institutional capacity and an efficient public administration	P4 Institutional capacity for macro-regional cooperation			<p>1) Increased capacity of project idea owners (<u>public authorities, research organisations</u>) to</p>
Resource	Resources (MEUR)	Output	Comment	
84,43				
84,43				
66,00				
13,20				
Priority axis				
				264,00

Technical assistance

COVTA

76 Ex ante Evaluation of the BSR Programme 2014-2020

To finance  
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2014 and  
31  
December  
2023.

More to innovation and environment	<p>The fact that the two larger priorities are "innovation" and "environment" reflects an assumption, based on past experience that more projects are likely in these fields as well as this is a reflection of the focus of the programme. In one TF-meeting, some of the members did reflect that if any reallocation of funds were to take place this should not be to the detriment of the P3 i.e. that the amount allocated for P3 was the minimum for "transport".</p> <p>P4, and thereby TO 11, is the smallest of the priorities and primarily focuses on the various types of support to macro-regional cooperation. The funding has been set according to the current experiences, to the extent that this exists. The amount for P4 has been revised upwards (in comparison to JTS proposal) following a request from the EU Commission and consultations with PAC/HALs and NCPs. These did not find that the programme had allocated sufficient funds to this priority considering the extent of the activities to be carried out.</p>
Output can be reached with the resources set aside	<p>Outputs are fixed in Table 5.4-5.5 (Chapter 5) for all three content priorities (P4 is not commented due to its administrative character). In general outputs have been set based on experiences with the current programme (2007-2013).</p>
Same output indicators for P2-P3	<p>As mentioned in Chapter 5, the output indicators are the same for P2-P3 priorities (except P4). In the absence of established baselines and targets for the result indicators the output indicators become more important for this analysis why these have been included in the Table 4.9.</p>
Target values	<p>The target values are to a large extent (where possible) based on the experience of</p>

the current programme. Overall these are assessed as realistic.

Table 4.9 Output can be reached with the funds allocated

essourc	Ressource s (MEUR)	Output	Comment
84,43			
84,43			
66,00			
13,20			
<b>Priority axis</b>			
P1	84,48	See table 5.4	P1 focuses on innovation and research and innovation infrastructures. For all indicators including enterprises are therefore higher for this priority which is a reasonable assumption. One could even argue that the target values should be even higher for P1. Overall the assessment is that the target values for the output indicators for P1 can be reached with the funding set aside for P1.
P2	84,48	See table 5.4	The target values for P2 are generally set at the same levels as for P2 reflecting the amount that the amount of funding is the same. It could be argued that the indicators reflect too little the specificities of P2 in relation to P1. Overall the assessment is that the target values for the output indicators for P1 can be reached with the funding set aside for P2.
P3	66,00	See table 5.4	The target values for P3 are generally lower than P1 and P2 reflecting that the priority axis has a lower funding levels. However the argument above and the issues raised in chapter 4 regarding the like type of target groups taking into consideration the characteristics of the priority is not included. Overall the assessment is that the target values for the output indicators for P1 can be reached with the funding set aside for P3.
P4	15,84	See table 5.4	There are based on average project size - target values are likely to be archived.

#### 4.9.2 Milestones

In general the milestones seem relevant - the assumptions for the milestones are not explicit (e.g. in a foot note) which makes it difficult to assess why some of the milestone indicators have been set at a certain value<sup>6</sup>. It is a question of making the assumption clear (not that the indicator or the value is wrong).

#### Relevance

The milestone indicator 'output' cannot report any "progress" in 2018 - only at programme end. It is understood that an output indicator is requested by the EU Commission - in spite of that no projects from the programme will be finalised in 2018 (3 years duration). Only outputs of finalised projects can be recorded in the performance framework.

List of milestone to As mentioned above, the recommendation of the ex-ante evaluator was not to have indicators be adapted to output a fully identical list of output indicators. As the milestones are based on the output indicators (except for the financial) the comments relating to the output indicators are to some extent also relevant for the milestones.

The milestones have been considerably changed both with regard to the indicator and the target values. It has decided that milestones should be identical for P1-P3. The assumptions of the indicators have not been provided to the ex ante evaluator. Especially for the milestone 'key implementation step' it is not clear why this indicator is fully achieved already in 2018. The four per cent difference in 'certified expenditure' between P1-P2 on the one side and P3, on the other, is also not explained. It is recommended to add the explanation in respect of the milestones to the note on the indicators.

Table 4.10 Performance framework - overview and distribution

Indicator type	Indicator		Table 2018 Perfo distrib			
			2018 % of total			
Key implementation step	Number of documented learning experiences of selected operation (forecast provided by beneficiaries)	Number	P1	32	100	32
			P2	32	100	32
			P3	26	100	26
Output indicator	Number of documented learning experiences fully implemented operations (actual achievements)	Number	P1	0	0	32
			P2	0	0	32
			P3	0	0	26
Financial indicator	Certified expenditure	Euros	P1	20,591,661	19,40	97,810,391
Table 2018 Perfo	2018 % of total		P2	20,591,661	19,14	97,810,391
			P3	16,987,235	12,16	76,414,368

<sup>6</sup> JTS will provide the ex ante evaluator with the assumptions in writing

### 4.9.3 Assessment of types of support

The support foreseen in the programme will be funding of cooperation activities. Pilot investment is foreseen in some projects but no larger scale investments (due to programme size). The programme will not use financial instruments. The argument for concentrating on the soft cooperation support is the size of the programme and the wish



to support a number of cooperation and capacity development projects in the Baltic Sea Region, which are not financed through financial instruments.

## 5 Indicators, monitoring & evaluation and administrative capacity

This chapter includes two main parts: one on the indicator systems (5.1-5.3) and one on the administrative setup (5.4-5.5).

### Indicators

The first section assesses the quality of the indicators and the monitoring and evaluation system for the cooperation programme. The cooperation programme has two types of indicators: Result indicators to measure the changes in the programme and output indicators, which measure the direct outputs of the programme and the action. The assessment focuses on the clarity and relevance of the two types of indicators, adequacy of the baselines and the data requirements for monitoring and evaluation.

### Administrative capacity and reduction of burdens

This chapter also includes an assessment of the administrative capacity for managing the programme as well as an assessment of the administrative burdens that the programme puts on the project application and implementers. As an overall principle, the programme of the 2014-2020 should strive toward reducing the administrative burdens.

### 5.1 Result indicators

The assessment of the result indicators has two main aspects. The ex-ante evaluator first of all has to assess that the indicator "represents the changes as described in the objective" and that this is a measurable expression of the specific objectives. The second part is to verify the clarity and relevance of the indicator. This will be assessed using the five RACER criteria (Relevance, Acceptability, Credibility, Ease, Robustness) as framework.

### Workshops on indicators

The indicators have been assessed by the ex-ante evaluators on several occasions and two workshops with the JTS and the ex-ante evaluator have been dedicated to the indicators in order to develop indicators for the programme. Discussion points from these workshops are only reflected in assessment below when still relevant.

Previous assessments	The previous assessments, of early versions of the programme, found that result indicators were close to being output indicators, i.e. what the indicator measured was directly linked with activities of the programme. The assessment also noted that not all indicators directly measured the changes mentioned in the objective, but rather in the sub-objective or result. The transnational and cooperation aspect was not fully captured by several of the indicators.
Indicators for transnational activities	It is generally accepted that making results indicators for transnational programmes is a difficult exercise, and especially finding a manner in which to measure the transnational effect without linking the result indicator too closely to the programme activities. If the latter is the case, there could be a risk that the result indicators become output indicators as they only say something about what takes place as an output of the programme. Projects activities/actions seldom have direct impacts on standard measurable indicators i.e. on nutrient levels etc. This makes it difficult to establish an indicator system which measures impacts on the region.
Improved indicators	The new result indicators included in the latest versions of the programme have been greatly improved since the last version of the programme document. The changes are a result partly of the comments of the ex-ante evaluator and partly of the comments of the EU Commission.
Quantitative indicators	New in this version of the programme is that there are only qualitative result indicators and only one per objective. This is in line with the programme draft template and the guidelines. The programming document states that the baselines for the qualitative indicators will be based on contributions from the 2007-2013 programmes, and other description assessment which will be made during 2014. The ex-ante evaluator is aware that a tender has been launched to assist with establishment of these baselines. A specific note has been prepared by the programming authorities to explain the indicator system and the details.
Represents the changes as described in the objective	All the qualitative result indicators are constructed in the same manner, and all focus on the capacity of actors in a specific field. The indicators aim to measure increase in the capacity of actors as an indication of the changes described in the objective and detailed in the result description as shown in Table 5.1-5.3. This is acceptable as representing the changes in the objective. Setting the baseline and targets through a description assessment of the "capacity in the region" is to be the measurable expression of the specific objectives.
RACER-assessment	At this point of time the result indicator have no measurement unit, no baseline and no target values, as all this will be developed later (see 5.3). This makes a complete assessment of result indicators difficult and the assessment will therefore focus on the indicators themselves and whether these are RACER.  In general, the ex-ante evaluator finds that the indicators fulfil the RACER criteria as they stand now pending the description of the baselines targets. However, the indicators will not fulfil the RACER-criterion "Easy". Establishing the baselines and targets through studies and collecting the data in a similar way will take time and effort and be costly.
What are "measures?"	The fact that most of the indicators concern the implementation of "measures" makes them less specific and possibly open to interpretation, which does influence the

credibility and robustness of the indicators until the baselines have been established. It is understood that this will be addressed when preparing the quality description but at the current point of time it is still open.

