

ESPON 2013 Programme External Evaluation

Final Report



May 2011

Loxley Consultancy Ltd

Loxley House
24 Summerhill Grange
Lindfield
West Sussex
RH16 1RQ
United Kingdom

www.loxleyconsultancy.com

Acknowledgements

This external evaluation of the ESPON 2013 Programme was commissioned by the Ministry of Sustainable Development and Infrastructures of the Grand Duchy of Luxembourg, Département de l'Aménagement du Territoire (DATer) in its capacity of Managing Authority of the ESPON 2013 programme.

Loxley Consultancy would like to thank all those who actively contributed through responses to questionnaires and interviews, making this challenging evaluation possible given its tight time schedule. These are:

- Representatives of the Member States and Partner States forming the programme Monitoring Committee;
- Representatives of the European Commission;
- The representative of the Managing Authority;
- Staff in the ESPON Coordination Unit,
- Staff working in the National Contact Points;
- Lead Partners and TPG partners of ESPON projects;
- Stakeholders; and
- Sounding Board members.

The authors of this report would especially like to express our gratitude to Peter Mehlbye (Director – ESPON Coordination Unit) and Mélanie Donjon (Financial Expert – ESPON Coordination Unit) and to Thiemo Eser (Managing Authority) for the helpful, flexible, dedicated and on-going guidance which they provided throughout the implementation of this evaluation.

Copyright

Responsibility for the contents of this report lies with [Loxley Consultancy Ltd](#). Copyright and other intellectual or industrial property rights are owned by the Contracting Authority, which may use, publish, assign or transfer them as it sees fit, without limitation, except where industrial or intellectual property rights exist prior to the Contract being entered into.

Distribution or publication of all or part of this report requires prior authorisation from the Contracting Authority - "Ministry of Sustainable Development and Infrastructures of the Grand Duchy of Luxembourg, Département de l'Aménagement du Territoire (DATer)".

Table of Contents

1	Executive Summary	1
1.1	Overview of the Evaluation.....	1
1.2	Recommendations and Considerations	6
2	Objectives of the Evaluation.....	9
2.1	Introduction and Scope of Work	9
3	Evaluation Methodology.....	10
3.1	Rationale for Choice of Methodology	10
3.2	Methods for Data Collection and Analysis	12
4	Programme Description	14
4.1	Context	14
4.2	Rationale.....	14
4.3	Stakeholders and Beneficiaries.....	16
4.4	SWOT Analysis.....	16
5	Evaluation Findings	17
5.1	Introduction	17
5.2	Overview of the Survey.....	17
5.3	Consistency of the activities, their relationships and complementarity.....	20
5.4	The Effectiveness of the Operations.....	26
5.5	The Efficiency of Operations	38
5.6	The Relevance of the ESPON 2013 Programme in its Political Context	45
6	Summary of Key Questions and Conclusions	47
6.1	Overview.....	47
6.2	Dimension 1 - Consistency of the activities, their relationships and complementarity.....	47
6.3	Dimension 2 - The effectiveness of the operations.....	49
6.4	Dimension 3 - The efficiency of operations	52
6.5	Dimension 4 - The relevance of the ESPON 2013 Programme in its political context.....	55
6.6	ESPON Post 2013	58
7	Recommendations and Considerations	60
7.1	Observations	60

Tables

Table 5.1	Survey responses by project.....	17
Table 5.2	ERDF and National Funding for ESPON 2013 Programme, per Year in €.....	26
Table 5.3	ERDF and National Funding for ESPON 2013 Programme, per Year in €.....	27
Table 5.4	Certified Expenditure of ERDF Funding to Avoid De-Commitments.....	29
Table 5.5	Response to ESPON Calls for Priority 1 Proposals.....	30
Table 5.6	Publication and Website Indicators.....	34
Table 5.7	Seminar Attendance.....	35
Table 5.8	ECP Network Development.....	36

Figures

Figure 5.1	Responses to Communication Plan survey by Country.....	18
Figure 5.2	Respondents Organisational Type.....	19
Figure 5.3	ESPON Events Attended by Respondents.....	19
Figure 5.4	Priority 2 call Timeline.....	22
Figure 5.5	Number of projects active at specified date by Priority.....	30
Figure 5.6	Delivering the Communication Plan.....	45

Annexes

Copies of the survey questionnaires are provided in a separate volume.

List of Abbreviations

CAB	Central Approbation Bodies
CC	Concertation Committee
CPA	CU cluster on Capitalisation, Publications and Analyses
CU	Coordination Unit
EC	European Commission
EoI	Expression of Interest
ERDF	European Regional Development Fund
ESDP	European Spatial Development Perspective
ESPON	European observation network on territorial development and cohesion
EU	European Union
FMS	Financial Monitoring System
GoA	Group of Auditors
KSS	Knowledge Support System
LP	Lead Partner
MA	Managing Authority
MC	Monitoring Committee
ONS	Office of National Statistics (or equivalent in MS)
PDC	CU cluster on Project Development and Coordination
PMF	CU cluster on Programme Management, Finance and Budget
PMSS	Programme Monitoring Support System
PP	Project Partner
SB	Sounding Board
SG	Steering Group
TIA	Territorial Impact Assessment
TNA	Transnational Networking Activities

ToR	Terms of Reference
TPG	Transnational Project Group

1 Executive Summary

1.1 Overview of the Evaluation

European Council Regulation (EC) No 1083/2006 of 11 July 2006 sets the legal framework of the Programme evaluation. In particular, Article 48.3 gives the framework of the ongoing evaluation of the programme:

"During the programming period, Member States shall carry out evaluations linked to the monitoring of operational programmes in particular where that monitoring reveals a significant departure from the goals initially set or where proposals are made for the revision of operational programmes, as referred to in Article 33. The results shall be sent to the monitoring committee for the operational programme and to the Commission".

Although the regulation requires **ongoing evaluation** to be carried out on all INTERREG Programmes, the scope, time frame and extent of those evaluations is determined by the programme. In consequence, the whole approach to evaluation has become more strategic and flexible. The ESPON 2013 Operational Plan envisages ongoing evaluation with both internal and external components.

The evaluation of the ESPON 2013 Programme requested in the Terms of Reference (ToR) is for an external on-going assessment of implementation from 2007 to the end of 2010. It aims to provide the CU/MA with a detailed appraisal that:

- ✓ confirms the achievements of the current stage of programme implementation;
- ✓ evaluates the relevance, the effectiveness, the efficiency and the consistency of the programme; and
- ✓ provides suggestions for improvement and useful information for the stakeholders towards implementation and management process of the programme.

These aims are addressed by **6 main objectives**:

- To assess the performance of the programme as a whole in terms of relevancy, efficiency, effectiveness, consistency of the management and implementation of the programme;
- To assess if the implementation of the programme is in accordance with the Community, national and programme priorities and if there is sufficient indication that the programme objectives will be achieved;
- To present an independent opinion as to whether the programme is (over/under) performing;
- To confirm the pro-active or non-active approach of policy-makers and involved organizations;
- To obtain suggestions or independent opinion on what can be improved to ensure a high and high-quality absorption capacity of the European Funds;
- To measure the effectiveness of certain aspects of the programme, such as the management system, the programme and project indicators, the budget allocation to priorities, project evaluation, selection and transparency towards potential beneficiaries as well as performance, communication and information activities.

These objectives cover 4 dimensions of evaluation:

Dimension 1 - Consistency of the activities, their relationships and complementarity.

Dimension 2 - The effectiveness of the operations.

Dimension 3 - The efficiency of operations.

Dimension 4 - The relevance of the ESPON 2013 Programme in its political context.

These dimensions elaborate 23 Key questions/issues set out in the ToR; each of which generates other more detailed questions when mapped to the programme priorities.

Our Methodology

Our approach incorporates best practice guidelines and varied tools and techniques to fully understand the programme and its context. In keeping with the orientation of DG Regio that evaluations under the European Territorial Cooperation Objective should be needs driven we maintain the link between this evaluation and the decision making process it underpins. The methodology follows Commission guidelines for on-going evaluations (e.g. "Indicative Guidelines on evaluation methods: Evaluation during the programme period", Working Document 5, published April 2007) and comply with the EVALSED quality standards (www.evaled.com).

The methodology implemented for this study incorporates:

- **Desk research** to support statistical analysis and policy objectives;
- Bringing the programme **SWOT analysis** up-to-date to see whether any changes in the analysis indicate concomitant changes in the priority actions or the project orientation. In the Operational Programme there is (II.2.3) a SWOT-like analysis of the ESPON 2006 Programme outcome. The ex-ante report also refers to this analysis and to the higher level SWOT analysis in (II.2.2), both of which the evaluators found to be of use in analysing the objectives and priorities;
- **Assessments** of developments in the background to ESPON which feed into the appraisal of impacts and likely achievement of objectives such as the ramifications of the global financial crisis that condition policy priorities and take up of opportunities;
- **Interviews** and discussions with stakeholders to validate policy objectives;
- Email **surveys** of programme beneficiaries; and
- Close **co-ordination and frequent communication** with the MA/CU and MC.

Context and Objectives

The European Spatial Planning Observation Network (ESPON) was implemented in the framework of the Community Initiative INTERREG III in 2002 to provide a common platform for applied research in the policy fields related to EU Cohesion Policy and the European Spatial Development Perspective (ESDP). It aimed to improve knowledge, co-ordination and consistency of policy actions and measures at the EU level and between the EU, national and regional levels, as well as for bilateral relations of individual states.

The first programme, ESPON 2006, ran from 2001 to 2006. The final report on the programme concluded that although a certain number of shortcomings had been identified, the ESPON 2006 programme had proven its potential to create new pan-European comparative facts and evidence bringing added value for the different ESPON user groups and that the programme had created a strong potential value for all users especially at the higher administrative and governmental levels. The research momentum gained in the early work was perceived to merit continuity which gave rise to the current ESPON 2013 programme.

The idea of territorial cohesion has developed from the ESDP to the TA and the recent developments of EU Cohesion Policy, and was added to economic and social cohesion as an important policy aim for the EU. The Lisbon treaty makes territorial cohesion an explicit objective for the future of Cohesion Policy. In Leipzig in 2007 the Territorial Agenda was agreed and ESPON specifically recognised as a programme providing support to that Agenda. The 2008 Green Paper on Territorial Cohesion also references ESPON and the questions raised there were important indicators of the policy concerns of the EC. In the 2009 6th Cohesion Report, ESPON and the Urban Audit are recognised as key assets in improving understanding of territorial cohesion.

Cohesion Reports have repeatedly considered the question of territorial cohesion and pointed out a number of issues that were still under debate within the EU. The 5th Cohesion report noted the general agreement that better tools and indicators were needed and that improved analysis was necessary. The Commission 2010 paper, *'Europe 2020 - A strategy for smart, sustainable and inclusive growth'* was endorsed by the Council in June and sets in motion a new European strategy for growth and jobs. Cohesion policy needs to support this strategy and clearly ESPON is expected to provide analytic support, for example, in relation to the current Hungarian presidency work on updating the Territorial Agenda (*Towards a More Competitive and Sustainable Europe of Diverse Regions* (TA2020)).

ESPON 2013 with its enlarged budget (€47m compared to €17m) has ambitious objectives. It is expected to be more reactive to the developing demands of policy makers and potential users. It supports policy development in relation to the aim of territorial cohesion and a balanced, harmonious development of the European territory.

The mission and rationale of the ESPON 2013 programme strategy is set out in the Operational Programme which defines one overall aim for the programme, to:

"support policy development in relation to the aim of territorial cohesion and a harmonious development of the European territory by (1) providing comparable information, evidence, analyses and scenarios on territorial dynamics and (2) revealing territorial capital and potentials for the development of regions and larger territories contributing to European competitiveness, territorial cooperation and a sustainable and balanced development".

From this overall aim detailed programme objectives have been expressed supporting the intervention logic. The OP defines 3 **Overall Objectives**:

- Enhance European evidence, knowledge, data and indicators in relation to territorial cohesion and development to support policy making;
- Policy demand shall define the themes and EU policies to be addressed in applied research actions and ensure a focus towards the policy process.
- A user oriented approach shall ensure capitalisation of the ESPON 2013 Programme.

These goals are turned into manageable actions through 7 Strategic Objectives and 13 Specific Objectives which tie into the 5 Priorities through which ESPON is delivered:

- Priority 1 – Applied Research.
- Priority 2 – Targeted Analysis.
- Priority 3 - Scientific Platform and Tools.
- Priority 4 - Capitalisation, Ownership and Participation.
- Priority 5 - Technical Assistance, Analytical Support and Communication.

Overview of Evaluation Findings

Our opinions and conclusions from the overall evaluation process are based upon evidence gathered from desk research and contacts with beneficiaries, stakeholders, managing bodies and ESPON Member State representatives.

Overall the evaluation found the ESPON 2013 programme to have continued relevance for a wide range of stakeholders and to be delivered in the consistent manner envisaged at the Ex-Ante stage. It is now progressing satisfactorily following a delay to Calls in 2009 whilst the management and control system was approved by the EC in August 2009. This resulted in a lower scale of activity until that date. However, through proactive collaboration between the CU, MA and MC the programme is now operating with renewed vigour and momentum. Thanks to calls in 2010 and those envisaged in 2011 the programme is well placed to realise its objectives in the remainder of the programme period.

In most cases the programme has been found to be achieving or exceeding its indicative targets as defined in the Operational Programme and where downward adjustments to target indicators have occurred these should not prevent the programme attaining the overall anticipated outcomes and impacts.

Our analysis of the objectives, priorities and actions set out in the Operational Programme confirms the previous SWOT analysis has been appropriately recognised. We, therefore, concur with the findings of the Ex-Ante report and have not uncovered any major new considerations which would lead us to recommend concomitant changes in the priority actions or the project orientation.

The following points summarise our opinions on activity across all five Priority areas which are generally being delivered in an effective and efficient manner. They are discussed in detail in Chapter 5 of the report and summarised against the 4 dimensions of the evaluation in Chapter 6. Briefly, we conclude:

- The Priority 1 Applied Research projects are delivering significant outputs of high quality.
- Priority 2 Targeted Analysis in ESPON 2013 presents a fresh approach and innovative framework for “user-driven” project participation within the Programme. The activities and outputs are consistent with the programme’s rationale and priority action objectives and the two stage evaluation approach seems to work effectively as a process, although despite MC efforts to shorten the process it requires a long call procedure which is a weakness that might be redressed by the MC.
- Priority 3 Scientific Platform and Tools has progressed slower than expected in the period to December 2010 (e.g. due to the European debate on Typologies) and deliverables on which to fully assess progress of projects are only expected in 2011. An increased pace of implementation under this priority is expected in the period 2011-2013 to realise Operational Programme targets.
- The activities of Priority 4 Capitalisation, Ownership and Participation will increase in importance in the second half of the programme if appropriate capitalisation is to be achieved. Transnational Networking Activities began implementation in 2010, when 4 projects were approved by the MC, which all were kicked-off by January 2011. In addition, a fifth TNA project was approved as resubmitted proposal and kicked-off late January 2011. With this implementation, 28 ECPs have been engaged in Transnational Networking Activities, of which 8 ECP were involved in 2-3 projects. The last call for proposals for 1-2 projects will take place in August 2011.

- Priority 5 Technical Assistance, Analytical Support and Communication provided by the CU delivers essential support to the successful implementation of the programme. The CU has demonstrated a thorough approach to financial management with robust systems to monitor and process contracts and expenditure claims. These are documented in the description of the Management and Control System approved by the EC, the Programme Manual and Internal Manual. Where weaknesses have been identified in system audits the MA/CU/CA has taken a proactive approach to adjust procedures and rectify issues in the follow-up period and have regained momentum following the delayed approval of the programme.
- The CU and MA identified risks of financial de-commitment resulting from the reduced certified expenditure (compared to planned payment forecasts in application forms) and presented a Road Map¹ which was adopted by the MC in November 2010 setting out a route to realising the necessary targets. Unless the roadmap actions and improved project financial reporting shows good indications of success in 2011 there is a serious risk of funds being De-Committed under the N+3 and N+2 rules. The CU will need to monitor the ability of each project to spend its committed funds and if divergence from expectations occurs consider proposing additional study projects to absorb the underutilised funds. The programme has shown no difficulty in being able to commit funds.
- The Sounding Board system recommended at the end of the ESPON 2006 programme to improve the scientific validation and quality control has been established through a MA led KSS project which has achieved considerable success as a service to the applied research projects and to the programme. The concept might be further extended to other priorities within the programme.
- Stakeholder involvement appears to be providing effective guidance to projects under Priority 2; rather like the "Sounding Board" approach in Priority 1 Applied Research.
- Evidence of the impact of projects is emerging through the seminar programme where they have made a major contribution both in relation to the programme participants and stakeholders.
- The increasing numbers of organisations and institutions expressing interest in ESPON 2013 through participation at recent ESPON events is very encouraging for implementation in the period 2011-2013.
- ESPON has established a comprehensive Capitalisation Strategy and Communication Plan with activity documented in annual action plans. These actions remain of great and increasing importance for the remainder of programme period.
- The ECP network has an important role in the ESPON 2013 Operational Programme where it carries out capitalization efforts in a transnational context. Although the network was slow to reach complete coverage it is now helping to deliver both capitalisation and awareness activity. Overall the evaluation has found evidence that indicates the ECP network will have the capacity to fully achieve the objectives outlined in the Operational Programme, which is promising as its capacity and expertise in capitalisation appears to have been underutilised.
- The evaluation found there is consensus and strong support across the MC that the programme aims are relevant and at the heart of all ESPON activities. The ESPON programme is in a position to offer, value for money and added value. As the

¹ Road Map – Avoiding de-commitment, Version 4_2 July 2010

programme has developed ESPON has established itself as an important means of providing pan-European, comparable facts and evidence on territorial structures, trends, perspectives and policy impact related to approaches taken on the Territorial Agenda and Territorial Cohesion, producing results that can inform and feed into the Commission's, Member States', regions' and local authorities' actions and policies. ESPON is particularly relevant to the debate on implementation of Territorial Cohesion; providing a better understanding of territorial assets and tools to support strategic reporting in the framework of cohesion policy.

1.2 Recommendations and Considerations

Our thoughts on improvements in the implementation of ESPON 2013 in its remaining years are set out below. Although the scope of the evaluation does not require our observations regarding any future programme we have extended our conclusions to contain consideration of continuity of the programme post 2013. We believe this is important in that were a future programme to be implemented preparatory work should commence within the current programme period.

The order of presentation of recommendations does not imply importance. At the mid-point in the programme our recommendations address those areas where strengths are identified and might usefully be built upon, and those areas of weakness where adjustments to implementation can produce added value. Our comments on enhancement to Call procedures are directed to the post-2013 period as the planned schedule of Calls is limited beyond 2011.

