Final Evaluation Report

Evaluation of the efficiency and effectiveness of the Interreg IPA CBC Programme Croatia – Bosnia and Herzegovina – Montenegro 2014 – 2020

10 October 2019

Acronyms

AIR: Annual implementation report

BA: Bosnia-Herzegovina

CBC: Cross-border Cooperation

EC: European Commission

EP: Evaluation plan

EQ: Evaluation questions

ESIF: European Structural and Investment Funds

ETC: European Territorial Cooperation

EU: European Union

EUSAIR: EU Strategy for the Adriatic and Ionian Region

EUSDR: EU Strategy for the Danube Region

HR: Croatia

IPA: Instrument for Pre-Accession

JS: Joint Secretariat

JSC: Joint Steering Committee

JMC: Joint Monitoring Committee

KOM: Kick-off meeting

LB: Lead beneficiary

MA: Managing Authority

ME: Montenegro

PA: Priority Axis

RS: Serbia

SO: Specific Objective

SCO: Simplified Cost Options

TA: Technical Assistance

Introduction

This Report is the final deliverable of the evaluation of the two Interreg IPA Cross-border Cooperation Programme Croatia-Bosnia and Herzegovina-Montenegro 2014-2020 managed by the Ministry of Regional Development and EU Funds of the Republic of Croatia as the Managing Authority (MA).

The objective of this report is to illustrate the efficiency and effectiveness of Programme bodies in managing the implementation of Interreg IPA CBC programme. The evaluation findings should serve as a tool for improving the quality of future Programme implementation, and as one of the bases for planning future policies for the development of the Interreg IPA programme in the coming financial period.

Methodology

The methodology followed to draft the present report was presented in the inception report, the first deliverable of the evaluation of the Interreg IPA Cross-border Cooperation programme.

The main objective of this evaluation is to assess the efficiency and effectiveness of the Interreg IPA CBC Programme. The table below summarizes the key elements that are evaluated.

Table 0-1 Elements to be evaluated according to the terms of reference

Elements to be evaluated	Sub-elements
Executive summary	Interreg IPA CBC Croatia – Bosnia and Herzegovina - Montenegro
Quality and efficiency of managing Interreg IPA CBC programme and Programme procedures	The management structures including human resources
	Procedures for publishing calls and selecting projects
	Programme procedures and decision-making processes
	Project implementation monitoring procedures
Quality and efficiency of implementing Interreg IPA programmes	Procedures for monitoring the implementation of the programme
	Progress in achieving the objectives and results of the programme
	Progress in achieving the target values in the performance framework
	Contribution to the objectives of Europe 2020 Strategy and to macro-regional strategies
	Respecting horizontal principles
Quality and efficiency of implementing the communication strategies	Procedures for monitoring the achievement of communication strategy objectives
	Evaluating the achievement of communication strategy objectives
	Inclusion of partners and relevant stakeholders

Consistently with the approach proposed in the inception report, the evaluation was carried out by referring to four main data sources:

	A **desk review** of all the Programme documents, including Annual Implementation reports and data on financial progress sent by the MA.
	A **web-survey** disseminated among beneficiaries and applicants in order to capture their perception on the quality of the programme's management.

	A set of **interviews** with the programme's structures regarding the implementation mechanism and procedures.
	A **case-study** analysis carried out at the level of cross-border projects.

1   Executive summary

Managing Interreg IPA programme and Programme procedures

Management structures including human resources

EQ 1: Is there a clear and efficient assignment of functions, responsibilities, and tasks among the different Programme bodies?

The analysis of the Programme documents indicates clear and efficient definition and assignment of functions, responsibilities and tasks among the Programme bodies.

This is confirmed by the opinion of the beneficiaries/applicants who took part in the web survey (79% of respondents declare that it is clear to which Programme body they should refer).

EQ 2: Are human resources adequate to ensure the management of the Programme to be efficient?
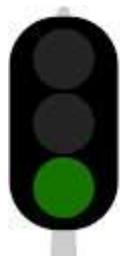
All in all, the Programme utilises adequate human resources to ensure the efficient implementation of all Programme activities. Some interviewees raised attention to the fact that the reduction of the staff (which followed the merging of the Agency for Regional Development of the Republic of Croatia and the Ministry of Regional Development and EU funds) could limit the capacity of the Croatian controllers to carry out controls on the 100% of the expenditures declared.

➡ We recommend that the Programme bodies monitor the activity of Croatian controllers in order to verify their capacity to carry out controls consistently with the rules established in the Control Guidelines.

EQ 3: Were there any issues in the set-up of the Programme bodies?

The set-up of the Programme bodies lasted two years. This was mainly due to the need for Croatia to write all the rules, regulations and documents *ex novo.*

➡ The new programming period should facilitate capitalisation on the 2014-2020 experience by expediting the set-up of the Programme bodies. From now on, we recommend to analyse the draft regulation for the post 2020 period in order to anticipate problems related to possible regulatory changes.

Procedures for publishing calls and selecting projects

EQ 4: How effective is the Programme in reaching out (potential) applicants and support them in the development of their proposal?

Data from the monitoring system (325 application forms received) and data from the survey highlight the capacity of the Programme to reach a relevant number of applicants including stakeholders with no previous experience as project partners of IPA CBC programme.

EQ 5: How effectively and efficiently organised is the application and selection process?
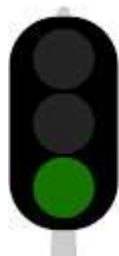
Application process

The analysis of the Programme documents indicates an efficient organization of the application process.

This is confirmed by the opinion of the beneficiaries/applicants who took part in the web survey which considers the workload required to submit the application form in line with what required by other Interreg Programmes.

Selection process

The information collected indicates an efficient organization of the selection process. Between the two calls procedures have been adjusted in order to ensure higher consistency in the approach adopted by external assessors.

EQ 6: Are the project assessment and selection process sound, efficient, transparent and fair?

Information collected through the interviews and the survey raise no doubts regarding the transparency and fairness of the selection process. However, the absence of a minimum threshold level for assessing the relevance of the projects implies the risk of accepting projects with low relevance to the Programme objectives.

We recommend establishing a minimum threshold at the level of the relevance criterion.

We also suggest to consider to offer JMC/NA the possibility to check the relevance of the projects proposals to their own local/regional strategies (e.g. with yes/no question). This approach (also adopted in other Interreg Programmes) would ensure more involvement of JMC/NA members in the selection process.

Programme procedures and decision-making processes

EQ 7: Is the organisation of the management structure coherent with what was planned by the Programme strategy?

The management structures are generally coherent with what was planned by the Programme strategy. The only differences concern: (1) the merging of the Agency for Regional Development of the Republic of Croatia (initially established as MA) with the Ministry of Regional Development and EU funds. According to the information collected this merging has slightly reduced the staff involved in the management of the programme (MA) but has not affected the overall efficiency of the two management structures; (2) The hiring of branch office staff by the national authorities (and not directly by the JS). Also in this case, the change has not affected the overall quality, or the efficiency of the support provided by the JS branch offices.

EQ 8: Do the management structures allow the decision-making process to be efficient?

The implementation of the Programme implies the constant interaction between different Programme bodies. The analysis of the decision-making processes and the opinion of the interviewees indicate that the decision-making process is generally efficient.

Project implementation monitoring procedures

EQ 9: At what extent the procedures for managing the payment and certification is effective?

The procedures for managing payments and certification is generally effective. All exchanges between the beneficiaries and the control bodies are made via eMS; moreover the Programme is in line with the requirements of the Omnibus regulation in terms of use of SCO. Some of the interviewees stress that the control process is sometimes slow due to the different legal frameworks among the country partners. But as the analysis of the financial progress these problems have not affected the capacity of the programme of absorb the available resources.

→ In view of the new programming period we recommend to already start to reflect on the possible use of additional SCO. Among the different solution we remind the possible use of SCO adopted under other EC instruments (e.g. Erasmus + method to calculate units cost for travel expenses).

EQ 10: How well does the Programme support beneficiaries during project implementation?
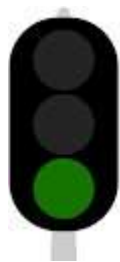
Data from the survey indicate that the Programme effectively supports the beneficiaries during the project implementation. They appreciate the quality of the Programme manual (very helpful for the 47% of the respondents) and also the approach for managing the payment claims (very efficient for the 40% of respondents).

EQ 11: Does the Programme dispose of an effective monitoring system?

The electronic monitoring system used by the Programme responds to the regulatory requirements and is generally efficient. There are some weaknesses in aggregating data and reporting them in useful formats, but they have been solved by using additional tools. All in all, the electronic monitoring system allows constant monitoring of the state of play of projects and their progress towards the targets.

Implementation of Interreg IPA programme

Procedures for monitoring the implementation of the programme

EQ 12: Is the monitoring system coherent with the regulatory framework and able to capture the output and result expected by the projects - in terms of indicator system?

The indicator system proposed is coherent with the regulatory framework which means that the Programme have indicators measuring the projects outputs and the results of the Programme (at SO level). But there are no indicators measuring the direct results of the projects.

The post 2020 period foresees a different logical framework which implies the presence of indicators measuring the direct results produced by the projects. From the perspective of the preparation of the new Programme it is recommendable to start to elaborate a possible set of "direct results indicators". The impact evaluation could be used to start to reflect on the future monitoring system.

EQ 13: How frequently the Programme implements monitoring activities and which are the tools

used? To what extent these monitoring activities are perceived in terms of administrative burden?

Every six months (except for the first progress report which covers the first three months) beneficiaries are to report on activities and expenditures. Beneficiaries consider that the process of handling and delivering of the progress reports is efficient.

Progress in achieving the objectives and results of the programme

EQ 14: To what extent are the specific objectives contributing to the overall Programme objective?

Result indicators:

To verify to which extent the SO are currently contributing to the overall Programme objective we have verified the state of progress of the result indicators. According to the data provided by the monitoring systems, the progress towards the achievements of the targeted results vary across the PA. In the case of PA 1 and PA 2.1 we can observe progresses in the direction of the targeted changes. Conversely, for PA 3 we observe a significant decrease in the number of tourists' arrivals that, as explained in the air, is due to factors which are external to the Programme implementation. Finally, data in the AIR 2018 indicates problems in monitoring the result indicators for PA 2.2 and PA 4.

The progresses capture by the result indicators can be due to factors which are external to the programme. Consequently, we recommend the Programme to take profit of the impact evaluation to assess the direct contribution of the programme.

Moreover, we recommend to Programme bodies to carefully monitor the progress of the result indicator selected for PA 2.2 and PA 4.

Output indicators:

Progress made at the level of the output indicators shows that that the Programme is already producing tangible outputs. The analysis of the output indicators highlights the presence of: : (1) underachieved output indicator (i.e. "Population covered with improved health services and/or social services or facilities"; "Additional capacity of renewable energy production"; "Population benefiting from flood protection measures"); (2) possible problems in the monitoring of the indicators ("Surface area of habitats supported in order to attain a better conservation status"; "Area covered by improved emergency preparedness and risk prevention systems"; "Number of cross-border business clusters and/or networks developed and/or implemented" and "Number of enterprises and business support institutions cooperating with research institutions").

Output indicators:

- "Population covered with improved health services and/or social services or facilities". At the current stage the Programme is underperforming. In the perspective of the evaluators this depend to an overestimation of the final target for 2023, as proved by the fact that Interact has estimated in 200,000 persons the total impact of all 2007-2013 programme. Bearing this in mind it could be recommendable to formally revise the CP by reducing the target. However, one must also consider that this indicator is excluded from the performance framework which means that the underperformance does not imply any formal consequence. Consequently, Programme authorities could also consider to monitor the state of progress of the indicator without formally revising the target value.

- "Population benefiting from flood protection measures". At the current stage the Programme is underperforming. In the perspective of the evaluators this depend to an overestimation of the final target for 2023,. Bearing this in mind it could be recommendable to formally revise the CP by reducing the target. However, one must also consider that this indicator is excluded from the performance framework which means that the underperformance does not imply any formal consequence. Consequently, Programme authorities could also consider to monitor the state of progress of the indicator without formally revising the target value.

- "Additional capacity of renewable energy production". The analysis of Annex 19 of the CP reveals that the target value declared in the CP (i.e. 32 MW) does not correspond to the correct application of the formula provided in the methodological document. We recommend modify/correcting the target consistently with the methodology presented in Annex 19 of the CP.

- "Surface area of habitats supported in order to attain a better conservation status" and "Area covered by improved emergency preparedness and risk prevention systems". We recommend to further check the values declared by beneficiaries.

EQ 15: Is the distribution of the resources per axis and OS coherent with the programming?

TA axis which is absorbing resources faster than the other axes. For what concerns the other axes, while axes 1, 2, and 4 shows a distribution of the allocated resources in line with was initially planned, the eligible costs of the operations selected under axis 3 appears, presently, lower than expected.

We recommend to monitor the progress by taking into account data related to the 2nd call.

Progress in achieving the target values in the performance framework

EQ 16: State of play of Programme in achieving target values in the performance framework?

The Programme is overperforming compared to the initial milestones, both at the level of financial progress (i.e. certified expenditure), and at the level of progress of the output indicators. All four axes have certified more expenditures than expected, with axis 1 having certified more than double of the expenditures planned for 2018.

EQ 17: Is the performance framework structured in such a way that the target values are effectively reachable?
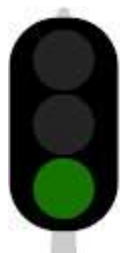
The targets for 2023 appear reachable. This is confirmed both by the analysis of the data presented in the AIR and by the perception of the beneficiaries (i.e. data from the survey). More precisely, if we look to the final targets for 2023 data show:

- one indicator has already achieved the targets for 2023 and four others have already achieved more than half than what was planned;

- three indicators are between the 20% and 50% of the final targets which, from our perspective, make the final targets effectively reachable;- five indicators below the threshold of 20% with respect to the final target.

We recommend to monitor the progress of the underachieved indicators. When selecting new projects we recommend to reward applications contributing to the underachieved indicators.

EQ 18: How effective is the Programme in supporting beneficiaries in the implementation of their project activities?

Data from the survey show that the support provided by the Programme authorities is generally considered very helpful (none of the respondents consider the support of the Programme bodies as "not helpful").

Contribution to the objectives of Europe 2020 Strategy and to macro-regional strategies

EQ 19: To what degree does the Programme implementation contribute to the EU2020 strategy
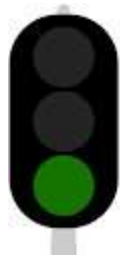
The information collected from the case studies confirm the potential of the programme. In particular, the case studies reveal the capacity of the projects to reduce emissions, to increase the production of energy from renewable sources and to increase the energy efficiency.

EQ 20: To what degree does the Programme implementation contribute to relevant macro-regional strategies - EU strategy for the Danube Region and the EU Strategy for Adriatic-Ionian Region?

The information collected from the case studies confirm the potential of the programme. In particular, the case studies reveal the capacity of the projects to contribute to priority areas 2, 3, 7, 8 and 9 of EUSDR and to pillars 2 and 4 of EUSAIR.

Respecting horizontal principles

EQ 21: To what extent are the horizontal principles integrated into the Programme management arrangements?

Horizontal principles are integrated in all phases of the Programme management: programming phase, selection of operations, monitoring and control of operations.

EQ 22: To what extent do funded projects incorporate activities aimed at sustainable development equality between men and women?

Case studies reveal the presence of project activities contributing both to the sustainable development principles and to equal opportunities, non-discrimination and equality.

Interreg IPA programme communication strategies

Monitoring procedures regarding the achievement of communication strategy objectives

EQ 23: To what extent have defined communication activities and planned communication tools been implemented?

The analysis reveals that the Programme has already implemented a large part of the planned activities.

We recommend reinforcing the communication activities targeting the wider public. The objective should not be to attract new applicants but to inform citizens and stakeholders about the benefits that the Programme is bringing in the territories.

EQ 24: Have all the territories been covered by communication activities?

The analysis of the events organized indicates the effort made to ensure the balanced coverage of all three countries (10 events were organised in Croatia, 11 in Bosnia and Herzegovina, 7 in Montenegro).

Evaluating the achievement of communication strategy objectives

EQ 25: To what extent all the activities have been harmonized among the involved territories?

Analysis of the communication activities as well as inputs from the case studies indicate that information and support provided were harmonized and consistent across all the territories.

EQ 26: How well does the Programme support beneficiaries in their communication endeavours and guide them through the communication requirements?
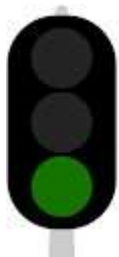
Opinion from applicants and beneficiaries involved in the survey indicates that the support of the Programme was good (95% of the respondents declare to not having encountered any difficulties in meeting the communication requirements, which proves both the clarity of the rules but also the quality of the support provided).

EQ 27: Does the Programme encourage and support the capitalisation on project results	

Only in 2019 some of the projects from 1st call completed the project implementation which explains the momentary lack of specific capitalisation activities. According to the information collected from the interviews, EC Day and other events (e.g. Regio stars awards in Bruxelles) are some of the specific capitalization activities that will take place during the last part of 2019.

We recommend defining specific activities to offer beneficiaries the possibility to present to other beneficiaries and to the wider public the results of the projects. Impact evaluation could support capitalisation processes by offering to Programme bodies and projects the opportunity to reflect on the direct results produced by the projects (which are not monitored by the indicators).

Inclusion of partners and relevant stakeholders

EQ 28: Does the Programme foresee mechanisms to effectively address and involve the relevant target groups?

Different tools and activities are foreseen to reach all different categories. In this sense it is possible to affirm that the Programme foresees mechanisms to effectively address and involve the relevant target groups. However, if we look to the communication activities implemented, the level of implementation of the activities targeting the wider public is limited compared to the activities targeting the beneficiaries and the potential beneficiaries

We recommend reinforcing the communication activities targeting the wider public. The objective should not be to attract new applicants but to inform citizens and stakeholders about the benefits that the Programme is bringing to the territories.

EQ 29: How successful is the Programme in mobilising relevant target groups to get involved?

The Programme attracted a significant number of projects proposals (approximately five times more than the projects approved) and all programme axes are equally effective in attracting project ideas.
Information collected from the case studies indicate that projects partners are organising interesting activities to communicate to their groups the outputs and results produced by the projects. It is reasonable to assume that as the projects approach the final stage, the intensity of the communication activities to the wider public will increase, as well as their capacity to involve their target groups.
The perception of the capacity to mobilise the target groups is shared by the beneficiaries.

2 Managing Interreg IPA Programme and Programme procedures

2.1 Management structures including human resources

2.1.1 Is there a clear and efficient assignment of functions, responsibilities, and tasks among the different Programme bodies (EQ 1)?

Data sources:	

In compliance with the EU regulatory requirements and in line with the national institutional, legal and financial frameworks of the countries involved the Programme have set up a specific management structures composed of six key bodies: Managing Authority (MA), Joint Secretariat (JS), Joint Monitoring Committee (JMC), National Authorities (NA), Certifying Authority (CA) and Audit Authority (AA).

The headquarters of the JS are based in Zagreb. The Programme opted for setting up 3 branch offices for the Croatia-Bosnia and Herzegovina-Montenegro programme).