*Table 5.1 Result indicators and the RACER criteria*

RACER	Overall comments
<b>Relevant:</b> Direct link to the objective and the results	All indicators in the four priorities are relevant and directly linked to objective or parts of the objective. Almost all indicators concerns implementation of "measures" which are not defined (S.O 1.1, 1.3, SO 2.1-2-4, SO 3.1-3-5)
<b>Accepted:</b> Accepted by the actors	As the indicators were not included in this version in the public consultation it is difficult to assess. The newness of the indicators may have to be explained in detail to the actors.
<b>Credible:</b> Understandable for non-experts, easy to interpret (no misunderstanding)	The indicators in themselves are easy to understand - but their qualitative nature (such as measures) opens for interpretation. The programme document prescribes that this will be defined in the qualitative description in the beginning of the programme.
<b>Easy:</b> Easy to monitor and collect data on. Data collection cost low or reasonable	The indicators are not easy and it will take efforts and cost both the establishment of the baselines and to collect the data in the region. This being said it is an interesting way of assessing capacity and will surely lead to interesting findings which could not have been obtain trough other indicators or processes.
<b>Robust:</b> Not easy to manipulate or misinterpret	Once a baseline has been establish the assessment it that this is relatively robust. Of course there will be room for interpretation of both the baselines and the targets but such is the nature of this kind of indicators.

Comments on individual indicators

Tables 5.1-5.3 provide an overview of the specific objectives, the results, the indicators and specific comments on individual indicators, where relevant, of the ex-ante evaluator. General comments on the indicators are provided in the text below and the more specific comments are added in the tables.

*Table 5.2 Specific objective, results and result indicators for P1*

Objective	Results	Indicators
<b>SO 1.1 'Research and innovation infrastructures':</b> To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users. NEW	> Improved capacity of research and innovation infrastructures and their users allowing for better market uptake of innovation. This leads to more efficient utilisation of existing research and innovation infrastructures and through this to advancing innovation performance of the BSR.	> Capacity of research and innovation infrastructures in the Programme area to implement measures to increase the market uptake of innovation
<b>SO 1.2 'Smart specialisation':</b> To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach. NEW	> Increased capacity of innovation actors (innovation intermediaries, authorities, research institutions, enterprises) to apply smart specialisation approach. This leads to unlocking growth opportunities of the BSR that are related to prominent areas of specialisation.	> Capacity of innovation actors (innovation intermediaries, authorities, research institutions, enterprises) in the Programme area to implement smart specialisation strategies
<b>SO 1.3 'Non-technological innovation':</b> To advance the	> Increased capacity of innovation actors (innovation intermediaries, authorities, research	> Capacity of innovation actors (innovation intermediaries,

Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors (no change)

institutions, enterprises) to improve conditions for non-technological innovation This leads to increasing the BSR ability to generate non-technological innovation and gives possibilities for development of regions technologically lagging behind.

authorities, research institutions, enterprises) in the Programme area to implement measures to increase uptake of non-technological innovation

Table 5.3 Specific objective, results and result indicators for P2

Objective	Results	Indicator
<p><b>SO 2.1 'Clear waters':</b> To increase efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances to the Baltic Sea and the regional waters based on enhanced capacity of public and private actors dealing with water quality issues. <b>NEW</b></p> <p><b>SO 2.2 'renewable energy':</b> To</p>	<p>&gt; Enhanced capacity of public authorities, public and private practitioners (from water management, agricultural, forestry, fisheries etc. sectors) for improved water management</p> <p>This leads to reduced eutrophication and decreased discharges of hazardous substances to the regional waters and the Baltic Sea.</p>	<p>&gt; Capacity of public authorities / practitioners (from water management, agricultural, forestry, fisheries etc. sectors) in the Programme area to implement measures to reduce nutrient inflows and decrease discharges of hazardous substances</p>
<p>increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply. <b>No change</b></p>	<p>&gt; Enhanced capacity of public and private actors involved in energy planning and supply (public authorities, energy agencies, waste management, forestry, agricultural advisories, enterprises, NGOs) allowing for increased production and use of sustainable renewable energy. This leads to better utilisation of green growth opportunities across the Baltic Sea region and, thus, to better regional economic performance in the sectors concerned.</p>	<p>&gt; Capacity of public/private actors in energy planning and supply (authorities, agencies, enterprises, NGOs in energy, waste, forestry and agricultural sector) in the Programme area to implement measures to increase the use of sustainable renewable energy</p>
<p><b>SO 2.3 'Energy efficiency':</b> To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning. <b>No change</b></p>	<p>&gt; Enhanced capacity of public and private actors involved in energy planning (public authorities, energy agencies, enterprises, NGOs) allowing for increased energy efficiency.</p> <p>&gt; This leads to better regional energy performance and contribution to the acknowledgment of the BSR as a climate neutral region.</p>	<p>&gt; Capacity of public and private actors involved in energy planning (public authorities, energy agencies, enterprises, NGOs) in the Programme area to implement measures to increase energy efficiency</p>
<p><b>SO 2.4 'Resource-efficient blue growth':</b> To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors. <b>No change</b></p>	<p>&gt; Enhanced capacity of public authorities, enterprises and NGOs within the blue economy sectors to advance resource-efficient and sustainable blue growth.</p> <p>&gt; This leads to better regional economic performance as regional and local actors are able to use new resource efficient and sustainable blue growth patterns in their daily practice.</p>	<p>&gt; Capacity of public authorities, enterprises, and NGOs in the Programme area to implement measures to advance sustainable business opportunities for blue growth</p>

Table 5.4 Specific objective, results and result indicators for P3

Objective	Results	Indicator NEW
<p><b>3.1 'Interoperability of transport modes':</b> To increase interoperability in transporting goods and persons in north-south and east-west connections based on increased capacity of transport actors. <b>NEW</b></p>	<p>&gt; Increased capacity of authorities, public and private logistic and transport operators, ports, intergovernmental and research institutions for higher interoperability between transport modes and systems by sea, rail, road, inland waterways and air</p> <p>This helps to find optimal solutions for increased interoperability, to implement them or to attract funding for their implementation and limiting the risks connected to transport accidents.</p>	<p>&gt; Capacity of public and private transport actors (public authorities, logistic and transport operators, ports, intergovernmental and research org.) in the Programme area to implement measures increasing interoperability between transport modes and systems</p>
<p><b>3.2 'Accessibility of remote areas and areas affected by demographic change':</b> To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change based on increased capacity of transport actors <b>NEW</b></p>	<p>&gt; Increased capacity of authorities, public and private logistic and transport operators to apply economically efficient solutions maintaining and improving accessibility of remote areas and areas where accessibility is affected by demographic changes. This helps to secure and improve the transport of goods and people in the currently least accessible areas of the region.</p>	<p>&gt; Capacity of public / private transport actors (public authorities, logistic and transport operators) in the Programme area to implement economically efficient solutions to improve the accessibility of remote regions/regions affected by demographic change</p>
<p><b>3.3 'Maritime safety':</b> To increase maritime safety and security based on advanced capacity of maritime actors. <b>No change</b></p>	<p>&gt; Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to work with maritime safety and security. Higher capacity of and increased cooperation among maritime actors in the field of maritime safety and security will help reduce risks associated with maritime transportation.</p>	<p>&gt; Capacity of maritime actors (maritime admin., rescue services, authorities, shipping operators, ports, research and intergovernmental org.) in the Programme area to implement measures to increase maritime safety and security</p>
<p><b>3.4 'Environmentally friendly shipping':</b> To enhance clean shipping based on increased capacity of maritime actors. <b>No change</b></p>	<p>&gt; Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to reduce negative effects of shipping on the marine environment. This leads to greater awareness of maritime actors towards clean shipping and better protection of the marine environment.</p>	<p>&gt; Capacity of maritime actors (maritime admin., rescue services, authorities, shipping operators, ports, research and intergovernmental org.) in the Programme area to implement measures to reduce negative effects of shipping on the marine environment</p>
<p><b>3.5 'Environmentally friendly urban mobility':</b> To enhance environmentally friendly transport systems at urban areas based on increased capacity of urban actors. <b>No change</b></p>	<p>&gt; Increased capacity of authorities, ports, infrastructure providers and operators, transport users to enhance the use of environmentally friendly transport solutions in urban areas. This leads to increased acceptance and more application of environmentally friendly transport solutions and thus to less polluted cities in the Baltic Sea Region.</p>	<p>&gt; Capacity of urban transport actors (public authorities, ports, infrastructure providers and operators) in the Programme area to implement environmentally friendly transport solutions in urban areas</p>

## 5.2 Output indicators

It is generally noted that the output indicators have been changes since the last version of the programme document and further changes have been made since the TF in Berlin in February and the TF in April. The output indicators listed are the same for two of the three content priorities. P1 has 4 indicators and the P2 and P3 have 5 identical indicators. Each priority has at least one common indicator from the ERDF M&E guidelines<sup>14</sup>. Priority 4 has its own indicators which will not be analysed as these are more administrative in character and based on project numbers and size.