13 Recommendations for Action 2011-2013

- Recommendation 1:** The "Sounding Board" activities of Priority 1 have proved very successful; it would be useful to extend this approach to other priority areas although not necessarily in the same form. The new Priority 3 projects should be reviewed to see how the sounding board principle could be applied. The sounding board should meet as an expert group with the CU to exchange ideas at least once during the programme.
- Recommendation 2:** Data availability problems need to be addressed before the next programming period. The collection and harmonisation of regional data should be the subject of a conference or other action initiated by the EC outside ESPON in view of the growing importance of the TC and TA.
- Recommendation 3:** Procedural issues relating to the formal regulatory requirements governing project and programmes funded by the Structural Funds are reducing effectiveness and efficiency. The extended use of service contracts should be considered in the remainder of the ESPON 2013 programme wherever practical within the existing regulations.
- Recommendation 4:** MA led project budgets should be defined along strategic lines with less fixing of activity by individual year to offer flexibility across the remaining programme period.
- Recommendation 5:** Despite the success of ESPON workshops and seminars it is imperative that dissemination and "Capitalisation" issues are given high priority in the second half of the programme to ensure take up of results. TNA

Priority 4 activities should be increased and/or more MA led activities developed to promote use of outputs at all levels.

- Recommendation 6:** Currently integrated analyses and thematic analyses form the bulk of Priority 2 projects. Additional projects that give knowledge support to experimental actions or joint actions related to the Structural Funds should be supported as foreseen in the priority objectives.
- Recommendation 7:** The diversity and geographic representation of participation in the programme should be extended. The recent extension of eligibility to private sector bodies may help, but the communication plan and capitalisation strategy should be used to increase awareness of ESPON and encourage new participants. ESPON should organise more events at national level (possibly drawing upon a road show format utilising the TNA projects).
- Recommendation 8:** The capability of the ECP network is underutilised. Arrangements with ECPs to increase interaction with ESPON projects should be established; potentially funded from national budgets.
- Recommendation 9:** Synthesis reporting needs to be regarded as an ongoing activity and an impact assessment for completed projects should be scheduled from 2012.
- Recommendation 10:** Dissemination of results at the national level is potentially diminished by language barriers. Either the TA budget or TNA budgets ought to envisage greater resources for translation of key results.
- Recommendation 11:** Projects should also be strongly encouraged to produce more concise executive summaries which contain clear key messages that can be easily assimilated by policy makers and practitioners.
- Recommendation 12:** The procedures review carried out in 2010 commented on the existence of parallel electronic filing systems creating double filing. Although it is impractical at this stage to replace the systems their implementation and use should be tightened up to avoid inconsistency.
- Recommendation 13:** Within the current programme period preparatory studies, drawing upon stakeholder interest and expert opinions, should be undertaken to shape objectives and the orientation of Priorities for an ESPON 2020 programme.

10 Considerations on Action Post-2013

- Consideration 1:** The development of ESPON should be managed as a continuous action as continuity of ESPON beyond 2013 is clear given its growing value to policy makers and practitioners; especially as the EU Cohesion Policy including TC and Territorial Agenda develops. It should establish a longer term plan to guide the work through a technical/policy steering group that can set priorities on a periodic basis.
- Consideration 2:** The format of projects and their interrelations in terms of methodology, scope, size (resources both in monetary, time and staffing terms) and

output, should be more varied. This variation should be considered in relation to prior results and knowledge, the policy instruments being studied and the time frame within which results are required. Consideration should be given to running small parallel studies looking at different aspects of a policy question for discussion at a seminar with public access and subsequent rapid publication in an ESPON series.

Consideration 3: Reviews of state-of-the-art knowledge on a topic, or good practice in policy development and application, are in themselves of value to practitioners and could form individual projects.

Consideration 4: Applied Research projects should have tightly focussed themes and subjects (as recommended in earlier evaluations). These should be defined with support from groups of experts (whose interests do not conflict), or through strengthened central policy and scientific direction. The process of using web based surveys to identify themes for calls should only be used as a second stage consultation of the wider community following hearings with expert groups of key policy makers, scientists and practitioners.

Consideration 5: Sounding Board members should be involved in the project specification stage.

Consideration 6: To achieve a more responsive programme in the period after 2013 targeted Calls could be more frequent and/or prepared in a more streamlined manner to avoid long delays from identification of a need (theme) to commencement of a project. This is more compatible with a demand responsive programme.

Consideration 7: Territorial cohesion is still a concept that needs to be more clearly defined and delineated. ESPON was set up to support policy development with facts and evidence in order to achieve this and until the concepts and policy implications are much better integrated into EU thinking and policy at all levels it is imperative that the ESPON programme continues and is strengthened.

Consideration 8: Making more data and tools available to analysts and policy makers outside the programme should be reviewed and priorities set for specific activities.

Consideration 9: The EC should be encouraged to review Structural Fund financial regulations as procedural issues reduce effectiveness and efficiency in the 2007-2013 period. The extended use of service contracts should be considered. Ways in which this approach can be embedded in a post-ESPON 2013 programme must be implemented.

Consideration 10: The technical capabilities of the CU should be strengthened to offer more scientific and statistical support. The MC might investigate secondment of a senior statistician with experience in regional statistics on short term release from one of the ONSs. This is a standard procedure used by EUROSTAT.

2 Objectives of the Evaluation

2.1 Introduction and Scope of Work

European Council Regulation (EC) No 1083/2006 of 11 July 2006 sets the legal framework of the Programme evaluation. In particular, Article 48.3 gives the framework of the ongoing evaluation of the programme:

"During the programming period, Member States shall carry out evaluations linked to the monitoring of operational programmes in particular where that monitoring reveals a significant departure from the goals initially set or where proposals are made for the revision of operational programmes, as referred to in Article 33. The results shall be sent to the monitoring committee for the operational programme and to the Commission".

Although the regulation requires **ongoing evaluation** to be carried out on all INTERREG Programmes, the scope, time frame and extent of those evaluations is determined by the programme. In consequence, the whole approach to evaluation has become more strategic and flexible. The ESPON 2013 Operational Plan envisages ongoing evaluation with both internal and external components.

The evaluation of the ESPON 2013 Programme requested in the Terms of Reference (ToR) is for an external on-going assessment of implementation from 2007 to the end of 2010. It aims to provide the CU/MA with a detailed appraisal that:

- ✓ confirms the achievements of the current stage of programme implementation;
- ✓ evaluates the relevance, the effectiveness, the efficiency and the consistency of the programme; and
- ✓ provides suggestions for improvement and useful information for the stakeholders towards implementation and management process of the programme.

These aims are addressed by **6 main objectives**:

- To assess the performance of the programme as a whole in terms of relevancy, efficiency, effectiveness, consistency of the management and implementation of the programme;
- To assess if the implementation of the programme is in accordance with the Community, national and programme priorities and if there is sufficient indication that the programme objectives will be achieved;
- To present an independent opinion as to whether the programme is (over/under) performing;
- To confirm the pro-active or non-active approach of policy-makers and involved organizations;
- To obtain suggestions or independent opinion on what can be improved to ensure a high and high-quality absorption capacity of the European Funds;
- To measure the effectiveness of certain aspects of the programme, such as the management system, the programme and project indicators, the budget allocation to priorities, project evaluation, selection and transparency towards potential beneficiaries as well as performance, communication and information activities.

These objectives cover **4 dimensions of evaluation** which **elaborate 23 Key questions/issues**; each of which generate other more detailed questions when mapped to the programme priorities. Our methodology demonstrates how these fit together.

3 Evaluation Methodology

3.1 Rationale for Choice of Methodology

Our approach incorporates best practice guidelines and varied tools and techniques to fully understand the programme and its context. In keeping with the orientation of DG Regio that evaluations under the European Territorial Cooperation Objective should be driven by the needs of the programme we maintain the link between this evaluation and the decision making process it underpins. The methodology follows Commission guidelines for on-going evaluations (e.g. "Indicative Guidelines on evaluation methods: Evaluation during the programme period", Working Document 5, published April 2007) and comply with the EVALSED quality standards (www.evaled.com).

The methodology implemented for this study incorporates:

- **Desk research** to support statistical analysis and policy objectives;
- Bringing the programme **SWOT analysis** up-to-date to see whether any changes in the analysis indicate concomitant changes in the priority actions or the project orientation. In the Operational Programme there is (II.2.3) a SWOT-like analysis of the ESPON 2006 Programme outcome. The ex-ante report also refers to this analysis and to the higher level SWOT analysis in (II.2.2), both of which the evaluators found to be of use in analysing the objectives and priorities;
- **Assessments** of developments in the background to ESPON which feed into the appraisal of impacts and likely achievement of objectives such as the ramifications of the global financial crisis that condition policy priorities and take up of opportunities;
- **Interviews** and discussions with stakeholders to validate policy objectives;
- Email **surveys** of programme beneficiaries; and
- Close **co-ordination and frequent communication** with the MA/CU and MC.

Evaluation Matrix

Our **evaluation matrix** is mapped to the priority structure in the Operational Programme. The matrix is driven by the 4 evaluation **dimensions** and 23 **key questions** set out in the ToR.

Dimension 1 - Consistency of the activities, their relationships and complementarity

- KQ1** Are the activities and outputs of the programme consistent with the overall goal and the attainment of its objectives?*
- KQ2** Are the activities and outputs of the programme consistent with the intended impacts and effects?*
- KQ3** To what extent are the activities logical and in compliance with the EU and programme framework? To what extent is the internal coherence of the programme maintained?*
- KQ4** To what extent are the activities of the programme complementary, not overlapping and contributing to the objectives of the programme?*

Dimension 2 - The effectiveness of the operations

- KQ5** *What has been the actual effect of the programme so far?*
- KQ6** *What is the programme's progress towards achievement of the objectives? In what way has the programme contributed to the territorial cohesion of the programme's territory and its policy?*
- KQ7** *Are the actions taken appropriate to produce the desired and foreseen effect?*
- KQ8** *Could more or better effects be obtained by using different instruments or actions?*
- KQ9** *Are the outputs, results and impacts well defined to achieve the objectives of the programme? Have there been (un)successful actions with a significant effect?*
- KQ10** *Are the results and impacts lasting? How durable are they over time? Will the impacts continue if there is no more public funding? Will the cooperation continue, and in what form?*
- KQ11** *Does the programme have an impact on the target groups or populations in relation to their needs?*

Dimension 3 - The efficiency of operations

- KQ12** *How well are the programme's resources managed?*
- KQ13** *Has the programme been efficient in using for example auditors, meetings, travel costs, transactions, reporting?*
- KQ14** *Is the programme well managed and delivered in an efficient and legitimate way within the regulatory settings?*
- KQ15** *Are the procedures of evaluation and selection of projects ensuring a sufficient transparency and feedback to potential beneficiaries in relation to EU standards?*
- KQ16** *Have cultural obstacles and different accounting and management systems been dealt with efficiently? What procedures could be simplified to avoid obstacles or inefficient cooperation?*
- KQ17** *Could better effects be obtained for the same cost?*

Dimension 4 - The relevance of the ESPON 2013 Programme in its political context

- KQ18** *Is this programme useful and helping those for whom it is intended?*
- KQ19** *Have there been any new developments or changes? How do these changes affect the programme's objectives?*
- KQ20** *To what extent was cooperation necessary to achieve the effects? What has been the intensity of cooperation? What elements has cooperation added to the programme's activities and achievements? How relevant was the cooperation? Was the intervention additional to what would otherwise have taken place?*
- KQ21** *To what extent the project/programme adds benefits to what would have resulted from Member States' interventions in the same context?*
- KQ22** *How innovative are the programme and its operations? What new approaches have been deployed or results produced? Were the operations actually innovative and relevant?*
- KQ23** *Has the programme in any way complemented and enhanced the effect of other related domestic policies or macro-regional strategies?*

3.2 Methods for Data Collection and Analysis

Basis of Data Collection

A list of projects and participant contacts provided by Coordination Unit (CU) was used to conduct surveys.

Information on project funding, the type of partners, project outputs/outcomes available from the ESPON website, supplemented by data from the CU formed the basis for selection of projects for interview.

Data Sources for Desk Research

A wealth of material has been collected and published by the programme which the evaluation has drawn upon to perform background research. Desk research commenced with assimilation of the:

- Community Regulations : Council Regulation (EC) No 1083/2006 of 11 July 2006; Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006; Commission Regulation (EC) No 1828/2006 of 8 December 2006;
- Ex-ante Evaluation of the Operational Programme ESPON 2007-2013, December 2006;
- ESPON Operational Programme, adopted by European Commission Decision C(2007) 5313 of 7 November 2007;
- Programme Manual;
- Communication Plan on Information and Publicity Measures programming period 2007-2013;
- ESPON Annual Work programmes;
- Annual implementation reports 2007, 2008 and 2009;
- Internal ongoing evaluation including the monitoring scoreboard, December 2009 and June 2010; and
- ESPON Publications and ESPON Project Reports.

Procedural performance analysis was further supported by access to documents and minutes of MC meetings.

Organisation of Surveys

Customised surveys were developed for specific target groups to elicit additional information and opinions in respect of the Key Questions posed. Reminders were issued to non-respondents to maximise returns.

Copies of the brief structured questionnaires are presented in an annex to the Final Report. Questionnaires included provision for free commentary on the evaluation dimensions that could be followed up in interviews.

Organisation of Interviews

Interviews were undertaken with a range of participants (stakeholders, policy makers, beneficiaries and ECP's) based on the contact lists provided by the CU. These interviews followed a semi-structured pro forma for consistency, with the flexibility to diverge from the topic to pick up on any interesting point that emerges.

Although some interviews were carried out face-to-face the majority were conducted via a teleconference call.

Liaison with the Steering Group

Although the full MC acted as the evaluation steering group this is a large group who meet infrequently. Regular liaison between the responsible Evaluation expert at the CU and the MA [representing the MC] provided essential guidance to achieve the desired inputs.

A meeting of the full MC on 1st February 2011 provided an opportunity for the evaluation team to present preliminary findings and initial reactions for discussion and feedback to ensure a comprehensive coverage of all dimensions of the evaluation.

4 Programme Description

4.1 Context

The European Spatial Planning Observation Network (ESPON) was implemented in the framework of the Community Initiative INTERREG III in 2002 to provide a common platform for applied research in the policy fields related to EU Cohesion Policy and the European Spatial Development Perspective (ESDP). It aimed to improve knowledge, co-ordination and consistency of policy actions and measures at the EU level and between the EU, national and regional levels, as well as for bilateral relations of individual states.

The first programme, ESPON 2006, ran from 2001 to 2006. The final report on the programme concluded that although a certain number of shortcomings had been identified, the ESPON 2006 programme had proven its potential to create new pan-European comparative facts and evidence bringing added value for the different ESPON user groups and that the programme had created a strong potential value for all users especially at the higher administrative and governmental levels. The research momentum gained in the early work was perceived to merit continuity which gave rise to the current ESPON 2013 programme.

From ESDP the TA and developments of EU Cohesion Policy the idea of territorial cohesion developed and was added to economic and social cohesion as an important policy concern of the EU. The Lisbon treaty makes territorial cohesion an explicit objective for the future of Cohesion Policy. In Leipzig in 2007 the Territorial Agenda was agreed and ESPON specifically recognised as a programme providing support to that Agenda. The 2008 Green Paper on Territorial Cohesion also references ESPON and the questions raised there were important indicators of the policy concerns of the EC. In the 2009 5th Cohesion Report, ESPON and the Urban Audit are recognised as key assets in improving understanding of territorial cohesion.

Cohesion Reports have repeatedly considered the question of territorial cohesion and the 6th Cohesion Report in particular pointed out a number of issues that were still under debate within the EU. It also noted the general agreement that better tools and indicators were needed and that improved analysis was necessary. The Commission 2010 paper, *'Europe 2020 - A strategy for smart, sustainable and inclusive growth'* was endorsed by the Council in June and sets in motion a new European strategy for growth and jobs. Cohesion policy needs to support this strategy and clearly ESPON is expected to provide analytic support, for example, in relation to the current Hungarian presidency work on updating the Territorial Agenda (*Towards a More Competitive and Sustainable Europe of Diverse Regions* (TA2020)).

ESPON 2013 with its enlarged budget (€47m compared to €17m) has ambitious objectives. It is expected to be more reactive to the developing demands of policy makers and potential users. It supports policy development in relation to the aim of territorial cohesion and a balanced, harmonious development of the European territory.

4.2 Rationale

The Council Regulation for Structural Funds 2007-2013 (Council Regulation (EC) No 1083/2006 of 11 July 2006) provides the framework for ESPON.

The mission and rationale of the ESPON 2013 programme strategy is set out in the Operational Programme which defines one overall aim for the programme, to:

“support policy development in relation to the aim of territorial cohesion and a harmonious development of the European territory by (1) providing comparable information, evidence, analyses and scenarios on territorial dynamics and (2) revealing territorial capital and potentials for the development of regions and larger territories contributing to European competitiveness, territorial cooperation and a sustainable and balanced development”.

From this overall aim detailed programme objectives have been expressed supporting the intervention logic. The OP defines 3 **Overall Objectives**:

- Enhance European evidence, knowledge, data and indicators in relation to territorial cohesion and development to support policy making;
- Policy demand shall define the themes and EU policies to be addressed in applied research actions and ensure a focus towards the policy process.
- A user oriented approach shall ensure capitalisation of the ESPON 2013 Programme.

These goals are turned into manageable actions through 7 **Strategic Objectives**² which are summarised below:

- To support greater effectiveness of regional policy;
- To provide evidence on themes of policy demand related to the European strategic guidance on territorial development and cohesion;
- Achieve geographical coverage within the actions, including new EU Member States and EU Candidate countries and their regions with neighbouring countries not participating as partners covered in a limited number of outputs;
- Offer synergy and complementarity to other Community activities;
- To make use of the Community initiative GMES, which from 2008 will provide Europe-wide information on land-cover/land-use, ocean properties as well as incident maps in case of disasters and accidents (Council Decision on Community Strategic Guidelines on Cohesion of 6 October 2006);
- To initiate a policy dialogue and networking from the outset to raise awareness and involvement, and
- Ensure smooth implementation of the Programme by establishing a simple management structure and mechanisms for financial management and competent technical assistance.

In order to achieve the overall aims 13 **Specific Objectives** are listed which tie into the 5 **Priorities** through which ESPON is delivered:

Priority 1 – Applied Research.

Priority 2 – Targeted Analysis.

Priority 3 - Scientific Platform and Tools.

Priority 4 - Capitalisation, Ownership and Participation.

Priority 5 - Technical Assistance, Analytical Support and Communication.

² Set out in full on pages 27-28 of Operational Programme approved 7 Nov 2007

Going deeper there are 8 operational objectives for applied research projects, 3 for targeted research, 7 for the Scientific Platform and Tools, 4 for Capitalisation, Ownership and Participation, 7 for Technical Assistance, Analytical Support and Communication.