	HR – BA - ME
MA	Ministry of Regional Development and EU Funds of the Republic of Croatia
JS	Headquarters: Zagreb within the Ministry of Regional Development and EU Funds of the Republic of Croatia
	Branch offices: two in Bosnia and Herzegovina (Banja Luka and Mostar) and one in Montenegro (Podgorica)
JMC	Members: - <u>HR</u>: Ministry of Regional Development and EU Funds; Regional Development Agency of Dubrovnik-Neretva County (DUNEA); Šibenik-Knin County; Lika-Senj County; Karlovac County; Vukovar-Srijem County; Požega-Slavonia County; - <u>BA</u>: Directorate for European Integration of the Bosnia and Herzegovina; Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina; Federal Ministry of Environment and Tourism FBiH; Ministry for European Integration and International Cooperation of the Republic of Srpska; Brčko District; Association of Municipalities and Cities of FBiH; Association of Municipalities and Cities of the Republic of Srpska - <u>ME</u>: Ministry of Foreign Affairs and European Integration; Ministry of Sustainable Development and Tourism; Ministry of Health; Ministry of Economy; Union of Municipalities
NA	- Ministry of Regional Development and EU Funds of the Republic of Croatia - Directorate for European Integration in Bosnia and Herzegovina - Ministry of Foreign Affairs and European Integration in Montenegro
CA	Directorate for Budget and IT Systems within the Croatian Ministry of Regional Development and EU Funds
AA	Sector for Audit of Structural Instruments within Agency for the Audit of European Union Programmes Implementation System

Each body has specific functions and responsibilities, which are determined by regulatory requirements and that are specified in the Programme document and in its annexes. For what concerns possible overlaps between MA and JS tasks the analysis reveals good internal organisation. As Table 2-1 illustrates, the MA has a key role in the management of the programme and is assisted by the two JS in the following core tasks:

- The organisation and handling of calls, including the announcement of calls, the efforts undertaken to reach out to potential applicants, individual consultations/information events and trainings organised to provide assistance to applicants during project development, development of guidance material, the development of checklists and templates, etc.
- The organisation of the *project assessment and selection*, including the drawing up and implementation of appropriate procedures and criteria and checklists/ assessment grids, selection of external experts for the quality assessment, the administrative check and quality assessment (together with external experts) and the preparation of the final funding decision that is made by the JMC.
- MA (eMS Officer) is part of the eMS core development group facilitated by INTERACT that aims to develop an open source online application system and monitoring tool whose basic modules can be used free of charge by all Interreg programmes. The MA and JS staff regularly participates at eMS developers' meetings and devotes considerable time to testing the tool with every new module that is released. Other tasks related to the development and maintenance of eMS are the development of guidance, data maintenance and data entry.
- The *management and monitoring of projects*, including the start-up phase (contracting, sample checks on the partnership agreements), project monitoring (incl. development of relevant checklists and procedures) and the provision of assistance and guidance to beneficiaries during project implementation, as well as the proceeding of payments, controlling and auditing and recovery of funds and sending of payment applications to the EC. Most procedures have been defined based on experience from the past programming period, but some important changes have also been introduced: reporting by project and monitoring will be done through the electronic monitoring system, the amount of checks has been reduced as a result of the use of simplified cost options and flat rates.

As previously noted, the Programme has established three JS branch offices in non-EUcountries participating in the Programme. JS officers working in the branch offices are not only asked to support local stakeholders but are also in charge of "standard activities". Staff in the branch offices oversee the management of a specific number of projects. Specifically, they provide clarifications and support not only to the beneficiaries located in partner countries, but also to lead partners and partners located in other territories.

Table 2-1 Distribution of tasks between MA and JS

	Function	MA	JS
Project preparation	Calls preparation	✓	✓
	Communication/information activities	✓	✓
	Support activities to applicants	✓	✓

	Function	MA	JS
Project implementation	Indicators guideline	✓	
	Financial management	✓	✓
	Physical progress monitoring	✓	✓
	Support to projects in the implementation of their activities	✓	✓

As regards the stakeholders, from the survey it can be seen that applicants and beneficiaries clearly understand and easily detect the Programme body they should contact to get required information (79% of the partners involved in the consultation via web-survey replied that no difficulties had been encountered in detecting the right Programme body when needed, with no difference between the respondents of each country).

2.1.2 Are human resources adequate to ensure the management of the Programme to be efficient (EQ 2)?

Data sources:

According to information collected through the interviews, there are 15 persons in the management of the Croatia – Bosnia and Herzegovina – Montenegro programme. These figures include both MA and JS staff (including branch offices). As illustrated by the table below only some of them are employed full time. Some of the MA staff for example is working half time for a Programme and half time for the other. The total number of full time equivalent (FTE) working at MA and JS level is 11.75.

Table 2-2 Number of employees and number of full time equivalent (MA and JS)

	HR – BA - ME
Full time	9
Half time	5
25% of time	1
Total FTE	*11.75*

From the evaluators' perspective these figures are in line with the number of staff usually involved in the management of relatively small (in terms of budget) Interreg programmes. However, it is also important to remind that MA/JS are for the first time conducting Interreg IPA procedures. This means that all procedures were defined and elaborated from scratch. This has implied a huge investment in terms of workload and time which probably explains the reason why some interviewees consider that there is an issue of understaffing.

It is also important to underline that following the modification of Government Regulation on the bodies within the management and control systems for implementation of programme supporting

the goal "European Territorial Cooperation" in the financing period 2014 – 2020 (Official Gazette 2/2019), since 1 January 2019, the Agency for Regional Development of the Republic of Croatia has been merged with the Ministry of Regional Development and EU funds. Thus, all the roles and responsibilities of the Managing Authority, Joint Secretariat and First level Control (in Croatia) have been transferred to the Ministry of Regional Development and EU funds.

This institutional change led to a reduction of internal resources and so administrative tasks have been distributed across fewer staff than what was planned.

Some interviewees raised attention to the fact that this reduction is limiting the capacity to carry out controls on 100% of the expenditures declared (as established in the Control Guidelines adopted by the programme).

2.1.3   Were there any issues in the set-up of the Programme bodies (EQ 3)?

Data sources:

All in all, the set-up of the Programme bodies lasted 2 years. According to the interviewees, this delivery timing was partly due to a difficulty faced by some countries – Bosnia and Herzegovina – to document the procedures, roles and responsibilities of the institutions involved in the process. From the perspective of the stakeholders interviewed, another key factor explaining the length of the process was the need to create all the legal documents and regulations *ex novo*. Indeed, given that Croatia is a recent member state and it is its first time managing a cooperation programme, all the rules, regulations and documents had to be written with no basis to start from. This concerns also the anti-fraud measures which required a strong effort for the legal officer as they did not have experience of that.

2.2   Procedures for publishing calls and selecting projects

2.2.1   How effective is the Programme in reaching out (potential) applicants and support them in the development of their proposal (EQ 4)?

Data sources:

So far two calls for proposals have been launched: the first was launched in March 2016 and the second in March 2018. The table below provides an overview of the number of applications received and of the number of projects approved.

The Programme was able to generate interest and attract many applicants: as the table below indicates 164 applications received were received during the first call to which we must add the 161 applications received during the 2nd call.

Table 2-3 n. of applications received

	HR-BA-ME	
	1st call	
	Applications	Approved projects
PA1	27	6
PA2	44	7
PA3	57	6
PA4	36	6
Total	**164**	**25**

Source: data from the MA

Data from the web-survey suggest that the Programme has been quite successful in raising interest of newcomers (i.e. applicants or beneficiaries not having previous experiences as IPA CBC project partners during the 2007-2013 period). As illustrated by the bar charts below, more than 50% of survey respondents classified themselves as newcomers.

Figure 2-1 % of newcomers out of total survey respondents
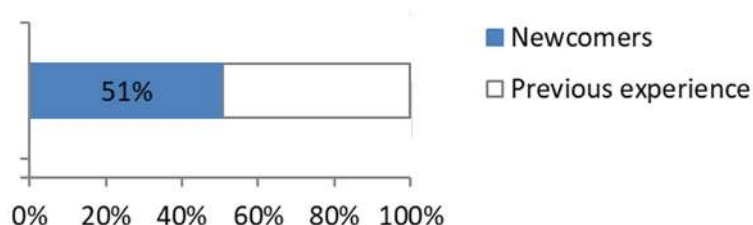
Source: web-survey

Overall, data from the monitoring system (provided by the MA) and data from the survey (figure above) show the capacity of the Programme to raise the interest of a relevant number of applicants including stakeholders with no previous experience as project partners of IPA CBC programmes.

Data from the survey also facilitates assessment of the quality of the support received by the applicants during the development of their proposals. According to the data collected approximately one third of respondents requested support to the programme bodies during the development of project proposals.

Besides the direct support provided by the Programme bodies, the Programme devised specific documents to guide beneficiaries in project creation (e.g. the Guidelines for Applicants) and also organised info days and project clinics across the territories. Data collected from the survey reveal that there is a high level of satisfaction for these tools. More precisely respondents were asked to assess on a scale from 1 to 5 the helpfulness of the information and tools provided by the programme (1 = "not helpful at all"; 5 = "very helpful"). As the figure below shows, most respondents consider the information and tools helpful (i.e. they answered 4 or 5).

Figure 2-2 Helpfulness of information and tools provided during the application phase
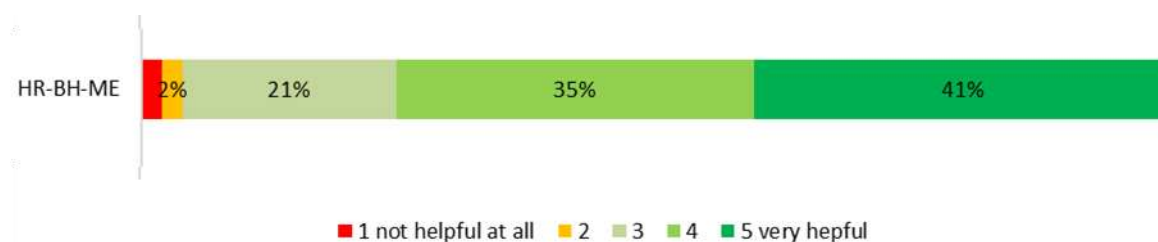
2.2.2 How effectively and efficiently organised is the application and selection process (EQ 5)?

Data sources:

2.2.2.1 *Application process*

As previously mentioned, so far two calls for proposals have been launched.

The first on March 2016 and closed it on 15 June 2016. The second call was launched on 19 September 2018 and remained open until 21 December. As highlighted in the table below, the application process lasted three months under each call.

Table 2-4 Duration of the application phase: official deadlines

	HR-BA-ME		
	Launch of the call	Deadline for the submission of the AF	Duration
1th Call	09/03/2016	10/06/2016	3
2nd Call	19/09/2018	21/12/2018	3

Respondents to the web-survey provided information regarding their perception about the programme's application phase. They provided information regarding: 1) the average timing and workload needed to develop the project proposal; 2) the complexity posed by the application form.

Concerning the timing needed to develop the project proposal (which includes among others the setting up of the partnerships) it took between 4 and 8 weeks for the majority of respondents (i.e. for the 64% of respondents).

Table 2-5 Average timing to develop project proposal

	HR-BA-ME
1 - 4 weeks	12%
4 - 8 weeks	64%

8 - 32 weeks	23%
More than 32 weeks	2%

Source: Web-survey

In terms of workload (i.e. number of persons/days to prepare the application form) the survey presents a heterogeneous picture with significant differences in the perceptions of the stakeholders. As illustrated by the figure below (see Figure 2-3) the workload required to prepare the AF varies between less than 25 man/days to over 125 man/days, with one quarter of respondents declaring that the project preparation took maximum 25 man/days. It is important to notice that the large majority of respondents agree in considering the workload needed to develop the AF as similar to the effort requested by other Interreg programmes (see Figure 2-4).

Figure 2-3 man/days required to prepare the AF (from the conception to the submission)
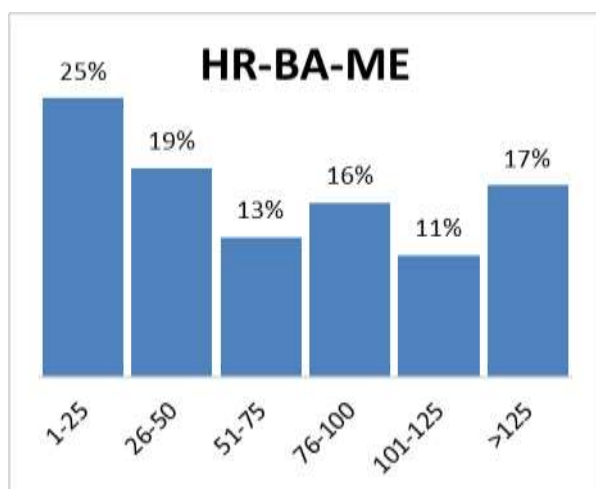
Source: Web-survey

Figure 2-4 Workload needed to prepare the AF: comparison with other Interreg
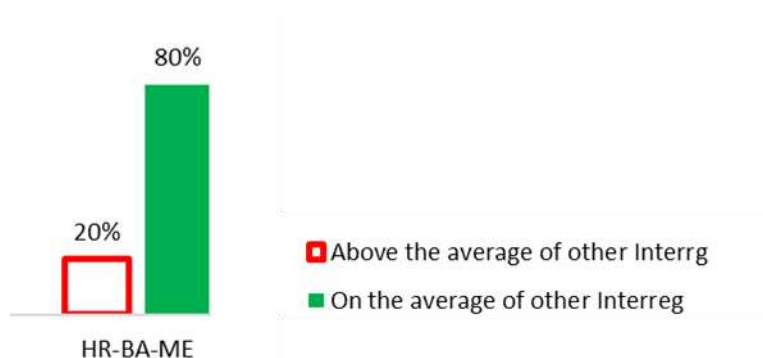
Source: Web-survey

Concerning the complexity of the application form, as highlighted by the figures below, the definition of the project budget and of the work plan are the most challenging elements. Conversely, the description of the partnership is perceived as the less complex part of the application form.

Croatia - Bosnia and Herzegovina - Montenegro

	1=low difficulty	2	3	4	5=high difficulty
Project budget	9%	14%	33%	32%	12%
Work Plan	14%	11%	38%	28%	9%
Project description	14%	33%	30%	20%	3%
Partner	41%	29%	21%	8%	2%
Project Summary	33%	24%	35%	6%	2%
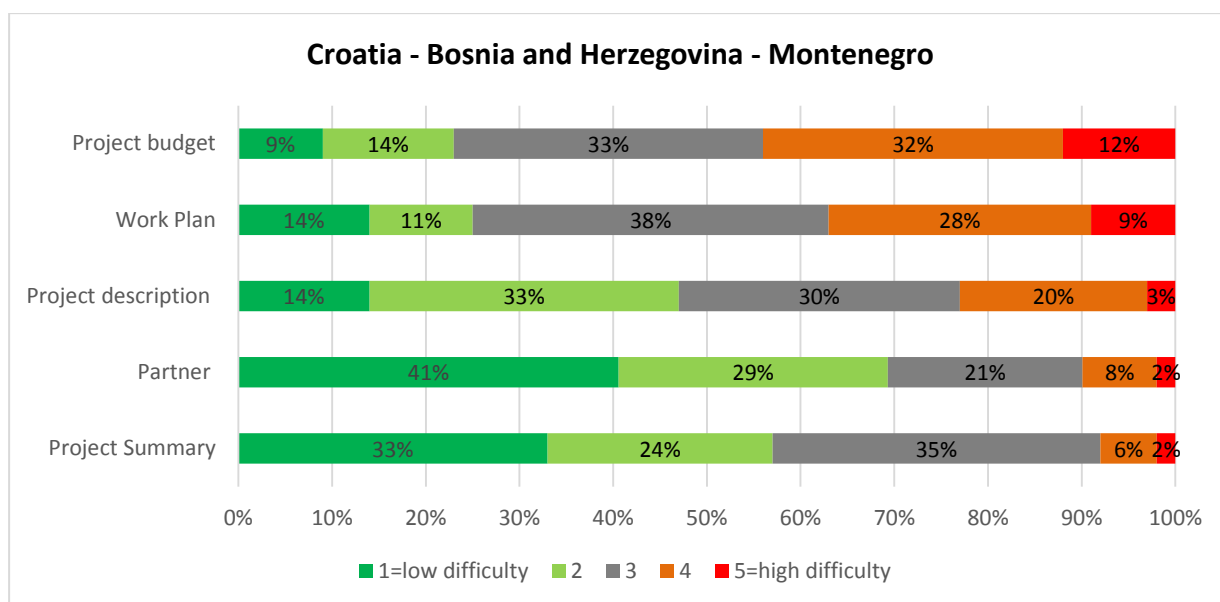
Source: Web-survey

2.2.2.2 *Selection process*

The selection process is structured in 4 phases as illustrated by the figure below. Overall the process lasts about 12 months (by considering the launch of the call as the start date and the selection decision as the end date).

Figure 2-6 Selection process
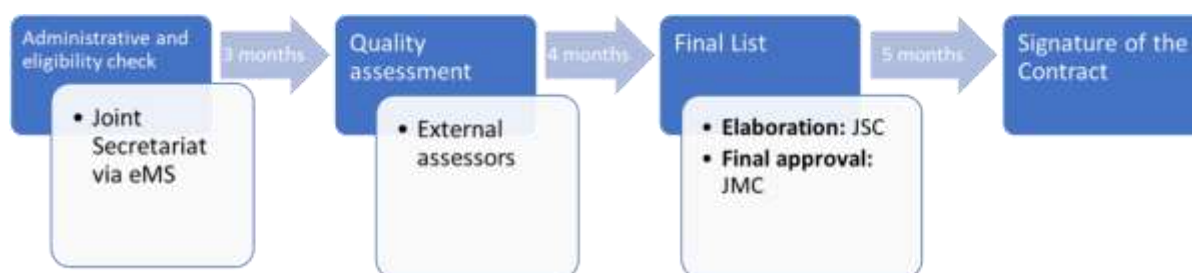
Each phase is described in the table below.