Link to result indicators	Earlier assessments of the indicators found that the output indicators were staff focused and much less focused on the expected outputs. This has been addressed in the current version of the indicators focusing on organisations. This is supported by the ex-ante evaluators as the output indicators have to support/underpin result indicators focusing on capacity of institutions and organisations. This way there is a link between the two levels of indicators and the output indicators provide a monitoring basis for the results indicators.
Explanations	The indicator system is now also explained in a note which will be attached to the programme document. There is, however, relatively little information with regard to the assumptions underlying the indicators. The ex-ante evaluator's comments on the indicators are included in the table below
Earlier assessments	Based on ex-ante comments the proposal for output indicator system containing a common list of indicators for all three content priority axes (P1-P3) has been changed. An issue was that the 12 common indicators actually resulted in 12 output indicators for each priority ( i.e. a total of 24 without P4) as these had to be broken down, counted and reported separately for each priority adding administrative burdens on the projects.
Current proposal supported	A further issue was that some of the indicators might have been much more relevant to one priority axis than the two others - giving the programme more precise monitoring of one or two priorities. The new system now contains 4 indicators for P1 and 5 common indicators for P2-P3. This approach is fully supported by the ex-ante evaluators.
Target value in relation to project size	The assumption in the output indicator table (submitted to the TF) is that the size of the projects (amount) for transport is going to be slightly smaller than for P1 and P2 <sup>15</sup> . In general, the average figures are based on total projects expected to be funded in the priorities. Some of the target values are also based on the experiences from the sector/similar priority in previous programmes.

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<sup>15</sup> 2 percentage point difference between budget figure 76,92 (85,8 - 66) and project number 78,79 (33 - 26).



**Target groups** As noted under several of the indicators in Table 5.4, the definitions are important in order to know exactly what is meant. For the project implementers to be able to report on the indicators clear definitions are required. In the current period there have been indicators which were ambiguous and where the project implementers found it difficult to report.

**Robustness of indicators** Robustness (no possibility for misinterpretations) is an important aspect of the indicators system. With regard to the output indicators the ex-ante evaluators see no issues in this regard. The fact that project implementers have to provide documentation is seen as a strength. It may be useful to indicate in the programme manual/guidelines what kind of documentation is required/accepted.

*Table 5.5 Output indicators and the RACER criteria*

<b>RACER</b>	<b>Overall comments</b>
<b>Relevant:</b> Direct link to the objective and the results	All output indicators in the three priorities are relevant and linked to aspects of the objective or parts of the objective. Some indicators seem to be more relevant to some than other objectives.
<b>Accepted:</b> Accepted by the actors	As the indicators were not included in this form in the public consultation it is difficult to assess. There is however little new in the indicators types so no particular issues are foreseen.
<b>Credible:</b> Understandable for non-experts, easy to interpret (no misunderstanding)	The indicators in themselves are relatively easy to understand - although some need definitions/suggestions with regard to measures.
<b>Easy:</b> Easy to monitor and collect data on. Data collection cost low or reasonable	The indicators will all be collected through the reports of the projects- For those indicators which demand a "documented" value -it should be explained how this documentation should take place and who should control.
<b>Robust:</b> Not easy to manipulate or misinterpret	Misinterpretation does not seem to be an issue - and the request for documentation will counter possible manipulation.

**Credibility** As noted under several of the indicators in Table 5.4, the definitions are important in order to know exactly what is meant. For the project implementers to be able to report on the indicators they need clear definitions. In the current period there have been indicators which were ambiguous and where the project implementers found it difficult to report.

**Robustness of** Robustness (no possibility for misinterpretations) is an important aspect of the

indicators

indicators system. With regard to the output indicators the ex-ante evaluators see no issues in this regard. The fact that project implementers have to provide documentation is seen as a strength. It may be useful to indicate in the programme manual/guidelines what kind of documentation is required/accepted.

Table 5.6 Table Assessment of programme specific output indicators - for P1

Code	No	Indicator	get value	Comments to the indicator and the target value
			P1	
	1	No of documented learning experiences	32	A definition would be useful
PSI	2	No of documented newly developed market products and services	8	How to document and who will check?
CO 26 (new)	3	No. of enterprises cooperation with research organization	22	This has been corrected in the update of the indicators and the new indicator link enterprises to research institutions.
CO 04 (New)	4	No. of enterprises receiving non-financial support	26	Especially relevant for SO 1.2 and 1.3.

Table 5.7 Table Assessment of programme specific output indicators - P2-P3

Code	No	Indicator	Target value		Comments 1: the indicator
			R		
PSI	1	No of documented learning experiences	32	26	A definition would be useful
PSI	2	Amount of documented planned investment to be realized with other than the Programme funding	25,327,743	19,787,299	Positive that this is planned investments as this can be captured before the end of the project and thereby collected by the monitoring system. Outstanding is to explain how to document and who to control. This indicators has a common indicator equivalent and is used by other programmes: "Public and private investment matching programme funding"
PSI	3	No. of local/regional public authorities/institutions involved	128	104	Assume that this estimate is based on experience.
PSI	4	No. of national public authorities/institutions involved	51	42	Due to smaller programme funds also lower number of involved authorities.
CO 04 (New)	5	No. of enterprises receiving non-financial support	13	16	The relation between priorities seems more realistic here.

### 5.3 Data source, quality and control

Functioning MIS

This current programme (2017-2013) has a well-developed system for collecting

programme specific monitoring information specifically relating to the output indicators. The ex-ante evaluator assumes that this will continue in the new programme period. The management information system used for generating monitoring information, programme statistics and reports is tried and tested<sup>16</sup>. The monitoring information is primarily produced by the projects implemented and reported through the MIS. The current (February 2014) version of the output indicators should in general be able to produce the required information. Apart from the issue raised under 5.2, no specific problems are foreseen with respect to the projects reporting on these. However, it is important that the indicators are accurately explained in the programme manual ensuing that the indicators are robust and there are no ambiguity or possibilities for interpretation.

#### Monitoring data

With regard to monitoring and provision of the monitoring information, especially in relation to the monitoring committee, there is a wish among MC members to have more detailed information about achievements and not only the standard numbers and figures from the monitoring information system. As mentioned below under administrative capacity and monitoring, there is a need for communicating more about the achievement of the projects to the MC and others through project websites and other dissemination techniques. Project presentation at the MC meeting to present the achievements would be very valuable to the committee members in order to get an insight into what happens in the projects.

#### New qualitative indicators

Concerning the result indicators, the programme is embarking on new territory. First and foremost, the programme will use two new features - namely result indicators with qualitative descriptions and indicators for which baselines have been set through special studies in 2014. This approach will entail quite a lot of effort in connection with the establishment of baselines as well as collecting data on the indicators during programme implementation. There is little doubt that these indicators can provide very interesting information and feedback to the programme. One should however be realistic with regard to the workload (and costs) relating to these indicators and that these are not easy to collect information on.

#### Impact evaluation

An impact evaluation is foreseen for 2022. However, no evaluation is foreseen before 2022, which means that the programme will not know how the result indicators are performing before after the end of the programme. For the programme 2007-2013 a strategic evaluation of the programme was undertaken, more or less midway in the programme. A similar evaluation is not mentioned in the current programme document - but may be important to consider.

The information available at the moment regarding the qualitative baselines and quality description is limited to what has been included in the tables in the programme draft. More information is required to assess these baselines and descriptions. In order to assess these baselines and descriptions more information will be needed. It was suggested, by the ex-ante evaluator, to add more information in this regard in an additional document. A note

has been produced which, to the knowledge of the ex-ante evaluator, will be annexed to the programme document.

<sup>16</sup> Monitoring and Information System

## 5.4 Administrative capacity

The assessment of the administrative capacity<sup>17</sup> is based on the programme document, the cooperation agreement and participation in the TF and JP meetings. In addition, a small interview survey has been conducted by the ex-ante evaluator among JMC members and project implementers<sup>18</sup>. The purpose was to assess the current structures (2007-2013 programme) to see if there were issues in this needing to be addressed in the proposal for the new programme. As the new programme is similar to the existing, the assumption is that experience can be drawn from one programme to the other.

Initially, the ex-ante evaluator notes that the implementation structures and modalities for this programme are well-established and these will continue in the period 2013-2014. An established secretariat under the MA in Kiel based in Rostock and Riga implements the programme. There seems to be no wish to change this structure. Based on the assessment presented below, the ex-ante evaluator proposes mainly to strengthen monitoring of effects and impacts as well as communication related to both.

