

**PROJECT TITLE:**

Technical Assistance for Evaluation and Assessment of the effectiveness of the Cross Border and Transnational co-operation Programmes (IPA Component II) on the territory of the Republic of Serbia, implemented and financed by the IPA Programmes in the Republic of Serbia

**PROJECT DETAILS:**

|                                 |                |   |  |
|---------------------------------|----------------|---|--|
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# TABLE OF CONTENTS

|  |           |
|--|-----------|
| <b>GLOSSARY OF ACRONYMS .....</b>  | <b>5</b>  |
| <b>GLOSSARY OF TERMS USED (IN ALPHABETICAL ORDER) .....</b>  | <b>6</b>  |
| <b>EXECUTIVE SUMMARY.....</b>  | <b>7</b>  |
| <b>1. INTRODUCTION AND BACKGROUND .....</b>  | <b>9</b>  |
| <b>2. MAPPING OF ASSISTANCE .....</b>  | <b>10</b> |
| 2.1. <i>Programmes and projects evaluated</i> .....  | 10        |
| 2.1.1 Project status and visit distribution by Programme .....   | 10        |
| 2.1.2 Project Partner Questionnaires .....   | 11        |
| 2.2. <i>Evaluation Results</i> .....   | 12        |
| 2.2.1 Overall results .....  | 13        |
| 2.2.2 TransNational Programmes .....   | 13        |
| 2.2.3 IPA/IPA CBC Programmes .....   | 14        |
| 2.2.4. Shared Management CBC Programmes .....  | 14        |
| <b>3. ANALYSIS: EVALUATION QUESTIONS, FINDINGS, CONCLUSIONS .....</b>  | <b>15</b> |
| 3.1. <i>General Evaluation Questions</i> .....   | 15        |
| 3.1.1. EQ1: How effectively had priorities/needs of Serbia been translated into programming of assistance of IPA Component II, based on the priorities identified in country strategy and programming documents? ..... | 15        |
| 3.1.2. EQ1(s): To what extent are cross-cutting/horizontal issues mainstreamed in the programmes and projects. 15  | 15        |
| 3.1.3. EQ2: Were the results achieved sustainable, especially in terms of partnerships and retaining improved administrative capacities? .....   | 16        |
| 3.1.4. EQ3: What was the impact of this assistance? Were there any additional impacts? (negative or positive) 16   | 16        |
| 3.1.5. EQ4: Were the identified impacts sustainable? .....   | 17        |
| 3.1.6. EQ5: What are the elements (if any) which could hamper the impact and/or sustainability of assistance? 17   | 17        |
| 3.1.7. EQ6: Has sustainable capacity been created in the beneficiary institutions to manage policy challenges and future assistance? .....   | 18        |
| 3.1.8. EQ7: Have the Cross-Border and Transnational Cooperation Programmes achieved maximum visibility? 18   | 18        |
| 3.1.9. EQ8: Have the Cross-Border and Transnational Cooperation Programmes helped to create good neighbourly relations? .....  | 19        |
| 3.1.10. EQ9: How could cross-border cooperation with neighbours not involved in CBC Programmes be improved? .....  | 19        |

|  |           |
|--|-----------|
| <i>3.2. Sector Specific Evaluation Questions .....</i>   | <i>19</i> |
| 3.2.1. EQ10: Have indicators been established and if yes, are they measurable? What better indicators could be proposed? .....   | 19        |
| 3.2.2. EQ11: Which sustainable impact has EU support made on development of the Cross border co-operation and how can this be measured (number of registered/active potential applicants in Serbia, intensification of cultural, social, economic cooperation) ..... | 20        |
| 3.2.3. EQ12: What sectors have benefitted the most from CBC intervention/in which sectors CBC interventions can achieve the most impact in the most effective manner? In which sectors should CBC assistance be focused in the future? .....                         | 21        |
| 3.2.4. EQ13: How complementary is CBC with other programmes (i.e. Progress, Exchange, Danube Strategy) 23  |           |
| <i>3.3. Lessons Learned.....</i>   | <i>24</i> |
| 3.3.1. LL1: Which lessons can be learned from the implementation of the IPA Component II programmes until now, on the Serbian territory?.....  | 24        |
| 3.3.2. LL2: Have the programmes created sustainable structures? .....  | 24        |
| 3.3.3. LL3: How can more focus be achieved? .....  | 25        |
| 3.3.4. LL4: Which had been the weaknesses and strengths of the IPA Component II assistance? .....  | 25        |
| 3.3.5. LL5: What are the potential future needs that need to be addressed by the new financial perspective 2014-2020?.....   | 26        |
| 3.3.6. LL6: How can the management and control systems be simplified? .....  | 27        |
| <b>4. RECOMMENDATIONS .....</b>  | <b>28</b> |
| 4.1. <i>On Relevance.....</i>  | <i>28</i> |
| 4.2. <i>On Efficiency.....</i>   | <i>28</i> |
| 4.3. <i>On Effectiveness.....</i>  | <i>28</i> |
| 4.4. <i>On Impact.....</i>   | <i>28</i> |
| 4.5. <i>On Sustainability.....</i>   | <i>29</i> |
| 4.6. <i>At programme level .....</i>   | <i>29</i> |
| 4.7. <i>At project level.....</i>  | <i>29</i> |
| <b>5. PROPOSAL FOR POLICY OBJECTIVES FOR THE NEXT PROGRAMMING PERIOD .....</b>   | <b>30</b> |
| 5.1. <i>2014-2020 Policy Objectives .....</i>  | <i>30</i> |
| <b>6. PROPOSAL FOR INDICATORS .....</b>  | <b>31</b> |
| 6.1. <i>Component level indicators .....</i>   | <i>31</i> |

## **LIST OF ANNEXES**

Annex 1 – Terms of References

Annex 2 – Inception Report

Annex 3 – Evaluation Report

Annex 4 – Component Indicators Report

## GLOSSARY OF ACRONYMS

|      |   |
|------|---|
| ADR  | Adriatic Cross-Border Cooperation Programme                                     |
| BH   | Serbia/Bosnia Herzegovina Cross-Border Cooperation Programme                    |
| BG   | Bulgaria/Serbia Cross-Border Cooperation Programme                              |
| CB   | Control Body  |
| CC   | Candidate Country   |
| CBC  | Cross-Border Cooperation  |
| CBCU | Cross-Border Cooperation Unit - Republic of Serbia                              |
| CFCU | Central Contracting and Financing Unit, Ministry of Finance, Republic of Serbia |
| CfP  | Call for Proposals  |
| EUD  | Delegation of the European Union to the Republic of Serbia                      |
| FA   | Financing Agreement   |
| FLC  | First Level Control   |
| HR   | Serbia/Croatia Cross-Border Cooperation Programme                               |
| HU   | Hungary/Serbia Cross-Border Cooperation Programme                               |
| IPA  | Instrument for Pre-accession Assistance   |
| JMC  | Joint Monitoring Committee  |
| JTS  | Joint Technical Secretariat   |
| MA   | Managing Authority  |
| MN   | Serbia/Montenegro Cross-Border Cooperation Programme                            |
| MoF  | Ministry of Finance, Republic of Serbia   |
| MS   | Member State of the European Union  |
| MoU  | Memorandum of Understanding   |
| NA   | National Authority  |
| NAD  | Needs Assessment Document   |
| OP   | Operational Programme   |
| PCC  | Potential Candidate Country   |
| PPF5 | Project Preparation Facility Project  |
| PSC  | Project Steering Committee  |
| RO   | Romania/Serbia Cross-Border Cooperation Programme                               |
| RS   | Republic of Serbia  |
| SEE  | South-East Europe Programme   |
| SEIO | Serbia European Integration Office  |
| TA   | Technical Assistance  |
| ToR  | Terms of Reference  |
| ToT  | Training of Trainers  |
| TAT  | Technical Assistance Team (project team)  |
| TNA  | Training Needs Analysis   |

## **GLOSSARY OF TERMS USED (IN ALPHABETICAL ORDER)**

|                 |  |
|-----------------|--|
| Effectiveness:  | The quantitative and qualitative relationship between outputs and outcomes (results); the increase or decrease in outcomes that show that a project or programme is effective in delivering its intended objectives.   |
| Efficiency:     | The relationship between inputs and outputs; for example, planned versus actual delivery of milestones by project implementers, or benchmarked comparison among programmes working to same or similar outcomes but using different pathways to achieve intended outcomes.  |
| Impact:         | Final or longer term changes as a result of project or programme activities. They may often only be realised sometime after the lifetime of a project or programme.  |
| Indicators:     | The measures used to chart the activity and effects of a project or programme. Output indicators measure the process or activity such as number of trainings, number of participants etc., Outcome (Result) indicators measures the increase or decrease in numbers and/or percentage as a result of the project or programme activities and impact indicators measure the longer-term and wider-ranging change as a result of the project or programme. |
| Programmes:     | The IPA Component II programmes implemented on the territory of the Republic of Serbia including the IPA IIa programmes <i>CBC Serbia-Hungary, CBC Serbia-Romania, CBC Serbia-Bulgaria, CBC Adriatic and Transnational South-East Europe (2010 – 2013)</i> and the IPA IIb programmes <i>CBC Serbia-Croatia, CBC Serbia-Bosnia-Herzegovina, CBC Serbia-Montenegro and Transnational South-East Europe (2007 – 2009)</i>                                  |
| Projects:       | Projects financed through IPA Component II Cross Border and Transnational Cooperation Programmes implemented in Serbia   |
| Relevance:      | The relationship between the objectives and outcomes of a project or programme as compared to the objectives and priorities of the respective IPA Component II programme, National Strategic documents and EC 1080/2006 Article 6 and EC1085/2006 Articles 2 & 9   |
| Sustainability: | The extent to which positive effects are likely to last after an intervention is terminated, i.e. the continuation of activities, partnerships and/or initiatives.   |