Eligibility check	The eligibility check is carried out by the Joint Secretariat, through the eMS platform, and takes approximately 3 months. During this phase, the JS checks if the administrative and eligibility criteria are met by the applicants. The former regards the completeness of the required documents (if all the sections are filled and the annexes uploaded) while the latter concerns the eligibility of applicants, the absence of double funding and compliance with state aid regulation.
Quality Assessment	The quality assessment is undertaken by external assessors. According to the information collected through interviews, the Programme opted for external assessors mainly due to limited number of staff currently

	employed at MA/JS level.
	External assessors have been selected through calls. The Managing Authority prepared the ToR by focusing on 2 criteria: 1) minimum number of years of experiences in the related sector (variable from one priority axis to another) 2) experiences in assessing proposals.
	For each priority axis, 3 assessors were selected: 2 of them are directly appointed to carry out the assessments while 1 is "in reserve", to ensure continuity in the event that one was unable to complete the task. The final score is an average of the two assessments.
	Between the first and the second call, the organisation of the activity of the external assessors was revised. During the first call the two external assessors working of the same PA were invited to present their work directly to the JSC without a preliminary check from the JS. In some cases, the assessments were extremely divergent which made difficult for the JSC members to synthesise the information.
	For this reason, under the second call, the approach was adjusted by foreseeing a preliminary check, made by the JSC non-voting member and JS, of the work done by the external assessors.
	According to the information collected through the interviews, this new approach facilitated the work of the JSC but this did not prevent differences in the points of view of the two evaluators which may remain. In such cases (more than 16 points of difference in the assessment) the proposal had to be reassessed by JSC voting members.
Definition of the projects list	The final list of projects to be approved is prepared by the JSC according to the assessments made by the external assessors.
	The JSC was set-up by the Programme in accordance with Regulation 447/201 which foresees the option to appoint a committee with the aim to monitor and lead the assessment process. The JSC, as well as the JMC, is in charge of defining the final list of projects. In case of differences in the scores assigned by the external assessors the JSC re-assesses the proposal.
Approval of the final list	The list is then presented by the JSC to the JMC that can only approve or reject the list (moving projects up or down in the list is not allowed).
	Once the final list is ready, the MA provides feedback to all applicants based on an assessment summary prepared by the external assessors illustrating the weaknesses and strengths of the project proposals.
Contracting phase - Optimisation phase	Once approved, there is an optimisation phase, allowing for intervention such as budget readjustments or minor changes in workplan timing and in the quantification related to deliverables or project proposals.
	In this phase, the project proposal is checked by MA and JS staff in order to see whether or not there are any ineligible costs, or other budget matters to address. Not only do they check the budget, but also the entire application in terms of outputs, target value, communication and all the other elements that could potentially be improved without significant changes to the original project proposal.
	If any clarification is needed, there is a one-week deadline to clarify and respond to any questions. Upon receipt of the answers, the MA organises

	a meeting to address these questions. Meetings are very useful for agreeing on corrections together (some projects make mistakes quantifying outputs). After this meeting, the starting date of the project is agreed.
Contracting phase – Signature	The last phase, before implementation of the approved projects, is the contracting phase. The MA drafts subsidy contracts using a standard template approved by the JMC. The template is developed in compliance with the applicable laws of the Republic of Croatia and the principles of the institution where the Managing Authority is placed. The subsidy contract is addressed to the lead beneficiary, appointed by the partnership in accordance to Article 40(6) of Commission Implementing Regulation No 447/2014, and is signed by the legal representative of the lead beneficiary institution and by the Managing Authority.

2.2.3 Are the project assessment and selection process sound, efficient, transparent and fair (EQ 6)?

Data sources:

The selection process was described in the previous table. The eligibility check (performed by the JS) is followed by the quality assessment (performed by the external assessors).

Concerning the eligibility criteria, information collected through the interviews raise no doubts regarding the transparency and fairness of the verifications made by the JS. The only criticism concerns some of the eligibility criteria choices (not therefore the verification of the same criteria by the JS which is considered fair and transparent). In particular, in the context of the interviews with stakeholders involved in the governance of the trilateral programme, the issue was raised of the impossibility to include in the partnership the bodies managing common utilities in Bosnia and Herzegovina. These bodies are joint stock companies which exclude them as project partners, consequently excluding from the potential beneficiaries a set of stakeholders with relevant competences in specific fields (see for example the public utilities in the water sector).

Concerning the quality assessment, this is structured around three sets of criteria: (1) relevance; (2) operational; (3) Sustainability. The table below illustrates the "weight" of each criteria under the different calls launched by the Programme.

Table 2-6 "Weight" of the selection criteria

	HR- BA - ME	
	First call	Second Call
Assessment Criteria	Maximum score	Maximum score
Relevance	49	51
Operational	38	46
Sustainability	13	13

Total	100	110
	Minimum score	Minimum score
	70	78

It is interesting to notice that the Programme has slightly modified the scoring between the first and the second call. In particular a specific relevance criterion to "reward" projects contributing to the under-achieved Programme output indicators has been introduced.

The Programme foresees a minimum thresholds (i.e. 78 points in the second call). However, no minimum thresholds are established at the level of each sub criteria. This means that even a project with low relevance can be considered as eligible (if taking the maximum score under operational and sustainability criteria).

Some concerns were expressed by the JMC/NA members regarding the relevance of the projects to the local/regional strategies. A possible solution would be to give them the possibility to assess the coherence of eligible applications to their own national regional strategies. This could be done through a yes or no question (as in other Interreg programmes).

As regards the perception of applicants and beneficiaries, the survey shows that the selection process is generally considered efficient by the majority of respondents, both in terms of timing, transparency but also in terms of the quality of the criteria adopted.

Figure 2-7 Efficiency of the selection process
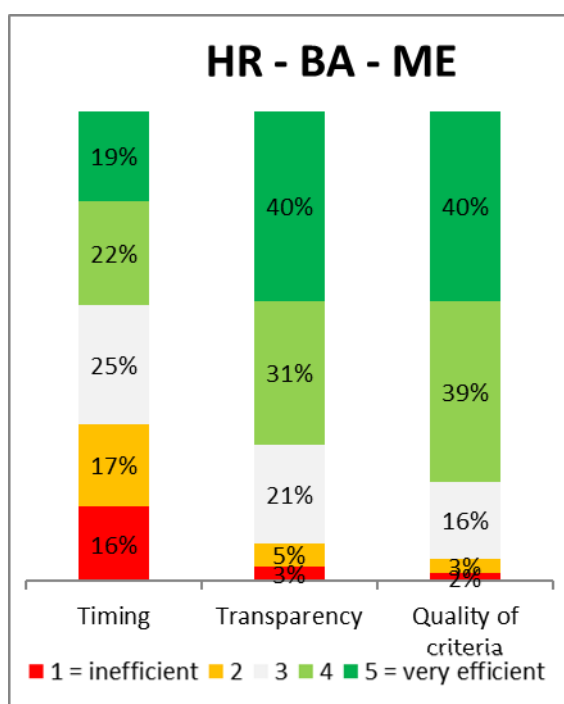
Source: Web-survey

2.3 Programme procedures and decision-making processes

2.3.1 Is the organisation of the management structure coherent with what was planned by the Programme strategy (EQ 7)?

Data sources:

The key characteristics of the management structures are presented in chapter 2.1 Overall the analysis reveals coherence with respect to what was initially structured.

The only differences with respect to what initially planned concern:

1) The merging of the Agency for Regional Development of the Republic of Croatia (initially established as MA) with the Ministry of Regional Development and EU funds. According to the information collected this merging has slightly reduced the staff involved in the management of the programme but has not affected the overall efficiency of the management structures.

2) The hiring of branch office staff by the national authorities (and not directly by the JS). According to the information collected through the interviews this is due to the Croatian laws which do not allow employees working outside Croatian territory. Consequently, the branch offices' staff of the programme was hired directly by the respective national authorities. This has not affected the overall quality or efficiency of the support provided by the JS branch offices.

2.3.2 Do the management structures allow the decision-making process to be efficient (EQ 8)?

Data sources:

As illustrated in the previous sections, the implementation of the Programme implies the constant interaction between different Programme bodies. The table below summarises the key interactions and underlines the strength and weaknesses which characterise the decision-making process. The table is mainly based on information collected through the interviews with the Programme authorities (MA, JS, JMC, FLC).

Interacting bodies	Key strengths or weaknesses
MA/JS ← → JMC	Regarding the efficiency of the decision-making process (in terms of timing for taking the decisions) the information collected reveals that the interactions between the MA/JS and the JMC were generally smooth and no major problem was observed.

	While not questioning the transparency and objectivity of the selection process, some JMC members interviewed consider that the involvement in the selection process is maybe too limited (i.e. in their opinions they are involved only in the final phase for approving or rejecting the external assessors' decisions and this is insufficient).
MA ← → JS	As underlined in section 2.1 interactions between MA and JS have been smooth and efficient. The proximity of the two staff groups (i.e. MA staff and JS staff) facilitate the exchanges and speed up the resolutions of the problems.
	The presence of MA and JS in the same country (Croatia) could have limited the capacity of the Programme to offer support in non-EU countries. The creation of a specific branch office has avoided this risk.
JS ← → Branch offices	As regards the interactions between the JS and the branch office, overall the exchanges and decision-making processes are smooth and efficient. In particular the involvement of the branch office's staff in "standard activities" ensures the constant coordination between the JS and the branch offices.
MA/JS ← → FLC	The Programme has ensured the constant coordination and support the FLC. FLC have been involved in the designing of eligibility rules since the very beginning of the implementation of the programme. Moreover, the MA/JS have organised meetings and workshops with beneficiaries and FLC to collect information on the consistency between the manuals and the Programme rules. This facilitated intervention and the resolution of possible problems. Finally, once per year, the MA organises joint meetings with FLC.
MA/JS ← → CA	Regarding the interaction between the MA/JS and the CA no specific problems were reported.

2.4 Project implementation monitoring procedures

2.4.1 At what extent the procedures for managing the payment and certification is effective (EQ 9)?

Data sources	📖	🗣

The process for claiming and certifying the expenditures is organised around three main types of reporting phases:

- the first progress report covers first three months of the operation implementation. Partners must submit it within 15 days from the end of the reporting period. This helps to provide a quick feedback on the very early project phases and, in case of crucial mistakes, to be able to intervene promptly.
- the other progress reports cover every 6 months of operation implementation, to be submitted with 15 days from the end of the reporting period;
- the final report covers the last months of the operation, 6 months or less, and must be submitted within 1 month of the implementation end date.

Figure 2-8 Process for claiming and certifying the expenditures: three key phases
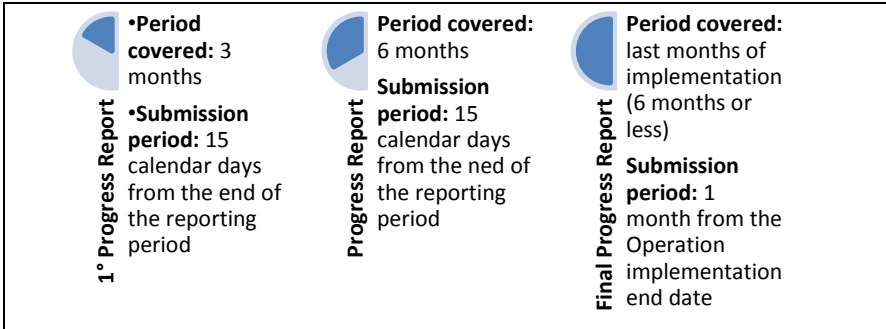
Source: own elaboration from the IPA CBC Control Guidelines

Each reporting phase is characterised by the key steps summarised in the following scheme.

Figure 2-9 Process for claiming and certifying the expenditures: interactions between the beneficiaries and Programme bodies
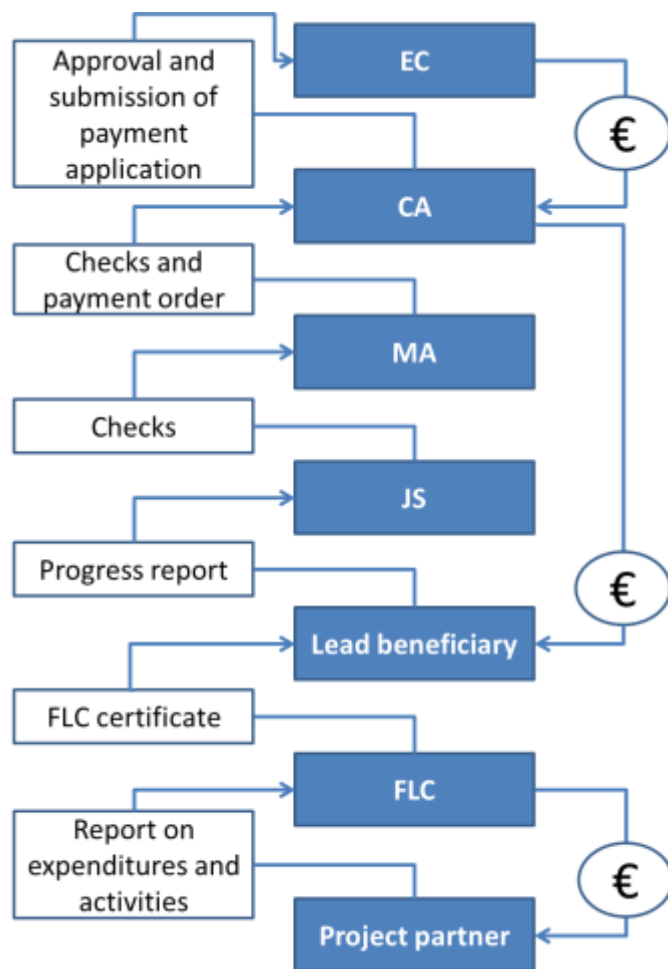
Source: own elaboration from the IPA CBC Control Guidelines

As for the interactions among beneficiaries, FLC and MA/JS, the key role of the FLC is to check the legality and regularity of the expenditures declared by each project partner participating in the operation located in its territory. The validation of partner progress should be carried out within a maximum of 3 months following submission. After the issuance of FLC certificates to all the operations, the Lead partner prepares the project report to be submitted via eMS first to the JS and then to MA within 1 month. In this phase the JS and the MA oversee the administrative check, control the content and may apply financial corrections. Once the report is approved, the MA issues payment and forwards the documentation to the Certifying Authority.

According to the information collected from interviews with Programme bodies, some beneficiaries are complaining on six-month reporting period as it takes them a long time for reimbursement. In practice, sometimes the invoice paid at the beginning of reporting period is reimbursed a year later. However, as illustrated in the next section, opinion from beneficiaries involved in the web-survey, indicate a general appreciation regarding the payment and certification process.

It is important to underline that all exchange of documents between beneficiaries, FLC and Programme bodies are made via eMS.

FLC are selected by the National Authorities who are also responsible for defining the national control system (through a specific manual). In Croatia the FLC are state officials of the Ministry of Regional Development and EU Funds (which is also the MA), in Bosnia and Herzegovina the appointed control body is the Ministry of Finance and Treasury of Bosnia and Herzegovina while in Montenegro is the Ministry of Finance of Montenegro.

According to the information collected from the interviews, FLC have been involved in the designing of eligibility rules since the very beginning of the Programme implementation. In general both MA/JS officers and FLC interviewed agreed that the programme is characterised by a good cooperation between the Programme management structures (MA and JS). In it is interesting to underline that once per year MA organises a specific meeting for the FLCs from partner countries (joint FLC networking event).

Some of the interviewees also underline that the controls process is sometimes slow due to the different legal frameworks between Croatia and the partner countries. In general, as the analysis of the financial progress shows (see chapter 4) these problems have not affected the capacity of absorb the available resources.

Finally, it is also important that the Programme is fully compliant with the requirements set out in the omnibus regulation in terms of use of simplified cost options. The Programme has in fact made mandatory the use of SCO for small operations (i.e. by using flat rates foreseen under Art. 19 ETC Reg. and Art. 68(1)(b) CPR).

2.4.2   How well does the Programme support beneficiaries during project implementation (EQ 10)?

Data sources:

Besides the direct support provided by the JS officers, beneficiaries make use of specific Project implementation Manual, guidance on the control processes (i.e. "Control guidelines") and on the eligibility of expenditures (i.e. "Programme rules on eligibility of expenditures"). Moreover, the Programme has organised workshops and meetings with the beneficiaries to provide clarifications and support during the implementation of the project activities.

The data collected through the survey reveals that beneficiaries are largely satisfied with the support provided during the project implementation.

As the figure below shows, beneficiaries consider the information provided in the Project Implementation Manual helpful (i.e. more than 80% of respondents rated 4 or 5 the "helpfulness" of the manual).

Figure 2-10 Helpfulness of the project implementation manual

| HR-BH-ME | 2% | 12% | 37% | 47% |

■ 1 = not helpful   ■ 2   ■ 3   ■ 4   ■ 5 = very helpful
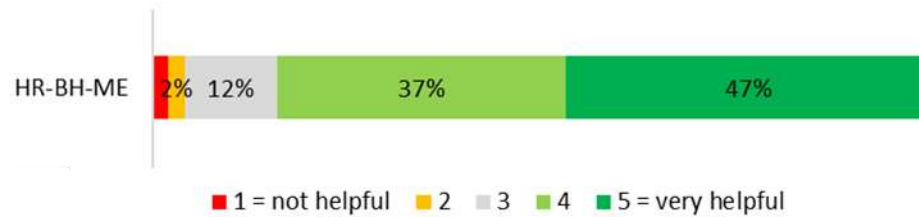
Source: Web-survey

Moreover, beside the good quality of the project implementation manual, the survey shows that beneficiaries consider the system adopted for managing the payment claims as generally efficient.

Figure 2-11 Efficiency of the monitoring system for managing the payment claims

| HR-BH-ME | 2% 5% | 25% | 27% | 40% |

■ 1=inefficient   ■ 2   ■ 3   ■ 4   ■ 5=very efficient
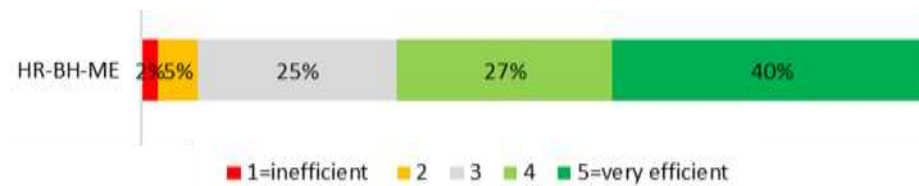
Source: Web-survey

2.4.3   Does the Programme dispose of an effective monitoring system (EQ 11)?

Data sources: 📖 🗣️

The specific characteristics of the indicators as well as the state of progress in their achievements are assessed in chapter 3. This section focuses on the electronic monitoring system used by the programme.

According to the art.22 of EU Regulation 1303/2013, to ensure efficient implementation of the ESI Funds, all the exchange of information between beneficiaries, the managing authorities and other Programme bodies, need to be carried out via electronic data exchange systems.
The Programme is fully compliant with this requirement, selecting the eMS as monitoring system, which facilitates collection and storage of all the information on project progress electronically via a secure online communication portal.
The eMS is a new system and the MA takes part in the core group facilitated by INTERACT aiming to support Programme bodies to develop and maintain it efficiently.
Currently there is one eMS officer in the MA. Moreover, external providers have been hired to support the MA and the Programme bodies during the project implementation (e.g. by cleaning bugs and upgrading the system when required).

The eMS is used in different phases of the project's cycles. When:

1) applicants submit their application;
2) eligibility check is made by the JS;
3) quality assessments are made by external assessors;
4) Payments claims are submitted to the FLC (by the project partners);
5) Beneficiaries submit payment claims on eMS;
6) Lead beneficiary submit the progress reports to the JS/MA;
7) MA submits the payment order to the CA.

According to the information collected from the interviews, Programme bodies (MA and JS members in particular) consider that eMS allows to monitor the progresses of the projects. Interviewees underline the importance of the information provided in the progress reports.

However, in their opinion the eMS reveals some weakness in aggregating data and reporting them in useful formats. This leads the MA to use additional tools (such as Microsoft Excel) to cross-check information provided by the projects and build a more complete frame of the programme's progress.

3   Implementation of Interreg IPA programme

3.1   Procedures for monitoring the implementation of the programme

3.1.1   Is the monitoring system coherent with the regulatory framework and able to capture the output and result expected by the projects - in terms of indicator system (EQ 12)?