Table 5.7 Implementation arrangements - overview

Structure	Authority/responsible institution	Comments/observations
Managing authority	Investitionsbank Schleswig-Holstein (IB.SH)	Coordination role in the territory with MC members representing the national authorities
Certifying authority	n.a.	MA responsible
Audit	Ministry of Science, Economics and Transport of the Land Schleswig-Holstein (Germany)	To be confirmed
Control	First level controller in each territory	Agreement on the Management, Financial and Control Arrangements between the countries in the BSR Programme 2014-2020 and the IB.SH. To be explained in programme manual Participating countries will be responsible for training on EU and national requirements and for quality check of the control work.
Joint secretariat	To be setup by MA with main office in Rostock and branch in Riga. Functionally ne unit.	Key contact point for public interest, potential beneficiaries and selection running operations. Calls for proposal, approach and contracting No change to current programme. Staff currently xx. Proposal to increase staff to additional tasks.
Implementation	Project applicants from MSs	Programme manual
Monitoring	Monitoring Committee	MC Rules and procedures Assess project applications (including eligibility) Funding decision
Information	Joint Secretariat	Responsible for providing information of public interest Operation of programme website.

Table 5.7

2) Description of flagship

3) Programme contributes to the following key components of the flagship

4) Priority axis number and specific objective title

5) Programme activity

<sup>17</sup> Only core tasks

other additional tasks :

<sup>18</sup> 4 MC members and

1) EU 2020

flagship

Assessment of current structures	The assessment of the current implementation structure made by the ex-ante evaluators is presented in the text below and recommendations are added where relevant. An overview table has also been inserted with the findings and the recommendations.
National contact points and contacts to the regions	The only point relating to changes in structure/organisation, which has been discussed in the JPC/TF, is the wish of some countries to establish contact points in each country funded under the programme. This wish reflects a notion that the programme/information about the programme may not be reaching all parts of the programme area. According to a small survey made by the JTS there is, however, not a general wish for these contract points.
More visibility and contact with the BSR region	There is a wish among MC members that the secretariat is more present in the countries and more involved in promotion of the programme in relevant regions, especially those which are more peripheral to the core Baltic Sea area. Due to the geography, there are large differences between countries and regions in this respect. This presence could be in the form of road-shows or participation in particular events in each of the countries.
JTS is assessed as very good	The stakeholders' assessment of the MA/JTS programme management compares very favourably to other programmes. The JTS staff is regarded as professional and providing good service to members - staff members respond diligently on requests and follow-up. The management of the programme reflects the long experience and has a low error rate.
More focus on applicants	Stakeholders feel that more attention could be given to the applicant side and especially new potential project partners/applicants. It is recommend to step-up mobilisation of new partners/programme applicants by more outreach activities through project conferences and visits to the regions.
Support to implementers	The JTS is assessed as good in providing advice to project implementers. It is recommended to provide more training of project lead partners at project start-up, for example as an internet course on how-to-manage a project. It is noted by the ex-ante evaluator that considerable training activities are already provided by the JTS. It may therefore rather be a question of targeting the training to those projects which need it more (may not be those who sign up for the training!).
Combining different instruments	The JTS is also applauded for the support given to projects including non-EU funding member partners. In the case of European Neighbourhood & Partnership Initiative (ENPI) the handling of the different funding instruments has proven difficult for both project implementers and the JTS.
Investments	Using programme funding for investments seems to pose several problems. Both in terms of defining eligible investments (what is a "transnational investment project"), in terms of advances and reporting/cash flow. In general, implementers have found using programme funds for investments challenging. It is recommended that more support is provided in this regard in the next period.

Table 5.8 Assessment of current programme structures (2007-2013) and recommendations for the future structures

Topic	Assessment of current structures (2007-2013)	Recommendations for the future set-up
JTS support to the MC	<ul style="list-style-type: none"> <li>The management of the programme reflects the <b>long experience</b> and has low error rate.</li> <li><b>Quality very good</b> and the programme management compares very favourably to other programmes.</li> <li>The JTS staff <b>professional and providing good service</b> to members -respond diligently on request and follow-up.</li> <li>Some confusion with regard to the <b>documents</b> for the MC meetings.</li> <li>At times the JTS is too attached to its own proposals and views (the 12th delegation).</li> </ul>	<ul style="list-style-type: none"> <li>Better (some are sent per email and others are available on the website)</li> <li>The documentation provided to the MC is in order (some time too much).</li> <li>rules are adhered to very strictly - some more flexibility would be welcomed!</li> <li>The JTS is by stakeholder regarded primarily as the facilitators between 11 delegations.</li> </ul>
Support to project applicants	<ul style="list-style-type: none"> <li><b>More attentions</b> could be given to the applicant side and especially new potential project partners/applicants.</li> <li>Application form in <b>excel is problematic</b></li> <li>Some definitions issues (partners) have also caused confusion with stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Stepping-up mobilisation of new partners /programme applicants</li> <li>More outreach activities through project conferences and visits to the regions would be a way to do this.</li> <li>cross-reference possibility and transferring information from one part (cell)</li> </ul>
Support to project implementers	<ul style="list-style-type: none"> <li>JTS is assessed as good in providing advice to project implementers by stakeholders</li> <li>Majority of the information goes to the lead partners project partners do not receive relevant information in time.</li> <li>The Programme manual is assessed as a good tool and appreciated by stakeholders.</li> <li>Project implementers find that response times to clarification are too long.</li> <li>Issues relating to the First Level Controls (FLC) -discrepancies between the programme manual and the FLC judgement are an issue.</li> </ul>	<ul style="list-style-type: none"> <li>Lead partners have to make sure/be committed (JTS has to oblige them) to forwarding essential information in time.</li> <li>More training of project lead partners at project start-up,</li> <li>Targeting the training to those projects which need it more (may not be those who sign up!).</li> <li>Faster reaction time to clarifications is required</li> <li>Second Level Controls (SLC) should not a repeat FLC and.</li> </ul>
Information	<ul style="list-style-type: none"> <li>The current <b>programme webpage</b> is useful and well structured and it is easy to find the information</li> <li>The <b>project data</b> base provides a good overview of the projects.</li> <li><b>Project webpages</b> are not regarded as having the same or similar quality as that of the programme.</li> <li><b>Dissimilate project</b> results especially towards the end of the project where the results and effects begin to show.</li> <li>The current BSR <b>communication plan</b> provides an overall guide to the communication of the programme.</li> </ul>	<ul style="list-style-type: none"> <li>Project websites should be designed and useful to public interest.</li> <li>Standardise information quality and "accessibility".</li> <li>Targeted effort via the programme communication strategy and plan required</li> </ul>
Monitoring and evaluation	<ul style="list-style-type: none"> <li><b>Programme monitoring</b> is regarded as good, providing an overview over programme progress.</li> <li>Very little information about the <b>individual projects</b>, their (real) outputs and results is made available.</li> <li>The <b>general programme</b> indicators are not regarded as very informative with regard to the effects.</li> <li>Projects have to be better at <b>promoting the effects</b> and JTS better in collecting these.</li> <li><b>Large evaluation</b> reports are not read.</li> </ul>	<ul style="list-style-type: none"> <li>More highlighted information, analyses and profiling of projects is needed.</li> <li>Policy learning platforms could bring together information available together.</li> <li>Concise key findings and conclusions from experts who can make comparisons.</li> <li>One way of doing this is that selected projects have to present results to MC.</li> </ul>

### Project webpages

Project webpages of the current programme (2007-2013) are not considered as having the same or similar quality as that of the programme. The assessment is that these are of very varying information, quality and "accessibility". The project websites are often more used as (designed as) internal project tools and not useful to public interest. A random check of five project websites by the ex-ante evaluator confirmed this assessment. More specific and detailed project information is available on some member country Interreg websites<sup>19</sup>, rather than on the project websites themselves.



Websites to communication results	Another issue concerning the project websites is how much they are used for disseminating project results especially towards the end of the project where the results and effects begin to show. Some stakeholders think that it is important to keep the dissemination activities "alive" after project end in order to be able to communicate results and effects, which very often happen towards the end and even after the projects have ended.
Recommendation	The ex-ante evaluator recommends that more efforts are made in the new period in terms of making projects commit to disseminating results and effects after project finalisation through measures such as participation in conferences publish articles etc. This commitment could be done against remuneration (a kind of post-project "seed money"). As part of the overall communication strategy the programme could focus on this area, in the new period.
Monitoring needs to be more concrete	There is a strong wish to know more about the effects of the supported actions through concrete examples. Projects have to be better at promoting the effects and JTS better at collecting these. There is a wish for more information on effects and impacts. Policy learning platforms could bring together the considerable amounts of information which are available in the projects. It is recommended to review the way that the programme is evaluated and to ensure that for example selected projects have to present results to MC (has been tried in the past).
Assessment basis	<p>5.4.1 Reduction of administrative burdens</p> <p>The assessment of the administrative burdens is based on the CP text. Documentation and minutes of the TF meeting in February 2014 and interviews with stakeholders have been used to the extent possible.</p>
Overall assessment	Various efforts are made in the programme management, application process and implementation to reduce the burden to the applicants and project participants. In general, the assessment of the ex-ante evaluator is that the programme authorities are very much aware of the need for reduction of administrative burdens and efforts are made to streamline and simplify processes and procedures. The assessment of the ex-ante evaluator is that ETC Draft template requirements are met by the measures described in the current version of the OP.
Two-step application	<p><sup>19</sup> <a href="http://www.interreg.no/">http://www.interreg.no/</a> <a href="http://interre.g.tillvaxtverket.se/">http://interre.g.tillvaxtverket.se/</a></p> <p>Apart from what is specifically mentioned in the programme draft section 7, other parts of the programme draft mention structures/measures intended to reduce burdens for applicants and encourage development of complex project proposals. These naturally form part of the overall assessment of the reduction of the administrative burdens and have been listed below.</p> <p>For the application process it is proposed by the JTS to introduce a two-step approach for</p>