## EXECUTIVE SUMMARY

Cross Border and Transnational Programmes are an important contributor to the European Union's principles of partnership and cooperation across borders and the strengthening of good neighbourly relations between people from different countries. In the Republic of Serbia 8 programmes are in operation covering borders with Member States (Bulgaria, Romania and Hungary), other candidate countries (Croatia<sup>1</sup>, Bosnia Herzegovina and Montenegro) as well as two Transnational Programmes (South East Europe and Adriatic Programmes).

Given the size of Serbia and the number of external borders, the programmes have a wide geographical coverage with a number of NUTS<sup>2</sup> III areas being eligible for one or more programme. Although the programmes give an opportunity to localities and organisations that would not normally participate in EU funded projects there remains a tendency for beneficiaries to be concentrated in the larger towns and cities.

Within the programmes themselves the main implementers have been NGOs, Local Authorities, Universities/Schools, and Public Companies with sectoral areas of coverage including Civil Society, Media and Culture, Competitiveness, Environment and Energy, Agriculture and Rural Development, and Human Resource Development. There are some areas where it has been observed that the combination of Project Partner and Sector may not be the most appropriate and if a Project Partner does not have a long term commitment to the sector through its normal core activities then results and sustainability can be lost.

The demand for implementing projects under the Cross Border and Transnational Programmes remains very high with applications, projects and disbursements indicating both a strong interest in the programme opportunities and efficiency in the programmes management.

Measuring the relevance, efficiency, effectiveness, sustainability and impact of Cross Border and Transnational Programmes within the territory of a country is a difficult process when compared to the same exercise for more sector based programmes. These challenges are primarily related to:

- The relative small size of the granted amounts
- The differences in approaches, focus, objectives and rules between different programmes
- The subject-matter of many projects that address very specific and localised needs
- The attitudinal or behavioural nature of the objectives of the programmes
- The poorly defined or inappropriate indicators at project and programmes level

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<sup>1</sup> Croatia will become a Member State on July 1<sup>st</sup> 2013.

<sup>2</sup> Nomenclature of territorial units for statistics as established under REGULATION (EC) No 1059/2003 on the establishment of a common classification of territorial units for statistics (NUTS)

- The lack of commonality and ability to aggregate results across projects and programmes

Most programmes and the projects within them are able to demonstrate relevance, at least at the local level, although using standard evaluation criteria sustainability and impact are more difficult to assess positively.

It is this question of measurement that is addressed through the development of Component Level (policy equivalent) Indicators that encompass the overall objectives that the Republic of Serbia encourages all Cross Border and Transnational Programmes to be working to achieve.

It is proposed that these component level indicators cover both qualitative and quantitative results and that they be gathered and monitored through their introduction as compulsory project indicators for Serbian Project Partners where applicable and through the use of project completion questionnaires, general public surveys and other methods.

With the introduction of Common Output Indicators for the ERDF ETC for 2014-2020<sup>3</sup> it is recommended that these also be used for the IPA programmes so that all project and programme contributions can be measured and aggregated at a programme, sectorial and overall level.

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<sup>3</sup> Article 15 Draft regulations for ETC



## **1. INTRODUCTION AND BACKGROUND**

This report covers the work undertaken for the Framework contract 2012/305299 - "Technical Assistance for Evaluation and Assessment of the effectiveness of the Cross Border and Transnational co-operation Programmes (IPA Component II) on the territory of the Republic of Serbia, implemented and financed by the IPA Programmes in the Republic of Serbia" over the period December 2013-May 2014. This evaluation is one of a number commissioned by the delegation to analyse the impact of programmes funded by the IPA programmes on a sectoral basis.

During the course of the evaluation the project team undertook an analysis of the relevance, efficiency, effectiveness, sustainability and impact of the projects and programmes through review of project and programmes documents, reports and evaluations, questionnaires and interviews with project partners and operating structure staff and other stakeholders. The project also developed component level indicators to enable the Serbian European Integration Office, The European Union Delegation, and other interested stakeholders to monitor the progress, results and impact of all the programmes against a consolidated set of objectives in the future.

The TAT undertook the tasks as detailed in the project Terms of Reference and the offered Methodology paper further detailed and elaborated in the Project Inception Report approved 19<sup>th</sup> January 2013. The activities detailed in this report concern the all tasks undertaken necessary for the project implementation and completion.

This report summarises the content and finding of two submitted reports.

The first, the report on *the evaluation of the CBC and Transnational Programmes* contains the findings of the evaluation of the programmes and projects and addresses the issues of relevance, efficiency, effectiveness, sustainability and impact in terms of the management, structures, beneficiaries and interventions.

The specific evaluation questions posed in the project terms of reference are addressed individually with the data from previous reports and evaluations, stakeholder questionnaires and interviews, Project Partner questionnaires and interviews, site visits, and expert team's research and observations included under each section.

Findings, conclusions and lessons learned, as well as recommendations for the future programming period are also included in this report.

In the summary the report provides an aggregation per programme of the stakeholder and project partner responses against the issues of relevance, efficiency, effectiveness, sustainability and impact as well as the expert team's opinion using the DG ENLARG Evaluation scoring.

The second report deals with *the development of component level indicators* and identifies sets and techniques for data gathering and monitoring. The paper also includes the common indicators as proposed by the EU for ERDF ETC programmes and the relationship between the Serbian policy objectives, ETC and IPA objectives and underlying indicators.

## 2. MAPPING OF ASSISTANCE

### 2.1. Programmes and projects evaluated

At the time of the evaluation there were a total of 373 projects on-going or completed under the 8 CBC and Transnational Programmes funded by IPA through Shared and Centralised management systems.

The project inception report described how the projects, depending upon stage of implementation, would be used in the evaluation and to what extent they would be involved in site visits and interviews.

#### 2.1.1 Project status and visit distribution by Programme

| Programme            | Total On-going | Visits | Total Completed <6 mos. | Visits | Total Completed >6 mos. | Visits | Total Visits |
|----------------------|----------------|--------|-------------------------|--------|-------------------------|--------|--------------|
| ADR                  | 17             | 5      | 1                       | 0      | 0                       | 0      | 5            |
| BUL                  | 11             | 0      | 40                      | 4      | 2                       | 2      | 6            |
| HU                   | 53             | 0      | 15                      | 0      | 67                      | 20     | 20           |
| RO                   | 8              | 0      | 0                       | 0      | 45                      | 15     | 15           |
| SEE                  | 35             | 0      | 11                      | 0      | 4                       | 4      | 4            |
| BiH                  | 6              | 0      | 8                       | 0      | 8                       | 8      | 8            |
| CRO                  | 7              | 0      | 9                       | 4      | 0                       | 0      | 4            |
| MNE                  | 0              | 0      | 4                       | 0      | 9                       | 9      | 9            |
| JTS/Antenna offices  | -              | -      | -                       | -      | -                       | -      | 8            |
| Programme Management | -              | -      | -                       | -      | -                       | -      | 8            |
| Control bodies       | -              | -      | -                       | -      | -                       | -      | 8            |
| EUD/NA               | -              | -      | -                       | -      | -                       | -      | 2            |
| TA                   | 7              | -      | 1                       | -      | 5                       | -      | 8            |
| Totals               | 144            | 5      | 89                      | 8      | 140                     | 58     | 105          |