Data sources:
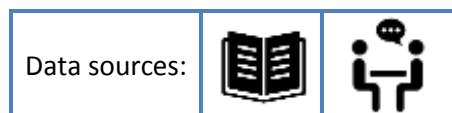
In compliance with Article 27 of EU Regulation 1303/2013, the Programme *"had set out indicators and corresponding targets expressed in qualitative and quantitative terms (…) in order to assess progress in Programme implementation aimed at achievement of objectives as the basis for monitoring, evaluation and review of performance."*

These indicators include:

- Financial indicators relating to expenditure allocated;
- Output indicators which are directly linked to the measures and operations;
- Programme results indicators which capture the expected change in the Programme area.

The Programme defined for each selected indicator baselines and target values and provided information on calculation formulas and data sources in the ex-ante evaluation and in Annex 19 of Programme documents.

Furthermore, the programme, in compliance with article 16 of the Reg. (EU) n.1299/2013 selected common output indicators as laid down by Funds-specific rules.

The analysis of the programme's indicator system and its compliance with relevant EU regulations had been already assessed in the ex-ante assessment.

Financial and output indicators

The tables below detail the output and financial indicators selected by the Programme including the target values expected by 2023. As can be noted, for each priority axis there are specific output, common output and financial indicators. The only exception is represented by PA3 which does not foresee any common indicator.

Table 3-1 Output and financial indicator Interreg IPA CBC Croatia-Bosnia and Herzegovina- Montenegro

PA	Type of indicator	Title of the indicator	Unit of measurement	Target value 2023
PA1	Output	Number of jointly developed and/or implemented tools and services that enable better quality of health and/or social care services	Number	11
	Output	Number of participants in joint education and training schemes on health and/or social care	Number	343

PA	Type of indicator	Title of the indicator	Unit of measurement	Target value 2023
	Common	Population covered with improved health and/or social care services (CI)	Number	300,000
	Financial	Amount of certified expenditure	EUR	8,573,297
PA2	**Common**	Surface area of habitats supported in order to attain a better conservation status (ha) (CI)	Ha	14
	Output	Area covered by improved emergency preparedness and risk prevention systems	Km2	17
	Common	Population benefiting from flood protection measures (CI)*	Number	150,000
	Output	Additional capacity of renewable energy production (MW)	MW	32
	Financial	Amount of certified expenditure	EUR	14,288,830
PA3	Output	Number of joint tourism offers/products developed and/or implemented and promoted	Number	23
	Output	Number of tourism providers with (international) certifications and standards	Number	10
	Output	Number of tourism supporting facilities and/or tourism in infrastructure developed and/or improved	Number	13
	Output	Number of sustainable management plans for cultural and natural heritage sites developed and/or implemented	Number	7
	Output	Number of participants trained in quality assurance, standardisation on cultural and natural heritage and destination management	Number	343
	Output	Number of cultural and natural assets developed and/or improved	Number	14
	Financial	Amount of certified expenditure	EUR	17,146,595
PA4	Output	Number of cross-border business clusters and/or networks developed and/or implemented	Number	11
	Output	Number of business support institutions supported	Number	17
	Output	Number of laboratories and/or competence centers jointly used by the entrepreneurs developed or improved	Number	16
	Common	Number of enterprises and business support institutions cooperating with research institutions (CI)*	Number	23
	Financial	Amount of certified expenditure	EUR	11,431,063

Result indicators

According to the logical framework proposed by the EC for the 2014-2020 period[1] result indicators are variables that provide information on some specific aspects of well-being which motivate policy actions. Result indicators are not supposed to measure the direct impacts of the programmes, rather they measure the changes in the characteristics of a given area due to Programme interventions and/or other factors (i.e. factors external to the programmes, see figure below).

Figure 3-1 Logical framework for the 2014-2020 period
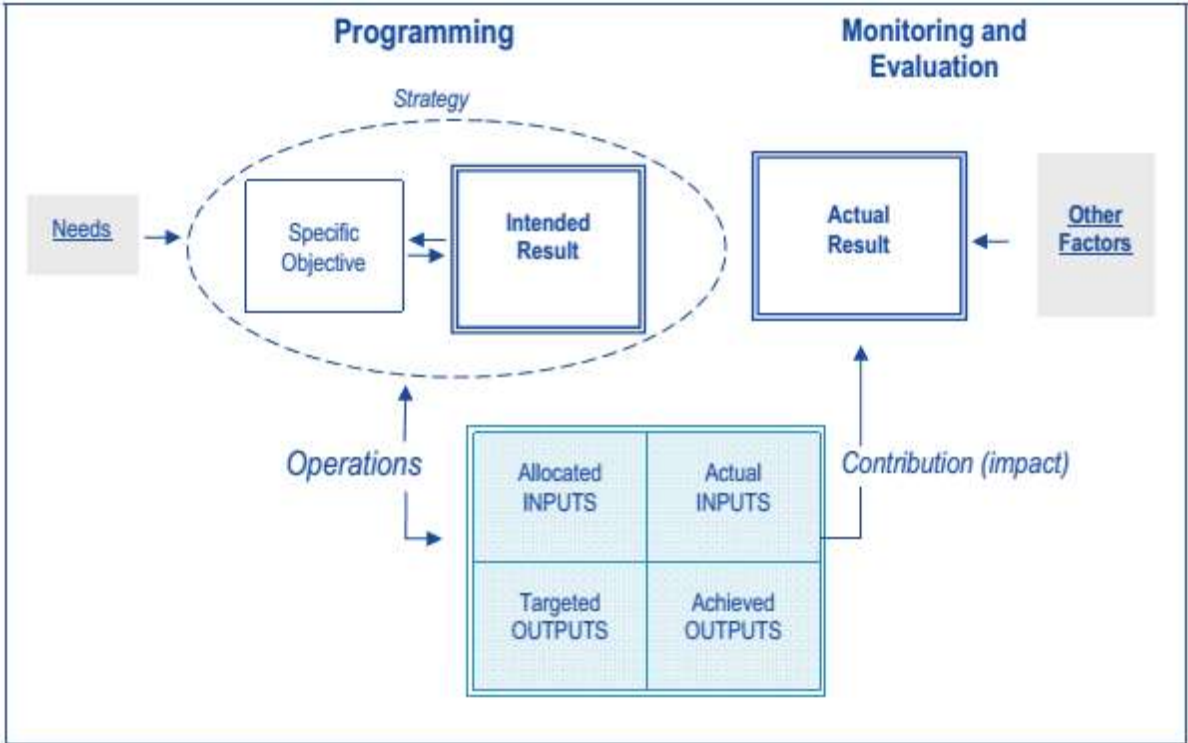
Source: EC guidance document on monitoring and evaluation

Aligned with the regulatory framework the Programme has defined at least one result indicator per each SO and each indicator has a baseline value. As illustrated by the table below the results indicators selected are built on statistical data (e.g. from data provided by the national statistical agencies).

According to the information collected from the interviews, the monitoring of the result indicators is particularly demanding due the fact that (1) different statistical methods and standards are used in EU MS and non-EU MS; (2) territorial features of the programme imply to have data at regional level. However, it is also important to underline, that consistent with the characteristics of the logical framework presented in the figure above, the Programme does not have specific indicators measuring the results of the projects (i.e. the result indicators measure the changes at Programme level). This means that, at the current stage, the Interreg IPA CBC Programme (as most Interreg programmes) have indicators measuring the projects output but do not have any indicators measuring the direct results produced by the projects.

Table 3-2 Programme result indicator – IPA CBC Croatia-Bosnia and Herzegovina- Montenegro

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[1] European Commission (2014), Guidance document on monitoring and evaluation. Concepts and recommendations – DG Regional and Urban Policy.

PA	Result indicator	Unit	Baseline (2014)	Target (2023)	Calculation formula
PA 1	The level of accessibility and availability of the services within public health care sector	%	44%	75%	N/A
PA 2	Disaster response capability in the Programme area	%	55%	89%	The baseline was determined based on the assessment of the institutions responsible for disaster response capability for the status of the Programme area in the category of public health care. The baseline and the target value are calculated at the level of percentages for 2015 and 2023. However, the percentage calculation/assessment is envisaged to be assessed for 2018 and 2020 as well.
	Energy consumption by public buildings in the Programme area	kWh	2,697,101,345.25	2,508,304,251.08	N/A
PA 3	Increase in arrivals of non-residents staying in hotels and similar establishments	N.	73.522.546	73.591.990	It is assumed that with an investment of 1000 euro an extra overnight stay can be realised and that therefore 7715 overnight stays can be achieved per year. In a 9 year period 69.443 overnights can be achieved.
PA 4	Range of cluster activities enhancing innovation, new technologies and ICT solutions	N.	33	49	N/A

Source: Annex 19 of Programme document

In relation to the specific EU requirements in terms of electronic monitoring system, as illustrated in the previous section (see section 2.4.3) the Programme uses eMS which allows to exchange information with beneficiaries electronically.

3.1.2 How frequently the Programme implements monitoring activities and which are the tools used? To what extent these monitoring activities are perceived in terms of administrative burden (EQ 13)?

Data sources:

As explained in section 2.4.1, every six months (except for the first progress report which covers the first three months) beneficiaries should report on the activities and expenditures (by taking into account that payments of costs incurred in the last reporting period must take place within one month after the operation implementation end date).

Every six months (except for the first progress report) beneficiaries submit the progress report and the list of expenditures to the national control system (via eMS). Once the reports are submitted, the

Control body has three months to validate it and during that period beneficiaries can be asked to provide clarifications or additional information within seven working days of the request. All these exchanges occur electronically.

Respondents to the web survey were asked to assess the level of efficiency of the monitoring activities with reference both to the delivery (timeline, frequency of the monitoring activities) and the handling of the progress reports.
The feedback received shows that beneficiaries are generally satisfied about the quality of the tools used.

Figure 3-2 Efficiency of the monitoring of operations
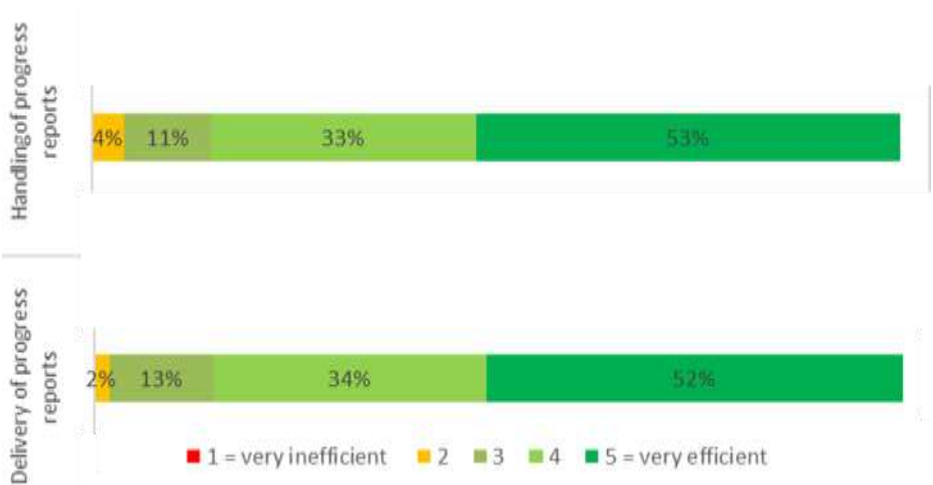
Source: web-survey

The efficiency of the monitoring system is reflected in the perceptions of the respondents over the administrative burden, with most respondents considering that the monitoring system adopted contributes to reduce the overall administrative burden (see figure below).

Figure 3-3 Does the monitoring system contribute to reduce the administrative burden?
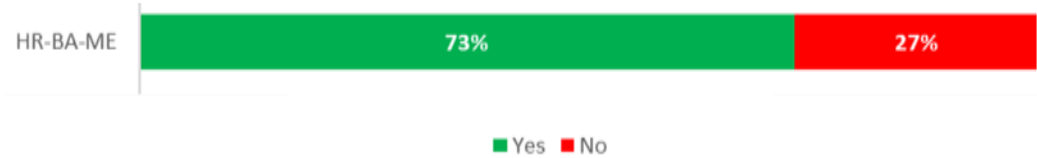
Source: web-survey

3.2 Progress in achieving the objectives and results of the Programme

3.2.1 To what extent are the specific objectives contributing to the overall Programme objective (EQ 14)?

Data sources	📖	🗣

In contrast to the previous programming period (i.e. 2007-2013) in 2014-2020 programme was not asked to define an "overall Programme objective" but to define specific objectives reflecting the specific needs and challenges of a given area.

Coherently with this new approach, the Programme document does not include a specific section providing a definition of the overall Programme objective. However, section 1.6 provides general description of the overall strategic framework which also includes a possible definition of the "overall Programme objectives".

Box 3-1 Overall Programme objectives: definition taken from the Programme documents

"The aim of this Programme is to increase socio-economic growth of the Programme area through interventions in the areas of health and social care, environment and nature protection, risk prevention, sustainable energy and development of sustainable tourism and business environment."

The overall objective is pursued through a set of specific objectives which are, as highlighted in the ex-ante evaluation, strongly interdependent and complementary. To verify to which extent the SO are currently contributing to the overall Programme objective (i.e. EQ 14) we have verified the state of progress of the result indicators, which, are the variables/proxies measuring the progress in the achievement of the programme specific objectives.

The table below provides an overview of the state of progress of the result indicators. The table is based on the information presented in the AIRs 2018 submitted to the EC in 2019.

Table 3-3 State of progress of the result indicators – IPA CBC Croatia-Bosnia and Herzegovina- Montenegro

PA	INDICATOR NAME	UNIT	BASELINE VALUE	TARGET VALUE (2023)	AIR VALUE (2018)
PA1	The level of accessibility and availability of the services within public health care sector	%	44	75	**57.11**
PA2.1	Disaster response capability in the Programme area	%	55	89	**63,21**
PA2.2	Energy consumption by public buildings in the Programme area	kWh	2,697,101,345.25	2,508,304,251.08	**Data not delivered**
PA3	Increase in arrivals of non-residents staying in hotels and	Number	73,522,546.00	73,591,990.00	**59,114,676**

	similar establishments				
PA4	Range of cluster activities enhancing innovation, new technologies and ICT solutions	Number	33	49	**Data available only for some Programme areas**

Source: AIR 2018

As the table reveals, the progress towards the achievements of the targeted results vary across the PA. In the case of PA 1 and PA 2.1 we can observe progresses in the direction of the targeted changes. Conversely, for PA 3 we observe a significant decrease in the number of tourists' arrivals that, as explained in the air, is due to factors which are external to the Programme implementation. Finally, the table indicates problems in monitoring the result indicators for PA 2, SO 2.2 and PA 4.

The analysis of the progress of the output indicators indicates that the Programme has already undertaken a significant number of activities. This confirms the information gathered through the case studies, meaning that the Programme is already producing tangible outputs and benefits for the citizens living in the programme's area, even if, at the current stage, this progress is not captured by the monitoring of the result indicators.

Regarding the output indicators the table below also highlights the presence of: (1) underachieved output indicators (see red rows); (2) possible problems in the monitoring of the indicators (see yellow rows).

Underachieved indicators

- "Population covered with improved health services and/or social services or facilities". The forecast of the approved projects is far from the initial target of 300,000 of inhabitants.
- "Additional capacity of renewable energy production".: also in this case 32 MW does not correspond to the to the correct application of the formula provided in Annex 19 of the CP (i.e. 300-500 kW x7= 2100-3500 kW = 2,1-3,5 MW. = 3,5 MW and not 32 MW)
- "Population benefiting from flood protection measures (CI)". According to the information presented in the AIR, the projects approved under PA 2 expect to benefit 5,000 persons, which is the 3% of the target foreseen for 2023.

Possible problems/inconsistencies in the data reported by beneficiaries

- "Surface area of habitats supported in order to attain a better conservation status". According to the information presented in the AIR, the projects approved under PA 2 expect to cover more than 43,000 ha (against an initial target for 2023 of 14 ha). This difference raises doubts about the consistency of the approach used by the beneficiaries to quantify the indicator (with respect to the approach adopted by the programme).
- "Area covered by improved emergency preparedness and risk prevention systems". According to the information presented in the AIR, the projects approved under PA 2 expect to cover more than 16,000 km2 (against an initial target for 2023 of 17 km2). This difference

raises doubts about the consistency of the approach used by the beneficiaries to quantify the indicator (with respect to the approach adopted by the programme).

Table 3-4 State of progress of the output indicators of Interreg IPA CBC Croatia-Bosnia and Herzegovina- Montenegro

PA	Type of indicator	Title of the indicator	Unit	Target value 2023	AIR 2018 forecast	AIR 2018 achieved
PA1	Output	Number of jointly developed and/or implemented tools and services that enable better quality of health and/or social care services	Number	11	12	5
	Output	Number of participants in joint education and training schemes on health and/or social care	Number	343	235	288
	Common	Population covered with improved health and/or social care services (CI)	Number	300,000	26,820	10,946
PA2	**Common**	Surface area of habitats supported in order to attain a better conservation status (ha) (CI)	Ha	14	43,399	1.1
	Output	Area covered by improved emergency preparedness and risk prevention systems	Km2	17	16,138	16,138
	Common	Population benefiting from flood protection measures (CI)*	Number	150,000	5,000	0
	Output	Additional capacity of renewable energy production (MW)	MW	32	1.56	1.12
PA3	Output	Number of joint tourism offers/products developed and/or implemented and promoted	Number	23	12	2
	Output	Number of tourism providers with (international) certifications and standards	Number	10	46	29
	Output	Number of tourism supporting facilities and/or tourism in infrastructure developed and/or improved	Number	13	12	2
	Output	Number of sustainable management plans for cultural and natural heritage sites developed and/or implemented	Number	7	10	1
	Output	Number of participants trained in quality assurance, standardisation on cultural and natural heritage and destination management	Number	343	277	104
	Output	Number of cultural and natural assets developed and/or improved	Number	14	26	10
PA4	Output	Number of cross-border business clusters and/or networks developed and/or implemented	Number	11	9	6
	Output	Number of business support institutions supported	Number	17	26	10
	Output	Number of laboratories and/or competence centers jointly used by the entrepreneurs developed or improved	Number	16	8	4
	Common	Number of enterprises and business support institutions cooperating with research institutions (CI)*	Number	23	36	0.

Source: AIR 2018

3.2.2   Is the distribution of the resources per axis and OS coherent with the programming (EQ 15)?

Data sources:	📖

This section compares the distribution of the resources as initially planned (i.e. planned in the Programme document) to the distribution of the total eligible costs of the operations selected (presented in the AIRs 2018).

As the figure below shows, as can be expected the TA is absorbing resources faster than the other axes (i.e. at the current stage 22% of the allocated funds went to finance TA projects while the PA 5 is expected to absorb no more than 10% of the total Programme budget). Concerning the other axes, while axes 1, 2, and 4 shows a distribution of the allocated resources in line with was initially planned, the eligible costs of the operations selected under axis 3 appears for the moment lower than expected.