On the basis of these objectives and priority themes we are satisfied that the structure of the programme is coherent and appropriately segmented to enable practical management.

4.3 Stakeholders and Beneficiaries

ESPON 2013 has advanced the cause of stakeholders and practitioners significantly from the role they played in ESPON 2006. The recommendation from the predecessor programme that *"There is a need to connect ESPON to people and organisations carrying out spatial development (i.e. practitioners)"* is now embedded into activities; in particular those of Priority 2 that specifically seeks to define projects based on stakeholder input.

The Programme further demonstrates its user driven orientation by the way in which Priority 2 project stakeholders are used to comment on results and to guide projects. Such guidance is reinforced at a technical level in Priority 1 by sounding boards.

As the programme has matured the extent to which it has reached out to a broader base of beneficiaries and end users has become evident. Responses from these groups in our surveys demonstrate an eagerness to have access to evidence based analysis to support policy analysis at all levels (i.e. Local, Regional, National and European). The targeted analysis initiatives of Priority 2 are a prime example of how ESPON can provide outputs and detailed information crucial for different levels of territorial policy making.

ESPON open events attract representation from all administrative levels together with sector specific practitioner involvement and are a major channel through which the programme is being implemented. This user-oriented approach is fundamental to the success of ESPON. It extends the use of ESPON results, the diversity of participants and enriches the ESPON knowledge base. It also develops the application of the research by providing operational support to strategic processes in small and large territorial settings and to specific themes.

4.4 SWOT Analysis

In the Operational Programme there is a SWOT-like analysis of the ESPON 2006 Programme outcome. The ex-ante report refers to this analysis and to a higher level SWOT analysis of the ESPON 2013 in the Operational Programme. These documents form a basis for our consideration of the programme implementation to-date and its likely outcome.

Our analysis of the objectives, priorities and actions set out in the Operational Programme confirms the previous SWOT analysis has been appropriately recognised. We, therefore, concur with the findings of the Ex-Ante report and have not uncovered any major new considerations which would lead us to recommend concomitant changes in the priority actions or the project orientation.

5 Evaluation Findings

5.1 Introduction

In this Chapter we examine evidence from the desk research, surveys and interviews. The Chapter is structured to initially provide information on the response to our data gathering exercise and then considers our findings under the four dimensions of the evaluation:

Dimension 1 - Consistency of the activities, their relationships and complementarity.

Dimension 2 - The effectiveness of the operations.

Dimension 3 - The efficiency of operations.

Dimension 4 - The relevance of the ESPON 2013 Programme in its political context.

Within each category we use side headings to guide the reader through related considerations raised by the programme priorities, financial matters, etc.

5.2 Overview of the Survey

Information and opinions on programme performance were sought from each category of programme participant through customised questionnaires. Copies of the questionnaires used can be found in the annex to the Final Report.

Response rates for the survey have been mixed, but in all cases have provided a sufficiently large and geographically dispersed sample for the comments received to provide the desired insight into the programme. In the case of the MC we received 19 completed questionnaires from the 31 states; a 61% response rate. For the ECP network the 14 returns represented a 47% response rate. Taken together these provide an appreciation of the programme management and policy orientations that are driving the programme.

Table 5.1 Survey responses by project

Priority 1 Project	No. Responses	Priority 2 Project	No. Responses
ARTS	2	CAEE	1
ATTREG	3	ESPO TeDi	1
DEMIFER	3	EUROISLANDS	1
EDORA	3	METROBORDER	3
ESPO CLIMATE	2	PURR	3
EU-LUPA	2	SS-LR	0
FOCI	0	SURE	0
GEOSPECS	2	TranSMEC	0
KIT	2	SEMIGRA	
ReRISK	1	TPM	
SGPTD	1	RISE	
TERCO	1	SMART-IST	
TIGER	1	ULYSSES	
TIPTAP	1	BEST METROPOLISES	
TRACC	3	EATIA	
SeGI		POLYCE	
ESaTDOR			
Total	27 (LP=80%)	Total	8 (LP=38%)

Source: Evaluation survey. Highlighted projects excluded - contracted Oct (P1) Nov (P2) 2010.

Survey response rates from projects in Priority 1 are good though those for Priority 2 are lower. Table 5.1 demonstrates the depth of response from each project. It should be noted that two projects in Priority 1 and eight projects in Priority 2 were excluded from the survey as they were only contracted in October and November 2010, so have little experience of the programme.

Responses from Stakeholders and Sounding Board members have been limited (5 and 10 responses respectively). Stakeholder contributions are mainly from those associated with new projects in Priority 2. Nevertheless, the contributions offered in the survey provide yet another perspective on programme operation.

Given the limited number and the nature of projects in Priority 3 we used interviews and seminar attendances to gather information for the evaluation.

Overview of Communication Plan Survey

In common with all programmes financed from Structural Funds ESPON is obliged to develop a Communication Plan. As part of this evaluation we have conducted an assessment of the results of the information and publicity measures in terms of visibility and awareness of the ESPON 2013 Operational Programme and of the role played by the Community.

An online survey was initiated whereby 1515 individuals and organisations who have been involved in the ESPON Programme at some level were invited by email to provide opinions on ESPON Communication activities.

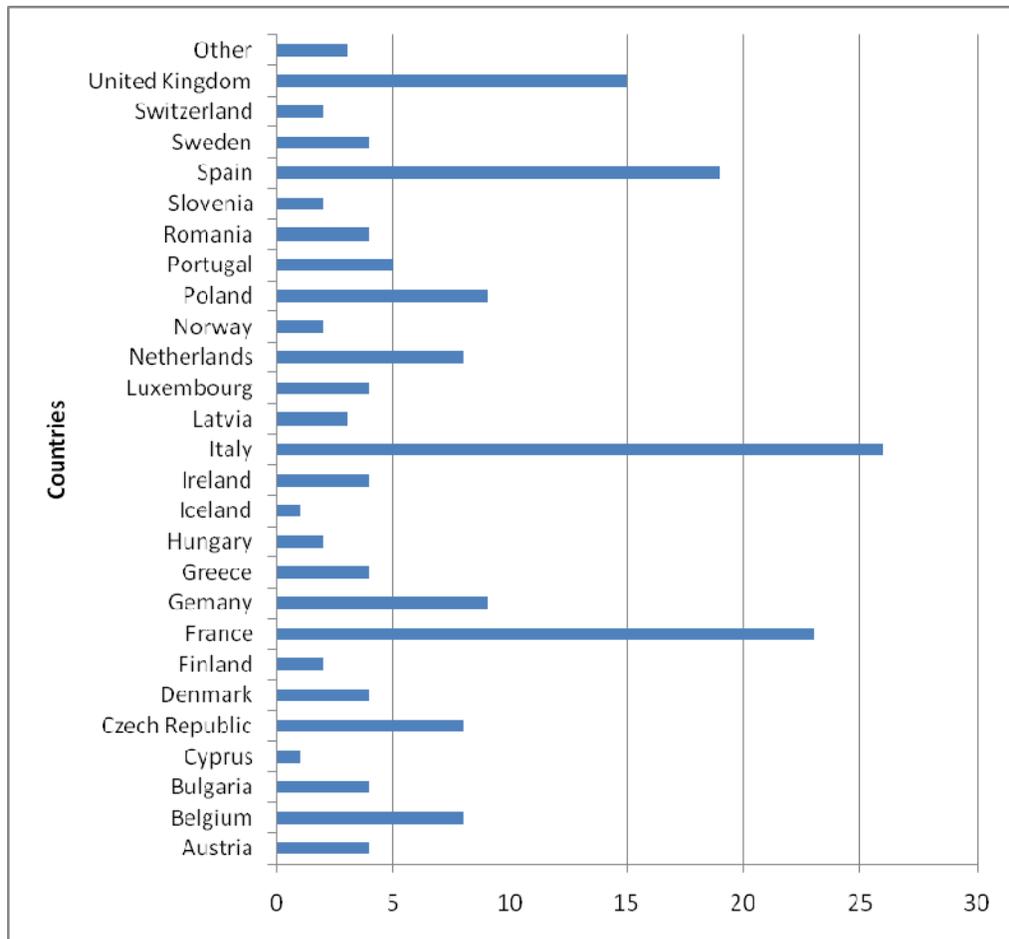
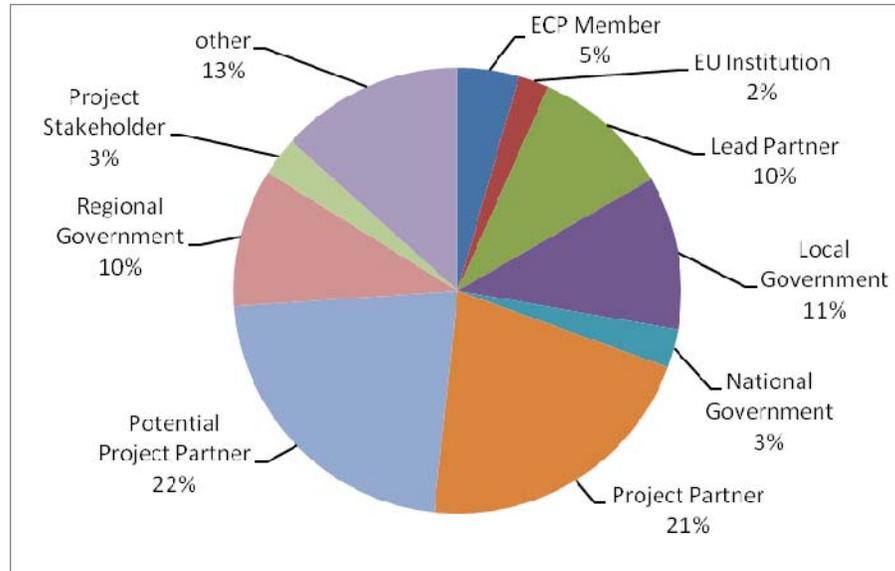


Figure 5.1 Responses to Communication Plan survey by Country

The web link remained open for two weeks resulting in 180 responses from respondents in 27 of the 31 ESPON countries. These are detailed in Figure 5.1.

Their role or interest in ESPON is shown in Figure 5.2 with most (53%) respondents coming from existing or potential project participants.



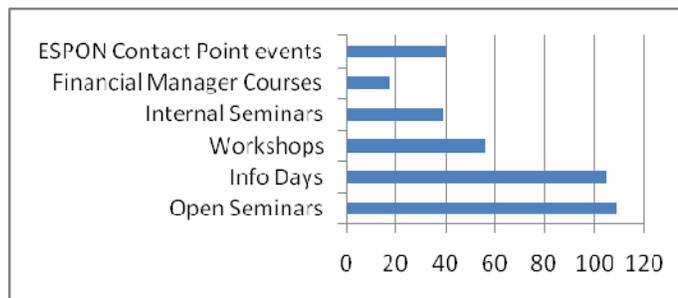
Source: Evaluation survey.

Figure 5.2 Respondents Organisational Type

The corporate identity of ESPON is well known (95% recognise the logo) and 64% of respondents felt they were well, or very well informed about the programme. The main trigger of initial awareness of ESPON came through colleagues (36%), ESPON Website (14%), and ESPON events (13%).

Most respondents (87%) were aware of the website and 19% used it weekly, 45% monthly and 26% quarterly. Only 2% thought the website had poor quality information whilst 50% thought it very good or excellent, but only 36% had a high opinion of its usability.

ESPON events are generally perceived as offering good value with only 1% saying they were poor compared to 62% very good or excellent. The types of event respondents had attended are shown in Figure 5.3.



Source: Evaluation survey.

Figure 5.3 ESPON Events Attended by Respondents

Information gathered in the various surveys, supplemented by interviews enriches the desk research and provides the background to our analysis in the remaining sections of this chapter.

5.3 Consistency of the activities, their relationships and complementarity

Priority 1 Applied Research Projects

The programme has continued and widened the applied research activities from the first programme. The first five projects started in 2008 were related to, or extended themes from, the 2006 programmes including the TIA model. The themes were urban, rural, energy, demographic, climate and territorial impact assessment. The three operational objectives of continuing to build new evidence, addressing major territorial challenges and priorities and improving the time dimension are being addressed by six projects started in 2008-09 which represent less than 20% of the expected projects in priority 1. The projects that started in 2010 are only now moving towards their first interim report.

The programme is intended to address a larger stakeholder community bringing in regional and local interests and the 2006 consultation process defining ESPON 2013 identified a wide range of key stakeholders. During operation of the programme the main influential stakeholders have become the EC and MC members in their capacity as policy makers. Establishing the themes for calls was managed by the MC taking account of the ESPON 2006 programme outcome and the ESPON 2013 Operational Programme including support by external experts who helped map the policy objectives to themes. To supplement that process the programme had foreseen the need to obtain the views of stakeholders in general on the themes to be studied and these were obtained by two surveys, one in 2008 and one in 2010. Both surveys relied to a considerable extent on visitors to the ESPON web site filling in an on line survey. The added value of these web based surveys is limited given the self selecting nature of the majority of the responses and the extent to which the surveys reinforce the existing views on priorities. Both surveys were also sent to key stakeholders in European level organisations although less than half responded.

A stand alone project on a social dimension was considered by the MC after the survey, but it was decided there was insufficient regional data at NUTS 2 and NUTS 3 level which led to a decision that social themes should at present receive attention within other project themes. This decision merits further consideration by the MC since the SWOT analysis in the OP noted a *“Thematic over-dependence on socio-economic issues at the expense of a social and environmental dimension of territorial development”* was a weakness. In addition to consideration of health, education and other social service availability in regions of low population or with specific age distributions, poverty and its relation to benefit programmes and age distributions might be considered as well as in relation to sectoral and other policies. Given the present financial crisis and its effect on national spending programmes now and in the immediate future this might be considered a priority and a source of information and regional analysis for the mooted coordination of economic policy in the Eurozone.

The priority one projects that have finished have produced significant outputs of high quality. However the criticisms of the project reports in the ESPON 2006 evaluations that they were overlong and academic, and failed to produce simple messages for policy makers and practitioners that could easily be assimilated and used continue to need attention. As the programme goes forward projects should be encouraged to produce key messages in executive summaries that are easily understood by end users.

The impact of projects is emerging through the seminar programme where they have made a major contribution both in relation to the programme participants and stakeholders. Interaction between different sectors of the programme would add value and deepen analysis. To date this has been limited by the low number of projects; a fact which may change as new projects start that can use the outputs of the early projects and integrate the impact of different topics on

each other. The CU through the Communication Plan should further develop this complementarity. Early evidence of such cross fertilisation can be seen where Priority 2 projects report using output from the ESPON 2006 projects and the ESPON 2013 projects that have produced reports so far. Evidence of further complementarity between projects and actions can be seen in their cross use by Priority 2 projects and from the stakeholder comments on their reports.

Given the high numbers of organisations and institutions expressing interest in ESPON through participation at ESPON events this ought to filter down into greater diversity of participation within the projects undertaken; both geographically and from a skill base standpoint.

Priority 1 Sounding Boards

The sounding board system that was recommended at the end of the ESPON 2006 programme to improve the scientific validation and quality control was setup rapidly for Priority 1 and has achieved considerable success in the view of the projects and the sounding board members. As with any new activity there is an opportunity for the CU to open a dialogue with them as a group to improve the consistency and guidance.

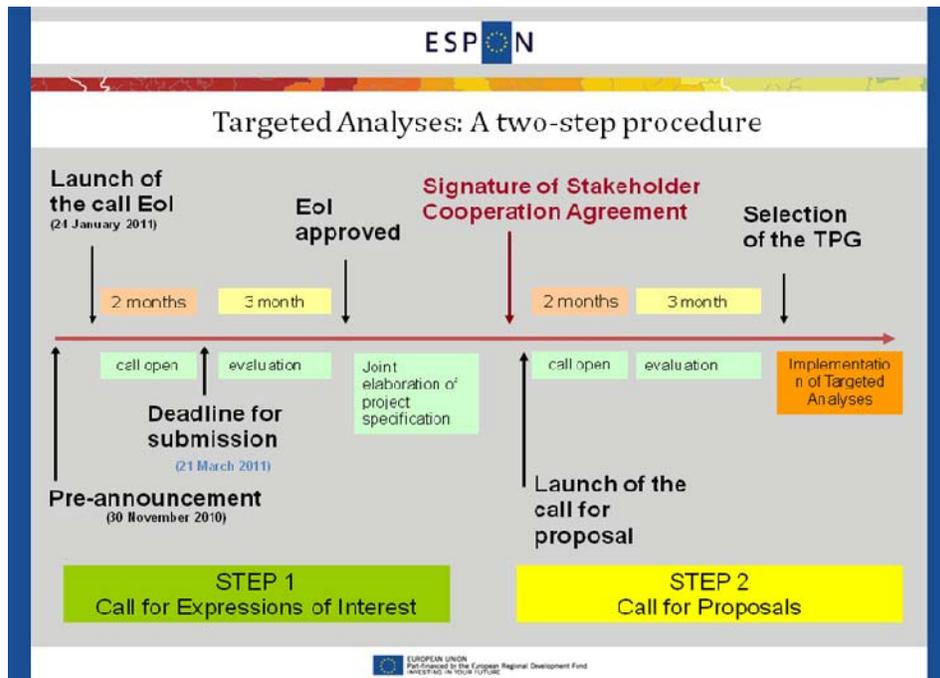
Priority 2 Targeted Analysis

Priority 2 activities and outputs are consistent with the programme's rationale and priority action objectives, however, in terms of being consistent with the intended (political) impacts and effects after finalisation of each project, it is too early to assess this as only a few of the projects have completed, or are near completion.

The two stage evaluation approach seems to work effectively as a process, but is not particularly efficient. It has a major weakness in that it can substantially extended the timeframe (to about 1 Year) for taking an idea of stakeholders to contract with a team of experts as illustrated in Figure 5.4. Although the MC has already reduced this timeframe with adaptations of the procedure it is our opinion that it has not gone far enough and should consider modifying it further; as recommended below. We proposed that:

- A pre-announcement notification be maintained to alert stakeholders and potential project partners;
- In Step 1 the Call should be open for a shorter time (possibly one month);
- In Step 1 the evaluation should be conducted in no more than 2 months and that the joint elaboration of project specifications for Step 2 should be completed within 1 month – as this should be no more than enhancement of the EOI proposal, culminating in signature of a Stakeholder Agreement;
- Prior to Step 2 a further pre-announcement could be made once the successful EOIs have been selected (but before specifications are fully agreed) to update interested parties and reconfirm the Step 2 Call date;
- In Step 2 the Call could then be open for a shorter time period of 1 month;
- The Step 2 evaluation should be reduced to 2 months.