process	applications. The aim of the approach is that applicants can present their ideas without having to present a full application. These "project ideas" will then be assessed and applicants will be informed that they can submit a proposal where they are sure of funding (based on the assumption of quality). The two-step approach is based on (positive) experience from other transnational programmes: the Alpine Space programme and the North Sea programme. The purpose is to avoid that applicants spend time and funds on project ideas unlikely to be funded.
Seed money facility	The seed money facilities operated for the current EUSBSR programme is proposed to be continued under the programme 2014-2020 (part of priority axis 4). The aim is to provide support to development of project application for complex flagship projects of the EUSBSR, which otherwise will not be prepared because the cost of preparing a project application is too high for the authorities involved. Although not directly part of the reduction of the administrative burdens this is seen as an attempt of easing (facilitating) the way for applicants and secure high quality projects.
Measures planned	Table 5.8 provides an overview of measures to reduce administrative burdens taken by the MA for the BSR programme 2014-2020. A number of measures are general for all programmes and others are programme specific.
ENPI	Furthermore, it is important to mention that in comparison to many other programmes the BSR programmes have the added complication that it includes 3 non-EU Member States and the additional issues and procedures involved are considerable. Efforts have been made in order to streamline and simplify especially in relation to the European Neighbourhood Programme Funds.

*Table 5.8 Reduction of administrative burdens - overviews of measures*

<b>Measure</b>	<b>Change</b>
Flat rate	On office costs and administrative costs
Simplified costs	Supporting project preparation - preparation cost reimbursed on a lump sum basis or standard scale of unit costs
Eligibility of expenditure	Reduction of burden for applicant working with different rules under different programmes
First level control	Reduction of reporting requirement for applicants different rules under different programmes
Project changes procedures	Work is being undertaken to reduce procedures for making changes to projects during implementation
Implementation documents and procedures	Unspecified measures to reduce number of documents and procedures during the implementation process

## 6 Contribution to EU 2020

How the programme contributes to Europe 2020

The following chapter includes the assessment of the contribution of the programme to Europe 2020. The ex ante-evaluator is required to assess the contribution of the cooperation programme and its priority axes to Europe 2020. This analysis is twofold and looks first specifically at the coherence with the Europe 2020 flagships and secondly at the contribution to the Europe 2020 objectives.

Programme contribution to flagships

In overall terms the assessment is that the cooperation programme is coherent with many of the flagships of the Europe 2020. P1 is assessed to contribute to the flagship initiative 'Innovation Union'. P2 and P3 contribute to 'Resource efficient Europe'. P1 and P3 contribute to the flagship 'An industrial policy for the globalisation era'. Finally, the programme as a whole and in particular P1 and P3 contribute to the Flagship 'European platform against poverty'. The Programme does not contribute to the flagship initiatives 'Youth on the move', 'Digital agenda for Europe', and 'An agenda for new skills and jobs'. In the following the contribution of the programme is assessed in details for each of the four flagships.

Flagship: Innovation Union

Based on the analysis, P1 is assessed to contribute to the flagship 'Innovation Union'. P1 contributes especially through activities aimed at improving the capacity of the research and innovation infrastructure, e.g. targeting innovation intermediaries. This also includes activities to strengthen the ability to attract external users and external financing. Addressing the participation of enterprises and the public sector contributes to the aim of the flagship by strengthening the link between the innovation actors.

Flagship: Resource efficient Europe

The ex-ante evaluator assesses that P2 and P3 contribute to the flagship 'Resource efficient Europe'. P2 contributes especially through capacity building and pilot investments towards renewable energy, energy storage and diffusion as well as energy efficiency (energy planning by authorities). P2 also contributes through activities to promote efficient use and sustainability of maritime resource. P3 contributes through capacity building and pilot investments addressing issues such as a green transport corridor,

ship fuel technology and urban transport including multi-modality and interfaces linking urban and interurban transport.

Flagship: An industrial policy for the globalisation era

P1, P2 and P3 all contribute to the flagship 'An industrial policy for the globalisation era'. P1 contributes indirectly to the internationalisation of SMEs through capacity building involving SMEs. P2 contributes by supporting capacity building and pilot investments in the maritime sector to promote resource efficiency. P3 contributes through capacity building for target groups working with interoperability, "non-infrastructureal" bottlenecks and administrative and technical obstacles. Moreover, P3 contributes through demonstration and pilot investments towards topics related to a green transport corridor and new fuel technology for ships.

Flagship: European platform against poverty

The ex-ante evaluator assesses that the programme as a whole contributes to the 'European platform against poverty'. Through the overall programme aim of regional cohesion economic, social and territorial cohesion the programme is coherent with this flagship. Moreover, P1 and P3 contribute directly to the flagship addressing the particular characteristics of the region. This considerable socio-economic and demographic disparity, regions technologically lagging behind and remote areas is a key focus. P1 takes into account the disparities in the programme region. P3 contributes through activities aimed at improving the accessibility of remote areas as well as maintaining transport services in regions affected by demographic changes.

Overview of flagships and priorities in Table 6.1

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Table 6.1 shows description of the flagships<sup>20</sup>. coherence of the cooperation programme with the Europe 2020 flagships. Table 6.1. illustrates the comparison between the cooperation programme actions (column 5) with the key components of the flagships (column 3) and thereby the link between activities contributes directly or indirectly to the flagships. The key components of the flagships are derived from the

Table 6.1 BSR Programme contribution to the seven EU 2020 flagships

1) EU 2020 flagship	2) Description of flagship	3) Programme contributes to the following key components of the flagship	4) Priority axis number and specific objective title		5) Programme activities contributing to the flagship (from description of the objectives)
<b>Innovation Union</b>	Focusing on R&D and innovation policy on the challenges facing society, such as climate change, energy and resource efficiency, health and demographic change. Strengthening the innovation chain.	<ul style="list-style-type: none"> <li>- multinational cooperation in research and innovation</li> <li>- knowledge partnership and strengthening links and cooperation between education, business, research and innovation</li> </ul>	P1	1.1) Research and innovation infrastructures 1.2) Smart specialisation 1.3) Non-technological innovation	<ul style="list-style-type: none"> <li>- Capacity building addressing:               <ul style="list-style-type: none"> <li>- research and innovation infrastructure, including the ability to attract external users and external financing</li> <li>- participation of enterprises (SMEs) in testing and piloting</li> <li>- public sector involvement</li> </ul> </li> </ul>
<b>Youth on the move</b>	Enhancing the performance and international attractiveness of higher education institutions and raise the overall quality of education and training.				<i>No direct contribution</i>
<b>Digital agenda for Europe</b>	Delivering sustainable economic and social benefits from a Digital Single Market.				<i>No direct contribution</i>
<b>Resource efficient Europe</b>	Supporting the shift towards a resource efficient and low-carbon economy that is efficient in the way it uses all resources.	<ul style="list-style-type: none"> <li>- Renewable sources of energy</li> <li>- energy efficiency (changes in consumption and production patterns)</li> <li>- energy infrastructure</li> <li>- critical bottlenecks (cross border sections and intermodal nodes)</li> <li>- urban dimension of transport</li> <li>- intelligent traffic management</li> </ul>	P2	2.2) Renewable energy 2.3) Energy Efficiency 2.4) Resource-efficient blue growth	<ul style="list-style-type: none"> <li>- Capacity building and pilot investments addressing:               <ul style="list-style-type: none"> <li>- renewable energy production from regional natural resources and waste</li> <li>- energy storage and distribution</li> <li>- energy planning by authorities to improve energy efficiency</li> <li>- energy efficiency in production of goods and services</li> <li>- "sustainability and resource-efficiency" in sectors of maritime economy</li> </ul> </li> </ul>
			P3	3.1) Interoperability of transport modes 3.4) Environmentally friendly shipping 3.5) Environmentally friendly urban mobility	<ul style="list-style-type: none"> <li>- Capacity building and pilot investments addressing:               <ul style="list-style-type: none"> <li>- green transport corridor</li> <li>- fuel technology in the shipping sector</li> <li>- high quality public transport and multi-modality in urban transport</li> <li>- interface linking urban and inter-urban transport</li> </ul> </li> </ul>



1) EU 2020 flagship	2) Description of flagship	3) Programme contributes to the following key components of the flagship	4) Priority axis number and specific objective title		5) Programme activities contributing to the flagship (from description of the objectives)
<b>An industrial policy for the globalisation era</b>	Framework for a modern industrial policy, support entrepreneurship, support industry, promote competitiveness and help seize the opportunities of globalisation and green economy.	- Internationalisation of SMEs - Ensure transport and logistic networks and access to the Single Market - Resource efficient technologies	P1	1.1) Research and innovation infrastructures 1.2) Smart specialisation 1.2) 1.3) Non-technological innovation	- Capacity building addressing participation of SMEs <i>[in multinational cooperation]</i>
			P2	2.4) Resource-efficient blue growth	- Capacity building and pilot investments addressing "sustainability and resource-efficiency" in sectors of maritime economy
			P3	3.1) Interoperability of transport modes 3.4) Environmentally friendly shipping	- Capacity building addressing: - interoperability, including increasing efficiency of transporting goods - "non-infrastructural" bottlenecks - administrative and technical obstacles to transport - Demonstration investments addressing green transport corridor - Pilot investment addressing new fuel technology for ships
<b>An agenda for new skills and jobs</b>	Creating conditions for modernising labour markets.				<i>No direct contribution</i>
<b>European platform against poverty</b>	Ensuring economic, social and territorial cohesion.	- The overall aim of economic, social and territorial cohesion.	P1	1.2) Smart specialisation 1.3) Non-technological innovation	- Capacity building addressing: - innovation infrastructure including diversification of innovation support measures - non-technological innovation infrastructure allowing for regions technologically lagging behind to build on existing assets
			P3	3.2) Accessibility of remote areas and areas affected by demographic change	- Capacity building addressing: - connection of less accessible areas - maintenance of transport infrastructure and transport service in areas affected by demographic changes (ageing population and depopulation)



Linking the programme to the objectives of Europe 2020

In the second part of the assessment the ex-ante evaluator looks at the contribution of the cooperation programme to the Europe 2020 objectives. Figure 6.1 shows the overall linkages among cooperation programme actions, expected results, specific objectives and thematic objectives.