Figure 3-4 Distribution of the funds programmed Vs distribution of allocated funds: Interreg IPA CBC Croatia- Bosnia Herzegovina - Montenegro
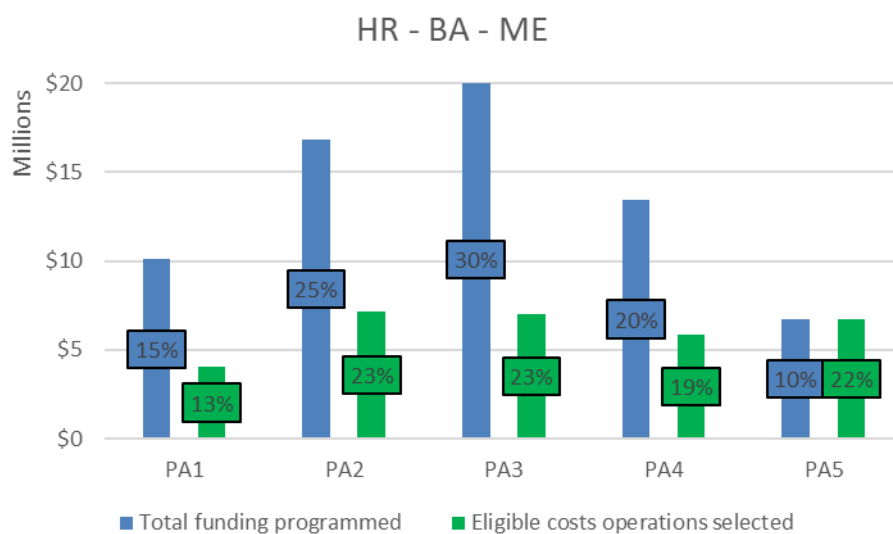
Source: Programme document and AIR 2018

3.3 Progress in achieving the target values in the performance framework

3.3.1 State of play of Programme in achieving target values in the performance framework (EQ 16)?

| Data sources | |

Consistent with the regulatory framework, the programme has defined a performance framework to monitor their respective progress.

The progress is reported in the AIR 2018 submitted to the European Commission this last June. The AIR illustrates the progress made during the first four years of implementation (by December 2018).

This section presents the analysis of the progress made in achieving the target values in the performance framework.

The table below provides an overview of the performance framework of the trilateral Programme. The analysis reveals that the Programme, despite some delays in the approval of the projects under the second call, is generally overperforming compared to the initial milestones, both at the level of financial progress (i.e. certified expenditure), and at the level of progress of the output indicators. As regards the financial indicators, we can observe that all four axes have certified more expenditures than expected, with axis 1 having certified more than double of the expenditures initially planned. Similarly, all output indicators have passed the milestones planned for 2018.

Table 3-5 Overview of the performance framework of the Interreg IPA CBC Croatia – Bosnia and Herzegovina - Montenegro

PA	Indicator	Milestone 2018	Final target 2023	AIR 2018	AIR 2018 / Milestone
1	Certified expenditure	625,000	8,573,297	1,304,600	209%
1	Number of jointly developed and/or implemented tools and services that enable better quality of health and/or social care service	3	11	5	167%
1	Number of participants in joint education and training schemes on health and/or social care	70	343	288	411%
2	Certified expenditure	1,050,000	14,288,830	1,959,992	187%
2	Projects contracted	6	12	7	117%
3	Certified expenditure	1,250,000	17,146,595	1,889,396	151%
3	Number of joint tourism offers/products developed and/or implemented and promoted	1	23	2	200%
3	Number of tourism providers with (international) certification and standards	2	10	29	1450%
3	Number of participants trained in quality assurance, standardisation on cultural and natural heritage and destination management	40	343	104	260%
3	Number of cultural and natural assets	3	14	10	333%

P A	Indicator	Milestone 2018	Final target 2023	AIR 2018	AIR 2018 / Milestone
	developed and/or improved				
4	Certified expenditure	1,000,000	11,431,063	1,635,506	164%
4	Number of business support institutions supported	5	17	10	200%
4	Number of laboratories and/or competence centres jointly used by the entrepreneurs developed or improved	1	16	4	400%

Source: AIR 2018

As for the progress in absorbing the available financial resources, data provided by the EC (see cohesiondata.ec.europa.eu) facilitate a comparison the progress made the Programme with the other Interreg and IPA-CBC Programmes. The figure below is based on the EC data and compares the performance of all IPA-CBC; the percentage represents the amount of eligible costs declared by the beneficiaries in 2019 out of the total Programme budget. The performance of the Interreg IPA CBC Croatia – Bosnia and Herzegovina - Montenegro Programme is slightly below the average but is still performing better than other IPA CBC (see in particular the IPA CBC managed by Italy and Greece).

Figure 3-5 Eligible expenditure declared by beneficiaries out of the total Programme budget
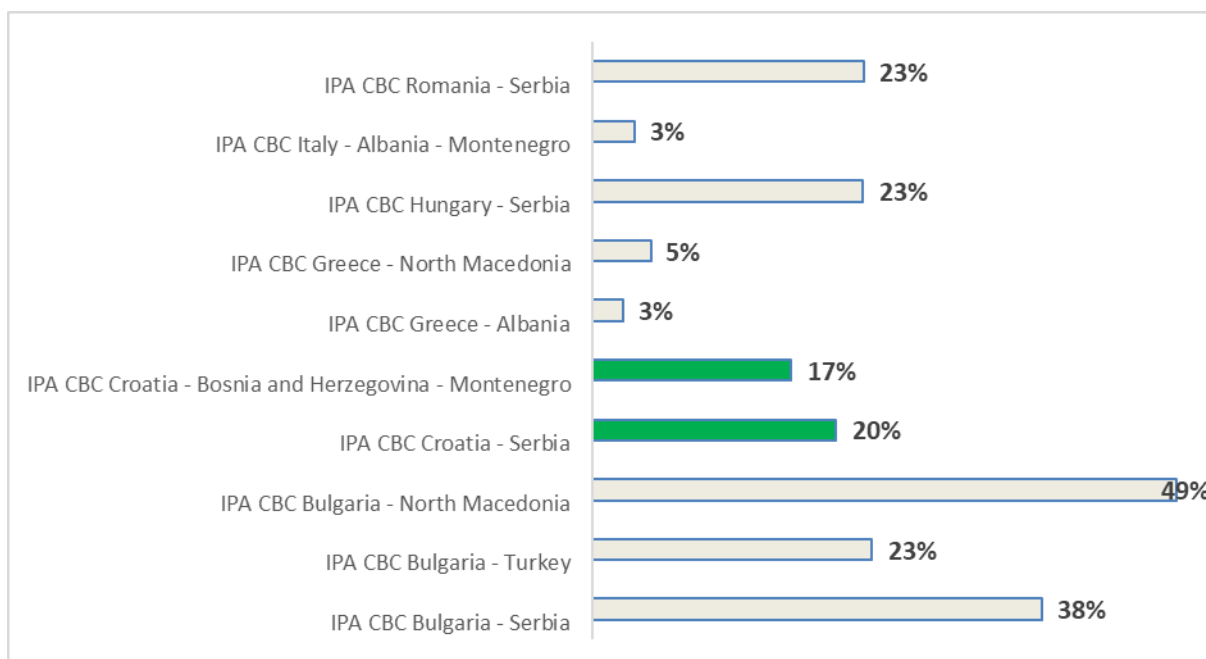
Source: cohesiondata.ec.europa.eu

3.3.2   Is the performance framework structured in such a way that the target values are effectively reachable (EQ 17)?

Data sources			

As seen in the previous section, the Programme is generally overperforming compared to milestones set for 2018, both at the level of financial progress and at the level of progress of the output indicators.

If we look to the final targets for 2023 (see the two tables below) the analysis confirms good progress made:

- one indicator has already achieved the targets for 2023 and four others have already achieved more than half than what was planned;
- three indicators are between the 20% and 50% of the final targets which, from our perspective, make the final targets effectively reachable;
- five indicators are below the threshold of 20% with respect to the final target (see yellow cells below). In this case the final targets seem to be reachable, however an adequate monitoring system is recommended.

Table 3-6 PF Croatia – Bosnia and Herzegovina - Montenegro - Progress towards the final target for 2023

PA	Indicator	AIR 2018 / FT 2023
1	Certified expenditure	15%
1	Number of jointly developed and/or implemented tools and services that enable better quality of health and/or social care service	45%
1	Number of participants in joint education and training schemes on health and/or social care	84%
2	Certified expenditure	14%
2	Projects contracted	58%
3	Certified expenditure	11%
3	Number of cultural and natural assets developed and/or improved	71%
3	Number of joint tourism offers/products developed and/or implemented and promoted	9%
3	Number of participants trained in quality assurance, standardisation on cultural and natural heritage and destination management	30%
3	Number of tourism providers with (international) certification and standards	290%
4	Certified expenditure	14%
4	Number of business support institutions supported	59%
4	Number of laboratories and/or competence centres jointly used by the entrepreneurs developed or improved	25%

Source: AIR 2018

The perception of the reachability of the target values is shared by beneficiaries. As illustrated by the bar chart below, most respondents consider that the target values for the project outputs will be easily reachable.

Figure 3-6 Reachability of the target values for the output indicators
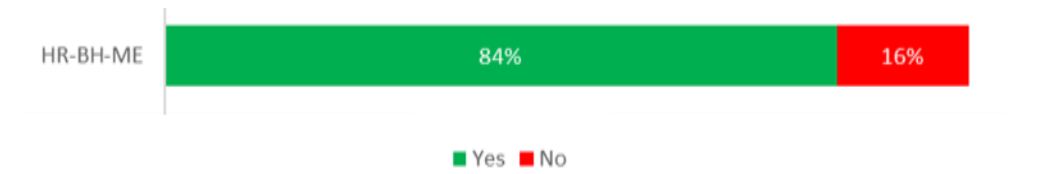
Source: web-survey

3.3.3 How effective is the Programme in supporting beneficiaries in the implementation of their project activities (EQ 18)?

Data sources:
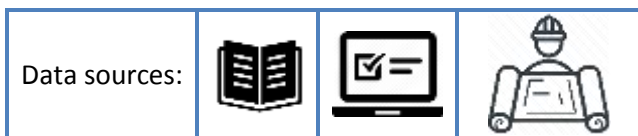
Section 2.4.2 has illustrated the good quality of the support provided to beneficiaries in relation to the management of the payment claims. Respondents to the survey were also asked to share their opinion about the overall quality of the support provided by the Programme during the implementation of the projects. As the figure below shows the support provided by the Programme authorities is generally considered very helpful (56% of the respondents) .

Figure 3-7 Helpfulness of the support provided by the Programme in the implementation of the project

Source: web-survey

Inputs coming from the web-survey are supported by the qualitative information collected through the case studies. Most project partners interviewees consider the support received from the MA and JS as extremely helpful and they stressed the important role played by the project managers in supporting them during all different steps of the project implementation.

3.4 Contribution to the objectives of Europe 2020 Strategy and to macro-regional strategies

3.4.1 To what degree does the Programme implementation contribute to the EU2020 strategy (EQ 19)?

Data sources:			

The programme's strategy was drafted by considering the Europe 2020 targets and flagship initiatives. The ex-ante evaluation carried out during the programming phase have highlighted the potential contribution to the Europe 2020 strategy.

The information collected from the case studies confirm the potential, in particular in relation to the smart and sustainable development targets. For example, the case studies reveal the capacity of the projects to reduce emissions, to increase the production of energy from renewable sources and to increase the energy efficiency. The table below summarises some of the outputs and results realised by the projects that were analysed. The information presented is aimed at illustrating the potential of the projects in terms of contribution to the Europe 2020 strategy.

Table 3-7 Examples of projects contribution to Europe 2020 strategy goals

	HR-BA-ME
Smart	CODE • Creation of co-working spaces in Zadar, Mostar, Nikšić and Tuzla to improve the environment for start-ups and, more generally to enhance business infrastructure in the area.
Sustainalble	SMART SCHOOLS • Five biomass heating were installed in five different schools • Students of the area were involved in activities (trainings and competitions) aimed at making them behave more responsibly and efficiently in energy management
Inclusive (education)	MELADetect • Approximately 500 medical professionals who improved their competences on melanoma and on methods for early detection.

Source: case studies

3.4.2 To what degree does the Programme implementation contribute to relevant macro-regional strategies - EU strategy for the Danube Region and the EU Strategy for Adriatic-Ionian Region (EQ 20)?

Data sources:			

The Programme area is part of the territories involved in the EU Strategy for the Danube Region (EUSDR) and the EU Strategy for Adriatic Ionian Region (EUSAIR). Consequently, the programme's strategy was defined in order the ensure coherence with the objectives set out by the two macro regional strategies (as clearly illustrated in the two ex-ante evaluation reports).

The preliminary information collected through the case studies on the potential impacts of the projects financed offer some examples of the contribution to the EUSDR and EUSAIR objectives.

Several case study projects show a clear link to Pillars and Priority Areas of the EU macro-regional Strategy for the Danube Region (EUSDR). In particular, the analyses of the projects reveal a direct contribution to:

- Priority Area 2 "Sustainable energy" (from *SMART SCHOOLS*);
- Priority Area 3 "Culture & Tourism" (from *Becharac & Ganga*);
- Priority Area 7 "Knowledge Economy" (from *CODE*);
- Priority Area 8 "Competitiveness of Enterprises" (from *CODE*);
- Priority Area 9 "People and Skills" (from *SMART SCHOOl*).

In relation to EUSAIR a clear direct contribution to its objectives is made by the project *SMART SCHOOLS* (Pillar 2 "Connecting the Region", topic 3 on energy).

3.5 Respecting horizontal principles

3.5.1 *To what extent are the horizontal principles integrated into the Programme management arrangements (EQ 21)?*

Data sources:

The section 6 of the Programme document provides the description of the specific actions undertaken to promote equal opportunities and non-discrimination. The integration of such principles embraces all key phases of the Programme life-cycle:

- Programming phase: the SWOT analysis and the situation analysis (annex 7) detected the most exposed social groups to the risk of discrimination. In particular, PA1 stresses the importance to facilitate access of vulnerable people to public health;
- Selection of operation: the contribution of the projects to these principles is checked in the quality assessment under the sustainability criteria.
- Monitoring phase: in particular for projects financed under PA1. These projects are requested to monitor a set of indicators with a clear relevance in terms equal opportunities.

Moreover, all operations should be aligned with the objectives of protection and improvement of the environment. Special attention is given to the recommendations and requirements made during the

programming phase by the Strategic Environmental Assessment (SEA) experts. These requirements are especially relevant for projects financing infrastructures and investments.

Furthermore, according to the Control Guidelines, controllers should check that the staff recruitment processes carried out in the Operation adhere to the principles of equal opportunities.

Finally, the eMS template for Project Progress Report contains sections where projects are required to illustrate their contribution to the horizontal principles.

3.5.2 To what extent do funded projects incorporate activities aimed at sustainable development equality between men and women (EQ 22)?
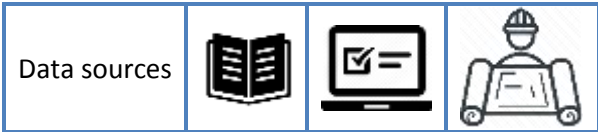
Regarding the capacity of the projects' finance to embody the horizontal principles, case studies reveal the presence of activities contributing both to the sustainable development principles, and to equal opportunities (non-discrimination and equality).

Sustainable development was supported quite frequently by projects. They did this by: by establishing small-scale infrastructure (*Becharac & Ganga*); by promoting products originating from organic farming (*Becharac & Ganga*); or by realising energy efficiency measures and installing biomass heating in several school buildings (*SMART SCHOOLS*).

Contributions to equal opportunities and non-discrimination are also frequent, as many projects operated in cross-border zones with a multi-ethnical context or a presence of cultural-linguistic minorities. The full respect of everyone's personal beliefs or origins was thus an important pre-condition for building up and strengthening mutual trust in all kinds of professional and interpersonal relationships that emerged within projects (*MELAdetect; Becharac & Ganga*). Beyond this, the objective of equal opportunities was also promoted by introducing previously not existing cancer prevention and treatment services (*MELAdetect*).

4 Interreg IPA Programmes communication strategy

4.1 Monitoring procedures regarding the achievement of communication strategy objectives

4.1.1 To what extent have defined communication activities and planned communication tools been implemented (EQ 23)?

Data sources:	

The communication strategy was adopted in 2016.

The document provides a description of the key communication activities to be carried out to reach the target groups. Based on this list the table below provides an overview of what the Programme has done until now.

In general, the analysis reveals that the Programme has already implemented a large part of the planned activities. In particular the table shows the significant number of events organised.

Table 4-1 Level of implementation of the communication activities of the HR – BA- ME programme

Actions and tools		HR-BA-ME Activities implemented	Level of implementation
Visual Identity	A Programme logo	Different logos, available on the website	OK
	Graphical elements and templates and Programme visibility guidelines/project implementation manual	Branding instructions and infographics available on the website	OK
	Programme Visibility Guidelines	Published online (December 2017)	OK
Website	Dissemination of Programme materials and publications	"Useful documents" available on the website	OK
	Updated information	News published on the website (approximatively once a month)	OK
Media visibility	Facebook	Created in 2014; 466 like ; Regular publications in English; No direct link from the website to the Facebook page	OK
	Twitter	28 tweets , 60 followers	OK
	YouTube (not planned)	Registered on 10/11/2017; 5 videos, 792 views	OK
	LinkedIn (not planned)	1 post	OK
eMS	External communication	eMS training for technical assistance beneficiaries, Zagreb, 11/2017	OK
	Internal communication		OK
Programme events	Programme launch	Programme launching conference, Split, 3/2016, 1st CfP projects launching conference, Podgorica, 7/2017 2nd CfP launching conference, Trebinje, 9/2018,	OK
	Programme annual event	- 23/09/2016: ECD, in Skradin - 07/10/2017: ECD, in Šibenik - 03/10/2018, ECD in Bijela/Herceg Novi	OK
	Operation development events	- 22/03/2016: Information session in Banja Luka - 6/04/2016: Information session in Podgorica - 07/04/2016: Information session in Mostar - 12/04/2016: Information session in Zadar - 19/04/2016: Information session in Tuzla - 22/04/2016: Information session in Herceg Novi - 26/04/2016: Information session in Slavonski Brod - 16/05/16: Project clinic in Zagreb - 18/05/16: Project clinic in Budva - 23/05/16: Project clinic in Sarajevo - 27/09/18, 2nd CFP Information sessions in Bijeljina - 28/09/18, 2nd CFP Information sessions in Pleternica - 02/10/2018: 2nd CFP Information sessions in Nikšić	OK

Actions and tools		HR-BA-ME Activities implemented	Level of implementation
		- 04/10/2018: 2nd CFP Info sessions in Tivat - 10/10/18: 2nd CFP Information session in Solin - 11/10/18: 2nd CFP information session in Livno - 12/10/18: 2nd CFP info session in Bihać - 06/11/18: Energy efficiency and Flood Protection workshop in Sarajevo - 13/11/18: Project clinic in Karlovac, (HR) - 16/11/18: Project clinic in Zenica (BA) - 22/11/18: Project clinic in Cetinje (ME)	
	Training and seminars for Programme bodies	- January 2018 1st Networking meetings of Control bodies, in Zagreb - 05/03/2019: 2nd Networking meeting for the Control bodies in Zagreb	OK
	Training and seminars for beneficiaries	- Implementation workshops: Orašje, Herceg Novi, Zadar, Zagreb, 7/2017 and 11/2017 - Reporting and procurement workshops: Banja Luka, Šibenik, Budva, 12/2017 - Project output workshops: Zagreb, 2/2018	OK
Mailing list	Information on the most important Programme activities		OK
Mail	Official communications between Programme bodies and beneficiaries		OK
Printed materials	Informative materials for target groups	Leaflet and other materials already available on the website to be printed	OK

4.1.2   Have all the territories been covered by communication activities (EQ 24)?

Data sources:

The map below indicates the localisation of the Programme events across the cooperation area.