Figure 5.4 Priority 2 call Timeline



Source: CU slide at ESPON Infoday 10 February 2011

The timeline shown in Figure 5.4 for Step 2 evaluation (taken from the most recent Call) is consistent with the sequential application of each step in the call procedure as currently set out in programme manuals and the specified elapse times required for MC involvement in each step; namely:

- Reception and registration
- Processing of MC confirmations – check on completeness
- Correctable omissions procedure – request for corrections
- Processing of MC confirmations – non completeness of proposal
- Correctable omissions procedure – wrong legal status
- Processing of MC confirmations – solvency for those with wrong legal status

In parallel the CU perform eligibility checks and initiate management and financial capacity procedures culminating in consultative meetings.

Applying our recommended logic will require a change to the existing practices and a very responsive approach from the MC, but the benefits should be considerable and would mean Targeted Analysis moved from idea to contract in 7 months. We therefore encourage the MC to consider an adaptation of the MC process to run its procedures in parallel, or at least overlapping to achieve the desired reduction in timescale.

There have been two instances where a lack of eligible proposals has meant a call had to be rerun (e.g. PURR and TransMEC rerun in Sept 2009 call) which placed a further delay on the initiation of these targeted analyses. These delays also mean that Priority 2 is only suitable for medium to long term analysis as short term questions might have become irrelevant or obsolete prior to initiation. The two step method is prescriptive and well focussed by definition and this works well when the stakeholders and selected experts share common ground and the bases are well defined.

There would appear to be scope for the MC to reduce call durations (as mentioned above) and possibly even encourage Stakeholders and ECPs to alert potential TPG participants at an early stage without introducing any conflicts of interest. There is some evidence that in the latest projects in some cases the LP was encouraged by the stakeholders to submit a proposal.

A good point observed in report comments from Stakeholders to Priority 2 projects is that the Stakeholder involvement appears to be providing effective guidance to the projects; rather like the "Sounding Board" approach in Priority 1. Although comments from some Stakeholders show technical awareness this may not necessarily be true in all cases. Stakeholders alone may not be able to offer scientific guidance for quality assurance in all cases and other independent scientific opinion (such as a sounding board) may be needed to provide confidence to users.

Priority 2 activities are generally logical and in compliance with the EU and programme frameworks and certainly will support informed policy decision making. Project activity contributes well to global programme objectives and in some instances is clearly linked to TA objectives. The stakeholders and TPGs are well informed on earlier ESPON results and use existing ESPON project results; which is a positive sign. There is a perceived skew in favour of integrated analyses and thematic analyses rather than projects that give knowledge support to experimental actions or joint actions related to the Structural Funds, which is not in line with objectives, though, thematic coverage within the ongoing projects is quite extensive.

The Priority area is on target in terms of meeting its global objectives but it could be useful to expand coverage of less favoured actions.

Deliverables have been produced to a high standard and outputs have both the potential for direct application and the possibility to contribute to a sound understanding of future developments in territorial and/or urban development. The stakeholders provide well focussed tasks for the TPGs, with clear hypotheses for testing, and maintain and sharpen the focus in their comments on each stage of the project. The comments also help to focus the form and content of the reports.

The close interest in the progress of the projects by the stakeholders implies that the impact of outputs is likely to be considerable, especially where the results are used by others.

Priority 3 Scientific Platform and Tools

This priority encompasses a number of actions with the ESPON Database being by far the most significant in terms of budget and importance to the programme overall.

The ESPON database is important to the integrity of the programme. Its objectives covers four areas: making usable data, indicators and tools available, public access, comparable accurate data available at a high level of detail, and adherence to European standards. This might be considered to be an agenda that even the National Statistical Offices would have difficulty with. The ESPON database project specification was therefore very ambitious and by the end of 2010, judged by its Phase 1 deliverables and the CU comments on them, has not been able to meet all the expected results set out on the ESPON web site³. The first phase is now ending and until the results are available it is not possible for the evaluation team to make a final judgement on the project.

³ http://www.espon.eu/main/Menu_Projects/Menu_ScientificPlatform/espondatabase2013.html?currentPage=2

Considering its next phase of development the CU and MC need to take account of findings from the evaluation surveys which have identified:

- The fact that the publicly available database at 9/2/2011 is only accessible using the Mozilla Firefox browser; which respondents repeatedly report as frustrating; and
- That if in the next Phase a more detailed data navigator tool could be made available the availability of data would be more evident to projects at the proposal stage and to those writing project specifications.

It is clear that more data is required and that the originators of specific data should be responsible for its accuracy. ESPON might take a lead from EUROSTAT whose position with regard to missing data, errors and outliers is set out succinctly in their slides for the Time series workshop organised by ESPON in 2010. The ESPON position should not be markedly different.

The lack of regional data (and more particularly comparable regional data) is a problem that has been noted in earlier evaluations. The programme is in a good position to identify many of the problems inherent in the current situation both with respect to definitions (for example in relation to local migration or commuting), data sources and collection methods (that vary widely between MS in some cases), user requirements, availability of specific data series, and access. Given the wide range of data required ESPON is probably in a unique position to put together a view of the position across the EU and neighbouring states.

It is not the responsibility of ESPON to address these problems directly, but it is in a position to provide input to the producers of the data to help achieve improvements. The EC should give some thought to creating a long term plan for improving the situation both through better harmonisation and increased coverage.

Overall the database project seems in Phase 1 to have spent a large proportion of its resources on methodological and design questions rather than on making data available. A review of priorities within the project in Phase 2 should consider the need to redress the balance.

The results of the ESPON Typology Compilation were held in abeyance due to concerns raised by the MC at its meeting in February 2010 relating to its usability in practice and the CU was asked to test the Typology Compilation before further dissemination. In parallel new regional typologies had been developed by the European Commission, the OECD and other international organisations. In order to support consensus and consistency at the European level based on the testing and the development of new regional typologies the MC decided (February 2011) on 9 regional typologies that ongoing and future ESPON applied research projects and ESPON publications would make use of for analytical purposes, if relevant. Guidance on how to use the typologies and access to the typologies compiled for use within ESPON will be made available via the ESPON Database.

INTERCO – the indicators of Territorial Cohesion project is currently in a stakeholder consultation phase involving further indicator refinement and definition, target setting and evaluation. The objectives and preliminary analysis of the project are entirely consistent with the ESPON Programme; and are highly complementary. The project will complete in February 2012.

Priority 3 includes several MA led projects which add to consistency of the action and contribute to the objectives of the programme. Within the evaluation period they include: HyperAtlas-updating, Data Navigator-updating, Online MapFinder and various Map-Updating projects.

Originally developed as an ESPON 2006 project, the ESPON Hyperatlas is a scientific tool/application which facilitates Multiscalar Territorial Analyses. The current project envisages: a web-version of the tool, the updating of the original datasets; improved functionality; an interactive user manual and proposals for future development of the tool. The current project has yet to submit deliverables and will complete in February 2011. The objectives and proposed updates are complementary to ESPON goals and are consistent with the aims of the prior project.. If these objectives are realised this will be a positive result and highly complimentary.

The ESPON Data Navigator update to support the search for relevant territorial data and maps in the enlarged EU only started in late 2010 with results applicable from 2012. It will contribute to the objectives of the programme, but could have had greater impact if commenced earlier in the programme.

The ESPON Online MapFinder supports Priority 1 and Priority 2 projects in making maps available to policymakers, scientists, practitioners, etc.

Following the new strategic approach to MA led projects concerned with targeted actions for the update of indicators and maps these actions are being consolidated into the second half of the programme and fall outside our evaluation.

Priority 4 Capitalisation, Ownership and Participation

The activities of Priority 4 are a key component of the programme, helping to bind other actions together and associated MA led projects make an important contribution to consistency of Priority 4, contributing to the objectives of the programme. Each activity is clearly supportive and complementary to the other Priority 4 tasks and to the overall delivery of ESPON 2013. Media and publication actions benefit from a coherent design strategy which through the capitalisation strategy and seminar programmes helps to promote participation in, and ownership of, the programme outputs.

The MA led ESPON Corporate Identity & Layout project has created a corporate graphic design and publication style that is widely recognised and the ESPON Webservice and IT Solutions project provides the essential interface to those within and outside the programme.

The ESPON Capitalisation and Media Bureau project ensures strategic support to create awareness of ESPON and use of results from all Priority areas.

European Seminars and Workshops with an objective to capitalise results further strengthen the complementarity of ESPON actions drawing together a wide audience of scientists, practitioners, policymakers and interested parties from across Europe.

The 4 TNA projects started in 2010 will support the consistency of activity across the ESPON programme and complement the applied research and targeted analysis projects. This component of the capitalisation work will increase in importance in the remaining years of the programme.

Priority 5 Technical Assistance, Analytical Support and Communication

Ensuring an efficient implementation of the ESPON 2013 Programme requires a strong central team equipped with the necessary skills to deliver technical assistance, analytical support to the ESPON community and communicate effective messages both to participants, scientists and policy makers. The establishment of the CU and its activities are, therefore, fully consistent with the needs of the programme.

The evaluation notes in many areas the burdens Structural Fund regulations place upon beneficiaries and the Coordination Unit. As ESPON develops it is important that the CU remains appropriately staffed to meet the ambitions set out in the Operational Programme.

Priority 5 covers all aspects of the CU operations which are appropriately organised within the CU through three clusters (CPA, PDC and PMF) that have clear relationships to actions under each Priority area and the overall operation of the programme.

Communication Plan

Within Priority 5 the Communication Plan is a major factor in ensuring consistency across the whole programme. It makes a strong contribution to realisation of the objectives of the programme. It provides a strategic framework for Programme information and publicity measures including the main goal and principles of communication, target groups, information and publicity measures, responsible bodies, communication indicators to monitor and the indicative budget.

The CU has made appropriate use of MA led projects to support the Communication Plan which are effective and efficiently delivered as noted in the following sections.

5.4 The Effectiveness of the Operations

Programme Budget and Financial Management

The resources to carry out the ESPON 2007-2013 programme set out in the Operational Programme are summarised in Table 5.2 detailing the budget by Priority Axis.

Table 5.2 ERDF and National Funding for ESPON 2013 Programme, per Year in €

Priority Axis	ERDF	National Counterpart	TOTAL Funding
P1 Applied Research	€17,317,512	€1,924,000	€19,241,512
P2 Targeted Analysis	€5,229,000	€1,307,250	€6,536,250
P3 Scientific Platform & Tools	€5,225,500	€922,500	€6,148,000
P4 Transnational Networking Activities	€4,356,000	€1,158,100	€5,514,100
P5 Technical Assistance, Analytical Support and Communication	€1,905,500	€6,032,650	€7,938,150
TOTAL	€34,033,512	€11,344,500	€45,378,012

Source: ESPON 2013 Operational Programme 7-11-2007

Table 5.3 shows these funds distributed throughout the lifecycle of the programme together with annual commitments and certified expenditures to the end of 2010.

Table 5.3 ERDF and National Funding for ESPON 2013 Programme, per Year in €

Year	ERDF	National Counterpart	TOTAL Funding	Commitments	Certified Expenditure
2007	€3,550,259	€1,588,171	€5,138,430	€0.00	€0.00
2008	€3,786,941	€1,604,053	€5,390,994	€9,030,352.60	€228,215.23
2009	€4,200,661	€1,620,094	€5,820,755	€12,020,873.69	€565,862.53
2010	€4,801,786	€1,636,294	€6,438,080	€7,018,968.06	€1,538,317.13
2011	€5,425,275	€1,652,657	€7,077,932	€7,621,790.94	
2012	€5,892,450	€1,669,184	€7,561,634		
2013	€6,376,140	€1,685,876	€8,062,016		
TOTAL	€34,033,512	€11,456,329	€45,489,841	€35,691,985.29	€2,332,394.89

Source: CU supplied data.

Notes: For 2011 projected commitments are shown. Projected commitments beyond 2011 will be agreed annually. Financial regulations permit eligible expenditure up to 31 December 2015. National Counterpart funding is calculated after 1% indexation per year from 2008. Member States have agreed an amount which is €111,829 higher than the maximum required contribution given in the OP.

In common with other Interreg programmes ESPON experienced anticipated delays at the start such that the EC issued guidance⁴ on splitting 2007 funds over the remaining years to mitigate some of the decommitment concern. It suggested that *“For the purpose of the automatic decommitment, the Commission shall calculate the amount by adding one sixth of the annual budget commitment related to the 2007 total annual contribution to each of the 2008 to 2013 budget commitments”*.

Nevertheless, from a financial perspective the programme began slowly and is, therefore, facing an ever steepening path to realise its target. The majority of the expenditure certified up to December 2009 related to implementation of Priority 5 Technical Assistance which is only financed by ERDF at 24%. By 31 December 2009 only one project in Priority 1 had successfully certified expenditure of €111,245.

Several factors have contributed towards slow financial commitment at the start of the programme which raises concern over ultimate certification of expenditure and attainment of financial targets within the regulations:

- Continuity of the ESPON 2013 programme from ESPON 2006 was delayed by a slow approval process within the Commission resulting in the approval of the Operational Programme only being adopted by the European Commission Decision on 7th November 2007 C(2007)5313;
- Although the CU carried out preparatory work during 2007 to enable a call to take place in January 2008, this and the subsequent call in August had low response rates combined with a high rate of ineligible proposals. This led to procedural adjustments that slowed work;

⁴ [Reg No 539/2010 of the European Parliament and of the Council of 16 June 2010 amending Council Regulation (EC) No 1083/2006]

- Delays in acceptance of the programme management control systems by the Commission effectively stopped further calls until audit studies had shown the systems to be appropriate. Only one Call was therefore launched in 2009 (September) resulting in contracts starting in 2010. The two calls in 2010 and two planned calls in 2011 have enabled the programme to regain its momentum; and
- Shortcomings with some national First Level financial control systems, detected by the CU during reviews of progress reports, suggest control has not been of a consistent quality. This led to some expenditure claims being rejected; delaying certification of eligible ERDF funded expenditure and beneficiaries encountering difficulties in complying with the reporting requirements.

The complexity of Structural Fund regulations meant the programme needed to have all procedures in place, verified and approved before opening calls in 2009. Two system audits carried out to realise this verification were successfully performed with only a few minor deficiencies identified in the 1st system audit.

Immediate actions to redress weaknesses have been initiated by the CU in the audit follow-up period which should ensure more effective Calls and efficient financial management. In particular, encouraging projects managers and First Level Financial Controllers to attend Financial Management Seminars (such as the one held in Leiden 2010) to further support projects facing delays and shortcomings with their financial reporting.

The broadening of eligible participation to Private Sector organisations from 2009 onwards is anticipated to both help increase the number of proposals received and broaden the technical capability of project teams. In statistics provided by the CU private sector organisations represented 17.3% of respondents to the call in 2009 (34 organisations out of 196 participants). This level of involvement was repeated in the first 2010 call for Priority 1 (16%) and Priority 2 (17.1%). The second call in 2010 for Priority 2 demonstrated a higher percentage at 42.9%, but this is from a small sample of 9 private sector organisations out of 21 participants.

The CU and MA have identified the risks of financial de-commitment resulting from the reduced certified expenditure compared to committed funds based on budget forecasts made by the project partners. The CU/MA presented a Road Map⁵ to the MC setting out a route to realising the necessary targets which was adopted by the MC in November 2010.

The exponential increase in certified expenditure of ERDF funds that must be declared in 2012 (€4,792,371) and (€11,410,480) in 2013 is a major challenge. Two large calls planned for January and August 2011 are expected to generate projects that will require funding that satisfy these goals.

⁵ Road Map – Avoiding de-commitment, Version 4_2 July 2010

Table 5.4 Certified Expenditure of ERDF Funding to Avoid De-Commitments

Year	Certified Expenditure	Cumulative Certified Expenditure	Non-Cumulative De-Commitment target	Cumulative Certified Expenditure to Avoid De-Commitments
2007	€0.00	€0.00	€0.00	€0.00
2008	€228,215.23	€228,215.23	€0.00	€0.00
2009	€565,862.53	€794,077.76	€0.00	€0.00
2010	€1,538,317.13	€2,332,394.89	€0.00	€0.00
2011	€		€4,387,651.00	€4,387,651.00
2012	€		€4,792,371.00	€9,180,022.00
2013	€		€11,410,480.00	€20,590,502.00
2014	€		€6,484,160.00	€27,074,662.00
2015	€		€6,967,850.00	€34,042,512.00
Total			€34,033,512.00	€34,033,512.00

Source: CU supplied data. De-Commitment targets are based on projected commitments.

Under the financial regulations funding that is committed must be spent within a fixed time period based on application of the appropriate N+3 or N+2 rule. Unless the roadmap actions and improved project financial reporting shows good indications of success in 2011 there is a serious risk of funds being De-Committed under the N+3 and N+2 rules. The CU will need to monitor each project's ability to spend its committed funds and if divergence from expectations occurs consider proposing additional study projects to absorb the underutilised funds.

Despite the retarded approval of the Programme its ability to commit funds to relevant actions is evident. The effectiveness of that funding is, however, brought into question by the apparent high risk of de-commitment of funding if financial reporting is not improved.

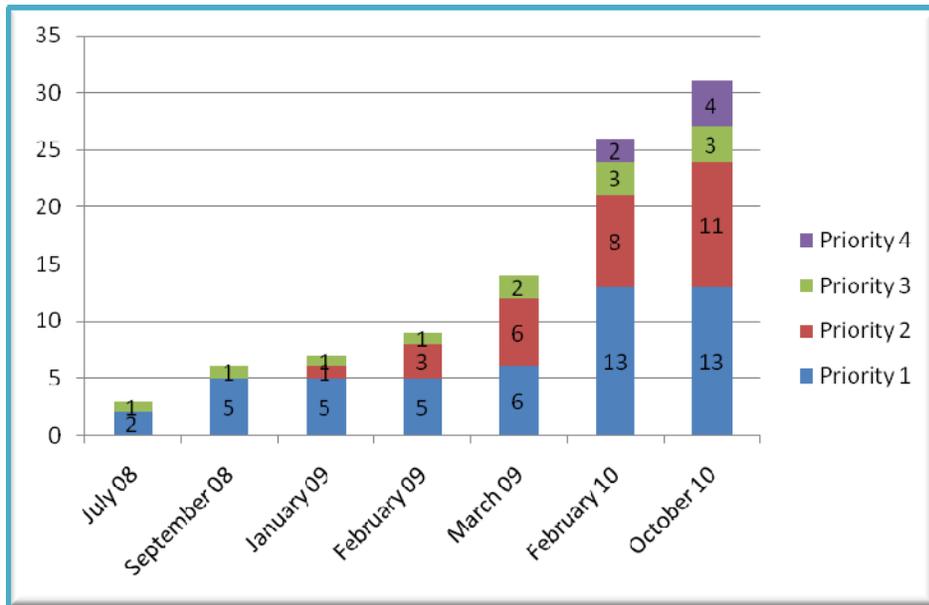
Notwithstanding the above concern, the technical quality of the work delivered by projects in each priority supports a common perception within the programme that outputs/results are generally of high quality and demonstrably provide good value for money.