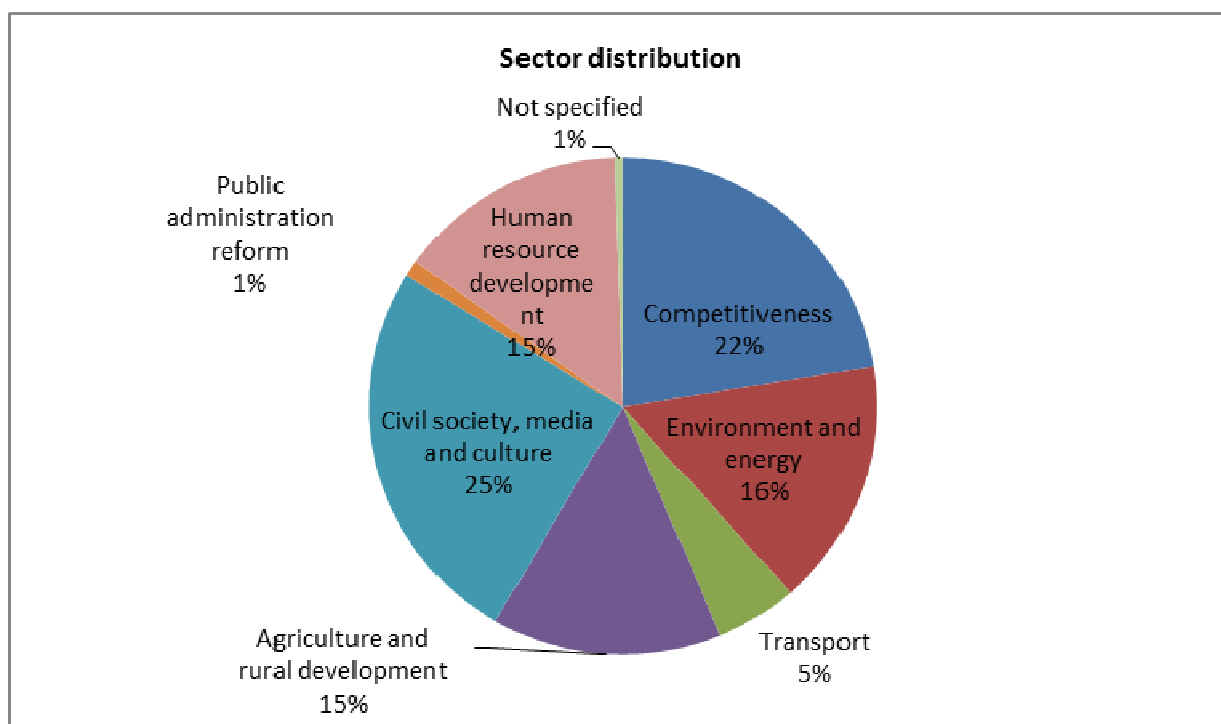
The project also developed and distributed a questionnaire to all project beneficiaries to ensure as full an assessment as possible.

## 2.1.2 Project Partner Questionnaires

| Programme            | Questionnaires received from PPs | Questionnaires received from projects | Coverage for PPs <sup>4</sup> | Coverage for projects <sup>5</sup> | Comments  |
|----------------------|----------------------------------|---------------------------------------|-------------------------------|------------------------------------|---|
| ADR                  | 10                               | 8                                     | 40,0%                         | 44,4%                              | All projects on-going                               |
| BUL                  | 22                               | 22                                    | 35,5%                         | 41,5%                              |   |
| HUN                  | 94                               | 90                                    | 58,0%                         | 67,7%                              |   |
| ROM                  | 27                               | 23                                    | 42,2%                         | 51,1%                              | 1 questionnaire excluded – PP has no contract still |
| SEE                  | 5                                | 5                                     | 8,3%                          | 9,6%                               |   |
| BiH                  | 10                               | 10                                    | 45,5%                         | 45,5%                              |   |
| CRO                  | 16                               | 16                                    | 28,6%                         | 55,2%                              |   |
| MNE                  | 18                               | 18                                    | 38,3%                         | 64,3%                              |   |
| <b>Total/average</b> | <b>202</b>                       | <b>192</b>                            | <b>42,8%</b>                  | <b>51,2%</b>                       |   |

The response was quite substantial and, when triangulated with interviews, site visits and documentary analysis provided a representative and robust basis for the findings on which the conclusions are drawn.

The greatest support was delivered to sectors of civil society and culture, competitiveness and environment which correspond with the priorities of the programmes. Less assistance was given to infrastructure in terms of numbers of projects, but this is because of the larger budgets needed.

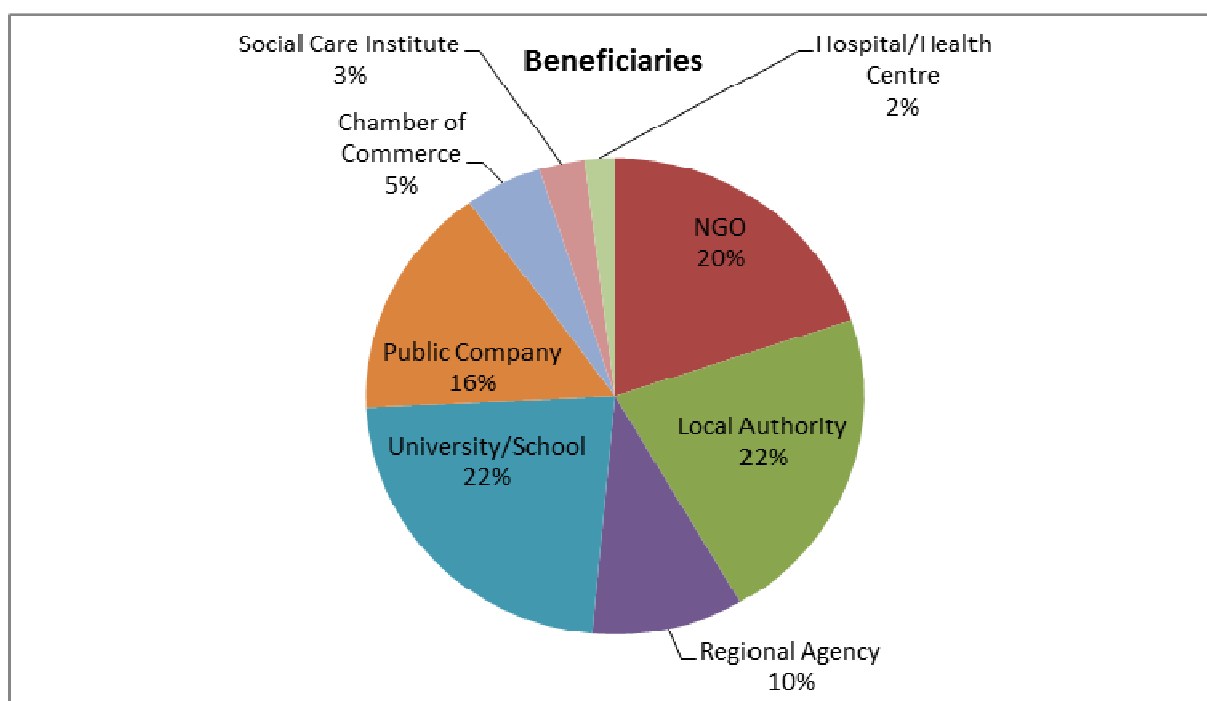


<sup>4</sup> From Project Partners, number of questionnaires sent/number received

<sup>5</sup> Total number of projects/number of questionnaires received from projects

Sectors of public administration reform and governance are covered also by IPA I component. In general the coverage of sectors is considered adequate providing the PAR and Governance needs are addressed through other means.

In terms of types of beneficiaries, it could be said that there was quite good coverage of all types of eligible organisations whoever there has been identified the question of the appropriateness of the combination of sector and project partner. An example of this would be a development agency as lead partner implementing a project dealing with port development and good practice. Although the agency has necessary project management skills to ensure smooth running of the project itself, it does not have the capacity or the “ownership” to take the results of the project forward beyond project implementation. On the other hand, a local authority implementing a cross border environmental project has the resources to continue the initiatives and use the project results.



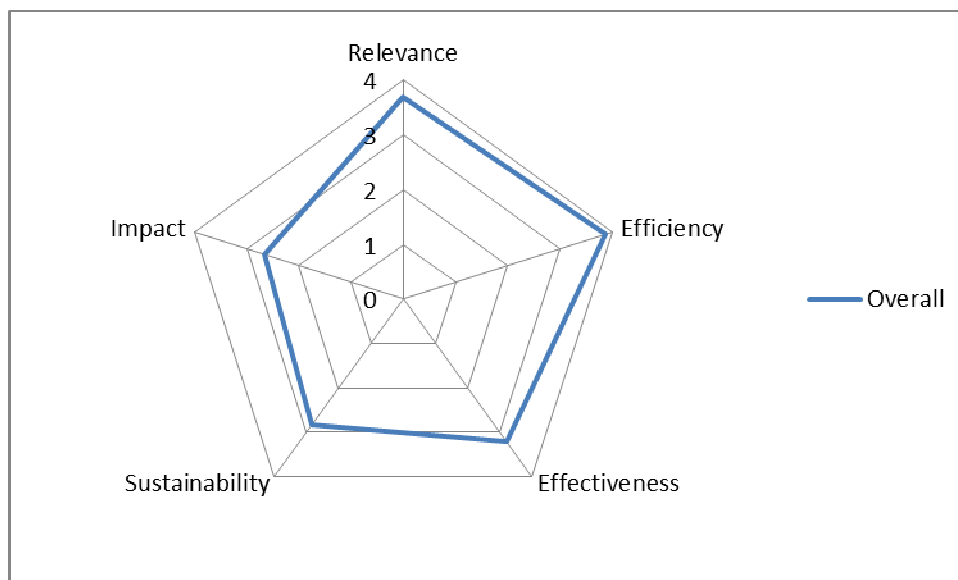
All programmes were assessed overall on the questions of relevance, efficiency, effectiveness, sustainability and impact. This assessment is detailed in the evaluation report.