Contribution to the Europe 2020 objectives

The programme is assessed to contribute through priority axes 1, 2 and 3 especially to Europe 2020 objectives concerning research and development as well as climate and energy. The overall intervention logic of the programme shows that each specific objective contributes separately to one of the thematic objectives.

P4 supports only indirectly

As P4 has a specific focus on the implementation of the BSR strategy including support for Priority Area Coordinators (PAC) and Horizontal Action Leaders (HAL), the assessment is that P4 only indirectly contributes to the Europe 2020 objectives (i.e. this is not shown in the simplified intervention logic in Figure 6.1).

Europe 2020 Objective: Research and development

Europe 2020 Objective: Climate and energy

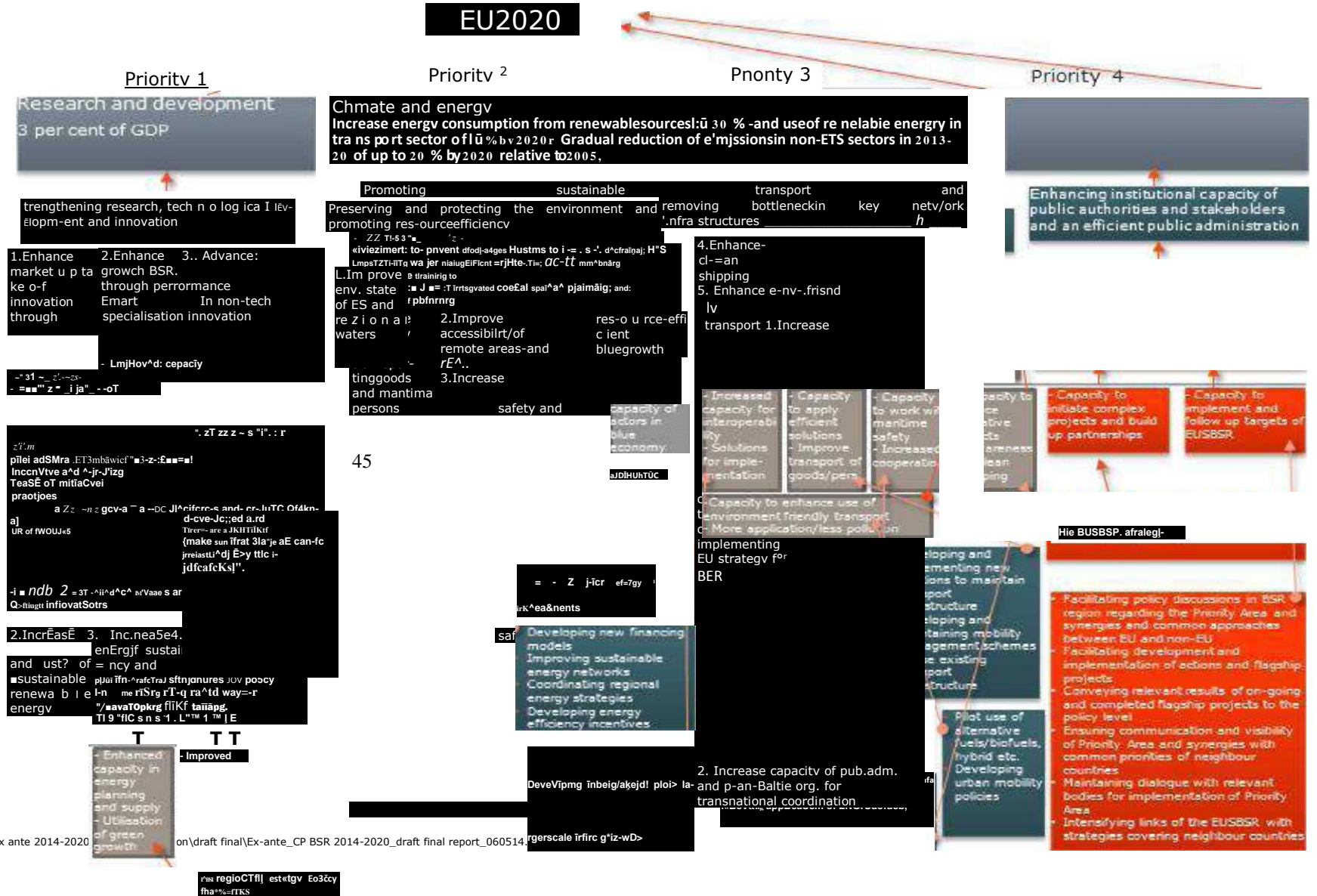
It is assessed that the programme contributes to the Europe 2020 objective 'research and development' through P1. P1 is contributing through the expected results from the activities addressing innovation infrastructure, smart specialisation and non-technological innovation.

Overall programme  
intervention logic

The programme is assessed to contribute to the Europe 2020 objective on 'climate and energy' through P2 and P3. P2 is contributing through the expected results from the activities addressing water management, energy planning regarding energy supply and energy performance as well as blue economy. Finally, P3 is contributing through the results addressing interoperability, transportation of goods and persons, maritime safety, clean shipping and environmentally friendly transport.

Figure 6.1 shows the overall cooperation programme intervention logic. Cooperation programme actions, results, specific objectives are illustrated linking these with the thematic objective and the Europe 2020 objectives. The contribution to the Europe 2020 objectives is depicted showing how programme activities lead to results contributing to programme objectives, which again contribute to the thematic objectives and the Europe 2020 objectives.

Figure 6.1 BSR logical framework 201



## 7 Strategic Environmental Assessment

A strategic environmental assessment (SEA) of the draft Cooperation Programme has been conducted with the aim of providing an assessment of the likely significant environmental impacts of the programme and to provide recommendations for the further development of the programme.

### SEA process

The process of preparing the SEA was initiated with the preparation of a scoping report setting out the methodology to be applied in the assessment. The scoping report was prepared on the basis of a first full draft of the programme document in November 2013. The scoping report was submitted for comments with the environmental authorities of the BSR countries. The methodology was revised and finalised based on comments received in January 2014.

A draft environmental report was prepared in January 2014 on the basis of the draft BSR programme document of 15 January 2014. Subsequently, a public hearing of the draft Cooperation Programme as well as of the environmental report was conducted and ended on 11 April 2014. This led to a revised Cooperation Programme of 23 April 2014. Only one comment on the draft environmental report was received through the public hearing (offering agreement with certain aspects of the draft environmental report). The revisions of the draft cooperation programme document did not lead to any changes in the environmental assessment. Consequently, only very minor and cosmetic changes were made when finalising the environmental report in April 2014.

An environmental statement will be issued for publication along with the final cooperation programme. The statement will summarise the SEA process and conclusions.

### SEA Directive

The environmental assessment is based on the requirements in the SEA Directive requiring that national and interregional plans and programmes are assessed prior to their adoption.

Two level  
assessment

The environmental report provides an assessment at two levels: 1) The level of overall objectives and horizontal principles of the programme and, 2) The level of activities supported by the programme.

Assessment

The assessment at the level of overall objectives and horizontal principles shows that the objectives and horizontal principles of the programme emphasise sustainable development as an intrinsic part of the programmes objectives. This indicates that in principle the programme is drafted under due consideration to the possible environmental impacts flowing from the proposed programme initiatives.

The assessment at the level of individual activities shows that two main characteristics of the BSR Programme have important implications for the environmental assessment.

Firstly, the programme is focused on building the capacities of key actors and thereby achieving higher-level objectives, such as environmentally friendly urban mobility or resource-efficient blue growth. Capacity building is to be achieved through types of support such as development of strategies or plans, training, networking, etc. These types of support, which can be characterised as 'process designs', do not in themselves have a significant direct environmental impact. However, if successful, they can lead to activities later on, which can potentially have significant environmental impacts. Therefore, the assessment recommends that selection criteria to ensure that capacity building activities build on principles of sustainable development and resource-efficiency are included in the programme.