Map 4-1 Programme events organised by the HR–BA-ME Programme

In the case of the trilateral Programme one must consider the larger extension of the cooperation area. Bearing this in mind, even if not all counties have hosted one Programme event, the map above highlights the effort made to ensure the balanced coverage of all three countries (10 events were organised in Croatia, 11 in Bosnia and Herzegovina, 7 in Montenegro).

4.2 Evaluating the achievement of communication strategy objectives

4.2.1 To what extent all the activities have been harmonized among the involved territories (EQ 25)?

Data sources:

As the previous section highlighted, the Programme has ensured an effective coverage of the different countries and territories involved in the cooperation area.

Moreover, the information collected through the interviews and also the opinions of the beneficiaries involved in the case studies attest to the capacity of the Programme to ensure equal support across the different territories.

In this sense it is important to remember that the Programme has set up specific branch offices in the non-EU MS. From the perspective of the evaluators, the presence of MA and JS in the same country (i.e. Croatia) could have limited the capacity of the Programme to offer adequate and effective support to the stakeholders located in the non-EU countries but the creation of a specific branch office in Croatia has avoided this risk.

4.2.2 How well does the Programme support beneficiaries in their communication endeavors and guide them through the communication requirements (EQ 26)?

Data sources:

The Programme developed several tools in order to guide their beneficiaries and to help them in the implementation of the communication activities, e.g. chapter 8 "Visibility, publicity and communication" of "Project implementation manual", but also the "Programme visibility guidelines" that beneficiaries can directly download from the website.

According to the data collected through the survey most beneficiaries are not facing any difficulties in meeting the communication requirements, which proves both the clarity of the rules but also the quality of the support provided.

In particular, as illustrated by the figure below, 95% of the respondents declare to not having encountered any difficulties.

Figure 4-1 *With reference to the communication package, did you encounter any difficulties in meeting the requirements of the Programme?*
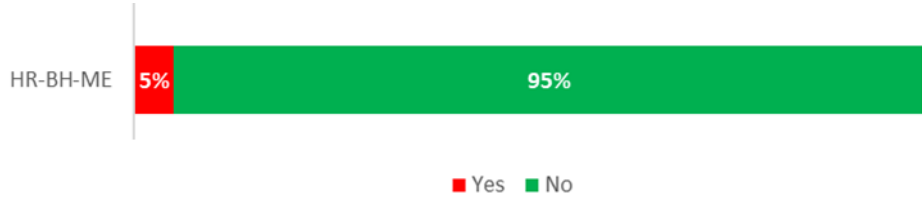
Source: web-survey

4.2.3 *Does the Programme encourage and support the capitalisation on project results (EQ 27)?*

Data sources:

Project clinics and implementation workshops were organised by the Programme to support beneficiaries but also to encourage the capitalisation of project results. Beside these workshops no specific capitalisation events were organised for the moment. It is however important to underline that only in 2019 some of the projects from 1st call completed the project implementation which explains the momentary lack of specific capitalisation activities. According to the information collected from the interviews, EC Day and other events (e.g. Regio stars awards in Bruxelles) are some of the specific capitalization activities that will take place during the last part of 2019.

Despite the lack of specific capitalisation activities, the data collected from the survey reveal that beneficiaries tend to be satisfied about the opportunities offered by the Programme to capitalise the projects results. More specifically, as illustrated by the figure below, most beneficiaries consider that the Programmes is efficient in the approach for capitalising the projects results.

Figure 4-2 Efficiency of the activities to ensure the capitalisation of the results

Source: web-survey

4.3 Inclusion of partners and relevant stakeholders

4.3.1 Does the Programme foresee mechanisms to effectively address and involve the relevant target groups (EQ 28)?

Data sources:

The communication strategy details the list of relevant target groups with reference to two main categories:

- Internal target groups intended as the Programme bodies (meaning the stakeholders involved in the governance of the programme).
- External target groups:
    - o Potential beneficiaries;
    - o Beneficiaries
    - o organisations positively affected by the activities and results of an operation, though not necessarily being directly involved in the operation
    - o Wider public;
    - o Influencers/multipliers;
    - o Others, such as the organisations acting as observers in the JMC.

Different tools and activities are foreseen to reach all different categories. In this sense it is possible to affirm that the Programme strategy foresees mechanisms to effectively address and involve the relevant target groups. However, if we look to the communication activities implemented (see Table 4-1) the level of implementation of the activities targeting the wider public (see in particular the social media) seems limited if compared to the activities targeting the beneficiaries and the potential beneficiaries (see all the events organized in the Programme areas).

4.3.2 How successful is the Programme in mobilising relevant target groups to get involved (EQ 29)?

Data sources:
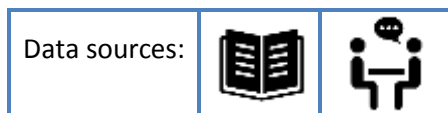
When analysing the capacity of the Programme to mobilise the relevant target groups it is first necessary to verify the capacity to mobilise an adequate number of applicants.

As illustrated by the table below, the Programme attracted a significant number of projects proposals (approximately six times more than the projects approved). It is also interesting to notice that all Programme axes are equally effective in attracting project ideas.

Table 4-2 Capacity to attract projects applicants

	HR-BA-ME 1st call		
	AF	Projects	%
PA1	27	6	22%
PA2	44	7	16%
PA3	57	6	11%
PA4	36	6	17%
Total	**164**	**25**	**15%**

The perception of the capacity to mobilise the target groups is shared by the beneficiaries. As the figure below shows, respondents to the survey appreciate the overall efficiency of the programme in promoting the opportunities offered.

Figure 4-3 Efficiency in promoting the opportunities offered by the programme

Source: web-survey

5 Annexes

5.1 Overview of the web-survey rate of response

The web survey was launched on 16 June and remained open until 5 July. Beneficiaries and applicants had been contacted by the Managing Authority and invited to reply to the questionnaire:

The total number of beneficiaries is 104, thus the 50 Lead partners and partners of the approved projects (corresponding to 48% of the total partners) allows to consider the sample as representative.

Total number of respondents per country

Respondents	N.	%
Croatia	30	46%
Bosnia and Herzegovina	34	51%
Montenegro	2	3%
Total	**66**	

LP and PP per country

Respondents	N.	%
Lead partners	**37**	**56%**
Croatia	18	
Bosnia and Herzegovina	18	
Montenegro	1	
Partner	**26**	**39%**
Croatia	13	
Bosnia and Herzegovina	12	
Montenegro	1	
Blank	*3*	

Beneficiaries - LP and PP per country

Beneficiaries	N.	%
LP of an approved project	**24**	**48%**
Croatia	12	
Bosnia and Herzegovina	12	
Montenegro	0	
Partner of an approved project	**26**	**52%**
Croatia	12	
Bosnia and Herzegovina	13	
Montenegro	1	
Total	**50**	

Applicants – LP and PP per country

Applicants	N.	%
LP of a rejected project	**13**	
Croatia	6	
Bosnia and Herzegovina	6	
Montenegro	1	
Partner of a rejected project	**0**	
Croatia	0	
Bosnia and Herzegovina	0	
Montenegro	0	
Total	**13**	

Respondents per call and country

Call	N.	%
First call	**52**	**78%**
Croatia	25	
Bosnia and Herzegovina	25	
Montenegro	2	
Second call	**13**	**32%**
Croatia	9	
Bosnia and Herzegovina	4	
Montenegro		

Respondents per SO

SO	N.	%
1.1	9	14%
2.1	17	26%
2.2	8	12%
3.1	16	24%
4.1	16	24%

5.2 Summary of the information provided by the Programme's authorities interviewed (Interreg IPA CBC Croatia – Bosnia and Herzegovina – Montenegro)

5.2.1   Summary of questionnaires and interviews with MA and JS members

1. Evaluation theme: Quality and efficiency of managing Interreg IPA Programme and Programme procedures

1.1 To which Programme structure do you belong to and what is your role?

Marko Perić	11/06/2019
Anđelka Hajdek	10/06/2019
Jelena Plavetić	17/06/2019
Krisitijan Futač	02/09/2019
Emica Musič	02/09/2019

1.2 Do you think that the administrative capacity meets the management needs of the programme? Would any investment be necessary to improve it? Is there a clear and efficient assignment of functions, responsibilities and tasks among the staff within each Programme body (focus on MA/JS)?

In MA/JS (including branch offices) for the Programme Croatia - Bosnia and Herzegovina - Montenegro, there are 9 persons working 100%, 6 persons working 50%, and 1 person working 25% on the Programme.

Human resources are limited compared to the tasks, thus the programme is obliged to externalize some specific services and expertise.

In particular, the administrative capacity, in terms of numbers of staff and skills, did not allow for internal management of the selection process, so external assessors have been appointed in order to ensure that the assessment is independent and efficient.

1.3 Were there any issues in the set-up of the foreseen Programme bodies?

The main issue in the set-up of Programme bodies concerns the merging of the Agency into the Ministry of Regional Development and EU funds. Due to this institutional change, a significant reduction of internal resources occurred and so administrative burden have been distributed across a limited number of staff comparing to what was planned.

Furthermore, being Croatia a recent member state and the first time managing a cooperation Programme, all the rules, regulations and documents have to be written ex novo with no basis to start from (also with regard to anti-fraud management). This process has been time-consuming.

1.4 What are the tools implemented by the Programme in order to make the selection process of the projects transparent, efficient, fair and sound?

The Programme opted for external assessors because of the limited available internal human resources but also because, they consider necessary to dispose of specific expertise for assessing the quality of projects.

External assessors have been selected through calls. The Managing Authority prepared the ToR by focusing on 2 criteria: 1) minimum number of years of experiences in the related sector (variable from one priority axis to another) 2) previous experiences in assessing proposals.

For each priority axis, 3 assessors were selected: 2 of them are directly appointed to carry out the assessments while 1 is "in reserve", to ensure continuity in the event that one was unable to complete the task. The final score is an average of the two assessments.

Between the first and the second call, the organisation of the activity of the external assessors was revised. During the first call the two external assessors working of the same specific objectives were invited to present their work directly to the JSC without a preliminary check from the JS. In some cases, the assessments were extremely divergent which made difficult for the JSC members to make the synthesis.

For this reason, under the second call, the approach was adjusted by foreseeing a preliminary check, made by the JSC non-voting members and JS, of the work done by the external assessors. In concrete, before the JSC meeting, for each PA (Priority Axis), the JSC invites the two external assessors and jointly discuss with them the results of their activity.

This new approach facilitated the work of the JSC but this did not prevent that differences in the points of view of the two evaluators may remain. In such cases (more than 16 points of difference in the assessment) the proposal has to be reassessed by JSC voting members.

1.5 Is the selection process well defined (i.e. Is it clear who assess what? Which rules are governing the decision-making process within the JMC?) and effective in order to adequately assess the quality of the project? Is the selection process and effective in order to adequately assess the quality of the project? Are the rules adopted for selecting projects effective in order to adequately assess the quality of the projects ? Or it happens instead that these rules serve more to satisfy the political will of the territories to the detriment of the quality of the projects?

The selection procedure is structured in 5 phases:

-   An administrative and eligibility check, carried out by the JS;
-   A quality assessment undertaken by external assessors.
-   Assessors present their work to the JSC (Joint Steering Committee) who define the list of projects to be submitted to the JMC for approval
-   The list of eligible projects is approved or rejected by JMC.
-   Once approved, MA and JS jointly work with the applicants of the approved projects to adjust application and budget (Optimisation phase).

JSC and JMC

JSC is composed of both voting and non-voting members. JSC non-voting members are MA and JS, whereas voting members are National Authorities representatives. JSC is in charge of defining the list of the projects to be approved /rejected based on the assessments made by the external assessors. JMC (composed of the voting representatives of the participating countries and non-voting MA representative) is in charge of approve or reject the final list of projects (but it cannot move projects up or down in the list).

Rejected projects: notification of the results

Once the final list is ready, the MA provides feedback to all applicants, but specifically elaborated for applications on reserve list (scored equally or with more than minimum points but due to lack of funds, not able to be financed) and rejected applications (scored less than minimum points).

Approved projects: optimisation phase

Once approved, there is an optimisation phase, allowing for intervention such as budget readjustments, minor changes in workplan timing or adjustments of quantification related to deliverables or project outputs. the allocation of tasks and activities among partners.

In this phase, the project proposal is checked by MA and JS staff in order to see whether there are any ineligible costs, or other budget matters to address. Not only do they check the budget, but also the entire application in terms of outputs, target values, communication and all the other elements that could potentially be improved without significant changes to the original project proposal.

If any clarification is needed, there is a one-week deadline to clarify and respond to any questions. Upon receipt of the answers, MA organises a meeting to address these questions. Meetings are very useful for agreeing on corrections together (some projects make mistakes quantifying outputs). After this meeting, the starting date of the project is agreed.

1.6 - Is the interaction between Programme bodies good enough to ensure the decision-making process to be effective?

The interaction between Programme bodies ensures the decision-making to be effective. JS and MA work in the same building and this helps to make the internal communication smoother.

With regard to the selection process, the meetings organised by the Joint Steering Committee (JSC) with the external assessors, before presenting to JMC the outcome of the selection process, allow them to discuss jointly on projects and eventual issues to be addressed together. This also helps the JMC to take more effective decisions in approving projects.

1.7 Do you find the electronic monitoring system adequate to promote an efficient management of the Programme (in terms of functioning, data extraction/aggregation settings etc…) in particular with reference to the management of progress reports and payment claims? Does the electronic monitoring system collect the data necessary for your needs?

The eMS is useful tool, however the work on improving the system is ongoing and is continuously in a developing phase. The MA takes part in the eMS core group led by Interact and meets regularly with other programmes which is very useful for solving common problems. Currently, there is one eMS officer in MA, which is sometimes not enough, and this is the reason why there are also external providers to work on adjustments of the eMS i.e. cleaning bugs and upgrading the system when needed.

Furthermore, additional tools are used by MA, such as excel tables, to cross check the project and Programme data. It is not only a question of eMS per se, but also depends on how beneficiaries enter the data. Poor quality during entering of data means that MA and JS sometimes cannot rely solely on the data from eMS. Therefore, it is also important to support and guide beneficiaries in such activity.

The interaction with beneficiaries is paperless. Only in exceptional cases, when documents are unable to be sent virtually, paper can be accepted. In general, the rule is that everything should be done by eMS.

1.8 Is there any system in place to prevent the selection of operations overlapping with other programmes in the area (e.g. Rural Development Programme of the Republic of Croatia for the period 2014-2020, IPARD Programmes for 2014-2020 of non EU countries, etc.)?

Currently there are no specific tools to check the overlapping between with different funds/resources in Croatia. So far, MA performed cross checks of the activities between the projects within a Programme or, when relevant, between 2 Programmes managed by the MA.

2 Evaluation theme: Quality and efficiency of implementing Interreg IPA Programme

2.1 What is the distribution of commitments per axis compared to the financial plan? What is the state of play of certified expenses? Are the spending targets achievable?

SEE AIR 2018

2.2 What is the general framework emerging from the analysis of output indicators in terms of expected results actually achieved/achievable?

Firstly the aspect of programming is very important factor as the programming of any Interreg IPA Programme is demanding taking into account different statistical methods and standards in Member States and non-Members States, especially when it is required to be demonstrated on regional level. Therefore, the reliability of the baseline data and consequently the target values cannot be relevant and valid for 7-years period of Programme implementation.

2.3 What conclusions can be drawn regarding the adequateness of the Programme indicators (output and results) and the related monitoring system for measuring Programme achievements?

In general, the information produced by the monitoring system are satisfying in illustrating the state of play of projects and their performance in achieving the project objectives.

Concerning the reporting activities, the first progress report is made within a three months period. This helps to provide a quick feedback on the very early project phases and, in case of crucial mistakes, to be able to intervene promptly. Thereafter reporting periods occur every 6 months.

It is important to mention that more and more beneficiaries are complaining on 6-month reporting period as it takes them a long time for reimbursement, i.e. cash-flow is sometimes slow. In practice, sometimes the invoice paid at the beginning of reporting period is reimbursed a year later – when approval deadlines of FLC (3 months), JS (one month), MA (1 month) and CA (1 month) taken into account in addition to 6-months reporting period and one month deadline for preparation of Project progress Report

2.4 What are the tools provided by the Programme to contribute to EU2020 strategy? And to relevant macro-regional strategies?

In the application form there is a section where applicants have to illustrate their contribution to EU2020 and macro regional strategies. It represents the criteria of the quality assessment and this is the main tool used by the Programme to check project coherence to this requirement.

2.5 To what extent do the procedures for presenting and selecting candidates take into account the horizontal principles (see art. 7 and 8 of Reg. 1303/2013) with specific reference to the eligibility criteria?

In the application form there is a section where applicants have to illustrate their contribution to horizontal principles. It represents the criteria of the quality assessment and this is the main tool used by the Programme to check project coherence to this requirement.

Also, eMS template for Project Progress Report contains sections where projects elaborate on their contribution to the horizontal principles. The Reports are checked and verified by the JS and MA and relevant sections are sometimes used for Programe purposes, e.g. for Annual Implementation Report.

2.6 Are there any critical points in the procedures for managing payment and certification?

There are no relevant issues in this process and most of the expenses presented by beneficiaries are eligible.

According to the subsidy agreement, there is a threshold establishing that if the project expenditures are between 20% and 40% of the planned resources for the second reporting period, the Programme can make a financial correction. Financial correction is not applied automatically, and the MA evaluates on a case by case basis the need for correction.

The main issue concerns the public procurement as rules from 3 different countries need to be considered, thus resulting sometimes in delay in the signature of contracts.

This can be due to the fact that most of the beneficiaries involved are local/regional authorities and they are still learning how to deal with EU projects. Comparing to the previous programming period improvement occurred in this sense, but still the involvement of such partners is challenging.

2.7 Do you think the procedures for managing payment and certification are effective enough? Is the eMS a sufficient helpful tool?

The eMS still need to be improved: errors and bugs occur often.

3 Evaluation theme: Quality and efficiency of implementing the Interreg IPA Programme communication strategies

3.1 What are the communication activities implemented to inform relevant stakeholders about the Programme opportunity? Do you think relevant stakeholders had been involved adequately?

When the calls were published, the Programme organised several info days across the entire Programme area and communication activities through social media and internet pages have been also implemented.

3.2 Can you describe the specific communication activities organised in the different territories?

The organisation of communication activities is mainly undertaken by MA with the support of JS. When the call is open, MA and JS organise information sessions, clinics, thematic workshops (implementation, output, reporting, procurement, etc…) and most presentation are given by the MA and JS staff. When events take part, National Authority support is provided (venue costs, catering….) in the relative country.

The Programme also opted to have branch offices in the Programme territories. Croatia-Bosnia and Herzegovina and Montenegro Programme set-up three: two in Bosnia and Herzegovina (Banja Luka and Mostar) and one in Montenegro (Podgorica)

Project managers working there are in charge of:

- Supporting projects (monitoring activities, visiting partner in all the partner coutries). Projects are not distributed on geographical basis, so it is irrelevant where beneficiaries come from.
- participating to all events, workshops organised by MA;
- promoting the visibility of the programme.