Participant involvement in ESPON has grown since the previous programme and shows greater diversity than before. This gives added value to the research and provides new ideas and perspectives. Nevertheless, the programme would benefit from further broadening of that network (possibly facilitated by more TNA and ECP initiatives). A constraint on that growth is increasing awareness by proposers of the bureaucratic burden of Structural Fund financial regulations and associated reporting procedures which the evaluation surveys suggest may act as a barrier to participate by some organisations. Responding to this concern the CU/MA has undertaken a review of procedural processes, but concluded that no simplification is possible within the Structural Fund regulations.

Contracted Projects

The slow pace of project commitment is illustrated in Figure 5.6. This quantifies the number of projects that were operational at check points where new contracts were opened following Calls for Proposals. The short duration of many ESPON projects means some projects have completed, although the majority are only at the inception or interim stage.

Figure 5.5 Number of projects active at specified date by Priority



Looking at the number of proposals submitted in each call reveals a disturbing lack of interest in the early years; with some themes achieving no eligible responses due to deficiencies in proposal preparation. Subsequent efforts have been made through revisions of the Application Form to decrease the ineligibility rate. Table 5.5 demonstrates the issue in relation to Priority 1. Calls 2 and 5 included reruns of themes where no eligible projects were received in Calls 1 and 4 respectively. So in total only 13 eligible bids were received for the 6 projects in round 1 (Calls 1 & 2) giving 2.2 per theme and 29 eligible bids for the 11 projects in round 2 (Calls 4 & 5) giving 2.6 per theme. This does not represent a very competitive tendering process; even if the proposals involve large consortia.

It does, however, deserve mention that the calls attracted substantial numbers of participants.

Actions taken to simplify and improve Call procedures have reduced the problem and improved publicity for Calls seems to be generating far greater interest for the most recent Call. This has created a positive trend. In the 2010 Call only 3 out of 25 proposals were declared ineligible and in February 2011 no proposals were declared ineligible.

Table 5.5 Response to ESPON Calls for Priority 1 Proposals

Calls	Submitted Proposals	Number of Participants	Eligible Proposals	Approved Proposals	Number of Themes Open
Call 1 (2008)	19	123	12	5	6
Call 2 (2008)	1	13	1	1	
Call 4 (2009)	31	196	23	9	11
Call 5 (2010)	7	50	6	2	

Source: PMSS and CU supplied statistics

Private sector bodies were eligible to be TPG members in Calls 4 and 5, although at 17.3% and 16.0% of participants this did not dramatically change the overall composition of proposing organisations.

Looking beyond the 2007-2010 evaluation period a trend of greater competition and involvement in ESPON is emerging. The 8th ESPON Call (2011) resulted in 53 applications from 285 potential project partners. The distribution by the four themes under Priority 1 was as follows:

- 6 proposals for European Regions: Potential Contribution to the EU 2020 Strategy;
- 5 proposals for Territorial Scenarios and Visions for Europe;
- 5 proposals for Territorial Potentials for a Greener Economy; and
- 7 proposals for Territorial Governance – Best Practices for New Perspectives;

Expressions of Interest for Targeted Analyses under Priority 2 are distributed across the 3 types of action as follows:

- 19 applications for integrated studies and thematic analyses;
- 8 applications for knowledge support to innovative and experimental actions; and
- 2 applications for joint actions related to other Structural Funds Programmes.

Priority 1 Applied Research

The Priority 1 projects have kept to their timetables and report deadlines and have made use of the sounding board comments to improve both the scientific content and methodology and the form and structure of their reports. The project TIPTAP has extended the TEQUILA model and has shown how it can be used for territorial impact analysis.

The MA led project KSS delivering sounding boards has provided a successful service to the projects and to the programme. Indications are that the projects are generating new results and have a greater visibility in the EC.

It is difficult to see the expected improvement in focus (i.e. well defined outputs, results, hypotheses and orientation to policy proposals) that was recommended in the ESPON 2006 evaluation report and the INTERREG III ex post analysis. The project specifications deliberately address a broad range of items, but projects do not seem to appreciate they are not required to address them all when bidding. At Inception and throughout the project the CU comments on reports therefore require projects to respect contract commitments which some projects ultimately find difficult to satisfy. In future Calls the specifications should be clear on the scope for proposers to select components when responding. The proposal evaluation panel might also be invited to make strong recommendations to the MC on adjustments to project workplans at negotiation to ensure they only contain specific items that can reasonably be expected to be fulfilled with the resources requested.

Comments in evaluation questionnaires suggest ESPON is fortunate that many projects provide more resources than are being funded. However, this should not necessarily be seen as a positive aspect of the programme and may well contribute towards a lack of enthusiasm to take part in future INTERREG activity. This latter point applies in particular to the sounding boards.

Outputs and results are well defined, and this aspect has been aided by the sounding boards. The 'policy proposals or recommendations' requested by the MC and CU are much less well defined and will need to be considered further. It is not evident whether specific hypotheses underlying policy instruments available to users were being tested for validity, or if the projects were supposed to identify them from the specifications and other sources. If these hypotheses were made clearer in the specifications the policy advice output would probably be simpler and more relevant and the research more focussed.

There also seems to be an assumption that EU and Member State policies are consistent and that they are well known and evident to project researchers. One only has to look at policies on migration or responses to the current financial crisis to realise that neither is likely to be true. In some cases sounding board members have indicated policy questions that might be addressed.

It is important that applied research is directed specifically at well defined policy questions where the policy concerns are current and are open to scientific analysis. Specification development could then make more use of expert groups within topic areas to direct the work. The experience with the Priority 2 projects supports this view.

The form of Priority 1 applied research could also be more varied allowing smaller teams or individuals to provide papers in a much shorter time frame for specific events. This type of research format is used successfully *inter alia* by DG REGIO, OECD and the European Investment Bank in regional policy analysis. Such research could also be linked to a Priority 4 capitalisation action. Resources to manage this approach might be found by adjusting future work composition (e.g. the balance between big and small projects). This type of work would also complement capitalisation activity.

The difference between policy goals at different spatial levels (EU, national, regional and lower) is an aspect raised in sounding board comments and in Priority 2 projects. Priority 2 projects are a first step towards this and open the way to working on problems that are of interest at the local/regional level which might then be transferred to other regions.

The experience from Priority 2 should be taken into account in future Priority 1 work as should the different interpretations of territorial cohesion noted in the Green Paper and the 6th Cohesion Report. A clearer position on these issues needs to be taken by the MC if the project teams are to have a better focus on the required research in individual projects. This will be the case particularly if the programme moves towards issuing Calls for applied research projects with specific output objectives.

The questions raised above need to be debated within ESPON and become as clear as possible so that an agreed approach can be defined before a post 2013 programme commences otherwise the early stages of the programme will lack continuity and solid development.

Priority 2 Targeted Analysis

Targeted Analysis in ESPON 2013 presents a fresh approach and innovative framework for “user-driven” project participation within the Programme. Stakeholders (users) propose a project for targeted analysis in response to an EoI call and if it is accepted develop a project specification which is subsequently the subject of a call for proposals from TPGs of researchers. The successful TPG together with the stakeholders implement the targeted analysis. The users are involved throughout the project from the choice of subject through specification to the application of the results.

The process is expected to lead to integrated use of existing ESPON results with practical know-how and information from practitioners to feed operational use and lead to new ideas for priority one research. Early indications from the projects are that this is likely to be successful.

The global objective of these user driven targeted analyses therefore is, support to decision making in territorial policy for the stakeholders who are public authorities involved in implementing EU Cohesion Policy or Structural Funds Programmes and/or groups of public authorities at regional/local level having an interest in support from ESPON analyses.

Within the evaluation period 2007-2010 the Programme had eight operational Priority 2 projects most of which are either completed or close to completion. As a result of Calls for Proposal in 2010 a further ten projects have been contracted in 2011.

In terms of expected output from the ESPON 2013 Programme the current implementation plan envisages 24 projects, so is on course to achieve the Operational Programme 20-40 targeted analysis project objective for 2007-2013. The projects also represent both smaller and larger actions in terms of size and duration, as anticipated.

Priority 3 Scientific Platform and Tools

Continuity of the database project from the ESPON 2006 to ESPON 2013 programme has been broken into two Phases which the MC has contracted separately. Phase 1 of the database project which ended in 2010 had extensive methodological aspects for which detailed designs were required. Work on these held up other tasks which might have been considered of higher priority. As a consequence the ESPON database project has encountered problems keeping to its timetable and the main results on which the project can be evaluated are not due until 2011.

Arguably, the very wide range of tasks might have been better handled as smaller (separate) projects supporting the overall database development; although this would have been more burdensome for the CU.

Deliverables in the form of interim reports have been produced at expected intervals, but usable results, such as time series datasets available in the public database, are probably not fully in line with prior expectations. As noted earlier the publicly available database is only accessible using the Mozilla Firefox browser; which respondents in our surveys repeatedly report as frustrating.

Effective delivery of the database in Phase 1 appears to have been constrained by assignment of project resources to parallel and to some extent independent tasks. This has led to inflexibility in prioritisation impacting on effective delivery. In Phase 2 (2011-2013) this weakness in structuring work will need to be closely monitored by the CU to ensure the project is reinvented and fulfils its objectives effectively.

Given that the database project proceeded at a slower speed than planned, projects in other Priorities have not always been able to access all the resources they anticipated from a central source and have had to find the data themselves. As Phase 2 of the ESPON database progresses we envisage it growing in importance as a programme resource with more data available.

INTERCO, the Territorial Indicators and Tools project and Hyperatlas are continuing projects and as such have produced no output that can be assessed for effectiveness at this juncture; they are due to complete in 2012 and 2011 respectively.

The effectiveness of the ESPON Typology was compromised by the need to take account of parallel developments. The resolution of the issue following the MC meeting in February 2011 means 9 Typologies will be available together with guidance on their use in ESPON.

MA led projects within Priority 3 are predominantly planned to be delivered beyond the evaluation period and with some starting in the latter part of 2010 and early 2011. Judging their efficiency is therefore difficult as outputs are not available to measure against plans. Although these projects might be expected to deliver their anticipated results the timing of

these actions which cluster into the second half of the programme period restricts their effectiveness for ongoing projects.

Priority 4 - Capitalisation, Ownership and Participation.

Priority 4 covers a range of activities including:

- Media and Publications (MA led projects) comprising:
 - Publication & design;
 - Media Bureau and Capitalisation Strategy;
 - Website.
- European Seminars and Workshops; and
- Transnational networking Activities.

Capitalisation Strategy

ESPON has established a comprehensive Capitalisation Strategy with activity documented in annual action plans. Although the programme had a delayed start in 2007 capitalisation activities are effective and on target to reached or exceed the results indicators set in the Operational Programme in all areas. The plan has ensured:

- ESPON developed a corporate identity that is used in external communication;
- Has an operational website for dissemination to the general public and an Intranet for communications between ESPON constituents;
- A media and press strategy, including presence on the web 2.0 twitter, LinkedIn, RSS Feed, Netvibes and Delicious;
- Regular newsletters to a wide audience;
- Direct mailing of ESPressON to MC and ECP;
- ESPON publications directed and customised to target groups;
- A regular schedule of seminars (open and internal) and workshops; and
- Collaboration on common events with other programmes (eg INTERACT II, URBACT II, INTERREG IVB and IVC).

ESPON has benefited from the MA led Media Bureau project to support communication activities.

Media and publication activities have been well received and effectively delivered. In the evaluation survey only 6% of respondents felt they were not well informed compared to 41% who considered they were very well informed, or excellently informed about ESPON and the opportunities it offered.

Table 5.6 Publication and Website Indicators

Results Indicator	Indicator target from OP	Implementation by December 2010	Execution Rate
Number of publications, press releases and e-newsletters	22	40	182%
Monthly Average of website hits	No target	20,114	N/A
Number of website hits	No target	695,010	N/A

Source: CU Monitoring Scoreboard Nr 3

Seminars and Workshops

The seminar and workshop programme appears to be particularly effective. As Table 5.7 shows it has exceeded expectations in attracting attendees and is drawing high level presentations from across the ESPON Member States.

Table 5.7 Seminar Attendance

Results Indicator	Indicator target from OP	Implementation by December 2010	Execution Rate
Number of participants in all European Seminars / Workshops	150	806	537%
Average number of participants per seminar /event	30	46	153%

Source: CU Ongoing Evaluation – Background table

The first Synthesis Report⁶ published in October 2010 has been well received and demonstrates the programme can deliver useful material for policy makers and practitioners.

Transnational Networking Activities

The ESPON Contact Point Network comprises all 27 EU Member States plus Iceland, Norway and Switzerland (which also represents Liechtenstein) appointed by the individual countries and confirmed by the MC.

The network is designed to support the programme by undertaking specific supportive tasks that contribute to the sound capitalisation of the programme. In particular the network:

- Contributes to transnational understanding and awareness of policy makers and practitioners; and
- Provides an important contribution to ensure continuity of intelligence in Europe in the field of territorial science by mobilising and expanding the transnational/national networks of actors and scientists.

Throughout the ESPON 2006 programme an effective ECP network operated to coordinate dissemination and awareness activity at a national level stimulating engagement of scientists and policy makers through national networks and events. It also acted in a review capacity checking for “blunders” in project reports and commenting on the quality of reports. The blunder checks have continued into ESPON 2013, but scientific review and commenting tasks have been dedicated to the sounding boards.

Automatic continuity of the network did not occur into the ESPON 2013 programme, so an ECP network was not in place at commencement of the programme and has developed progressively as Member States nominated bodies to fulfil the role. Table 5.8 documents the phased implementation.

⁶ New Evidence on Smart, Sustainable and Inclusive Territories, Oct 2010

Table 5.8 ECP Network Development

Country	Start Date
France & Hungary	January 2007
Switzerland & Liechtenstein	December 2007
United Kingdom	January 2008
Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, Ireland, Latvia, Luxembourg, The Netherlands, Norway, Poland, Spain & Sweden	April 2008
Germany, Iceland, Malta & Slovenia	December 2008
Bulgaria, Greece, Italy & Slovakia	March 2009
Romania	June 2009
Lithuania	September 2009
Cyprus	October 2009
Portugal	<i>Not operational as of 2010</i>

Source: CU supplied data

The ECP network has a main role in the ESPON 2013 Operational Programme under Priority 4 where it carries out capitalization efforts in a transnational context. These are realised through groupings of ECP’s brought together in Transnational Networking Activity (TNA) projects.

In terms of expected output regarding the ECP network the programme only achieved its desired pan-European coverage in late 2009. It has, however, held 6 ECP meetings (2008-2010) in line with the Priority 5 target to achieve 2 per year, with other national events and involvement in ESPON Information Days further complementing the work of the ECP networks.

In respect to expected output in Priority 4 only four projects are operational at the end of 2010: NORBA, ESPON – INTERSTRAT, CaDEC and SCALES the latter two being contracted in late 2010. ESPON Train has since been contracted in early 2011. Budget availability for more projects is limited (around 600,000 euro) so only 1-2 new TNA projects will follow from a Call in August 2011 against a target of 14 TNA projects.

Overall the evaluation has found evidence that indicates the ECP network will have the capacity to fully achieve the objectives outlined in the Operational Programme. Although the indicative output target of 14 TNA projects will not be reached (the current implementation plan suggests a maximum of 8) this should not be seen as a problem provided Capitalisation activity is adequately performed.

Probably the main goal of the ECP network is to realise a high level of capitalisation of results. The Transnational Network Activities under Priority 4 will provide more coordination of national and regional activities and build essential networks.

The Transnational Network Activities respond to identified targeted needs prioritised and selected by the MC. Each activity is fulfilled by a project composed of at least three ECP members following the Lead Partner principal. TNAs are expected to involve a broad range of stakeholders, including the mobilisation of potential national scientific networks. Whilst this is being achieved there is an element of geographic selectivity (e.g. NORBA is Baltic focused) which should be avoided as the number of TNA projects increase.

Priority 5 - Technical Assistance, Analytical Support and Communication.

Technical Assistance

Although small in numbers the CU team delivers effective technical support to ensure implementation of actions foreseen in Priority 1 to Priority 4. Lines of communication and responsibilities are clearly defined with the relevant authorities (particularly the MA and MC).

The CU has demonstrated a proactive approach to delivery of the programme, driving the priorities forward. It has created the necessary programme manuals to document procedures and has shown a willingness to adapt these to improve the efficient operation of calls (e.g. through the introduction of rules for correctable omissions). It also provided an effective check on implementation of projects with essential administrative and financial follow-up.

Implementation of calls for proposals and public procurement exercises by the CU has been effective, and where weaknesses in responses have been observed the CU has worked alongside the MC to modify project specifications and reissue calls to meet the programme objectives.

The workload associated with technical assistance is ever changing as the programme matures. In this evaluation we have observed areas where unforeseen work has had to be carried out to maintain momentum and where additional skills might be required in the CU. The MC should therefore take note of CU resources and adjust these as necessary to match the anticipated demands in 2011-2013 and the next Funding Period.

Analytical Support

The CU is required to provide the necessary administrative and scientific support to ensure Priority 1 to 4 projects have appropriate specifications and that their outputs and delivery are commented upon. The CU has worked well with the CC and stakeholders to identify needs prior to drafting appropriate specifications.

Within Priority 4 the CU team are managing the dissemination of results and creation of synthesis reports.

The internal ESPON seminar programmes for programme participants have been found to be effectively delivered and widely appreciated. Similarly the ECP meetings are helping to coordinate programme activity with that at national level.

Communication Plan

The CU established an effective Communication Plan in compliance with the requirements set by Article 69 of Council Regulation (EC) No 1083/2006 and Chapter II, Section 1 "*Information and publicity*" of the Commission Regulation (EC) No 1828/2006 provide for the programming period 2007-2013. This was promptly approved by the Monitoring Committee of this Programme on 13th November 2007.

The comprehensive plan is not only targeted towards potential beneficiaries, but also aims at raising awareness amongst a wider audience. It has synergies with the Capitalisation Strategy and utilises facilities and communication channels from that strategy (e.g. ESPON Website www.espon.eu).

ESPON is an exemplar of a programme that is transparent and open. All the core documents are accessible through the website, as are programme outputs and reports.

For specific groups within the programme (e.g. MC members) the plan has foreseen creation of intranet services making communication more efficient and timely. For external groups the plan also includes open information events.