### 2.2. Evaluation Results

Overall the trend was that the programmes scored strongest in relevance and efficiency and their rates decrease in the areas of effectiveness, sustainability and impact. For relevance there is the question of lack of strategic documents and weak linkages of projects to formal strategies but they are generally rated as being relevant and meeting the needs of the communities or target groups. The programmes are rated as quite efficient in terms of interest, application, management and

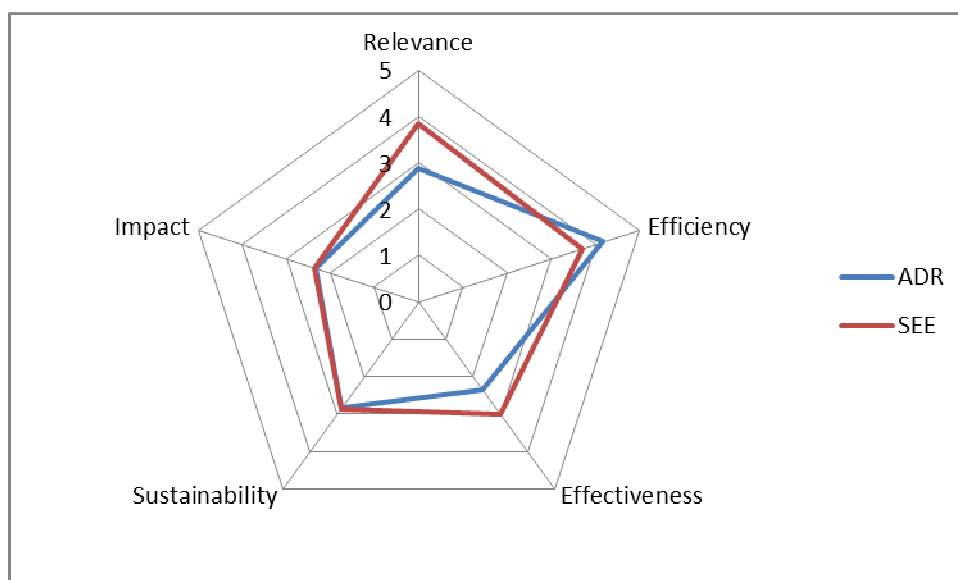
disbursement. With the question of effectiveness this can be answered in a positive manner with regard to the limited scope and intention of the projects but the overall results of the interventions can be adjudged to be modest. It is in the areas of sustainability and impact that the projects and programmes score poorest and this is explored in some detail in the evaluation report.

### 2.2.1 Overall results



The trends can be seen to be fairly similar for all groups of programmes (TransNational, Shared and IPA/IPA)

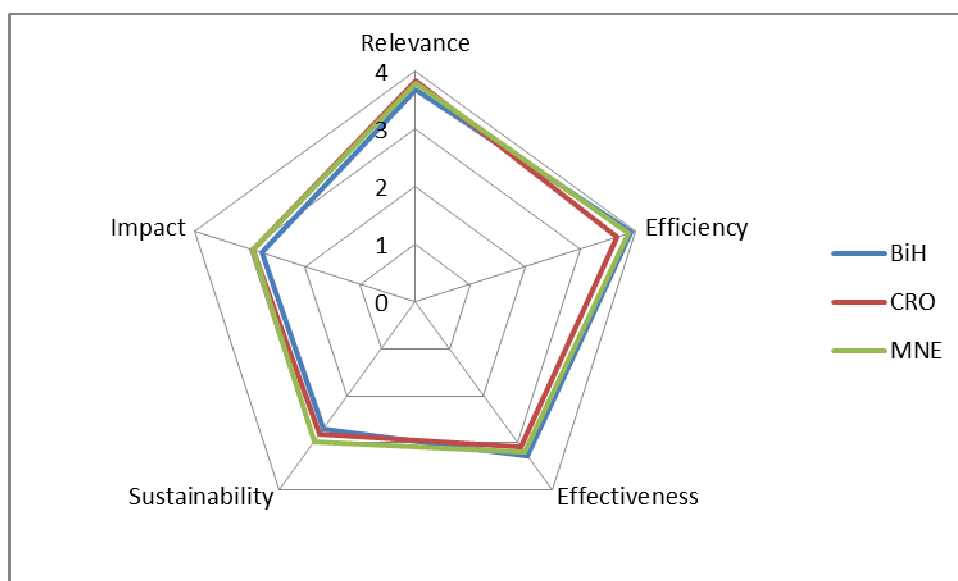
### 2.2.2 TransNational Programmes



The Adriatic Programme rated quite low on Relevance, whereas the SEE programme was slightly above the overall average. The Adriatic Programme rated above average for Efficiency but this could be influenced by the fact that there were a limited number of projects and they are all still under implementation. The SEE programme

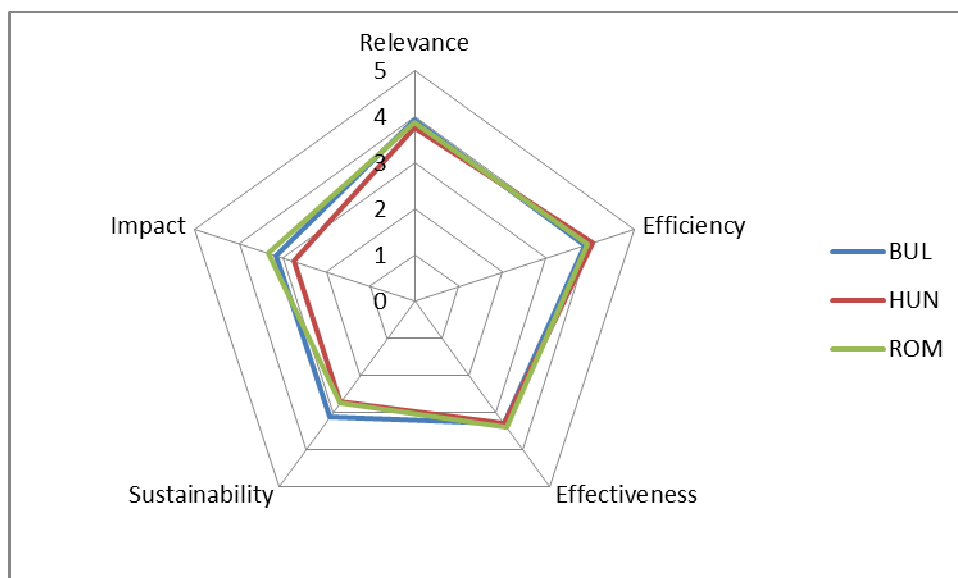
was judged to be more effective (but still much lower than the average) and both programmes were assessed similarly low for Sustainability and Impact.

### 2.2.3. IPA/IPA CBC Programmes



The three IPA/IPA programmes scored very similarly amongst themselves and in comparison to the overall averages. BiH programme was adjudged to be slightly weaker than the others in terms of sustainability and impact, Croatia lower in terms of efficiency and Montenegro programme slightly stronger in sustainability and impact.

### 2.2.4. Shared Management CBC Programmes



The Shared Management CBC Programmes averaged above the other programmes in all categories. Within the programmes themselves, the Hungarian programme was seen to be weaker in impact but higher in efficiency. The Bulgarian programme was adjudged to have the most sustainable results and activities, but the Romanian programme rated slightly higher in terms of impact.

### **3. ANALYSIS: EVALUATION QUESTIONS, FINDINGS, CONCLUSIONS**

#### *3.1. General Evaluation Questions*

3.1.1. EQ1: How effectively had priorities/needs of Serbia been translated into programming of assistance of IPA Component II, based on the priorities identified in country strategy and programming documents?

There is no overall country strategy or national development plan for the Republic of Serbia. There are a number of sector strategies and these are reviewed by the National Authority and provide some guidance in the identification of National level priorities. During the programming process for the IPA/IPA (IPA IIb) programmes the DG Enlargement IPA Programming guide<sup>6</sup> is followed and working groups including representatives of line ministries (sectors) are engaged and consulted through the process.

In this way the priorities and needs of Serbia can be said to be translated into the programming of assistance. In the case of the Shared Management programmes, this information is used by the National Authority in its negotiations with the respective Managing Authority in an effort to ensure the priorities and needs are reflected in the programming documents.

Even though there may be a lack of strategic documents identifying the priorities and needs, the programmes are still judged to be highly relevant. The overall opinion was that the priorities and needs of Serbia were addressed in the programmes and that the programmes themselves were highly relevant.

3.1.2. EQ1(s): To what extent are cross-cutting/horizontal issues mainstreamed in the programmes and projects<sup>7</sup>.