Project officers working in the branch offices have a contract with the National Authorities as, due to legal/administrative rules, they could not be hired by the MA. The salary is paid by NA under the TA budget and the tasks are distributed by the JS/MA.

First level controls

3.3 In your opinion, what are the critical points in the functioning of the control system (procedures followed, documentation to be presented, deadlines, coordination of tasks, relationship with the beneficiaries, difference between the countries ...)?

A critical point in the control system concerns the number of FLC. According to the Programme rules, the control operations consist of verifications covering 100% of projects and 100% of expenditures.

Due to the merging of the Agency and the Ministry, a significant reduction in internal Croatian staff in charge of controls has occurred and thus currently only sample checks are being made.

The controls process is sometimes slow due to the different legal framework among the country partners. Issues relating VAT and public procurement rules are the most recurrent.

At the beginning of the programming phase, the MA agreed that the National Authorities have the role of appointing FLC bodies. In Bosnia and Herzegovina, Montenegro the FLC are state officials of the Ministry of Finance while in Croatia they belong to the Ministry of Regional Development and EU funds (which is also the MA). Each national body is obliged to have its own control system and to nominate the controllers. Control body had to adopt an internal manual and the MA is in charge of monitoring whether they use it.

3.4 What type of support / coordination is provided by the MA / JS (or other external or internal Programme stakeholders)?

FLC have been involved in designing the eligibility rules since the very beginning of the programme. MA and FLC worked together and exchanged opinions in order to jointly design parts of the texts.

Control guidelines for beneficiaries have also been drafted in order to give them recommendations on how to perform their job.

Beneficiaries workshops with MA and JS staff and FLC have been organised to collect information on the consistency between the manuals and the Programme rules and some issues sorted out regarding the certification procedure. This has been very helpful in providing the possibility of prompt intervention to resolve issues. Once per year, the MA also organises network for FLCs from all partner countries. During the first meetings, there were many questions to be discussed between the MA and 4 Control Bodies, while in the second one there were fewer, highlighting their success. FLC for Croatia work in the same building as the MA, JS and CA, so there is a strong collaboration and communication.

3.5 Have you encountered any specific problems in the verification of simplified cost options?

Comparing the two calls, more beneficiaries are using the SCO's which results in a real simplification both for projects and for controllers.

The Programme allows facultative use of standard cost options at a partner level.

The Programme set a lump sum for preparation costs at 5.000 € (3000€ for the preparation and 2.000 for the closure). It also applies the flat rate of 20% for staff costs and 15% of this 20% for administrative costs.

2.   Evaluation theme: Quality and efficiency of managing Interreg IPA Programme and Programme procedures

2.1 To which Programme structure do you belong to and what is your role?

Interreg-IPA CBC Croatia-Bosnia and Herzegovina-Montenegro:

Dragana Otašević	*Web-Questionnaire*
Neven Vajnaht	*Interview 31/7/2019*
Almir Kapisazović	*Interview 29/7/2019*
Darko Telić	*Interview 29/7/2019*
Boško Kenjić	*Interview 5/7/2019*
Amra Krajina	*Interview 7/8/2019*
Miodrag Račeta	*Web-Questionnaire*
Kana Tomašević	*Interview 2/8/2019*

2.2 Do you think that the administrative capacity meets the management needs of the programme? Would any investment be necessary to improve it? Is there a clear and efficient assignment of functions, responsibilities and tasks among the staff within each Programme body (focus on MA/JS)?

Interreg-IPA CBC Croatia-Bosnia and Herzegovina-Montenegro – administrative capacity is aligned with Programme needs and is well structured. Functions and responsibilities are well established. In the phase of setting up the management and control system and preparation of structures for the compliance assessment, there were numerous meetings, workshops, exchange of materials, day to day correspondence. There is good cooperation between The Programme bodies of the cross-border participating countries.

In the 2014-2020 period Croatia became MA in two IPA CBC Programmes and therefore the role of Managing Authority was build upon the experience gained through participation in cooperation Programmes 2007-2013 with EU Member States under shared management.

2.3 Were there any issues in the set-up of the foreseen Programme bodies?

Programme structure is well organised and Programme bodies are established in line with needs and responsibilities of the cross-border cooperation Programme and specificities of participating countries within the ETC programmes. There was an institutional change in Croatia (merger of Agency with the Ministry of Regional Development and EU funds). JMC meetings are rare so the involvement of JMC members and their accomplishment to the realization of Program activities is bellow expected. Some of JMC members feels they are not familiar enough with the content of the projects in the Programme pipeline. Prior to JMC is organised, National Authorities organise national JMC (for particiating country JMC members only) where they present the projects on the Prirority Axes lists. At the JMC, JSC voting members present the projects to entire JMC as well.

2.4 What are the tools implemented by the Programme in order to make the selection process of the projects transparent, efficient, fair and sound?

In accordance with Article 39 of the Commission Implementing Regulation (EU) No 447/2014, the selection of operations under the Interreg IPA CBC Programme Croatia - Bosnia and Herzegovina - Montenegro 2014-2020 is the responsibility of the Joint Monitoring Committee (JMC) following a standardized assessment procedure.

For the 2nd CfP, the JMC will set up the Joint Steering Committee (JSC) acting under its responsibility for the selection of operations. The assessment and selection of applications was based on the standardized procedure, which safeguards the principles of transparency and equal treatment.

External assessors can ensure transparency and independence in selection procedure.

2.5 Is the selection process well defined (i.e. Is it clear who assess what? Which rules are governing the decision-making process within the JMC?) and effective in order to adequately assess the quality of the project? Is the selection process and effective in order to adequately assess the quality of the project? Are the rules adopted for selecting projects effective in order to adequately assess the quality of the projects ? Or it happens instead that these rules serve more to satisfy the political will of the territories to the detriment of the quality of the projects?

The Joint Monitoring Committee (JMC) set up Joint Steering Committee (JSC) acting under its responsibility for the selection of operations. In assessment and selection process, National Authority of each Participating Country (hereinafter NAs) of the Programme (Croatia, Bosnia and Herzegovina, Montenegro) nominates one (1) member and one (1) deputy member to the function of the voting member of JSC.

The Interreg-IPA Cross-border Cooperation Programme Croatia - Bosnia and Herzegovina - Montenegro 2014-2020 uses eMS developed by INTERACT for operation management purposes (from submission of applications until project closure). Therefore, the process of assessment and selection will be carried out in the eMS. The assessment and selection of applications was based on the standardized procedure that safeguards the principles of transparency and equal treatment. The process was conducted in two steps:

1) Administrative compliance and eligibility check (step 1) performed by Joint secretariat (JS) using the approved checklist. All received applications were checked by the designated JS staff under supervision of the JSC Chairperson according to the ASSESSMENT AND SELECTION STRATEGY (tool) document adopted by the JSC during the 1st JSC meeting. The A&SS document was developed as a technical guide for efficient assessment and selection process (both steps) in order to be collectively understood and supported by all relevant Programme bodies, especially those directly involved in JSC and assessors.

Clarifications regarding applications will be requested from the Lead Applicant in the process of Administrative compliance and eligibility check only when the information provided within applications is unclear or missing and thus prevents JSC from conducting an objective assessment. If any of the information requested in the clarification process is missing or is incorrect, the application may be rejected on that sole basis and the application will not be evaluated further. Only one clarification round was carried out.

2)Quality assessment (step 2)

Only applications that satisfy all the administrative and eligibility criteria will be subject to Quality assessment. Quality assessment consists of three (3) sets of quality assessment criteria:

RELEVANCE CRITERIA (51 max score)

OPERATIONAL CRITERIA (46 max score)

SUSTAINABILITY CRITERIA (13 max score)

External assessors should write their assessments using the approved Quality assessment grid and respecting the Quality assessment scale (GfA, section 4.1.) Total score for quality assessment is 110.

The Quality assessment will be performed by external assessors with specific expertise relevant for the Priority Axis of the Programme that will be contracted by the MA. External assessors will conduct the Quality assessment (step 2) of administratively compliant and eligible applications using the approved checklist (Annex 2 – Quality Assessment Grid) under the responsibility of JSC and under supervision of JSC Chairperson and Secretary and with the support of JS.

If any of the external assessors has a potential conflict of interest with any applicant, that particular project proposal will be assessed by another external assessor or JSC voting members. The confidentiality of the information accessible to the external assessors must be guaranteed by signing the Declaration of confidentiality and impartiality. During the entire process JSC and JS will have read-only access to eMS and Quality assessment grids. At least two external assessors will assess one application, working independently of each other. The external assessors must give pertinent and well justified comments for each sub-section of the Quality assessment grid, providing a short critical overview of each assessment criterion. Strong and weak points must be reflected in a wording that may be given directly to the applicant by request.

In line with the instructions received at the Kick off meeting with the Managing Authority, the Joint Secretariat and the Joint Steering Committee in Zagreb, external assessors have to justify their assessments with correlated comments & given points at the formal JSC meeting.

Inadequately filled in quality assessment grids (low quality, inconsistency between points and justifications etc.) will be returned for correction to the external assessors and their task is completed when the JSC accepts all their assessments. A clear strategy has to be defined by the Assessor and followed in each and every grid: equal treatment, transparency and consistency is crucial. Only those applications which reach an overall score of at least 78 points may be considered for funding. If the JSC does not accept the assessment provided by the external assessors due to low quality, inconsistency etc., that particular application(s) will be assessed (3rd assessment/re-assessment) by another external assessor or JSC voting members.

Compiling the results of assessment and selection process, four (4) ranking lists will be established, one per each Priority Axis, ranked in descending order according to average scores obtained.

List will consist of 3 elements:

    a) applications with minimum of 78 points and within the available financial envelope;

    b) reserve list with applications with minimum of 78 points which are scored with fewer points than the ones within available financial envelope;

c) list of applications below 78 points. (rejected applications)

The applications will be placed on the ranking lists per each Priority Axis based on their final score, precisely the average score obtained as an arithmetical middle of scores given by two designated external assessors.

The JSC/MA present assessment results to the JMC.

The JMC is responsible for the selection of operation under this Programme, in line with Article 39 of IPA IR The decision by the JMC shall be taken by consensus, whereby each Participating Country shall have one vote, in line with relevant provisions within JMC RoP.

To ensure transparency concerning support from the Funds, the Programme is required to publish electronically a list of operations selected for funding through Programme Communication Officer to the general public and notification of selection decisions to the Lead Applicants.

2.6 Is the interaction between Programme bodies good enough to ensure the decision-making process to be effective?

The members of the Joint Monitoring Committee may make proposals for amendments to the agenda in writing, not later than 5 calendar days prior to the meeting

Written materials for the Joint Monitoring Committee meetings shall be prepared in English language. Oral communication shall be held in English language or national languages. When national languages are used, the interpretation will be provided.

The Minutes of the JMC meeting shall contain the agenda of the meeting, the list of participants, the summaries of the discussions and the communication of the decisions adopted.

The draft Minutes of the JMC meeting shall be submitted to the Joint Monitoring Committee members for comments or corrections within 10 working days following the meeting which provides opportunities to the Members of the Joint Monitoring Committee to formulate their observations or proposal of amendments not later than 7 working days after the receipt of the documents. Following the deadline for submission of comments, the final Minutes will be sent to the JMC members within 10 working days. If no objections are made, the draft Minutes are accepted as approved and sent to the Joint Monitoring Committee members.

Each Participating Country has one vote and is represented by national delegation at the Joint Monitoring Committee meetings. Voting right cannot be delegated to any of other Participating Countries.

Each national delegation shall be represented by National Authority member to the Joint Monitoring Committee. The decision of the national delegation represents the standpoint of the Participating Country.

The Joint Monitoring Committee shall adopt its decisions by consensus of all three Participating Country delegations. The decisions are valid if at least 4 members of each Participating Country are present at the meeting.

In cases where consensus cannot be reached, the Chairperson shall propose decision on the issue by written procedure.

If an objection for a point for decision is raised, the Chairperson may decide to place the respective point on the agenda of the next Joint Monitoring Committee meeting.

The Joint Monitoring Committee members, deputies, observers or advisors shall receive all documents which are the basis for taking the decision by e-mail and will be provided with a 5 working days deadline for comments and observations to be submitted to the Managing Authority.

Following the receipt of the comments and observations, Managing Authority will consolidate modifications, and submit the documents by e-mail for final decision within 5 working days deadline. No reply to the written procedure within the set deadline is regarded as tacit consent.

Terms of Reference for external assessors were sent to National Authorities by the MA for consultations. Following the approval from the National Authorities, the MA launched the tender, in line with internal procedures of the Ministry for Regional Development and EU Funds (in line with relevant regulation). No external evaluation committee members are envisaged to be included into Ministry's internal assessment procedures.

In that respect, the interaction between Programme bodies is good enough to ensure the decision-making process to be effective.

2.7 Do you find the electronic monitoring system eMS adequate to promote an efficient management of the Programme (in terms of functioning, data extraction/aggregation settings etc…) in particular with reference to the management of progress reports and payment claims? Does the electronic monitoring system collect the data necessary for your needs?

The general satisfaction with the eMS is positive on both sides, beneficiaries and Programme bodies, but there is still room for improvement in particular regarding data on already approved expenses per budget item. Additional data regarding the implementation status of project activities, results and quality of impact is being collected during site visits.

The bottlenecks noticed in reporting process are related to workload of FLC (reporting periods of different projects at the same time) also lack of human resources at other Programme structures (JS and MA) can cause delays and bottlenecks.

2.8 Is there any system in place to prevent the selection of operations overlapping with the Rural Development Programme of the Republic of Croatia for the period 2014-2020 and IPARD Programmes for 2014-2020 of non EU countries ?

There are no overlapping with Rural Development Programme but also there is no system in place to investigate and prevent the selection of operations overlapping.

2.9 Is the organisation of the management structure coherent with what was planned by the Programme strategy?

From the experience of JMC and FLC structure is working smoothly, there are people in the system from previous Programme, evaluations are finished on time and decisions are made quickly. It can be concluded that the management structure is in line and fully adapted to the Programme strategy.

The management structure and control system of the Interreg IPA CBC Programme Croatia - Bosnia and Herzegovina - Montenegro 2014-2020 is set up in line with the provisions of the relevant

regulations which aim is functioning in line with principles of sound financial management, transparency and feasibility providing potential beneficiaries strong support during preparation and implementation of operations.

There are several levels of financial control established within the system and those are national first level controllers (FLC) who verify the expenditures of project partners. Following the FLC, project progress reports are controlled by the JS and verified by the MA and CA. CA is in charge of making payments to the LBs and drawing up certified statements of expenditures and payment applications to the EC (AfR).The control on effective functioning of the management and control system is verified by the Audit Authority (AA).

The MA has overall responsibility for the functioning of the Programme management and control system at Programme level. As regards to implementation of projects, MA is in charge for signing subsidy contracts with LBs as well as administrative verifications at several levels. National Authorities (NAs) are responsible for setting up control systems at national level and they represent the participating countries in the Programme.

The main role of the JS is to assist the MA and JMC on day-to-day Programme implementation. Furthermore, the JS provides support to the potential applicants during preparation application phase and to the beneficiaries during the implementation of the operation.

The JMC reviews the overall effectiveness, quality and coherence of the Programme implementation. Operations under this Programme shall be selected by the JMC.

It can be concluded that the management structure is in line and fully adapted to the Programme strategy.

3. **Evaluation theme: Quality and efficiency of implementing Interreg IPA programme**

3.1 What is the general framework emerging from the analysis of output indicators in terms of expected results actually achieved/achievable?

Implementation of the projects within the 1st Call for project proposal, have started in second half of 2017, which means that the projects are being implemented for about 2 years, it' s not enough time to extract conclusions and to do a detailed analysis regarding the output indicators in terms of the expected results that are really achieved/ achievable.

3.2 What conclusions can be drawn regarding the adequateness of the Programme indicators (output and results) and the related monitoring system for measuring Programme achievements?

Programme indicators are challenging issue to identify, standardize and measure due to different statistic system at the national level of participating countries particularly regarding NUTS regions and in general (entities, cantons, and municipalities in Bosnia and Herzegovina (NUTS not yet agreed), the NUTS Local administrative unit divisions in Croatia are two-tiered. Local Administrative Unit 1 divisions match the counties and the city of Zagreb in effect making those the same as NUTS 3 units, while Local Administrative Unit 2 subdivisions correspond to the cities and municipalities of Croatia. In Montenegro we have LAU-1: municipalities; Local Administrative Unit -2: settlements)

3.3 What are the tools provided by the Programme to contribute to EU2020 strategy? And to relevant macro-regional strategies?

Interreg IPA cross-border cooperation Programme Croatia – Bosnia and Herzegovina - Montenegro 2014-2020 is one of the instruments contributing to the implementation of EU cohesion policy as the main investment tool for delivering Europe 2020 goals: smart, sustainable and inclusive growth. The Programme is contributing to the Union strategy for smart, sustainable and inclusive growth by focusing project investments and interventions on five ambitious specific objectives in the areas of health/social care, environment protection/energy efficiency, tourism /cultural natural heritage and competitiveness.

The Interreg IPA Cross-border Cooperation Programme Croatia – Bosnia and Herzegovina – Montenegro 2014-2020 shares entire part of its Programme area with the territory covered by European Union Strategies for the Danube and Adriatic and Ionian Region. This will provide platform for Programme operations (coordination of operations working within the thematic areas with the same or similar scope) to contribute to the implementation of the relevant macro-regional strategies and also to trigger synergies between them.

Challenges affecting the Danube Region that could be addressed by the Interreg IPA CBC Programme Croatia - Bosnia and Herzegovina – Montenegro 2014-2020 are presented as correlation between Programme objectives and priority areas of the Strategy. In that way, the Strategy challenge related to sustainable energy, restoring and maintaining the quality of water, managing environmental risks and preserving biodiversity, landscapes, air and soils quality could be tackled through Programme Priority axis 2 dealing with protecting the environment and biodiversity, improving risk prevention and sustainable energy and energy efficiency. The Strategy challenges referring to the development of the knowledge society through research, education and information technologies, supporting the competitiveness of enterprises, including cluster development and investing in persons and skills are related to Programme Priority axis 4 dealing with enhancing competitiveness and developing business environment. Lastly, the Strategy challenge referring to promoting culture and tourism and person-to-person contacts is in correlation with Programme Priority axis 3 dealing with contributing to the development of tourism and well as preservation and sustainable use of cultural and natural heritage

The European Union Strategy for the Adriatic-Ionian Region is built on four pillars: "Blue growth", "Connecting the Region", "Environmental quality" and "Sustainable tourism". "Capacity Building, "Research and innovation", "Small and medium size business", Climate change mitigation and adaptation" and "Disaster risk management", represent cross-cutting aspects relevant to those pillars.

Considering the stakeholder consultation outcomes, the European Union Strategy for the Adriatic-Ionian Region is expected to address challenges that will also be tackled by the Interreg IPA CBC Programme Croatia – Bosnia and Herzegovina – Montenegro 2014-2020. More specifically, strategy pillar dealing with challenge of preserving, protecting and improving of the quality of the environment could be related to Programme Priority axis 2 dealing with the environment and biodiversity protection, improving risk prevention and sustainable energy and energy efficiency. Moreover, strategy pillar dealing with challenge of increasing regional attractiveness by supporting sustainable development of inland, coastal and maritime tourism and preservation and promotion of culture heritage is completely in line with Programme Priority axis 3 dealing with contributing to the

development of tourism and well as preservation and sustainable use of cultural and natural heritage. As for the Strategy cross-cutting aspects, "Research, innovation and SMEs development" and "Capacity Building", it has to be noted that capacity building is envisaged to be tackled through implementation of all Programme axes, whereas research, innovation and SMEs development could be related to Priority axis 4 dealing with enhancing competitiveness and developing business environment.