5.5 The Efficiency of Operations

Priority 1 Applied Research

The Priority 1 call for proposal process is seen to be transparent and effective. In general the project specifications are understood by the projects, although the degree to which projects have to revise reports when taking onboard comments of reviewers at the inception report stage may cast some doubts on this. The CU might consider further activity within the actions of Priority 5 to train and advise projects on the formats of reports.

Priority 1 projects question the use of extensive project resources on administration. They believe that this not only reduces within the approved budget the financial resources dedicated for research, but that it is making the programme unpopular in relation to alternative funding sources such as the Framework Programme and lowering response to calls. Some organisations are thought to be particularly unprepared to act as project lead partners. However the number of proposers/interested parties seems to be increasing over time.

The Priority 1 KSS appears to be working efficiently at this juncture. It is composed of scientists and practitioners to ensure that applied territorial research projects maintain sound scientific bases and a sufficient degree of scientific quality, and sound policy orientations. The KSS is implemented as an MA led project constituting several independently operating Sounding Boards each responsible for a Priority 1 research project. The KSS application procedure, whereby Sounding Board members are selected, also appears to be operating in an effective and efficient manner. Attracting Sounding Board members is accomplished with Calls for Expressions of Interest and through the ESPON ECPs [some sounding board members are ECPs]; via the ESPON website; through ESPON seminars and via national ministries. The CU coordinates well with potential applicants.

Sounding Board participation is continuous throughout a projects life, but budget limitations restricted the ongoing participation of the sounding boards in projects to two meetings though this will be increased from 2011. However, Sounding Board can always be contacted by the TPG. Interaction at project level is adequate but exists principally at sounding board to Lead Partner level; TPG involvement is not generally apparent. Communication is mostly by e-mail. Sounding board to sounding board interaction does not appear to happen and is potentially a missed opportunity. It is generally recognised that the importance of having independent review of research projects is necessary to have confidence in the results.

Priority 2 Targeted Analysis

Procedures of evaluation and selection of projects are transparent and in line with EU standards. Despite the fact that the two-phase evaluation process can lead to excessive time consumption from expression of interest to analysis inception, the Priority 2 Targeted Analysis proposal process is appropriate, and is working satisfactorily. The process is well organized and documented.

Priority 3 Scientific Platform and Tools

The ESPON database project is planned to have two separate phases, the first of which is finishing at present and a second call for the next phase is being evaluated and the outcome decided now. The logic of splitting a project where continuity was so important is not evident,

however, as this was the largest project in financial terms the MC decided it would be prudent not to be bound from 2008-2013 to one contractor.

The database project includes three essentially different types of activities:

- computer service creation and operation (public / internal user interfaces, data storage and retrieval, graphical and numeric output);
- data and metadata creation and quality assurance; and
- mapping and other cartographic analysis and standardisation.

The skills required for these aspects are different and in the first case would probably best have been obtained by a contract with a commercial supplier (as in the case of the ESPON website). Given the nature of the majority of the data viz regional data collected by Member State ONSs and accessed via EUROSTAT or ONSs, it would have been prudent to have had an official statistician from a Member State advising the CU at the specification stage as there seems to be a lack of awareness of ONS collection procedures and QA methodologies.

The lack of regional data (and more particularly comparable regional data) is a problem that has been noted in earlier evaluations. The programme does not seem to have a clear policy on this leaving all the decisions to the project teams. This is a pragmatic approach that works up to a point. However, the programme is in a good position to identify many of the problems inherent in the current situation both with respect to definitions (for example in relation to local migration or commuting), data sources and collection methods (that vary widely between MS in some cases), user requirements, availability of specific data series, and access. Given the wide range of data required ESPON is probably in a unique position to put together a view of the position across the EU and neighbouring states. It is not the responsibility of ESPON to address these problems directly nor does ESPON have powers to present demands to EUROSTAT, but it is in a position to provide input to the producers of the data to help achieve improvements. The proper bodies to actually address the problem include the Conference of European Statisticians (representing the ONSs), EUROSTAT as the main aggregator and disseminator, and other interested parties such as DG REGIO, OECD, EEA and the UN Statistical Office (with some standardisation responsibilities). Regional statistics have always been a lower priority than National Accounts data in MSs and the cost of increasing regional coverage is undoubtedly very high. However, the EC should give some thought to creating a long term plan for improving the situation both through better harmonisation and increased coverage. This should probably be the responsibility of DG REGIO in the first instance.

Related to the previous paragraph is the question of indicators. The 6th Cohesion report ends with a call for better indicators for territorial cohesion. The ESPON programme is addressing this issue. However indicators are not conjured out of the air, they are constructed from underlying data. There is a limit to the reuse that can be made of a restricted set of data in creating indicators before the information in the indicators becomes overloaded and spurious connections are made between them.

The ESPON Typology Compilation was expected to prepare a compilation of regional typologies for territorial cohesion, in accordance with EU Cohesion Policy. A Final report was due in January 2010 and this was presented to the MC in February 2010. The final deliverable has generated considerable debate both within the CU and MC⁷ regarding the purpose and use of the Typology Compilation. As mentioned earlier the ESPON Typology Compilation were held in

⁷ Final MC Minutes 02.02.2010 and Final MC Minutes 19.03.2010;

abeyance as new regional typologies had also been developed by the European Commission, the OECD and other international organisations. The MC has now decided on 9 regional typologies that ongoing and future ESPON applied research projects and ESPON publications will make use of for analytical purposes, if relevant.

INTERCO - indicators of Territorial Cohesion is a Priority 3, Scientific Platform project from the 1st call for proposals in 2009 which aims to define indices which can be used to measure territorial cohesion, complex territorial development, structural issues, territorial challenges/opportunities and territorial effects. To date the project has delivered its inception report which outlines “next steps” in the prospective workplan for the first major deliverable, the Interim Report, which is due in March 2011. The project is currently in an “exploratory phase” which involves stakeholder consultation, in further indicator refinement and definition, target setting and evaluation. The objectives and preliminary analysis of the project are entirely consistent with the ESPON Programme; however, in terms of efficiency it is premature to attempt an assessment until the completion of the “implementation phase” in February 2012.

The operation and reporting of MA led projects has been the subject of a review which culminated in recommendations by the CU to the MC aimed at improving efficiency. These were approved by the MC (Feb 2011). They include cancellation of activity on targeted actions for the updating of indicators and maps planned for 2010 and the reallocation of budget to that activity in the period 2011-2014. Across all MA led projects the reporting cycle has been increased, improving efficiency and transparency.

The ESPON Hyperatlas will be an efficient tool not only in its own right but also as a mechanism for integrating current and future ESPON projects. The project is due to complete in February 2011.

Priority 4 - Capitalisation, Ownership and Participation.

Transnational Network Activities

At the end of 2010 only two TNA projects had been operational for some time: NORBA with 6 ECP's and ESPON –ITERSTRAT with 9 ECP's and ESPON Train has since been contracted in early 2011. Two became operational at the end of 2010 (CaDEC, and SCALES) and there is little likelihood the numbers will grow by more than 1 or 2 following a call in August 2011. This creates a perception of lower transnational activity than envisaged in the OP. All ECPs are expected to become involved in a TNA and efforts need to be made through the 2011 Call to ensure the programme gets as close as possible to realising that target.

Given the importance of capitalisation of results and the need to both diversify and increase participation in ESPON to extend its impact the CU and MC need to monitor this TNA performance closely.

Capitalisation Strategy

For ESPON capitalisation of the results of the programme is of paramount importance for success. MA led projects supporting this goal have progressed well, but as with other areas of operation there is evidence that efficient operation could be further improved if financial envelopes and reporting were more strategically defined to create flexibility and tight sequencing of actions were not fixed. For example, budgets for activities should be defined for longer time periods without being associated to specific sub-tasks.

The capitalisation strategy is also linked strongly with the TNA under Priority 4 which during 2011 will see a substantial increase in numbers that can underpin activity throughout the latter half of the programme.

The MA led ESPON Corporate Identity & Layout project and the ESPON Webservice and IT Solutions project have delivered an efficient service providing the expected outputs at reasonable cost. Ongoing monitoring of efficiency has been addressed in the procedural review of MA projects in 2010 that has reduced reporting cycles to six-monthly periods. Adjustments in budget envelopes for MA led projects also demonstrate attention to maintaining efficiency. This applies equally to the ESPON Capitalisation and Media Bureau project.

ESPON European Seminars and Workshops are increasing in size and are well received by participants; as observed by the evaluation team and evidenced in our survey. They deliver substantial benefits for the resources allocated. Their continued development is to be encouraged. The postponement of the ESPON Stakeholder Conference on Targeted Analysis from 2010 to 2011 and the adjustment of themes for workshops further demonstrate the adaptability of the programme and its attention to appropriate use of resources.

ECP Network

Performance of the ECP network is monitored by the CU through six monthly activity reports. However, until 2010 these have not been coordinated by the CU due to the pace of ECP network creation.

There is a perception that the ECP network performs well in some areas, but has a low profile in others. Expectations of the networks general ability to support Priority 1 and Priority 2 projects have been reduced since the earlier programme. This is a function of the introduction of sounding boards that are now doing the scientific control. The ECP network is consequently focused on support to capitalisation of results from Priority 1, Priority 2 and Priority 3 projects.

The efficient operation of the ECP's has to be measured against the heterogeneous character of the network. National ECPs, appointed by the Member and Partner States, are drawn from different backgrounds and have different levels of national funding. These disparities in funding and the inflexibility of financial regulations and contracts impact upon performance and the networks ability to offer a fully flexible service to the programme. There is a general perception reported in evaluation questionnaire responses that the network is underfunded to operate optimally and realise its full potential, especially for national activities. However, the increasing involvement of ECP's in TNA projects in Priority 4 increase the networks value to the programme.

The evaluation questionnaires have demonstrated that ECP interactions are limited, but that there is willingness, at least on the part of some, for more collaboration. More effort should be encouraged between ECPs to exchange experience and best practice to raise standards across the network. There is evidence from evaluation questionnaire responses that ECPs consider their capabilities to be underutilised and that they would welcome the opportunity to offer more assistance to the programme. The abilities of ECPs differ and the CU would need to discuss with each what more they might individually offer (e.g. in quality assurance and scientific guidance). Their provision of language resources such as translation of some output is neither acknowledged nor signposted. They have very long contact lists in some cases and the programme does not seem to fully utilise this asset. The CU does not need to gather and maintain these lists centrally, but could utilise ECPs more for onward dissemination of reports, announcements, etc., thereby coordinating more actions through the ECPs.

Priority 5 - Technical Assistance, Analytical Support and Communication.

Financial Management

The CU has demonstrated a thorough approach to financial management with robust systems to monitor and process contracts and expenditure claims. These are documented in the Description of the Management & Control system, the Programme Manual and Internal Manual.

A system audit carried out by Ernst & Young in February and March 2009 on behalf of the Audit Authority recommended minor improvements to financial aspects which the MA and CA have addressed in an Action Plan⁸ detailing remedial actions implemented. At that time no expenditure had been certified to the Commission, so the study did not focus on financial follow-up and certification processes. Our evaluation has revealed that understanding of the financial regulations by some beneficiaries and some First Level Financial Controllers is inadequate; endangering the success of the programme.

A second system audit by Ernst & Young in November 2009 tested all procedures at the level of central authorities (MA, CA, CU) including payment claims and certifications that represent 100% of the payments claims received at the CA at the time of the second system audit. This found no deficiencies. Consequently they made no recommendations to improve overall efficiency.

It is clear to the evaluation team that overall, financial procedures within the ESPON 2013 programme are rigorously followed. A fact confirmed by the two positive audits of programme procedures. This attention to detail by the CU financial team is commendable. However, experience shows it needs to be matched by continual efforts to educate and help beneficiaries to fulfil their reporting obligations (e.g. through the Financial Manager Seminars organised by the CU), even though this means some reallocation of the limited resources of the CU. This helps to mitigate delays that otherwise inevitably occur as well as counteracting animosity in the scientific community towards ESPON, which we have detected in evaluation questionnaire responses.

The evaluation has found the extent of financial auditing and monitoring is a burden on all parties (including central authorities) and question whether the rules and financial regulations of the programme are appropriate to efficient realisation of its objectives. When creating future programmes the Commission might consider including specific exemptions in the ERDF rules for those programmes that have high numbers of countries (such as the 27 Member States + 4 Partner States of ESPON). It is clear from beneficiary responses in the evaluation questionnaires that many did not comprehend the bureaucratic burden reporting would entail, or the extent to which contracts would restrict their flexibility to promote an exchange of knowledge and experience between institutions. Beneficiaries see budgets tied to specific tasks and perceive this as limiting their ability to dynamically manage and allocate resources to new activities they consider would benefit the programme. Where budget lines are inadequately funded projects have discovered they lack resources to respond to emerging requests to attend unforeseen meetings, or redirect effort. Although the contracts permit a degree of flexibility in moving budget between headings some nevertheless feel they do not have overall funding to utilise the facility. This probably reflects a lack of commercial expertise on the part of proposers to assess budgets at the proposal stage. Similarly, the CU is under resourced when faced with an increased burden managing the training needs of beneficiaries and to keep rechecking

⁸ First System Audit MA AND CA ACTION PLAN 08 May 2009

claims. For example, the number of financial quality checks being performed on projects by CU is increasing in response to de-commitment concerns, including more site visits and seminars.

The Commission need to identify ways to simplify the Structural Fund administrative commitment for all concerned in the next period. From the ESPON perspective this would ideally involve consideration of change with a shift in emphasis towards "Service Contracts" which appear more appropriate for demand responsive calls, though we appreciate this may now only be a practical option under a future programme.

Programme Management

Operational management of the ESPON 2013 programme follows the conventional structure of all INTERREG programmes. This structure works well and has an innovative element in the form of the Concertation Committee which adds value to the preparation of the decision making process.

The rolling composition of the CC offers medium-term continuity whilst injecting fresh perspectives as representation changes. The advisory nature of the CC and its role in policy consolidation and policy development facilitates demand side inputs to the programme. In general the CC is viewed as working well as a source of ideas and policy demands complementing the involvement of Stakeholders and Sounding Board members.

In a future programme there might be scope to further improve the performance of CC and Sounding Board activity through establishment of a more stable panel/committee for the process of choosing the direction for the research and writing the project specifications. The MC might give more thought to how this could be achieved to avoid reservations about the structure of such a permanent body. At the same time it is important to ensure and target in-house capacity of the CU to direct projects and to process results to policy development within a short timeframe.

ESPON programme management incorporates a range of procedures and systems and file management practices. These include the Financial Monitoring System (FMS) and Programme Monitoring Support System (PMSS) for final versions of documents, an Intranet system for non-financial documents and the CUs common server.

The evaluation has considered the protracted length of time taken to implement these systems which impacted upon the efficient operation of the programme in 2008. The PMSS system was examined in an E&Y System Audit to satisfy its compliance with the regulations. The procedures have been further subjected to independent review⁹ in September 2010 with recommendations for minor improvements which this evaluation further endorses.

The evaluation team are concerned that the lack of a consistent filing system that avoids duplication of data storage on different systems is a weakness. Documents are filed in several systems which support Finance, CU day-to-day work and communication with the MC. These systems are not interconnected, such that inconsistencies could arise. When loading of systems file naming conventions differ with some project acronyms changing at various processing stages. In addition, locating files requires training as the systems are not easy to use and we have found version control can be suspect.

⁹ Review of ESPON 2013 Procedures (2010) 21 September 2010

The CU response to the procedure audits addresses many of these issues and will improve efficiency in the second half of the programme. The CU and MC have taken action to improve and adjust procedures at several occasions. One example is the special review undertaken by the independent auditing expert Susanne Volz. Both the CU and MC have stressed a desire to identify "Simple and efficient procedures, clearer perspectives and new ideas". Some movement in this respect is seen in the clearer rules regarding correctable omissions during the Call for Proposals processes.

As the programme has evolved there have been some changes to the Programme Manual, but these have not required modifications to the Operational Programme.

Structural Fund financial control procedures are very demanding. These are applied rigorously by the CU and MA which makes ESPON a rare example of programme that has extremely low financial reporting error rates, protecting the beneficiaries from unwelcome claims for recovery of funds. On the negative side this does create a perception in the eyes of beneficiaries of a very bureaucratic programme; even if the projects which were examined are thankful for having hardly any problems following the audit. EU procedures appear excessive for the type and size of project being contracted in ESPON and alternative mechanisms are being investigated for a continuation programme post 2013. There is evidence from our surveys that administrative procedures are creating a barrier to entry and a reduced willingness by existing participants to maintain involvement in the future with a clear reluctance to being a Lead Partner.

Consideration should be given to possibilities for further simplification of procedures post 2013. These need to be documented in the Programme Manual and communicated to the ESPON Community before any post 2013 activity commences to stimulate involvement and overcome the delays in engaging with researchers and practitioners in early calls.

Analytical Support

To deliver the ESPON programme efficiently the CU needs to provide an appropriate level of support from a staff that is able to provide scientific analysis to guide projects from specification to delivery, checking the outputs and maintaining the administrative structure. As such the demands on the CU are considerable given it is coordinating a diverse programme with a small team. Inevitably concerns are raised over efficiency when the team is required to perform parallel actions to meet deadlines. A potential consequence of which will be delays to lower priority activities.

The small CU team structure suggests there will be unavoidable "strength gaps" which should be addressed. The obvious, but probably financially impractical solution would be to recruit further experts to extend the CU capabilities. A more pragmatic solution, in line with the current practice in the CU, is to extend the range of ad-hoc, or short term MA led support contracts used for specialist services (e.g. Media Bureau and the expertise provided through the KSS).

Notwithstanding the above comments the CU team does provide efficient analytical support.