The Romanian programme it was felt to be very explicit and supportive of the cross-cutting issues and that there were many good examples from projects, likewise the Bosnian and Bulgarian programmes were said to include the cross-cutting issues as a major theme and that most projects included at least one aspect of addressing gender, ethnicity, disabilities or environmental issues.

It was felt that under the other programmes these issues tended to be dealt with more “on paper” than in reality and that there was not much of an obligation on the projects to tackle or address such issues.

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<sup>6</sup> IPA Programming Guide / comp I & II, version as of: 28/04/07

<sup>7</sup> A supplementary question not included in the list of evaluation questions but identified for evaluation through section 2.5 of the assignment Terms of Reference

3.1.3. EQ2: Were the results achieved sustainable, especially in terms of partnerships and retaining improved administrative capacities?

Many partnerships were seen as being sustainable in that the partners were jointly involved in bidding on and/or running subsequent projects but the actual partnership activities of the initial project did not continue beyond project completion. Partnerships were often only good for the duration of the project and once that ended then effectively so did the partnership. In areas where the partners as organisations were actively involved and focussed on specific issues, and tangible results were achieved, then these partnerships and activities continued.

The opinion on improved administrative capacity is much more positive. Although there appears to be some problem in local political changes resulting in staff changes within administrations that reduces built up capacity there has been observed a very visible improvement in capacity and that this has a very positive effect on the local organisations and structures.

The administrative capacity within the Operating Structure itself was considered to be very high and mature.

3.1.4. EQ3: What was the impact of this assistance? Were there any additional impacts? (negative or positive)

This question needs to be looked at both in terms of the structures and competencies of the beneficiary organisations and of the effects of the projects themselves in terms of the funded activities. One of the main impacts of the programmes is seen as the capacity development within the Operating Structure and the Beneficiary organisations rather than in the impact of the results of the projects and programmes themselves.

Although there are no real impact indicators for the projects or programmes (dealt with in detail in the evaluation report) we can see that the programmes provide an opportunity for local communities and organisations, that otherwise would - or at least believe to be - excluded from other programmes, to participate in European Union programmes and this is seen as a very valuable and visible impact of the CBC and transnational programmes. The bringing together of communities and people from different countries, getting to know each other or re-establishing contact is seen as a major impact and success.

On an operational level the impact of the programmes is too early to judge as the programmes themselves are still running. At a project level the stakeholders believe that most impacts are very localised and that there is very little long term impact of the projects on a sectorial, regional or national level. For Cross Border programmes, projects that are either "people to people", where different community groups, cultural or sporting activities bring about contact, sharing, understanding and tolerance, or projects that have a specific tangible output, such as flood monitoring, road construction, medical/health diagnosis equipment (with training) etc. impact is felt to be high. Projects that result in studies, databases etc. are felt to have little or no real impact.

On Transnational programmes where high-level expertise, exposure to new techniques and international best practice are available to beneficiaries who would



not normally be in a position to take advantage of such opportunities, it is felt that both the strategic (a positive “European experience”) and operational (the ability to learn and implement new techniques and practices) are seen to have a high positive impact.

As a possible additional impact on the positive side was the belief that the CBC programmes, especially on the borders with Croatia and Bosnia and Herzegovina help to create a “critical mass” of people who understand change and the future and that this develops a culture of understanding.

In terms of negative impacts, some of the bureaucratic requirements and procedures as well as some negative experience of running projects (exchange rate losses, unverified expenditure, and delayed payments) have had a negative impact on some people’s views of the programmes. There was also a view amongst some stakeholders that entrepreneurs and some small businesses had an expectation that by participating in an EU funded project they would receive grants and when “only” offered training, quality systems, business to business matching etc. they were disappointed and took a negative view of the beneficiary and the programme.

#### 3.1.5. EQ4: Were the identified impacts sustainable?

At a strategic level it was felt that continued and improved/more intensive efforts are required for the impacts to be sustainable. It may however be considered too early to offer an opinion on the long term sustainability of the programme impacts because of the current stage of the programmes and projects implementation.

If we are to look at the development and embedding of capacity within the structures then this could be said to be sustainable. A change in attitude and understanding regarding the neighbouring countries and to some extent the promotion of the goals and values of the EU has had some impact and could be sustainable within the narrow confines of some of the direct beneficiaries of the programmes.

For future impacts to be sustainable programmes and projects must take a much more explicit approach as to what the results of the interventions are and how the beneficiaries are to continue activity once the project itself is completed.

#### 3.1.6. EQ5: What are the elements (if any) which could hamper the impact and/or sustainability of assistance?

The programme design is thought to be too broad and because of this it is difficult to have real sustained strategic impact due to the lack of focus on clearly identified objectives, types of interventions and targeted beneficiaries.

The lack of sufficient funds within beneficiary organisations, to either finance their project, fund the continuation of the activities, or as a pre-requisite to obtaining further financing is seen as a major impediment. Many project activities and partnerships end as soon as the project funds are consumed and many studies are funded that lead to no follow-up actions.

The question of capacity within beneficiary organisations due in part to the changes in personnel when the political leadership changes, but also due to a reliance on consultancy companies to develop and run the projects is also highlighted.

The actual make-up of the partnerships has been identified as an element that can hamper the sustainability and impact of the projects as a number of projects are made up of partnerships that have no real long-term interest in the results and continuation of the project initiatives and are only formed for the duration of the project to benefit from the project budget. Where partnerships are seen to be “real”, where project activities are closely linked to the core activities of the organisation and where there is a project outcome that has an operational life beyond that of the project then sustainability and impact are that much more likely.

3.1.7. EQ6: *Has sustainable capacity been created in the beneficiary institutions to manage policy challenges and future assistance?*

Within the Operating Structure there is sustainable capacity to manage policy challenges and future assistance. The CBC Unit within SEIO is seen as a very strong and competent body. The staff members within the JTS/antenna offices are also generally considered very knowledgeable and experienced although there are different levels of experience within them, and they are under increasing workloads and the capacity is or may be exceeded in the near future. Financial Control and First Level Control are also capable bodies but some uncertainty still remains over the status of employment and the longer term sustainability of the unit.

Within the project beneficiary institutions capacity is considered to have improved with every call for proposals and experience in applying for and running projects. The experience gained on the CBC programmes has also enabled some beneficiaries to successfully apply for other programmes.

As has been identified previously staff turnover in local authorities and public companies detracts from this sustainable capacity as does the reliance on consultancies to design and manage many of the projects.

3.1.8. EQ7: *Have the Cross-Border and Transnational Cooperation Programmes achieved maximum visibility?*

Programme and project visibility was generally considered good but localised to the regions in which the programmes operated.

Project partners were felt to be fully complying with the visibility guidelines and both projects and programme stakeholders tried to engage the media and the wider audience. It was believed that the local and regional media were sometimes willing to report and promote the programmes and their achievements but there was very little interest from national print or TV.

Local communities and those involved with the programmes are very aware but a more proactive approach to promoting the success and reach of the interventions is necessary. It was suggested that a national media campaign and/or the involvement

of “famous faces” promoting the programmes and their ideals would be very effective.

3.1.9. EQ8: Have the Cross-Border and Transnational Cooperation Programmes helped to create good neighbourly relations?

For the Romanian and Montenegrin Programmes the stakeholders indicated that good neighbourly relations already existed in the border regions and that the programmes help to develop and build upon these by enabling people and organisations to work together and that this cooperation is providing meaningful results for both countries.

For the Croatia and the Bosnia and Herzegovina Programmes “good neighbourly relations” is clearly seen as the main and most important goal but viewed to be more successful on the Croatian programme. It is felt that with the BiH programme, and with the Hungarian programme for that matter, there is only a small contribution to good neighbourly relations as many of the partnerships are just for the sake of the projects and no real or sustainable partnerships or relations are being formed.

3.1.10. EQ9: How could cross-border cooperation with neighbours not involved in CBC Programmes be improved?

This was a very difficult question to get responses from those within both the Operating Structures and beneficiaries.

Many stakeholders believe this to be a political/national policy question as much or more than a programme one. It was felt that cooperation through transnational programmes could be a start of the process and that a good strategy that promoted “honest projects with honest goals” could bring about positive results.

Another mechanism proposed was by increasing the visibility and activities of the projects with different groups and having observer partners. Information and education is seen as the key to improving the cross border cooperation with those neighbours not directly involved in existing programmes.

It would be necessary for the Government of Serbia to engage in programmes with the neighbours not currently involved in mutual CBC programmes that acceptable definitions would need to be established.

### *3.2. Sector Specific Evaluation Questions*

3.2.1. EQ10: Have indicators been established and if yes, are they measurable? What better indicators could be proposed?

As it stands the indicators for all programmes are felt to be inadequate and do not provide a sufficient basis for monitoring or measurement.

Most current indicators are said to be un-measurable and/or irrelevant. Many indicators are said to be established at a project level and are related to inputs and outputs only. There is no true measure of results/outcomes or impact.

It was felt that the indicators give no real picture of the effect of the project and what it is trying to achieve.