During the Programme preparation, Managing authority and partner countries ensured to involve relevant National Contact Points and Priority Areas Coordinators for both strategies in the process of Programme preparation and planning by sending the invitations to the National Contact Points for European Union Strategy for the Adriatic and Ionian Region and Priority Areas Coordinators for the European Union Strategy for the Danube Region from the participating countries to take part at the public consultations/consultative workshops with stakeholders.

3.4 To what extent does the procedures for presenting and selecting candidates take into account the horizontal principles (see art. 7 and 8 of Reg. 1303/2013) with specific reference to the eligibility criteria?

The following Programme horizontal themes are observed by all applicants in the development and implementation of their applications (operations):

a) Sustainable development

b) Equal opportunities and non-discrimination

c) Equality between men and women

How well does the project contribute to the Programme horizontal principles: equal opportunities and non-discrimination, equality between men and women, sustainable development, environmental issues will be assessed within section E Sustainability set of quality assessment criteria (13 max score), using the approved Quality assessment grid and respecting the Quality assessment scale (GfA, section 4.1.) I addition, template for Project Progress Report also contain sections for horizontal principle where project report their contribution during project implementation.

3.5 Are there any critical points in the procedures for managing payment and certification?

Due to clear instructions, guidelines and valid manuals, payment and certification procedures are clear and traceable, payment procedures can be monitored well in the eMS system, there is additional control, all documentation is in the system at one place. There were no major delays in payments. One of the points for the improvement is to find a solution for exchange rate differences that occur.

3.6 Do you think the procedures for managing payment and certification are effective enough? Is the eMS a sufficient helpful tool?

eMS is very effective monitoring system, while experience with other monitoring systems in another cross-border and transnational programmes are different. Some system deficiencies are described in point 1.7.

4. Evaluation theme: Quality and efficiency of implementing the Interreg IPA programme communication strategie

4.1 What are the communication activities implemented to inform relevant stakeholders about the Programme opportunity? Do you think relevant stakeholders had been involved adequately?

JMC (National Authority (NA) is part of JMC) approves Communication plan prepared by the MA i.e. participates in communication activities informing relevant stakeholders about Programme opportunity and involving them through participation in all Programme events (announcement of the launch of the Programme at the kick-off event, information days, partner search forums, implementation workshops, conferences, etc.).

Together with the Managing Authority, National Authorities are also responsible for the implementation of the Communication Strategy as well as for communication and dissemination of Programme outputs and results on the national and regional level.

National and regional members of Joint Monitoring Committee have a role of promoting the added value of cooperation Programme as well as for dissemination of the results and outputs of the Interreg IPA Cross-border Cooperation Programme at the regional and national level.

The tasks of National Authorities include participation in implementing Programme Communication Strategy, participation in disseminating promotional materials and publications and participation in implementing Programme events (launching/closure conference, info days, project clinics, trainings, annual conferences, Programme events, etc).

Everything foreseen in communication strategy is being implemented and there is one person working as Communication Officer (within MA) responsible for coordinating and monitoring that the implementation of the communication activities in line with the strategy.

From the standing point of JMC representatives from Bosnia and Herzegovina, the branch office in Bosnia and Herzegovina should do more in terms of promoting the programme, organizing more events and focusing on learning processes. The key issue that should be addressed more is managing of common utilities – in Bosnia and Herzegovina public utilities have been managed jointly – private (35%) and public sector so specific applicants are discriminated due to EU and CBC Programme rules and procedures.

4.2 Have all the territories been covered by communication activities? How did the Programme harmonized those activities among the territories?

All JMC meetings, Programme events are held each time at different locations within the Programme area (different countries), taking into account the coverage and coverage of the Programme area and according to rotating principle involving participation of the regional level representatives in the Programme area.

4.3 How did the Programme support the beneficiaries in designing their communication activities in order to make them in line with the communication strategy?

Beneficiaries are introduced to Communication objectives and Communication strategy through these tools:

- The Communication Strategy serves to meet all users by MA, JS

- Visibility Guidelines announcement on the web
- Answers to weekly base inquiries (inquiries generated on promotional material)

The Managing Authority shall ensure that the information and communication measures aim for the widest possible media coverage using various forms and methods of communication at the appropriate level as well as for dissemination of the information on the funding opportunities widely to potential beneficiaries and all interested parties. The Programme communication activities will be performed using the following tools:

1. Visual identity: the purpose of the unique and distinctive visual identity is to provide visibility and recognisability of the Programme throughout all communication activities implemented by Programme bodies and beneficiaries.
2. Website - the website is seen as main source of information for potential beneficiaries, relevant stakeholders and the general public.
3. Media visibility (social media) - it offers the opportunity to reach the widest audience and it is seen as a tool for raising awareness. In order to attract the widest audiences possible, this Programme envisages channelling Programme messages through Facebook, Twitter and Instagram.
4. Electronic Monitoring System
5. Programme events
6. Mailing list – tool for sharing information in a quick, simple and straightforward way
7. Mail – regular mail is used for official communication between Programme bodies and beneficiaries
8. Printed materials
9. Training for the implementation of the project, open communication via "project clinics", FAQ sections…

4.4 Which are the initiatives foreseen by the Programme in order to capitalise project results?

There are Programme events organised in order to present the project results to relevant stakeholders:

- Programme launching conference
- -EC DAYs celebrations – organised each year
- Call for Proposal events: information sessions, project clinics, contract signing events, etc..

4.5 To what extent has the Programme implemented efficient/effective procedures for the presentation and selection of applicants in terms of the preliminary information/communication of the stakeholders identified in the communication plan?

Regarding the selection phase, the Programme implements assessment procedures as described in relevant 1st and 2nd CfPs Guidelines for Applicants. The Programme did not set mandatory conditions regarding communication plans, so instead communication plans the Programme conducted an assessment of communication measures as part of WP Communication. This was done with assessment teams under the responsibility of the Joint Steering Committee (JSC) and with the support of JS. In WP Communication, relevant communication approaches and tactics were assessed

based on how projects planned to reach certain target groups and involve stakeholders and are communication activities and deliverables appropriate for relevant target groups and stakeholders. This was also discussed during the optimization phase.

FIRST LEVEL CONTROLS

4.1 In your opinion, what are the critical points in the functioning of the control system (procedures followed, documentation to be presented, deadlines, coordination of tasks, relationship with the beneficiaries, difference between the countries ...)?

An asset of Croatian team there is experience since there are people with up to 10 years of FLC experience. It is important that Programme level documents are up to date and available. This Programme allows 90 days for control of partner reports which is really good compared to some other programmes. They have support from other Programme bodies and often jointly approach beneficiaries. FLC in Bosnia and Herzegovina are satisfied with functioning of the control system, coordination meetings between control bodies and other bodies for CBC Programme are essential to eliminate different interpretation of Programme rules and have uniformed request towards beneficiaries in terms of documentation needed for certification.

4.2. Do you think the procedures for managing certification is effective? Is the eMS a sufficiently helpful tool?

Procedure is effective and eMS is helpful tool. No further comments on this, but suggestions for further improvement.

4.3. Do you have any suggestion of improvement?

- Mainly the optimization of the system is needed, the maximum size of the documents to upload should be bigger (currently 10MB), better stability of the system is necessary.
- Introduce an option to filter tables of consumption (funds spent)/ consumption record
- Introduce an option that could follow spending on item level - at the moment it only follows spending at budget line-level (previously certified amount vs currently reported amount)

4.4. Have you encountered any specific problems in the verification of simplified cost options?

There were no systemic level problems. There are only administrative errors causing ineligible costs.

4.5 What type of support / coordination is provided by the MA / JS (or other external or internal Programme stakeholders)?

Programme rules are defined by the Managing Authority and support is given to the FLC through the entire Programme implementation. Programme level documents (eg. Project Implementation Manual) are discussed with the FLC prior to their approval. Common events are also regularly organized (eg. IPA FLC Network meetings, joint presentations at implementation workshops, etc.).

5.3 Comparative summary analysis of project case studies

The evaluation of the Interreg IPA Cross-border Cooperation (CBC) Programme Croatia-Bosnia and Herzegovina-Montenegro 2014-2020" also involved case study analysis, which covered a total of 8 projects from all thematic priority axes of both programmes (see table below).

Table: Overview on projects analysed under the priority axes of the Interreg IPA CBC Programme

Focus of priority axes (PA)	Interreg IPA CBC Croatia-Bosnia Herzegovina-Montenegro
PA 1: Improving the quality of services in public health and social care sector	*MELAdetect* (Early Detection of Skin, Mucosal and Ocular Melanoma)
PA 2: Protecting the environment and nature, improving risk prevention and promoting sustainable energy and energy efficiency	*SMART SCHOOLS* (Innovative minds for smart schools)
PA 3: Contributing to the development of tourism and preserving cultural and natural heritage	*Becharac & Ganga* (Cultural route of Becharac and Ganga)
PA 4: Enhancing competitiveness and developing business environment in the Programme area	*CODE* (Cooperation for Development of Cross Border Business Environment)

The following comparison of key findings from the realised case studies is presented according to the main topics investigated in order to facilitate the linkage to relevant evaluation questions addressed in the main part of this report.

Programme support during the project preparation and application process

The Managing Authorities (MA) and Joint Secretariats (JS) of the Interreg IPA CBC programme have provided online-support (e.g. Application manual; guidelines for using the eMS; Questions & Answers sections) and also implemented various field activities (e.g. info workshops, project clinics) for reaching out to project applicants and supporting them during the preparation of their proposals. Further to this, Programme bodies have also provided direct advice to individual projects when this was needed for clarifying persisting uncertainties or for solving a specific difficulty.

Many projects have participated with one or more partners in the info workshops and project clinics organised for the different Calls for proposals, which allowed them collecting additional information for elaborating their project applications. The range of existing Programme support mechanisms for applicants and the use of eMS for submitting proposals are judged highly relevant and very helpful by all case study projects (*CODE; Becharac & Ganga; SMART SCHOOL*), even in case of already experienced applicants (*MELAdetect*).

Despite the support provided by the programme, some projects noticed that their partners handled challenges associated with the project preparation and application phase quite differently. This might have to do with the fact that more experience and stronger capacities existed on the Croatian side, whereas both aspects are not yet this well developed within Bosnia & Herzegovina and Montenegro (*CODE*).

Nevertheless, the examined case study projects did in general not face any major difficulties in preparing and submitting their applications to the programme. The elaboration processes lasted in-between a range from four weeks up to nine weeks. Solid own experience in combination with adequate support received from the programme turned out to be most important success factor

during the elaboration and submission phase. This combination has also positively worked out in case of the project *Becharac & Ganga*, as it was assessed to be the best proposal submitted during the relevant Call for proposals organised.

Programme support during the implementation process and capitalisation on project results

Most case study projects judged the ongoing support they received from the Managing Authorities and Joint Secretariats of the Programme as extremely helpful and also very swift (*Becharac & Ganga; MELAdetect; SMART SCHOOLS*). The remaining project involving experienced lead partners were probably not in need of such support (CODE).

Several projects also underlined that the eMS is an efficient tool for monitoring and reporting the progress made in implementing project activities (*SMART SCHOOLS; MELAdetect*), as it clearly reduces the administrative burden for both sides.

The examined case study projects usually did not face problems in realising their communication activities according to the Programme prescriptions. Consequently, they did also not need much support in this.

The Programme was also active in ensuring a wider capitalisation on project results. (e.g. *MELAdetect*, which was encouraged by Programme bodies to participate in the "EU-in-my-Region" campaign). The Managing offered an opportunity to SMART SCHOOLS for discussing with other projects on how they had tackled problems related to producing more wide-ranging project outcomes.

Project contributions to the expected programme-wide outputs and results

The examined case study projects have in general reached and sometimes even over-realised their initial output targets, with this also contributing to programme-level output and result indicators under the relevant Programme priority axes. Only two projects have reached less target groups than they had initially expected (*SMART SCHOOLS; MELAdetect*).

Several projects generated lasting improvements in the cross-border areas through investments in physical small-scale infrastructures and the renovation of buildings (*Becharac & Ganga*), but also through investing in technical equipment that increased production of energy from renewable sources or energy savings (*SMART SCHOOLS*) and ensured a better diagnosis and treatment of cancer (*MELAdetect*).

Substantial positive effects also emerged from "soft measures" (e.g. trainings, awareness raising, promotional campaigns, networking etc.). Examples are:

- the increased knowledge of students and staff about zero-cost energy-saving methods based on behavioural change (*SMART SCHOOLS*), with these newly acquired "soft skills" actually leading to concrete energy savings;
- a higher than expected participation of health professionals from the field of melanoma detection and treatment in training events organised by *MELAdetect*;

- a stronger networking between micro-businesses in a pre-incubation stage and start-ups within each partner area and across the partner areas (*CODE*), which established a solid potential for further developing entrepreneurial cross-border cooperation between Croatia, Bosnia and Herzegovina and Montenegro.

There are also interesting "success stories" that could be used as good practice examples for stimulating the emergence of high quality projects during the next programming period. An example is the project *Becharac & Ganga,* which demonstrated through its integrated approach how non-material (intangible) cultural heritage potentials can be used effectively for developing tourism on a cross-border basis.

Internal and external factors stimulating or hindering project implementation

Experience shows that **project-internal factors** most often relate to aspects such as: (1) the presence of one or more partners having experience with projects funded by Interreg or other EU schemes, (2) an already established cooperation between two or more project partners and (3) a well-designed project-level working mechanism leading to intense cooperation among project partners. The positive influence usually depends on whether one or more of these factors is actually present within a project or not.

The presence of experienced partners within a project (*MELAdetect; SMART SCHOOLS*) was in general considered conductive to ensuring a smooth and successful implementation of project activities.

Several projects made good experiences with a "decentralised" distribution of work among partners on project implementation and/or project management (*Becharac & Ganga; CODE; MELAdetect*), although managing such a division of tasks and responsibilities was sometimes difficult at an early stage of the project (*MELAdetect*).

Also permanent and open communication is seen as a key element for the success of a project, both between the project partners and between the partnership and Programme bodies (MA, JS).

External factors are issues or contextual developments that are largely outside the direct control of projects. Influences of different kinds may emerge from a change of political or economic framework conditions, the existence of legal or administrative obstacles or the effects of other unforeseeable events. Several projects have experienced adverse influences from external factors, but this did not lead to less outputs or a lower contribution to the expected result at priority axis level.

One issue were problems with companies sub-contracted for delivering construction works or establishing technical installations (i.e. lack of contractors; lacking capacity of contractor; problems in meeting deadlines). This seems to be a major concern especially in Bosnia and Herzegovina, as there is much outward migration of qualified persons and also a lack of skilled workers. Tenders on works to be realised are therefore often not receiving offers, and if contracts for works are actually allocated, their implementation is then frequently delayed. Such difficulties caused a delayed opening of the CODE Hub in Tuzla (*CODE*).

Another problem is the frequently very weak financial own assets of NGOs operating in specific fields of intervention addressed by the Programme. Project applicants must finance 10% of their own operational cost, but these conditions are too strict for many NGO from Bosnia and Herzegovina that do not have the financial capacity for mobilising such match-funding. Shortage of own assets created difficulties for the Bosnian NGO wishing to act as Lead Partner of the project *SMART SCHOOLS*, which could however be solved at the outset through the provision of a temporary loan by the Tuzla Canton.

Project contributions to the three horizontal objectives of EU Cohesion Policy

Projects have also contributed to the three horizontal objectives of EU Cohesion Policy, which aim at supporting sustainable development, equal opportunities and non-discrimination as well as equality between men and women.

Sustainable development was supported quite frequently by projects. They did this by using environmentally friendly approaches for establishing small-scale infrastructure (*Becharac & Ganga*), by promoting products originating from organic farming (*Becharac & Ganga*), or by realising energy efficiency measures and installing biomass heating in several school buildings (*SMART SCHOOLS*).

Also contributions to **equal opportunities and non-discrimination** are frequent, as many projects operated in cross-border zones with a multi-ethnical context or a presence of cultural-linguistic minorities. The full respect of everyone's personal beliefs or origins was thus an important pre-condition for building up and strengthening mutual trust in all kinds of professional and interpersonal relationships that emerged within projects (*MELAdetect; Becharac & Ganga*). Beyond this, the objective of equal opportunities was also promoted by introducing previously not existing cancer prevention and treatment services (*MELAdetect*) .

Equality between men and women was only supported by the two projects focussing on cross-border economic development. *CODE* has established several coworking spaces (CODE Hubs) and realised educational activities, with both elements also promoting different EU initiatives helping women to become entrepreneurs and run successfully their own businesses.

Project contributions to relevant EU macro-regional strategies

All case study projects have contributed to Pillars and Priority Areas of the EU macro-regional Strategy for the Danube Region (EUSDR), but some also to Pillars of the EU macro-regional Strategy for the Adriatic-Ionian Region (EUSAIR). The extent to which this contribution occurred depends on the topics addressed by projects and also on the geographical location of projects.

Several projects made a **direct contribution to one or more of the EUSDR-Priority Areas**. This is the case for Priority Area 3 "Culture & Tourism" (*Becharac & Ganga*), Priority Area 2 "Sustainable energy" (*SMART SCHOOLS*), Priority Area 7 "Knowledge Economy" (*CODE*), Priority Area 8 "Competitiveness of Enterprises" (*CODE*) and Priority Area 9 "People and Skills" (*SMART SCHOOLS*).

A clear direct **contribution to the EUSAIR** is made by the *SMART SCHOOLS* (Pillar 2 "Connecting the Region", topic 3 on energy)

Lessons learned from the project case studies and general recommendations

Although the case study sample is small and far from giving a "representative picture" across all currently running projects, their findings may nevertheless allow formulating some general recommendations that could be taken into consideration by the relevant Programme bodies.

- The current programme-level support activities should be continued in the future programming period 2021-2027. Bearing in mind that not all applicants had a similar level of experience with Interreg IPA funding, it is strongly recommended to even further intensify such support especially in the Programme areas of Bosnia and Herzegovina and Montenegro.
- Bearing in mind that NGOs frequently lack of substantial financial assets, it would be good if the programme could develop some kind of practical advice on how such NGOs can possibly organise and ensure a pre-financing of their future project activities (e.g. through an info sheet or through direct advice given at info workshops).
- The setting up of stable and also durable networks between businesses across borders should become an indirect judgement criterion for assessing future project applications aimed at supporting cross-border business cooperation.
- Future progress reporting should at some stage also require projects to report on their contribution made to supporting the horizontal objectives of EU Cohesion Policy and the objectives of relevant EU macro-regional strategies (best in the final project reports).
- First evidences coming from the case studies also show that the setting up of effective trilateral partnerships could be extremely challenging. The cooperation area is in fact extended and characterised by different needs and challenges. In view of the definition of the future Programme we recommend the Programme bodies to carefully investigate the possible presence of functional areas (i.e. sub-Programme areas) characterised by specific dynamics in terms of challenges and needs. The geographical extent of challenges and the most appropriate scale for addressing them should in fact be considered when deciding the future Programme geography.