Communication Plan

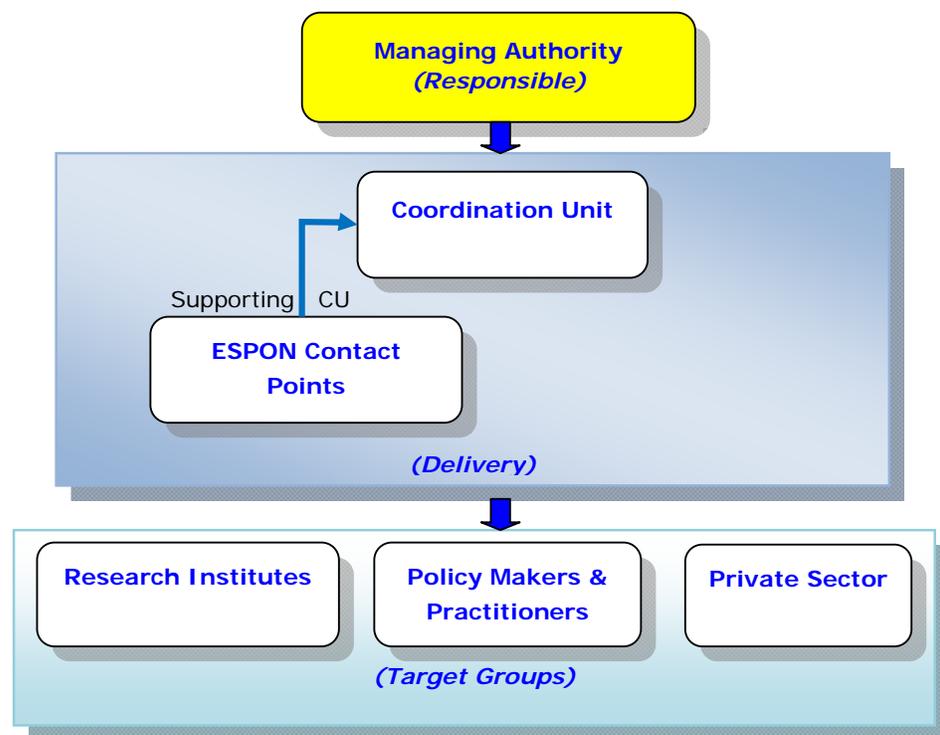
In accordance with Article 69 of Council Regulation (EC) No 1083/2006 and Commission Regulation (EC) No 1828/2006 ESPON has a well developed Communication Plan¹⁰ that makes

¹⁰ COMMUNICATION PLAN ON INFORMATION AND PUBLICITY MEASURES - approved by the Monitoring Committee
13th November 2007

appropriate distinction between “Communication” and “Capitalisation” activities; with communication concentrating upon the process of raising awareness of potential beneficiaries and capitalisation focused upon promotion of results to end users.

Figure 5.6 illustrates the roles and responsibilities of those managing and delivering the Communication Plan and the target markets. In the plans original form target groups were limited to policy makers, practitioners and research institutes as these were the only groups identified in the Operational Programme. However, it became apparent that this orientation missed an important group; namely private sector organisations. This omission limited potential participation in early calls and clearly required redressing. Since 2009 private sector organisations have been eligible to participate and they now represent approximately 17% of participants.

Figure 5.6 Delivering the Communication Plan



5.6 The Relevance of the ESPON 2013 Programme in its Political Context

The aims of the programme can be summarised as:

- Providing evidence based territorial policy analysis input at EU, Member State, and lower levels;
- Harmonising and collecting data into a database, and creating other tools that are open for use by participants and policy analysts at all levels;
- Capitalisation of outputs and results enabling ESPON to become a commonly accepted European reference point; and
- Networking between scientists, stakeholders and policy makers.

Although individuals place different emphasis on the importance of these aims the evaluation found there is consensus and strong support across the MC that the programme aims are relevant and at the heart of all ESPON activities. The ESPON programme is in a position to offer, value for money and added value. As the programme has developed ESPON has established itself as an important means of providing pan-European, comparable facts and evidence on territorial structures, trends, perspectives and policy impact related to approaches taken on the Territorial Agenda and Territorial Cohesion, producing results that can inform and feed into the Commission's actions and policies. ESPON is particularly relevant to the debate on implementation of Territorial Cohesion; providing a better understanding of territorial assets and tools to support strategic reporting in the framework of cohesion policy.

The ESPON Programme is all about serving "policy" and is dynamically positioned at the nexus of ERDF, INTERREG and Cohesion actions. Through its reports it is producing evidence based research and analysis which measures the wider implication on places of policies and patterns at local, regional, national, European and global levels. Critically, ESPON 2013 offers comparable information, evidence, analyses and scenarios on territorial dynamics affecting Europe, its regions and cities with regards to territorial cohesion, Cohesion Policy and EU sector policies.

As a consequence of ESPON the relevance of a European perspective in territorial development is much more visible as it focuses the attention of actors on understanding that their region/country is not the only one. The understanding of the wider territorial context is indispensable for defining the development path.

Our assessment of the programme SWOT-like analysis of the ESPON 2006 Programme outcome in the Operational Programme (II.2.3) and the higher level SWOT analysis in (II.2.2) are reported in Chapter 4. That assessment confirms the continued relevance of priority actions and project orientation.

In particular, Priority 2 targeted analyses are a very relevant innovation to the ESPON 2013 Programme and political context involving stakeholders directly provides utility in policy making processes by capitalizing upon prior ESPON results and reinforcing them with up-to-date analysis.

6 Summary of Key Questions and Conclusions

6.1 Overview

This chapter summarises our conclusions from the overall evaluation process. Our opinion is based upon evidence gathered from desk research and contacts with beneficiaries, stakeholders, managing bodies and ESPON Member State representatives.

In accordance with the evaluation Terms of Reference 4 evaluation **dimensions** have been examined based on 23 **key questions**. For clarity we present our opinion on each dimension of the evaluation and the specific questions posed in the terms of reference. Our thoughts on improvements in the implementation of ESPON in its remaining years are set out below. Although the scope of the evaluation does not require our observations regarding any future programme we have extended our conclusions to contain a category in relation to continuity of the programme post 2013. We believe this is important in that were a future programme to be implemented preparatory work should commence within the current programme period.

Our **recommendations** are listed in the following Chapter.

6.2 Dimension 1 - Consistency of the activities, their relationships and complementarity

***KQ1** Are the activities and outputs of the programme consistent with the overall goal and the attainment of its objectives?*

The ex ante evaluation of ESPON gave a positive response to this question at the time the programme was being defined, and the programme has not been significantly modified since. Thus this question and KQ2 to KQ4 relating to Consistency may be considered to refer to the extent the projects and other actions have followed the programme.

In general the evaluation team are satisfied that activities are broadly in line with the expectations for this stage of the programme and are following a course consistent with attainment of the overall goal. In some Priorities outputs are as yet too few to confirm attainment of objectives; though there is reason to believe they will be achieved by the end of the programme period. The activities and outputs of the completed targeted analysis projects are consistent with the attainment of the programme's goals and priority action objectives.

The degree of stakeholder involvement in choosing the themes for Priority 1 was determined by two surveys. However, the surveys were to a large extent dependent on visitors to the website and themes from the earlier programme. It might have been better to convene meetings of 8-10 experts from each of the user groups identified in the 2006 study report (i.e. policy makers, practitioners and scientists) and use them to advise the MC when setting initial thematic priorities. This advice could then have been confirmed by an e-mail survey.

Social themes have not received a lot of separate attention so far due to concerns over availability of data. It may be worth the MC reconsidering whether some investigations should be undertaken to test the feasibility of work in these themes.

KQ2 *Are the activities and outputs of the programme consistent with the intended impacts and effects?*

The low number of completed projects across all priorities makes this difficult to answer at this time. However, deliverables in general have been produced to a high standard and outputs are capable of direct application and contribute to a sound understanding of future development potential for territorial and/or urban development.

Feedback on project reports by stakeholders suggests they are finding Priority 2 actions useful although evidence on the extent to which this project activity has in detail met all its objectives, is limited to the three Priority 2 projects have been completed and two more other draft final reports.

The ESPON Database is by far the most significant activity in terms of budget and important to the integrity of the programme overall. Its project specification was very ambitious and by the end of 2010, judged by its Phase 1 deliverables and the CU comments on them, has not been able to meet all the expected results. The first phase is now ending and until the results are available it is not possible for the evaluation team to make a final judgement on the project. The MC might carry out a review of priorities within the project in Phase 2 and consider the need to increase momentum to make more data available, for example in relation to giving time series data and putting the project data used in the analyses in the public database.

The programme has made appropriate use of MA led projects that complement activities across all Priorities and underpin realisation of impacts and effects.

KQ3 *To what extent are the activities logical and in compliance with the EU and programme framework? To what extent is the internal coherence of the programme maintained?*

The programme has followed the path set out in the programme specification and thus follows expectations set out in the ex ante report. Internal coherence is in line with expectations.

The programme has rigorously followed Structural Fund regulations.

KQ4 *To what extent are the activities of the programme complementary, not overlapping and contributing to the objectives of the programme?*

The components of the ESPON Operational Programme are complementary and do not demonstrate unnecessary overlap, but delays in the start up phase have limited the current volume of activity.

Evidence that Priority 1 and Priority 2 projects are supporting each other is emerging, for example METROBORDER demonstrates interaction between projects and that stakeholders are aware of and uses results from different aspects of the programme. Few Priority 1 projects had provided results at the time the Priority 2 projects became active. As the programme progresses scope for more interaction will increase. The same applies to Priority 1 integrative projects which were not well represented in the first Call.

Priority 2 projects are intended to provide direct support to stakeholders and are thus inherently complementary to the work of those users where they are successful. The

degree to which they provide new ideas to the rest of the programme will only be evident as their results and impact become available.

The phasing of substantive results in Priority 3 from both the database and indicator projects (in the latter case because of the timing of the project initiation) has not helped complementarity with other projects in the first phase.

ESPON has also made use of contacts with other EU programmes (e.g. URBACT, INTERACT, and various INTERREG IV programmes) which are complementary and add value to the activities.

6.3 Dimension 2 - The effectiveness of the operations

KQ5 What has been the actual effect of the programme so far?

Priority 1 and 2 projects have provided important input to public debate, notably through their presentations at ESPON organised seminars and workshops and national events organised by ECPs.

It is already evident that the sounding boards have been a success.

Priority 3 has yet to achieve its expected effect given that many of the planned actions in the OP will only be initiated or results realised in the second half of the programme period.

Priority 4 has until recently had only limited activity through 2 TNA projects, but this strand of the programme is now becoming more prominent and with greater coverage from new projects should realise the expected effect.

Priority 5 Technical Assistance has been carried out rigorously. It has sought to remedy weaknesses in the financial reporting of projects and is adopting a better adapted approach to interpretation and refinement of procedures.

KQ6 What is the programme's progress towards achievement of the objectives? In what way has the programme contributed to the territorial cohesion of the programme's territory and its policy?

Priority 1 is at an early stage in terms of outputs with 5 draft final reports so far from the 25 expected projects in the current implementation plan compared to the 30-40 indicated in the operational programme. The standard of reports that have been produced is in line with the quality in the first programme that was considered to have been generally high.

The project members have provided extensive input to the EC discussions on territorial cohesion and the territorial agenda. These policies are, as yet, at an early stage and the impact of ESPON on them will take some time to become clear although the 2013 programme is clearly having a much greater impact than the first, not least through its greater visibility and response to stakeholder interest.

It is generally considered that ESPON 2013 is working well and progressing towards the achievement of its objectives, however, the rate of progress is considered slower than expected. This is principally due to the administrative burden caused by the Structural Fund Regulations and some perceived delays in the bidding processes.

ESPON 2013 does not involve activities that tend to directly change territorial cohesion. The overall aim of ESPON is to *“Support policy development in relation to the aim of territorial cohesion...”*. It does this through building a knowledge base and carrying out studies that produce territorial information and related tools for analysis. ESPON is effective in achieving this goal. In particular, capitalisation efforts support a process whereby results are not only disseminated to policymakers and practitioners, but also used by them.

KQ7 *Are the actions taken appropriate to produce the desired and foreseen effect?*

Priority 1 is continuing the applied research activities of ESPON 2006 with improved visibility and reporting. It has not implemented the earlier evaluation recommendations 'to improve focus' sufficiently, but has chosen to offer proposers some flexibility within their interpretation of the specifications though this has not had the desired effect. The sounding board system is improving quality assurance and report style and to a lesser extent policy orientation.

The individual targeted analyses have an appropriate focus in terms of support for policy making and as such the actions taken to date in Priority 2 are appropriate. Stakeholder input to the research process seems likely to be effective.

Priority 3 comprises a variety of actions that are appropriate to achieve the desired effect. However, the fact that most outputs are scheduled to appear in the second half of the programme the evaluation cannot measure effectiveness on the basis of available results.

Integration of ESPON findings with more detailed information is ongoing both from sectoral and territorial perspectives. The extent to which the analyses will influence or direct policy development and/or the impact of the results within the constituencies are less easily determined at this stage.

KQ8 *Could more or better effects be obtained by using different instruments or actions?*

The experience of Priority 2 should feedback and inform future actions within Priority 1 before the next programme particularly with respect to focus.

The actions under Priority 3 database need to be reviewed to address priorities at the start of the next programme to ensure continuity and a quick start up.

It is not evident that the current regulations afford the best instruments to carry out demand responsive research actions. There is a tendency for grants to be longer than is desirable and that administrative and reporting requirements can become a burden on all parties compared to conventional procurement processes.

The potential to use service contracts has been raised by many participants. The evaluation team would support this logic in many instances as service contracts would reduce the financial control and reporting demands on the participants. However, there is a danger that this model could reduce transparency and also restrict potential flexibility for some projects in execution due to the prescriptive nature of the tendering process.

KQ9 *Are the outputs, results and impacts well defined to achieve the objectives of the programme? Have there been (un)successful actions with a significant effect?*

The results and impacts cannot be determined at this stage. For Priority 1 the reports are still not easy to assimilate and do not provide easily usable results for all users.

For Priority 2 the Operational Programme lists three activity areas: thematic analysis, knowledge support and joint actions, but does not indicate how much activity in each area should occur. At programme level the impact of the two-phase call strategy has resulted in a preponderance of integrated analyses and thematic analyses to the detriment of the number of knowledge support to experimental actions and joint actions related to the Structural Funds. Only TranSMEC is not thematic analysis and it also involves the SF Programme NWE.

In Priority 2 "definition" is contingent upon the responses to the EoI calls which pre-define the thematic approaches to achieving the general objectives of better informed policy decisions which integrate ESPON findings and contribute to a sound knowledge of territorial development. The Programme foresees projects under Priority 2 with different orientation and concomitant variation in content but being clearly allocated to either: integrated studies and thematic analysis; knowledge support to experimental and innovative actions; or joint actions related to other Structural Funds Programmes. On the basis of the results so far the stakeholders are satisfied with the results. Until there are more completed projects the overall programme impact cannot be assessed.

The current Priority 3 database project needs to be closely monitored to ensure the outputs and results correspond to expectations.

KQ10 *Are the results and impacts lasting? How durable are they over time? Will the impacts continue if there is no more public funding? Will the cooperation continue, and in what form?*

The programme is still building a network at the European level of users, including practitioners and scientists. The extent to which this grows and blossoms will be determined by the extent to which the network provides visible and usable support to national and EU level policy analysts and decision makers.

As far as the database is concerned and indeed the whole question of data continuity and collection in the regional statistics area the programme relies upon the database project to update indicators. This depends on projects that have only limited lifetimes leaving sufficient detail on the methodology used for the database project to provide continuity. The database project should also be collecting other data to enrich the database, but this does not seem to be happening.

The programme should be presenting its requirements to a higher level such as EUROSTAT, DG REGIO or the Conference of European Statisticians for longer term improvement.

It is a little early to determine if cooperation established in ESPON for Priority 2 will continue to generate lasting impacts, but indications from the projects are good. Most projects have indicated that they will ensure that datasets, indicators, maps, methodologies and/or tools developed by the project will either be maintained to the extent that the effort is justified by future funding or results given to interested stakeholders with the expectation that they will maintain the results. There is also the

intention to use the results for dissemination purposes and for professional scholarly publication.

KQ11 *Does the programme have an impact on the target groups or populations in relation to their needs?*

The programme is well structured to impacts on specific target groups, for example, Priority 1 and Priority 3 actions involve scientists, whilst Priority 1 and Priority 2 actions support policy makers. Given that the programme is designed to be stakeholder (end-user) driven their needs will implicitly be addressed by the actions requested. The METROBORDER project provides a good example of a strong impact on a specific target group.

ESPON also has a novel capability through Priority 2 projects to address the need for targeted analysis that facilitates short term responses.

The full extent of the impact of Priority 2 projects and the relationship of deliverables to expectations cannot be estimated at this juncture. However, the level of participation of stakeholders in the early project's activities and their impact on the focus of each project give a positive indication of the outcome.

6.4 Dimension 3 - The efficiency of operations

KQ12 *How well are the programme's resources managed?*

Evidence from the projects has shown that ESPON Priority 1 and 2 projects are monitored rigorously in line with Structure Fund regulations. This imposes an exhaustive specification and supervision of management information by both the management and control systems put in place by the Member / Partner states (1st level control) and the ESPON MA/CU, as well as the Certifying Authority and Audit Authority, accompanied by the Group of Auditors. Weaknesses in First Level Control and financial management of the projects by the partners has resulted in protracted delays in payment, even for projects that have been very well received and delivered fully against objectives.

Evidence also suggests that aspects of management procedures require improvement principally due to the effect they have on overall project budgets and costs. There is a perception that Structural Fund and/or Commission procedures are over bureaucratic particularly with respect to overly extensive reporting procedures. These result in administrative demands that is excessive compared to other EU programmes. Discussions with beneficiaries suggest they do not adequately budget for these demands which may be a consequence of the lack of expertise of funding under Structural Fund regulations amongst some project partners.

Reporting procedures are defined at the programme level and include three levels of rules: EU, national & programme rules that can be burdensome and time consuming.

KQ13 *Has the programme been efficient in using for example auditors, meetings, travel costs, transactions, reporting?*

The programme has been efficient in the use of audits; however this has limited efficiency in terms of the added administrative burden to the individual projects in additional reporting.

Travel costs are an issue raised by many participants that they perceive as negatively impacting on efficient use of their project budget, especially where unforeseen meetings programme related meetings occur. The fact that projects could reallocate budget between actions is either not understood, or seen as unworkable within limited project budgets.

KQ14 *Is the programme well managed and delivered in an efficient and legitimate way within the regulatory settings?*

The programme is well managed and delivered in an efficient and legitimate way within the regulatory settings.

Programme management and control is determined by regulation at a number of levels. At national level projects and the programme are governed under the relevant public procurement; state aid; equal opportunities and environment rules. Specifically, national legislation should take cognisance of regulations EC 1083/2006¹¹ ; EC 1080/2006¹² ; and EC 1828/2006¹³ and their appropriate rules and procedures. The programme has inventoried national provisions in respect of these regulations for the EU27 Member States and 4 Partner States. Projects and the programme are expected to respect these regulations for funding compliance under the ERDF; ESF and Cohesion Funds.

The fact that the programme is being implemented legitimately within the regulatory environment has a concomitant negative side-effect in the administrative burden experienced by project participants and the programme itself. There is a perception that the programme is under resourced with respect to its administrative/procedural burden which results in delays for project participants and resultant loss of efficiency and cost implications.

The response to Priority 1 calls has been low (averaging about 3 per project) and in some cases only one, or no proposals, have been received. Given the awareness of this problem from the 2006 programme (which achieved an average response rate below 3 per project) it is unfortunate that the 2013 programme has not managed to significantly improve the situation, for example by further energising national awareness through the ECP network. Low overall response rates are further compounded by a substantial percentage of ineligible proposals (declining from 36.8% in Call 1 - 2008 to 14.3% in Call 5 - 2010 for Priority 1 and 37.5% in Call 1 - 2008 to 13.3% in call 5 - 2010 for Priority 2). Response rates for Priority 2 are similar to those of Priority 1 with two projects being delayed by non response.