Programme indicators could be summarized as follows:

- ADR - Listed indicators are predominantly output ones and largely do not contain base values
- BUL - Listed indicators represent only output ones for CfP1.
- HUN - Listed indicators include output ones. The impact indicators are not there (for CfP1 and CfP2).
- ROM - Listed indicators include output and impact ones. The impact indicators are not clear how they will be measured.
- SEE - Listed indicators are predominantly output ones for CfP1 (all received questionnaires are from projects under CfP1).
- BiH - Listed indicators are predominantly output ones for CfP1 and in CFP2 there are already much more impact ones. Not clear how they will be or are measured.
- CRO - Listed indicators are predominantly output ones for CfP1 and in CFP2 there are already much more impact ones. Not clear how they will be or are measured.
- MNE - Listed indicators are predominantly output ones for CfP1 and in CFP2 there are already much more impact ones. Not clear how they will be measured.

3.2.2. EQ11: Which sustainable impact has EU support made on development of the Cross border co-operation and how can this be measured (number of registered/active potential applicants in Serbia, intensification of cultural, social, economic cooperation)

The sustainable impact of the EU support has been detailed in EQ3-5 above. There are some measurements available in terms of potential from the numbers of applications received and enquires made for each call for proposals and the attendance at info-sessions and other awareness-raising activities. These are detailed in the respective programmes Annual Implementation Reports.

For a sector or activity perspective this information is also gathered and reflects the focus of the various programmes and/or calls (EQ12).

3.2.3. EQ12: What sectors have benefitted the most from CBC intervention/in which sectors CBC interventions can achieve the most impact in the most effective manner? In which sectors should CBC assistance be focused in the future?

The sectors covered have been detailed in Section 2 of this report.

In reviewing the projects by sector (and type of beneficiary) for sustainability and impact, conclusions can be drawn as to the sectors and types of projects that have benefitted in the past and may benefit the most in the future or have greater potential with some modifications. These findings are primarily based upon site visits and interviews.

| Sector <sup>8</sup>    | Type of Beneficiary                | Quality of Beneficiary       | Quality of Project    | Sustainability   | Cross-border impact | Comments   |
|------------------------|------------------------------------|------------------------------|-----------------------|------------------|---------------------|--|
| Competitiveness        | Municipalities                     | Good                         | Poor to good          | Good             | None/limited        | Good when dealing with objects for investment, poor when dealing with networks, databases, studies etc.  |
|                        | University or School               | Good                         | Poor to good          | Poor to good     | Limited             | Training and entrepreneurial support/development good, networks and studies poor   |
|                        | Chambers of Commerce               | Moderate to good             | Poor to moderate      | None/limited     | None/limited        | Not focused on partners or cross-border elements   |
|                        | Regional Agencies                  | Good                         | Good                  | Moderate to good | Possible to good    | Projects that have strong international element and partnerships. Must have strong training/education and dissemination components. Investments guides, databases and inventories show limited impact. |
| Energy and Environment | Municipalities /Municipal agencies | Good (smaller ones struggle) | Good                  | Moderate to good | Good                |  |
|                        | University or school               | Good                         | Good                  | Moderate to good | Possible            |  |
|                        | Regional Agencies                  | Good                         | Good ideas or concept | None/limited     | None/limited        | Generally poor due to inability to fund or continue activities after project completion  |
|                        | Public Companies                   | Good                         | Good                  | Moderate to good | None/limited        |  |
|                        | NGOs                               | Limited ability              | Poor to moderate      | None/limited     | None/limited        | If concentrating on education or awareness-raising and/or community action may have much better results. Projects reviewed tried to cover/achieve far beyond their competence and area of influence    |

<sup>8</sup> As per the sectors identified in the "Needs of the Republic of Serbia for International Assistance In the Period 2011-2013"

| Sector <sup>9</sup>               | Type of Beneficiary                | Quality of Beneficiary       | Quality of Project | Sustainability      | Cross-border impact | Comments  |
|-----------------------------------|------------------------------------|------------------------------|--------------------|---------------------|---------------------|---|
| Transport                         | Municipalities /Municipal agencies | Good (smaller ones struggle) | Good               | Good                | Limited to moderate | Some projects do not have clear cross-border effect or impact   |
|                                   | Regional Agencies                  | Good                         | Good               | None/limited        | None/limited        | Unable to implement or sustain the results, good project ideas but need more direct involvement of sector             |
|                                   | Public Companies                   | Good                         | Good               | Good                | Limited to good     | Some projects do not have clear cross-border effect or impact   |
|                                   | NGOs                               | Good                         | Good               | Moderate to good    | Good                | Sector specific NGO with clear concept and capacity   |
| Agriculture and rural development | University or school               | Good                         | Good               | Limited to moderate | Limited             | Possible for much better sustainability and cross-border impact with clearer and more tangible outcomes/results       |
|                                   | Public Companies                   | Poor                         | Poor               | None/limited        | None/limited        | Poorly designed and run project visited   |
| Civil society, media and culture  | Municipalities /Municipal agencies | Poor                         | Poor               | None/limited        | None/limited        | Poor project concepts and implementation. Only positive (with no/limited C-B impact) was with infrastructure          |
|                                   | University or school               | Good                         | Poor to moderate   | Limited             | None/limited        | Motivated project partners but poorly designed and unsustainable projects   |
|                                   | Public Companies                   | Good                         | Good               | Moderate to good    | Limited to good     | Generally very good PPs and projects but Cross-border element weak in some  |
|                                   | NGOs                               | Poor to good                 | Good               | Poor to good        | Good                | In many cases weak PPs but very good projects. Some issues with sustainability of activities after project completion |
| Public Administration Reform      | Municipalities /Municipal agencies | Good                         | Good               | Good                | Limited to moderate | Limited number of projects in this sector, good project ideas but limited in identifying Cross-border element         |
|                                   | NGOs                               | Good                         | Good               | Good                | Limited to moderate | Limited number of projects in this sector, good project ideas but limited in identifying Cross-border element         |

<sup>9</sup> As per the sectors identified in the "Needs of the Republic of Serbia for International Assistance In the Period 2011-2013"

| Sector <sup>10</sup>       | Type of Beneficiary                | Quality of Beneficiary | Quality of Project | Sustainability      | Cross-border impact | Comments   |
|----------------------------|------------------------------------|------------------------|--------------------|---------------------|---------------------|--|
| Human Resource Development | Municipalities /Municipal agencies | Poor                   | Poor               | None/limited        | None/limited        | PPs appear to lack commitment, poorly designed projects with minimal observed effect   |
|                            | University or school               | Good                   | Good               | Good                | Moderate to good    | Motivated and focussed PPs, good project ideas   |
|                            | Public Companies <sup>11</sup>     | Good                   | Good               | Good                | Good                | Some very good projects that would benefit from stronger links with Ministries/National agencies for lessons learned and potential replication of results. |
|                            | NGOs                               | Good                   | Good               | Limited to moderate | Good                | Some issues with sustainability of activities after project completion   |

3.2.4. EQ13: How complementary is CBC with other programmes (i.e. Progress, Exchange, Danube Strategy)

Most of the priorities that have been defined in the Operational Programs with regard to all 8 CBC and TC programmes in which the Republic of Serbia participates "coincide" with the priorities of the Danube strategy and to some extent with the priorities of the Adriatic Ionian initiative.

With regard to the implementation of the EU Strategy for the Danube Region in ongoing programs, it should be noted that:

- the second Call for Proposals of the CBC Programme Romania-Serbia was the first one where the Danube has been recognized as a direct priority and where 5 million euro has been allocated for these purposes, establishing a precedent for the future,
- In the third Call for Proposals of the CBC Programme Hungary - Serbia contribution to the implementation of the EU Strategy for the Danube Region is presented as a horizontal objective (projects that are consistent with the objectives of the Danube Strategy received 2 additional points in the qualitative assessment of "quality assessment")

Within the transnational Programme South East Europe (SEE) the Danube is indirectly supported since the Programme objectives support the main EU trends: Europe 2020 and EU strategy for Danube region. The development of the Danube basin was - among others - one of the most supported themes within all Calls under the Programme

<sup>10</sup> As per the sectors identified in the "Needs of the Republic of Serbia for International Assistance In the Period 2011-2013"

<sup>11</sup> Included in this category Hospitals and Health Centres



### 3.3. Lessons Learned

#### 3.3.1. LL1: Which lessons can be learned from the implementation of the IPA Component II programmes until now, on the Serbian territory?

Programmes on the territory of Serbia could be adjudged to be successful and in a mature stage – structures and procedures are well established, project applications increase by an average of 1.5 times with each subsequent CfP, the number of projects financed increases with absorption rate around an average of 90%.

There is, however further room for improvements based on the increased capacity and knowledge to implement programmes. Programmes would perform better in conditions of political and management stability, if there was more understanding of the importance of the programmes and support by the government, maintaining motivation of and increase staff for increased responsibilities and workload. On the operational level – there are possibilities to simplify and shorten procedures, which in most cases would require a lot of work for coordination with Partner Countries.