Secondly, the BSR Programme is characterised by providing general objectives and directions for support, which will subsequently be financed based on application procedures. This means that the precise nature of the activities implemented under the programme will depend on the projects approved for financing. The detailed criteria for selection of projects are not included in the programme, but will be developed after programme adoption in the operations manual for the programme. This means that, for those types of activities which could potentially have a more direct impact, the environmental assessment is uncertain and very qualitative at this stage.

Recommendation

The report therefore recommends guidelines for the environmental assessment of

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project applications.

## Appendix A List of documents

Title	Authors/published by	Date
Common Strategic Framework (CSF), part I & II. Commission staff working document. 13.	European Commission.	Marts 2012
Regulation (EU) No 1303/2013 of the European parliament and of the Council of 17 December 2013 laying down <b>common provisions</b> on the European Regional development Fund, the European Social Fund, the Cohesion Fund, The European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and repealing Council regulations (EC) No 1083/2006	European parliament and of the Council	17 December 2013
Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December on the <b>European Regional Development Fund</b> and on the specific provision concerning the investments for growth jobs goals and repealing Regulation (EC) 1080/2006.	European Parliament and of the Council	17 December 2013
Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the <b>European territorial cooperation</b> goal. ETC Regulation.	European Parliament and of the Council	17 December 2013
Guidance document on monitoring and evaluation. ERDF, ESF CF. Concepts and Recommendations.	January 2014	European Commission. DG Regio
Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 17 December 2013 establishing a Programme for the Competitiveness of Enterprises and Small and medium-sized enterprises ( <b>COSME</b> ) (2014-2020) and repealing Decision No 1639/2006/EC	European Parliament and of the Council	17 December 2013
Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 17 December 2013 laying down the rules for participation and dissemination in ' <b>Horizon 2020</b> - the Framework Programme for research and Innovation' (2014-2020) and repealing Decision No 1982/2006/EC.	European Parliament and of the Council	17 December 2013
Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 17 December 2013 establishing ' <b>Horizon 2020</b> -the Framework Programme for research and Innovation' (2014-2020) and repealing Decision No 1906/2006/EC.	European Parliament and of the Council	17 December 2013
Regulation (EU) No 1293/2013 of the European Parliament and of the Council of 17 December 2013 on the establishment of a Programme for the Environment and Climate Action ( <b>LIFE</b> ) and repealing Regulation (EC) No 614/2007.	European Parliament and of the Council	17 December 2013
Monitoring and Evaluation of European Cohesion Policy. ERDF, ESF CF. Guidance document on ex-ante evaluation.	European Commission. DG Regio & DG Employment	January 2013

Draft Template and guidelines for the content of the Cooperation Program. Version 3.	European Commission. DG Regio	28 June 2013
Questions and Answers on ETC programmes and results orientation.	Evaluation and European Semester Unit.	3 February 2014
Strategic Analyse of Reference documents -BSR programme 2014-2020.	COWI A/S	November 2012
COMMISSION STAFF WORKING DOCUMENT Accompanying the COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS concerning the European Union Strategy for the Baltic Sea Region ACTION PLAN <b>(EU Strategy for the Baltic Sea Region Action Plan)</b>	Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions	February 2013
Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the European Union Strategy for the Baltic Sea Region - COM(2012) 128 final	Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions	23.03.2012

## Appendix B Concept Note Ex-ante Evaluation of BSR 2014-2020

The ex-ante evaluation will follow the guidelines prepared by the European Commission<sup>7</sup>.

The guidelines are split into to four overall components which are addressed in section 1-4:

- Programme strategy
- Indicators, monitoring and evaluation
- Consistency of financial allocation
- Contribution to Europe 2020).

The issues to be appraised are listed according to the component, issue and judgement criteria which will be used (Tables 1 and 2) below for easy reference and overview. The methodology for the ex-ante was presented in the proposal and this concept note outlines the specific methodological steps and the analytical approach to be used. A separate concept note has been prepared for the Strategic Analysis of Reference Documents (I) and SEA (II).

### 1.1 Programme strategy

While assessing the proposed strategy of the programme the ex-ante should appraise the consistency of the selected thematic objectives, the priorities and corresponding objectives of the programmes with the Common Strategic Framework<sup>8</sup>. This means that programme specific objectives should be aligned with challenges and needs in the relation to Europe 2020 strategy and that these have been given appropriate weight in the programme. The assessment therefore includes 4 key areas:

7

The Programming Period 2014-2020. Monitoring and Evaluation of European Cohesion Policy. ERDF, ESF CF. Guidance document on ex-ante evaluation. Draft 15 March 2012. European Commission. DG REGIO

<sup>8</sup> Article 48 (3) (d) CPR



1) An appraisal of whether the proposed programme thematic objectives, priorities and corresponding objectives are consistent with the CSF. As the programming itself, is based on an analysis of this in order to ensure **consistency**, it is assumed that it will. However, an analysis of the programme "the other way" (then the strategic analysis) should be able to establish whether the programme indeed really is.

2) In order to appraise the **coherence** of the programme with other related instruments, it is important to identify the instruments (EU, national, regional) relevant to this comparison and we suggest that a list of relevant instruments are identified together with the JPC. Furthermore, a comparison between these actions and the actions included in the proposed intervention should be carried out, checking whether the intervention will be complementary to<sup>9</sup> and

coherent<sup>10</sup> with the existing activities. It is important to determine the extent and kind of synergy effects which can be expected.

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<sup>9</sup> No duplication

<sup>10</sup> No undermining/possible contradictions

3) An important part of the analysis will be the assessment of the programme activities and outputs and whether these are **likely to achieve the expected results** and finally have the desired impact. Here, it is important that not only the outputs themselves be assessed, but also the factors which will enable (implementing partner capacity etc.) the outputs to be translated into results. The programme must show a strategy for securing that outputs are turned into results. Here, as in the rest of the evaluation, the general scope and size of the programme must be kept in mind, ensuring proportionality in the analysis.

	which would not have occurred without EU assistance.
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**Table 1 Overview of programme strategy appraisal issues and judgement criteria**

		Proposed judgement criteria
Consistency of programme objectives	Europe 2020 challenges and needs	<ul style="list-style-type: none"> <li>• Contribution of national efforts for Europe 2020 in regional situation and needs</li> <li>• The thematic objective, the priorities and objectives are consistent with the CSF.</li> <li>• The strategy reflects the challenges and needs in the programme area as a whole.</li> <li>• Evidence justifying specific regional challenges diverging from the national.</li> <li>• Horizontal principles have been considered in the identification of needs and challenges</li> </ul>
	Consistency of objectives with challenges and needs	<ul style="list-style-type: none"> <li>• The choice of thematic priorities and investment priorities is justified.</li> <li>• The challenges and needs are translated into objectives in the programme</li> <li>• Objectives precisely demonstrate how the programme contribute to EU 2020 in addressing regional challenges and needs.</li> <li>• Justification is given for non-inclusion of major challenges and needs</li> </ul>
	Internal coherence	<ul style="list-style-type: none"> <li>• Relationships between objectives of the priority axis,</li> <li>• Complementarities and potential synergies (identifying lack of coherence)</li> <li>• Appropriate coordination mechanisms exist for effective delivery of multi-fund programmes</li> </ul>
	Relation with other relevant instruments	<ul style="list-style-type: none"> <li>• Programme is aligned with other relevant instruments (such as EAFRD, EMFF, other Union or national funding instruments and the EIB), ensuring complementarity.</li> <li>• Programme supports integrated territorial approaches are appropriate to achieve the thematic priorities combining available tools</li> <li>• Regional, local and urban development initiatives are reflected where relevant.</li> <li>• The contribution to the EU BSR Strategy is clearly identified.</li> <li>• The programme creates synergies and leavers other activities</li> </ul>

Linkages between		<ul style="list-style-type: none"> <li>• There are clear causal links between different actions, planned outputs and the intended results (intervention logic)</li> </ul>
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supported actions, expected outputs and results		<ul style="list-style-type: none"> <li>• External factors which may influence the results have been taken into account.</li> <li>• The change that the programme intended to bring should be achievable through the operations delivering the outputs.</li> <li>• The rationale for the form of support proposed is assessed as reasonable</li> <li>• The expected outputs will contribute to results</li> <li>• The proposed support is relevant in a transnational cooperation context.</li> <li>• Policy assumptions are backed by evidence (previous experience, evaluations or studies)</li> <li>• Actions targeting needs of specific territories are relevant.</li> </ul>
Horizontal principles	Measures to promote equal opportunities between men and women/ prevent discrimination	<ul style="list-style-type: none"> <li>• A plan has been provided on how to ensure equal opportunities in the interventions.</li> <li>• Equal opportunities and discrimination are included in the indicator system.</li> <li>• I) the adequacy of planned measures to promote equal opportunities between men and women and to prevent discrimination</li> <li>• The aim of promoting equality has been taken into account in preparation of the programme.</li> <li>• Clear objectives established and specific initiatives foreseen for ensuring programme contribution to</li> </ul>
	Measures to promote sustainable development	<ul style="list-style-type: none"> <li>• The programme addresses how it will meet the environmental protection requirement and secure resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management.</li> <li>• The programme addresses support for climate change objectives.</li> <li>• The adequacy of planned measures to promote sustainable development</li> </ul>

4) We will appraise the **horizontal issues** by assessing how the programme ensures equality and prevent any type of discrimination (included in measures, actions, etc.). Also, a number of environmental and climate change concerns have to be addressed when preparing and implementing the programme. An effective way of securing the inclusion of cross-cutting issues in the programme implementation is to develop indicators for these issues in the monitoring system.