¹¹ COUNCIL REGULATION (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999;

¹² REGULATION (EC) No 1080/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999;

¹³ COMMISSION REGULATION (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund;

ESPON needs to increase its community building activity and promote awareness at the national level. The fact that the ECP network was not fully operational for early calls will not have helped.

KQ15 *Are the procedures of evaluation and selection of projects ensuring a sufficient transparency and feedback to potential beneficiaries in relation to EU standards?*

Survey results show that successful Priority 1 projects are happy with this aspect.

The Priority 2 two-phase approach merits re-appraisal to reduce the overall time from call for expression of interest to contracts.

Despite the fact that the two-phase evaluation process leads to a delay in time from expression of interest to analytical inception, the Priority 2 Targeted Analysis proposal process is working satisfactorily in identifying a good selection of projects. The two stage process, however, has the effect that a policy issue requiring swift analysis is unlikely to be satisfactorily addressed by the process, but medium and long term issues can be successfully proposed. Short term issues, unless they are recurring fall through the process. There is an additional danger, in that if the process is too lengthy, initial stakeholders might lose interest and threaten to leave, this has happened in at least one instance. If the objective is to facilitate a rapid response to policy questions the timescale for the process must be reduced.

The call for proposal process is well organized and documented. The process works well and is transparent when the stakeholder group analyses and develops collective needs/wishes carefully. There is a risk that, where this is not the case, it would be difficult for the research team to reshape the project specification into something that is coherent and feasible. The two stage process confers significant control to the stakeholder concerning scientific contents of projects. There is the danger also that by asking detailed questions, and almost proposing answers to them, stakeholders limit the TPG's scientific influence on the research, restricting the opportunity to ask more relevant questions. So far this does not seem to be a serious problem, the stakeholders showing a good grasp of priorities, relevant prior ESPON results and the scientific background.

KQ16 *Have cultural obstacles and different accounting and management systems been dealt with efficiently? What procedures could be simplified to avoid obstacles or inefficient cooperation?*

Language is considered to be a problem for capitalisation by some participants, for example, only a limited budget exists for ECPs to translate anything. It is considered that language may restrict the possibility for having a policy impact at local level where knowledge of English is a problem.

There are some examples within the programme where national actions are trying to overcome these issues. For example, in France significant efforts have been made to synthesise results and translate them. Perhaps the programme should seek ways of gathering such secondary analysis and making others aware of the resource so that selective documents might be further translated for their local market.

KQ17 Could better effects be obtained for the same cost?

ESPON delivers outputs that represent good value for money. Given the modest budgets of most ESPON projects and the scope of the specifications it is difficult to see how effects could be improved for the same cost. The programme appears to benefit from considerable goodwill from participants who often go the extra mile to satisfy the contracts. Greater focus in Priority 1 should sharpen results and might shorten the time taken and thus enable more short projects to be undertaken. Early indications from Priority 2 point in this direction.

In a future programme where Structural Fund regulations might be amended to reduce the administrative burden on all parties, or more activities were carried out through MA led projects would release resources to carry out more work. The EC should be encouraged to pursue simplification of the regulations.

The introduction of commercial companies as eligible partners in 2009 can be seen as a positive step which might create an environment where better results are achieved within the budget available. It resulted in 17.3% of participants from the private sector in 2009 and remained around that level in the first call in 2010 (16.0% for Priority 1 and 17.1% for Priority 2), but was 42.9% in the subsequent small Priority 2 call in 2010.

6.5 Dimension 4 - The relevance of the ESPON 2013 Programme in its political context

KQ18 Is this programme useful and helping those for whom it is intended?

An assessment of the usefulness of results from Priority 1 for the anticipated target user groups is difficult to quantify. However, the evaluation has found a general perception that the ESPON programme continues to provide relevant data, evidence and new insights that address specific policy areas, supporting territorial development and EU Cohesion Policy. It assists Member States to visualise their regions development in a larger European context and has created a more diverse network of scientists and practitioners.

The programme is also considered to be a valuable link with the increasingly important Territorial Agenda debate where tools, indicators and maps from ESPON help users visualise and understand issues. Assessments of territorial impacts are recognised as important in the development of the Territorial Agenda and Cohesion Reports. The practitioner focused research of ESPON has established an accessible mechanism for assessing the impacts of EU policy, legislation and Directives on places.

Greater attention should be given to making the territorial analysis and evidence available at national and lower levels. It is not evident that ESPON has realised its full potential in reaching all relevant policy makers to have maximum political impact. ECP analysis (and even nationally funded analysis in some countries) is being underutilised.

The Priority 2 targeted analyses; with the strong involvement of key stakeholders is an important component of the ESPON programme. To a large extent the programme has been very useful in linking practitioners and stakeholders, enhancing collaboration and use of ESPON results. It generates an understanding of the larger territorial context; to make comparisons to other territories, regions and cities; and to provide a European perspective to considerations on the development of their territories.

Priority 3, which is largely directed towards scientists working in the field, is lagging in comparison to Priorities 1 and 2. The ESPON database and ESPON Hyperatlas are scheduled for completion in February 2011, however, the database project is delayed and the Hyperatlas has yet to deliver any results. This has an impact for the potential recipients of services. INTERCO completes in 2012 but again no indicators of territorial cohesion have been delivered. The ESPON Typology has been suspended to a large extent and replaced by an interim solution devised by DG-REGIO and the OECD. The proposed deliverables, when completed and submitted, however, have the potential to be extremely useful to future users.

KQ19 *Have there been any new developments or changes? How do these changes affect the programme's objectives?*

Since ESPON 2013 was started the importance of understanding territorial perspectives has continued to increase, mainly due to Territorial Cohesion becoming part of the Treaty, placing greater expectation on ESPON to become a vital source of evidence, comparable data and information across Europe.

Europe and indeed the world have experienced global recession during the programme's early years and it is difficult to specify how severe the impacts are in terms of territorial cohesion. With such a shift in the underlying financial climate many of the projections from earlier territorial assessments are therefore put into question. ESPON needs to be able to respond to stakeholder driven demands for updated analysis to provide policy options to mitigate the negative effects of economic downturn.

The global crisis has been underway since the start of the programme. Although the programme has addressed this in the seminar programme it is not clear that sufficient attention has so far been given to the immediate effects in the Priority 1 projects, nor its effect on the future funding of cohesion programmes. However, the MC has in November 2010 approved a project theme in this area.

KQ20 *To what extent was cooperation necessary to achieve the effects? What has been the intensity of cooperation? What elements has cooperation added to the programme's activities and achievements? How relevant was the cooperation? Was the intervention additional to what would otherwise have taken place?*

Cooperation is imperative to achieve the trans-border and pan-European dimensions. The nature of cooperation appears to have been appropriate to the characteristics of each of the individual projects. However, Priority 1 questionnaire responses show little cooperation has taken place so far between projects, and Sounding Boards have not been asked to cooperate with each other.

ESPON interventions are composed of applied research which generates a body of knowledge, tools and data that facilitate all manner of territorial policy issue analysis. The synthesis reports that emerge from ESPON are valuable in that they focus attention on important topics, broaden awareness and point to the more detailed outputs.

It is clear that without the impetus provided by the ESPON programme most (if not all) of the research could not take place.

The programme has demonstrated cooperation between programmes through joint meetings. The ESPON series of Open Seminars is also proving to be a valuable tool

bringing together scientists, practitioners, stakeholders and policy makers in what has become a vibrant forum for debate and exchange of experience.

KQ21 To what extent the project/programme adds benefits to what would have resulted from Member States' interventions in the same context?

The ESPON Operational Programme is perceived by some members of the MC as being an instrument of crucial importance where European Territorial Cooperation is concerned, as it contributes to the aims of the Territorial Agenda that may not be met by national initiatives.

A benefit from participation in an ESPON project is that cross border strategies can be developed adding value to national plans. Additionally ESPON offers a European perspective and a possibility of comparisons with other cities/regions; the usage of previous ESPON results; improvement of stakeholder cooperation and strengthening connections; and the possibility to establish contact with international experts. Perhaps the greatest added value is the opportunity to see how the case studies are seen from a European perspective, being able to compare their situation with other case studies – this would be much more difficult to achieve in a national study.

KQ22 How innovative are the programme and its operations? What new approaches have been deployed or results produced? Were the operations actually innovative and relevant?

ESPON has introduced a variety of new approaches in respect to the establishment of projects which are truly user driven that engage effectively with stakeholders and practitioners, notably in Priority 2. The creation of new data sets, methodologies and tools from projects also reinforces this approach. In fact by making its results freely available the programme enables third parties to do their own analysis.

The ESPON network adds value to the programme and debate on Territorial Cohesion and the increasing number of TNA projects has a potential for strengthening its capitalisation efforts. ESPON has ventured into utilisation of social networking to promote its activity (e.g. by using LinkedIn and Twitter) but more could be made of common networking tools such as blogging to stimulate interaction with the various ESPON communities.

Examples of project created resources include:

- The CAEE project which has presented models on the development and organisation of governance structures in four case study areas. The analysis of the relationship between agglomeration economies is innovative and relevant as is the analysis on the differentiation of economic functioning within the city agglomerations; and
- The results of the METROBORDER project that are highly innovative in terms of the development of four indicators which form the basis of a highly qualitative presentation of original maps, tables and illustrations.

The programme has placed a great reliance upon paper based publications and synthesis reports. Given the ESPON website and the interactive tools developed by ESPON there is potential for more innovation in communicating results through targeted research papers and workshops to engage with a wider audience. This should be a priority for the second half of the programme.

KQ23 *Has the programme in any way complemented and enhanced the effect of other related domestic policies or macro-regional strategies?*

Activities across all priority areas offer opportunities for the programme to complement domestic policy analysis or macro-regional strategies by placing them in a wider context. Good practice can also be spread through knowledge of approaches tried in other regions. It is perhaps too early to evaluate this effect but examples have emerged in our survey, for example:

- In Estonia ESPON results are being used in an ongoing process of preparing a national spatial plan, Estonia 2030+ and will also be of interest in ministries preparing various sector plans and policies.
- In Luxembourg cross-border cooperation at the meso level (Greater Region Saar-Lore-Lux) is important and the Metroborder project is proving useful and gaining recognition at the political level.

6.6 ESPON Post 2013

Discussions regarding continuity of ESPON post 2013 have already been opened at Policy Maker level in the ESPON Member and Partner States. The importance of the programme as a source of information, data and tools that support the wider Territorial Agenda and EU Cohesion Policy objectives is generally recognised. ESPON redresses deficiencies in regional spatial analysis that have hitherto been a limiting factor in Territorial development and adds a European perspective. Looking beyond 2013 the strategic dimension of EU Cohesion Policy will be strengthened, which will require comprehensive information and evidence. ESPON can be the major contributor to this process.

The earlier recommendations from the ESPON 2006 programme on greater focus in project specifications have been addressed by the MC through specifications that offer scope for selection of research by proposers. This has not achieved the desired effect as the intention was not evident to proposers and has therefore not resulted so far in any major change. It is imperative that this aspect is addressed before the next programme starts. Individual projects should address specific policy issues. The lack of this aspect is one of the reasons that projects are so large and take so long to produce results.

So far ESPON Programme orientation has benefited from both a “top-down” and “bottom-up” approach which should be maintained, although more analysis is needed as to how to improve the latter. The inclusion of analysis at local policy levels i.e. below NUTS3 level raises questions of language, data availability and comparability, and differing objectives and legal constraints to those of higher levels. Further development of trans-national aspects is a crucial priority for ESPON post 2013, given that the knowledge base around territorial dynamics has grown enormously since the start in 2001-2 and that results from applied research are filtering down to policy makers.

Although the outline objectives, content, and priorities of a future programme are already under discussion the MC and Commission should consider the merit a detailed study conducted within the period 2011-2013 to test those ideas. Continuity of effort from ESPON 2013 needs to be guaranteed and a study would identify those areas where greatest returns would be achieved.

Our evaluation has identified weaknesses in the way ESPON can respond to Member State needs that are constrained by the Structure Fund regulations governing the programme. Current regulations are far from ideal as a basis for delivering an effective and efficient

Operational Programme that encompasses the activities and objectives of ESPON. In many respects a future programme would be better served by a move away from a subsidy logic towards service contracts. Timeliness of analysis is important if the value of a “demand responsive” programme is to be realised. Protracted tendering procedures and overly bureaucratic reporting mechanisms should be avoided.

There should be less reliance upon simple production of maps and synthesis reports; useful and popular though these are. Producing too many maps alone may only confuse policy analysis.

ESPON, through its database and project results, ought to be capable of delivering a service to policy makers and planners that is flexible. This implies greater development and use of innovative delivery tools that the end user can access to test policy options, or carry out sensitivity tests.

Practical evolution of the ESPON programme procedures must await the outcome of the debate on future regulations. The new Cohesion Report which provides the Community Strategic Framework sets the background against which a study on ESPON post 2013 can take place. When the first draft of the new Structure Fund regulations is published in July 2011 improved procedures can be confirmed.

7 Recommendations and Considerations

7.1 Observations

The recommendations for improvements in the implementation of ESPON set out below summarise the findings of the evaluation. The order of presentation of recommendations does not imply importance. At the mid-point in the programme our recommendations address those areas where strengths are identified and might usefully be built upon, and those areas of weakness where adjustments to implementation can produce added value. Our comments on enhancement to Call procedures are directed to the post-2013 period as the planned schedule of Calls is limited beyond 2011.

13 Recommendations for Action 2011-2013

Recommendation 1: The “Sounding Board” activities of Priority 1 have proved very successful; it would be useful to extend this approach to other priority areas although not necessarily in the same form. The new Priority 3 projects should be reviewed to see how the sounding board principle could be applied. The sounding board should meet as an expert group with the CU to exchange ideas at least once during the programme.

Recommendation 2: Data availability problems need to be addressed before the next programming period. The collection and harmonisation of regional data should be the subject of a conference or other action initiated by the EC outside ESPON in view of the growing importance of the TC and TA.

Recommendation 3: Procedural issues relating to the formal regulatory requirements governing project and programmes funded by the Structural Funds are reducing effectiveness and efficiency. The extended use of service contracts should be considered in the remainder of the ESPON 2013 programme wherever practical within the existing regulations.

Recommendation 4: MA led project budgets should be defined along strategic lines with less fixing of activity by individual year to offer flexibility across the remaining programme period.

Recommendation 5: Despite the success of ESPON workshops and seminars it is imperative that dissemination and “Capitalisation” issues are given high priority in the second half of the programme to ensure take up of results. TNA Priority 4 activities should be increased and/or more MA led activities developed to promote use of outputs at all levels.

Recommendation 6: Currently integrated analyses and thematic analyses form the bulk of Priority 2 projects. Additional projects that give knowledge support to experimental actions or joint actions related to the Structural Funds should be supported as foreseen in the priority objectives.

- Recommendation 7:** The diversity and geographic representation of participation in the programme should be extended. The recent extension of eligibility to private sector bodies may help, but the communication plan and capitalisation strategy should be used to increase awareness of ESPON and encourage new participants. ESPON should organise more events at national level (possibly drawing upon a road show format utilising the TNA projects).
- Recommendation 8:** The capability of the ECP network is underutilised. Arrangements with ECPs to increase interaction with ESPON projects should be established; potentially funded from national budgets.
- Recommendation 9:** Synthesis reporting needs to be regarded as an ongoing activity and an impact assessment for completed projects should be scheduled from 2012.
- Recommendation 10:** Dissemination of results at the national level is potentially diminished by language barriers. Either the TA budget or TNA budgets ought to envisage greater resources for translation of key results.
- Recommendation 11:** Projects should also be strongly encouraged to produce more concise executive summaries which contain clear key messages that can be easily assimilated by policy makers and practitioners.
- Recommendation 12:** The procedures review carried out in 2010 commented on the existence of parallel electronic filing systems creating double filing. Although it is impractical at this stage to replace the systems their implementation and use should be tightened up to avoid inconsistency.
- Recommendation 13:** Within the current programme period preparatory studies, drawing upon stakeholder interest and expert opinions, should be undertaken to shape objectives and the orientation of Priorities for an ESPON 2020 programme.

10 Considerations on Action Post-2013

- Consideration 1:** The development of ESPON should be managed as a continuous action as continuity of ESPON beyond 2013 is clear given its growing value to policy makers and practitioners; especially as the EU Cohesion Policy including TC and Territorial Agenda develops. It should establish a longer term plan to guide the work through a technical/policy steering group that can set priorities on a periodic basis.
- Consideration 2:** The format of projects and their interrelations in terms of methodology, scope, size (resources both in monetary, time and staffing terms) and output, should be more varied. This variation should be considered in relation to prior results and knowledge, the policy instruments being studied and the time frame within which results are required. Consideration should be given to running small parallel studies looking at different aspects of a policy question for discussion at a seminar

with public access and subsequent rapid publication in an ESPON series.

- Consideration 3:** Reviews of state-of-the-art knowledge on a topic, or good practice in policy development and application, are in themselves of value to practitioners and could form individual projects.
- Consideration 4:** Applied Research projects should have tightly focussed themes and subjects (as recommended in earlier evaluations). These should be defined with support from groups of experts (whose interests do not conflict), or through strengthened central policy and scientific direction. The process of using web based surveys to identify themes for calls should only be used as a second stage consultation of the wider community following hearings with expert groups of key policy makers, scientists and practitioners.
- Consideration 5:** Sounding Board members should be involved in the project specification stage.
- Consideration 6:** To achieve a more responsive programme in the period after 2013 targeted Calls could be more frequent and/or prepared in a more streamlined manner to avoid long delays from identification of a need (theme) to commencement of a project. This is more compatible with a demand responsive programme.
- Consideration 7:** Territorial cohesion is still a concept that needs to be more clearly defined and delineated. ESPON was set up to support policy development with facts and evidence in order to achieve this and until the concepts and policy implications are much better integrated into EU thinking and policy at all levels it is imperative that the ESPON programme continues and is strengthened.
- Consideration 8:** Making more data and tools available to analysts and policy makers outside the programme should be reviewed and priorities set for specific activities.
- Consideration 9:** The EC should be encouraged to review Structural Fund financial regulations as procedural issues reduce effectiveness and efficiency in the 2007-2013 period. The extended use of service contracts should be considered. Ways in which this approach can be embedded in a post-ESPON 2013 programme must be implemented.
- Consideration 10:** The technical capabilities of the CU should be strengthened to offer more scientific and statistical support. The MC might investigate secondment of a senior statistician with experience in regional statistics on short term release from one of the ONSs. This is a standard procedure used by EUROSTAT.