A clearer synergy and link with other programmes and initiatives through common objectives and indicators would influence the effectiveness and impact of the programmes. The CBC and Transnational programmes have opened a way for many beneficiaries to participate in terms of the opportunities and support/financing received for realizing activities that otherwise could not be implemented. Their capacity and knowledge has improved, and there is also observed an improvement of the performance of the management and implementation bodies.

The programmes have been showing a good cost/benefits ratio during implementation and costs are low compared with objectives and achieved results.

The high overall score(s) for Efficiency and Effectiveness means that the projects were considered generally successful in utilizing financial aid to bring results. However the difference between scoring against the criteria and the observed performance would suggest that any of the following conclusions can be true:

- The efficiency is based upon the procurement procedures achieving value for money on the purchasing of services, supplies and works but not on the results they have achieved
- Without benchmarks or the quantification of outputs to inputs it is difficult to objectively state efficiency
- There are some obstacles before PPs to obtaining greater cost/benefit ratio, i.e. implementation procedures can be further optimized, and
- Project indicators were planned on the safe side or not so adequately, i.e. projects easily overachieve, hence also the programmes suffer in transposing an objective measurement and understanding of the impact.

#### 3.3.2. LL2: Have the programmes created sustainable structures?

Within the Operational Structure the organisations and institutions involved can be said to be sustainable and consisting of sufficient competence to undertake their roles in an effective and efficient manner.



There is some concern regarding the workload of staff within the JTS antenna and regional offices and the position of First Level Control within the state system.

On the PPs part there are only a few cases where structures were created – such as networks, consultative or working groups, etc. A bigger effect the programmes had was on larger PP organisations and institutions by stimulating the establishment of project management/implementation units and capacity within them. All of the above are considered sustainable.

### 3.3.3. LL3: How can more focus be achieved?

The main criticism of the programmes from all levels of the operating structure is the lack of focus and prioritisation. The priorities and measures are considered too broad both in terms of scope and target institutions. The inability or lack of necessity to identify clear and measurable result indicators at a project level means that many of the projects can be efficient and effective in management and delivery without actually achieving anything. This has also been highlighted as a criticism of the evaluation and/or assessment process that is not felt to select the most appropriate projects for the programmes.

The number of project partners that have a core competence in the management of projects rather than in the functional or technical area of the project activities and expected outputs can result in projects that have a low impact and very little chance of sustainability with the majority of resource being utilised for internal or staff costs.

More focus can be achieved if the targets in each call for proposals are clearly identified and the criteria set in a manner that the types of project activities, project partners, project scope and project scale are unambiguous and assessment and evaluation is geared towards selection on this basis.

### 3.3.4. LL4: Which had been the weaknesses and strengths of the IPA Component II assistance?

In general the lack of focus of the programmes makes it difficult to identify the real target and impact of the assistance. Numerous projects are funded that have no real results and the process seems to encourage participation of partnerships who are only interested in the internal consumption of the project resources and not using the opportunity as a catalyst for continued or sustainable actions. The assessment and evaluation of projects has also been seen as a possible contributor to this.

The explicit promotion, encouragement and inclusion of horizontal/cross-cutting issues is a weakness in most if not all programmes.

The need to have the ability to “cash flow” the projects under shared management prevents many of the smaller beneficiaries from participating, or causes difficulties for those that do, and promotes the smaller beneficiaries to avoid capital or “hard” investments.

The strengths of the programmes are in their focus away from Belgrade and the encouragement of direct “people to people” actions as well as the ability for small administrations and other organisations to build the confidence and experience in

accessing, managing and running projects that are both useful to their community and international in their approach and/or scope.

The CBC and Transnational programmes provides the opportunity to support a very wide range of activities and subsequently cover large groups of people and their common needs in Serbia and the Partnering Countries

The weaknesses lie in the complex and cumbersome management and implementation system and requirements, often changing and conflicting with national ones and business logic.

3.3.5. LL5: *What are the potential future needs that need to be addressed by the new financial perspective 2014-2020?*

The evaluation report provides a full analysis of the needs, objectives, sectors and types of interventions that should be addressed in the new financial perspective. From this we can summarise the following:

The priorities for CBC and TN programmes in the perspective 2014 – 2020 should focus on the following NAD sectors according to the evaluation (having medium or high potential for implementation and potential for results): Competitiveness, Agriculture and rural development, Environment, Transport, Human resource development and Home affairs (the last row encompasses areas of activities that don't belong to any NAD Sector but are identified as important for CBC and TN programmes).

Suggested areas of activities belong to seven ERDF Thematic objectives: Strengthening research, technological development and innovation, Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF ); Promoting climate change adaptation, risk prevention and management; Protecting the environment and promoting resource efficiency; Promoting sustainable transport and removing bottlenecks in key network infrastructures; Promoting employment and supporting labour mobility; Promoting social inclusion and combating poverty; Investing in education, skills and lifelong learning and Enhancing institutional capacity and an efficient public administration.

In the same time all eight IPA Thematic objectives are covered: Competitiveness, business and SME development, trade and investment; Employment, labour mobility and social Inclusion; Research, Technological Development and Innovation and ICT; Environmental Protection, climate change and risk prevention; Transport and public infrastructures; Tourism and cultural heritage; Youth and education and Local and regional governance, planning and administration capacity building.

Programming is a joint process and the final strategic priorities and measures should derive from territorial analyses and territorial needs and national/ regional/local strategies for the specific territory. The seven thematic priorities (ERDF) deriving from this evaluation will be the starting point for the programming process depending on the specificities of the territory - some of them are more or less relevant for the specific territory.

3.3.6. LL6: *How can the management and control systems be simplified?*

Management and control systems are adequately established and operating on the territory of Serbia, with a few issues related to the shared management programmes which are outside of the control by the Serbian part, but also a few others that could be considered and possibly improved:

- Secondary procurement for PPs represents the major concern, with most mistakes occurring because of low capacity in the PPs and their reliance on using external experts and the increased probability of conflicts of interest. The only solution proposed is to intensify training of PPs and specifically any new ones. There was a problem with ROM MA establishing conflicting requirements in respect of procurement.
- Staffing of the OS and regional offices should be increased in relation to the workload, and remuneration reflecting the workload, results and responsibilities. That problem most urgently is displayed with FLC in MoFE and the sustainability and adequate operation of the unit are questionable.

The management and control systems as they currently operate are too complex, having too many (documentary) requirements and procedures taking too long.

The main recommendations can be summarized as follows:

1. Reduce bulk of documentation in reporting and secondary procurement – especially for small purchases. Use at least Serbian language and if possible Serbian law in procurement – that and the documentation required prevents subcontractors from applying and PPs from obtaining the best value for money or the best quality.
2. Bring local/national authorities to support co-financing of projects and pre-financing of activities in terms of governmental funds or other mechanisms.
3. Shorten procedures for FLC and obtaining various approvals (for example addenda, derogations, etc.), VAT exemption in order to speed up reimbursement.
4. Eliminate delays in contracting and payments, do not change rules in the middle of implementation, and clarify conflicting requirements between EU and national law (for example – on travel).
5. Provide more training to potential PP and contracted PPs – both on more occasions and with bigger duration to cover more subjects and details.

6. Minimize exchange rate losses by at least introducing reporting expenditure using InforEuro exchange rate for the month of payment.

## **4. RECOMMENDATIONS**

### *4.1. On Relevance*

- In Programming documents and guidelines for applicants it should be indicated the national and/or sectoral strategy (and its objective(s)) that interventions under the measure must be addressing
- Transpose the (Serbian National) Component level objectives into explicit requirements for the interventions with common indicators identified in the projects with starting positions and targets
- Ensure that the need for the intervention is clearly stated based upon strategy, analysis and evidence

### *4.2. On Efficiency*

- Adoption of common rules as concluded in the EU study “Measuring the impact of changing regulatory requirements to administrative cost and administrative burden of managing EU Structural Funds (ERDF and Cohesion Funds)” and extending this approach to IPA/IPA programmes
- Ensure that all staff members of the OS including JTS, Antenna and JMC are continually trained and updated on all aspects of the programmes, their requirements and procedures
- Explicit introduction of “value for money” criteria in the assessment process so the link between inputs and outputs can be clearly identified and assessed

### *4.3. On Effectiveness*

- Introduce and ensure that cross-cutting themes are a required condition for all interventions (grounds for project rejection) and that they are dealt with in a positive contribution rather than compliance approach
- Projects to clearly identify start position and resultant position following project intervention (measurable change brought about by project activities on the target group)
- Project partners should all have clear, substantive and defined roles and responsibilities
- Co-financing and complementarity with other activities and initiatives should be clearly defined

### *4.4. On Impact*

- Programmes, measures and projects should be more clearly focussed based upon target groups, desired/expected results, and limited number of objectives and indicators to which all projects work toward
- Ensure that “people to people” actions and sector based actions have a clear, demonstrable and measurable effect on the attitudes and understanding of people from both sides of the border
- Concentrate on media and publicity to a wider audience on success stories and spreading the message of cooperation and development.