## 2 Indicators, monitoring and evaluation

The second component of the ex-ante include an assessment of 4 key areas:

- Relevance and clarity of programme indicators;
- Quantified baselines and target values;
- Suitability of milestones;
- Administrative capacity, data collection procedures and evaluation.

1) Setting up a robust indicator system reflecting the programme objectives and capable of measuring outputs, results and impacts is a prerequisite for all programmes. The key to measuring the accumulated results and comparing these to policy targets is to develop an indicator framework consisting of indicators which correspond to targets and which can be applied to the majority of the projects. Streamlining the selection and use of indicators will be an important issue during the start-up phase of the evaluation. It is noted

that the Regulation refers to a common set of indicators, in addition to programme-specific ones, which has to be developed before the programming is initiated. Indicators need to be developed according to certain principles in order to ensure that these can and will be useful for the monitoring and for the evaluations. We will use the RACER template where each indicator is assessed according to whether it is **Relevant - Accepted - Credible - Easy - Robust**.

2) For the results indicators **baselines** needs to be established in the programme. Where these are not easily available data needs to be collected. We will assist if necessary with advising on sources and methods for the informing the baselines. Targets have to be set at a realistic level (see above RACER) for both results output indicators taking into consideration the programme type.

3) A performance framework has to be defined for each programme in order to monitor progress towards the objectives and targets. Performance reviews will be undertaken in 2017 and 2019. In case shortfalls are observed in achieving **milestones**, payments may be suspended (in the case of ETC programmes, there is no reserve in case of good performance)<sup>11</sup>. We will assess the suitability of the milestones and whether the milestones capture essential information of the progress of a priority. It will also be important to assess the realism of the milestones i.e. can these be achieved within the given programme, financing and the timeframe. Milestones should primarily be financial outputs (quantifiable). The timing for the milestones also needs to be set.

4) The BSR programme is by now a mature programme and has considerable experience with management and monitoring of programmes. It is assumed that a large part of this will be continued which means the assessment of **administrative capacity** can be based on the existing system. The assessment will include a review of the current organisation and staffing of the MA and JTS and its antenna in relation to the proposal for a new programme. A prerequisite for being able to **monitor and evaluating** programme development, as well as carry out evaluations, is that data on results and, ideally, impacts are collected and relevant. An assessment of functioning of the procedures and current system for data collection will be carried out.

**Table 2 Overview of appraisal issues in relation to Indicators, monitoring and evaluation and judgement criteria**

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<sup>11</sup> Common provisions

	Appraisal	Proposed judgement criteria
Relevance and clarify of programmē indicators	Relevance of results and output indicators	<ul style="list-style-type: none"> <li>• Responsive to policy.</li> <li>• Cover most important changes.</li> <li>• Indicators are complementary to ETC common indicators.</li> </ul>
	Clarity of indicators	<ul style="list-style-type: none"> <li>• The result and output indicators are robust.</li> <li>• Statistical validation coming from reliable and official sources (Eurostat or national statistics).</li> <li>• Date sources for results indicators are identified and publicly available.</li> <li>• The indicators are RACER (see below).</li> </ul>
Quantified baseline and target values		<ul style="list-style-type: none"> <li>• Whether the quantified target values for indicators are realistic, having regard to the support from the CSF Funds envisaged.</li> <li>• Baselines have been established and data is available.</li> <li>• The proposed activities will lead to outputs which will have the required results.</li> </ul>
Suitability of milestones	Milestones selected for the performance framework	<ul style="list-style-type: none"> <li>• Realistic (in relation to the timing of the reviews) and suitable milestones have been selected, reflecting the nature and complexity of the programme.</li> <li>• The suitability of the milestones selected for the performance framework.</li> <li>• Set at adequate and realistic timing (steps in implementation, or reviews).</li> </ul>
Administrative capacity, data collection procedures and evaluation	Human resources and administrative capacity for management of the programme	<ul style="list-style-type: none"> <li>• The proposed implementation structure is adequate in relation to the size and complexity of the programme.</li> <li>• The adequacy of human resources and administrative capacity for management of the programme.</li> <li>• Positive benchmark in relation to current structure.</li> <li>• A plan of use of technical assistance has been included.</li> <li>• An assessment of the administrative burden for beneficiaries.</li> </ul>
	Procedures for monitoring the programme and for collecting the data necessary to carry out evaluations	<ul style="list-style-type: none"> <li>• The proposed monitoring system corresponds with the requirements of the CSF.</li> <li>• The suitability of the procedures (manuals) for monitoring the programme and for collecting the data necessary to carry out evaluations.</li> <li>• Time schedule for collection of monitoring data (and evaluation plan).</li> <li>• Sources and quality of collection of data (including check and control of data).</li> <li>• Positive assessment of performance of existing system (evaluations of systems).</li> </ul>

### 3. Consistency of financial allocations

The consistency of the financial allocation needs to be assessed based on the financial appropriation to each priority. The consistency should be checked insofar as to appraise whether the identified objectives can be meet with the allocated resources. We will make this appraisal based on the assessment of the challenges and needs. The allocations should also be check in relation to the forms of support as not all forms of needs the same financial effort. If relevant and necessary, it should be appraised how resources coming from

different source contribute to the integrated approaches (sustainable urban development, ITI, marginalise communities).

#### 4. Contribution to Europe 2020

In addition to the assessment of the consistency of the programme outlined under section 1, the programme needs to be checked with regard to the extent to which its contribution to the Europe 2020, having regard to the selected thematic objectives and priorities.

The Europe 2020 sets-out strategic flagships which all programmes must contribute to. It will therefore be necessary to ensure that the programme objectives and priorities correspond to one or more of the flagships. This analysis can base itself on the assessment that we will make in connection with the strategic analysis (concept note I). When carrying out this assessment, we need to take into account national and regional needs and contexts.

The table indicates a check system which can be used to provide an overview of the potential

**Table 3. Priorities in the programme addressing the EU 2020 flagships (all or some).**

Priorities of BSR EU	Priority 1	Priority 2	Priority 3	Priority 4
2020 Flagships				
Innovation Union	✓	✓	✓	✓
Youth on the move				✓
A digital agenda for Europe		✓		
Resource efficient Europe	✓	✓	✓	✓
An industrial policy of the globalisation era	✓	✓	✓	✓
An agenda for new skills and jobs			✓	✓
European platform against poverty				✓

contribution the BSR Programme contributes to the Europe 2020.

#### 5. Process

We foresee participating and acting as sparring during the process. During the entire programming period we will participate in meetings with the JPC and/or Programming Task Force to discuss and provide inputs on ad hoc themes as the programming progresses.

In the first part of the programming phase we will provide analysis of the difference parts of the programmes as it develops. This will be done in the format of notes and presentation in meetings. When the first draft of the programme has we will submit a first report covering the draft programme. A second report will

be submitted based on an assessment of the consolidated draft. And a final report will developed based on the final report (the latter will be an update of the second report). The focus of this part will be the final programme and the extent to which the findings of the draft evaluation report were taken into account in the final programme. The summary of the ex-ante evaluation will be prepared when the final evaluation report has been

**Table 3. Activities of the Ex-ante evaluation**

	Activity	Description	
3.1	Participation in meetings with the JPC	Take part in discussions at JPC meetings with other stakeholder groups	November-December 2012
3.2	Assessment of the draft programme:		
3.3.1	Document analysis	Analysis of the programme document according to the methodology presented in 4.2	January-April 2013
3.3.3	Expert interviews	Validate finding with experts.	
3.3.3	Participation in meeting with reference groups/stakeholders	Take part in discussions at JPC meetings with other stakeholder groups	
3.4	Preparation and submission of assessment report on full first draft	Prepare report on assessment of draft programme	April 2013
3.5	Presentation of the assessment of the draft programme	Presentation of draft report to the JPC - discussion of findings with the JPC	May 2013
	Programme in public consultation		May-September 2013
3.7	Assessment of the consolidated programme	Assessment of the final programme document	October 2013
3.8	Preparation of the final report based on final programme.	Prepare report on assessment of draft programme taking into account the changes made to the programme since the draft version	December 2013
3.9	Preparation of the summary for the programme document	Summary of the ex-ante evaluation will be prepared for insertion in the programme document	December 2013

adopted by the JPC.

We foresee that we will perform document analysis; perform internal validation by our expert group; interview experts; and participate in stakeholder events/conferences on the programme. These data collection events will provide inputs to the analysis of the programme according to the guidelines. We will consult a number of key stakeholders to validate our findings, either in connection with meetings or other gathering of stakeholders or through interviews (primarily per telephone).

The outputs of the ex-ante evaluation will be the following:

- Ongoing assessments (notes) during the main part of the programming phases;
- Evaluation report on the draft programme (layout will be discussed with the JTS);
- Evaluation report on the consolidate programme;
- Final evaluation reports;
- Summary for the programme