### *4.5. On Sustainability*

- A clear “exit strategy” for all projects is defined.
- Project partners are selected who have a long-term (functional) interest in the project intervention area. Avoid project partners, and partnerships, who’s main interest is the implementation of the project rather than the use of results
- “People to people” actions should be primarily measured on the changes to attitude, behaviour and understanding rather than on continuation of activities
- Funded interventions in other spheres should act as catalysts for continued actions with clearly defined ownership and funding for continuation of activities and results

### *4.6. At programme level*

- Eliminate delays by keeping up with schedules and deadlines for assessment and contracting, payments and reimbursement, granting approvals – by optimizing procedures, adequate staffing. Attempt to have no rule changes and requirements in the middle of implementation.
- Support organizational capacity and HRD – maintain adequate staffing to workload, continuously train and motivate staff based on results and responsibilities
- Introduce impact indicators for programmes that do not already have these (BUL, HUN, SEE) and try to collect as much baseline data as possible to support the indicators.
- Introduce overall indicators at component level to measure project and programme contribution to National (Component level) objectives
- Introduce project completion questionnaires to gather data from all projects
- The above would relate also to improving the approach of the programmes towards the cross-cutting issues.
- Utilizing the full potential of the MIS (ISDA CON) system – electronic applications, reporting and control.

### *4.7. At project level*

- Simplify and facilitate secondary procurement by PPs – use PRAG 2013 (which has become more flexible on small amount tenders) or attempt at negotiating the use of national legislation. Use Serbian or bilingual templates – clearly state which procedures or legal provisions prevail
- Establish government or encourage financial institutions/private fund(s) to support co-financing or pre-financing of activities by PPs
- Reduce paperwork in general in reporting and communication – use electronic versions and e-mail
- Reduce exchange rate losses by reporting and validating expenditure using InforEuro monthly rates for the month of payment
- Increase trainings to PPs in both duration and detail – more focus on how to apply and what to expect (specifically in procurement) , PCM and indicators to potential PPs

## **5. PROPOSAL FOR POLICY OBJECTIVES FOR THE NEXT PROGRAMMING PERIOD**

### *5.1. 2014-2020 Policy Objectives*

The report on the evaluation of the CBC and Transnational Programmes went into some depth in response to question LL5 “*What are the potential future needs that need to be addressed by the new financial perspective 2014-2020?*” as also addressed in 3.3.5. above and includes the development of a table indicating the “new” NAD sector, ERDF ETC Thematic Objective, IPA Thematic Priority, possible types of interventions and potential for success. From this table, and the underlying research we can conclude that the priorities for CBC and TN programmes in the perspective 2014 – 2020 should focus on the following ERDF Thematic objectives:

- Strengthening research, technological development and innovation,
- Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF);
- Promoting climate change adaptation, risk prevention and management;
- Protecting the environment and promoting resource efficiency;
- Promoting sustainable transport and removing bottlenecks in key network infrastructures;
- Promoting employment and supporting labour mobility;
- Promoting social inclusion and combating poverty;
- Investing in education, skills and lifelong learning ;

- Enhancing institutional capacity and an efficient public administration.

At the same time all eight IPA Thematic objectives are covered:

- Competitiveness, business and SME development, trade and investment;
- Employment, labour mobility and social Inclusion;
- Research, Technological Development and Innovation and ICT;
- Environmental Protection, climate change and risk prevention;
- Transport and public infrastructures;
- Tourism and cultural heritage;
- Youth and education;
- Local and regional governance, planning and administration capacity building.

## 6. PROPOSAL FOR INDICATORS

### 6.1. Component level indicators

The indicators for monitoring and measuring at component level in Serbia are recommended to be a combination of both the quantitative and qualitative.

For the objective **“Promotion of goals and values of EU and improvement of life condition in the neighbourhood and in the under populated areas”** it is recommended that the following indicators are utilised:

People’s perception of improvement of life conditions gathered through survey on questions such as:

- “I believe the life conditions for me and my family have improved over the past year”
- “I believe closer relationships (accession) to the European Union has had a positive effect on my community”
- “I believe that my relationship and understanding of people from neighbouring countries has improved over the past year”
- “If I had the opportunity I would move from this area”

Annual attitudinal survey. First time of asking based purely on the responses, subsequent can analyse trend from previous years.

Improvement of life conditions:

- Number of register unemployed in the region (NUTS III) - Republički zavod za statistiku



- Number of registered vacancies in the region (NUTS III) - Republički zavod za statistiku
  - Number of long-term unemployed in the region (NUTS III) - Republički zavod za statistiku
  - Number of newly located firms in the area (NUTS III) - Agencija za Privredne Registre
  - Increase in Higher Education research and development places (NUTS III) - Agencija za Privredne Registre
  - Increase in business expenditure in research and development (NUTS III) - Agencija za Privredne Registre
  - Increase in cross border trade partnerships (interactive supply chain integration)
  - Increase in exports to EU/neighbouring countries
  - Increase in number of overnight stays from neighbouring countries
  - Increase in bilingualism amongst young people
  - Decrease in waiting time at border crossings
  - Increase in cross border employment
  - Reduction of barriers to cross border labour mobility
- Targeted questionnaires, project and programme reports

Other applicable component level indicators (see annex 1)

These results can be aggregated to the area covered per programme and for all programme areas. First time of monitoring establishes benchmark, subsequent can analyse trend from previous years.

**“Promotion (and encouragement) of public / private sectors partnership and collaboration between public and NGOs sector, in order to resolve problems of the local community in the neighbourhood countries”**

- Number of public/private partnerships by type and by sector
- % of projects implemented through public private partnerships
- Number of public/third sector partnerships by type and sector
- % of projects implemented through public/third sector partnerships
- Number of third sector/private partnerships by type and sector



- % of projects implemented through third sector/private sector partnerships
- Targeted questionnaires, project and programme reports

These results can be aggregated to the area covered per programme and for all programme areas. First time of monitoring establishes benchmark, subsequent can analyse trend from previous years.

**“Capacity building of the local institutions (municipalities, NGOs, chambers, associations, educational and scientific Institution...) for the assessment of project proposals, application and project implementation in accordance with rules and regulations of EU”**

**“Capacity building of the of private commercial sector and guidelines for public procurement capacity development in accordance with rules and regulations of EU”**

Applicants’ perception of application and award process through attitudinal survey including questions such as:

“I have/have not applied for EU CBC funds in the past”

“I did not apply in the past because ...” (give choices as shown in example in indicators report)

“I was/was not successful”

“I plan to apply in the future”

“I would apply in the future if...”

Attached as annex 2 to the indicators report was an example on-line survey for “administrative capacity of beneficiaries” that we were involved in developing for another project. This shows the mix of quantitative and qualitative questions asked on the subject.

- Corruption Perception Index - <http://www.transparentnost.org.rs/>
- Annual attitudinal survey. First time of asking based purely on the responses, subsequent can analyse trend from previous years.
- Number of first time applicants by type and sector
- % successful first time applicants
- Average score of projects actual and % increase on year/CfP
- Number of local firms participating in Secondary procurement/number successful
- Increase participation in cross-border procurement
- Reduction in project errors identified by FC/FLC

- Increase in % of verified expenditure
- Targeted questionnaires, project and programme reports

These results can be aggregated to the area covered per programme and for all programme areas. First time of monitoring establishes benchmark, subsequent can analyse trend from previous years.

### **“Improvement and strengthening collaboration with institutions of neighbouring country on central and local level Socio-economic development of border areas in Serbia”**

- Number of formal Partnership agreements between institutions and organisations on both sides of the border
- Number of civil twinnings between Local Public Administrations on both sides of the border
- Number of established regular cross border events and exchanges (outside project funded activities)
- Number of project applications from existing/previously successful partnerships
- Targeted questionnaires, project and programme reports
- Other applicable component level indicators (see annex 1)

These results can be aggregated to the area covered per programme and for all programme areas. First time of monitoring establishes benchmark, subsequent can analyse trend from previous years.

### **“Socio-economic development of the border areas in Serbia”**

- GDP per capita NUTS III - Republički zavod za statistiku
- Number of registered firms - Agencija za Privredne Registre
- Labour Market Survey (LMS) Unemployment figures – NES
- Economic development discrepancy reduction (measured by the GDP per cap difference) - Republički zavod za statistiku
- Number remaining in employment following intervention
- Targeted questionnaires, project and programme reports

Other applicable component level indicators (see annex 1)

These results can be aggregated to the area covered per programme and for all programme areas. First time of monitoring establishes benchmark, subsequent can analyse trend from previous years.

**“Upgrading of general image of the Serbian government among citizens, particularly in the border area, as responsible, competent, transparent and trustworthy institution, with broad vision of its ultimate goal - accession of Serbia to the EU and additionally active involvement of citizens from border area in this process”**

- Citizen satisfaction, improvements in quality of service
- Consultation and participation opportunities and actions
- Number of active voters residing in the cross-border areas (turn-out %s)
- Annual attitudinal survey, targeted questionnaires, specialist studies, Corruption Perception Index