

## **ESPON 2013 Programme**

### **Work Programme 2013**

**Approved by the ESPON Monitoring Committee on 4 December 2012**

The Work Programme 2013 includes the actions envisaged in 2013 as the implementation of the ESPON 2013 Programme continues towards the final years. The work on and output of new knowledge, evidence and facts is currently at its peak. The planning and implementation of activities under the 5 Programme Priorities that were started in 2008 and progressed according to plan since then, is now materialising in a vast amount of new territorial evidence and maps that needs transfer into relevant policy development processes..

The Monitoring Committee will continue being closely involved in the implementation process together with the other programme authorities. However, no more themes and specifications of new projects, covering Applied Research, Targeted Analyses, the Scientific Platform and Transnational Networking Activities by the ECP Network are relevant as the programme has committed all funds for these priorities. The focus in 2013 will instead be to maximise capitalisation and avoid de-commitment of Funds.

#### **I. General Outlook for 2013**

##### **I.1. Policy development and demand**

The year 2013 is extremely important for ESPON in terms of delivering territorial evidence in support of policy. The programme is recognised by Ministers and the Commission for providing important new knowledge with a European dimension. With Territorial Cohesion as part of the aims for EU Cohesion Policy, and the EU 2020 Strategy aiming at smart, sustainable and inclusive growth, the integrated approach to policy and the territorial dimension of development have become in focus.

The future of EU Cohesion Policy 2014-2020 is supposed to include the ambition of integrated and place-based policy approach. Ministers responsible of territorial development and spatial planning have agreed an updated Territorial Agenda 2020 setting a number of policy principles for the development of the European territory. The European Commission has proposed a Community Strategic Framework which Member States are supposed to implement in order to support the creation of growth and jobs within the EU.

The implementation of EU Cohesion Policy 2014-2020 is requiring evidence-based and result-oriented solutions. Member States have hitherto supported this by requesting an enhanced territorial dimension being included in policy processes at all levels. This sets a positive framework for the use and capitalisation of the European knowledge base that have been constructed over the last 8-9 years by ESPON.

Indeed, the demand towards ESPON evidence is increasing, and particular efforts have already been made to service the ongoing and future programming activities in other Structural Funds programmes.

Simultaneously, recognition by policymakers and stakeholders at all levels of the need in today's globalised world in adding a European perspective to territorial development is adding to the demand for evidence on Europe in the World.

In 2013 in this policy context, the ESPON 2013 Programme is expected to live up to its reputation and deliver more solid and innovative, useful and staggering new results, all in an easy-understandable fashion and format.

During 2012 the Monitoring Committee has conducted the last round of calls for proposals. This means that the programme implementation can transfer this resource towards actions capitalising upon ESPON output.

The political process during 2013 is mainly expected to deliver the regulatory framework for Structural Funds operations after 2013 which will form the legal base for future operations. Priority themes for investments are expected that once known will be an important base for selecting the most adequate thematic content for the capitalisation activities of ESPON.

Supporting the elaboration of a renewed ESPON post 2013 is an additional important task for the ESPON CU that will continue in 2013. The Joint Working Group on the ESPON post 2013 that has been established in 2012 will continue its work. Key principles and expectations for a continuation and strengthening of the ESPON exercise have been agreed in principle. These include a wish to improve the capacity of ESPON to transfer knowledge towards policy processes reinforcing the territorial dimension in policies, and an institutional setting that is administratively lean and efficient making ESPON attractive to the experts and efficient in delivering to policy.

Concerning the volume of future ESPON activities, coming decisions related to the budget of the EU and to Structural Funds after 2013 needs to be in place before the final details of the ESPON post 2013 programme can be fine-tuned and a proposal on an operational programme for an upgraded and renewed continuation of ESPON can be submitted to the Commission for approval. In support, the ESPON 2013 Programme will carry through an ex-ante evaluation in 2013.

## **I.2. Strategic Avenues for 2013**

As the deliveries of project results accelerate, the emphasis in the programme implementation will become increasingly devoted to capitalisation and communication of results. Relatively, the weight of different programme priorities will in the remainder of the programme implementation be on Priority 4 on Capitalisation. This will consequently be reflected in the work priorities of the CU.

In parallel, substantial efforts are still needed to manage and guide the many ongoing projects towards the best possible results. However during 2013 the inflow of reports will gradually become less than in the previous year. In terms of projects, in particular the activities carried through within the so-called MA led projects will be a matter requiring substantial attention and resources.

Importantly, the management of the programme will receive continued attention in order to achieve and maintain an impeccable level of financial management. In particular, the challenge of avoiding de-commitment of ERDF funds is massive in 2013 and will need committed attention of all actors and programme authorities involved.

The following 4 strategic avenues will guide the implementation of the ESPON 2013 Programme during 2013:

- (1) **Enhancing capitalisation and communication activities based on the rising number of final results in support of wide-spread use of ESPON territorial evidence**, including targeted activities and publishing publications according to the decided Publication Plan 2011-2014.
- (2) **Avoiding de-commitment of Funds by implementing with serenity the Roadmap adopted for the ESPON 2013 Programme** and continue sound financial management of the programme with finding-free audits and quality checks.
- (3) **Ensuring high quality and useful outputs from active projects**, ensuring easy communicating and useful results supported by clear executive summaries that can make ESPON even more recognised for its European territorial evidence base.
- (4) **Maximising the support from the many envisaged activities under MA led projects within Priority 3 and 4**, carrying through tendering of services on a multitude/variety of events, publications, tools, website development, map updates, etc. as far the human resources available allows.

More detailed information on the concrete programme implementation in 2013 is included in the following chapters of the Work Plan 2013.

The envisaged overall timing of activities in 2013 is available as annex 1. The Budget for 2013 following decision by the MC on 4 December 2012 is included as annex 2.

### **I.3. Implementation status**

The implementation of the ESPON 2013 Programme is now well advanced. In total 13 projects are closed in 2012, which means that 53 projects are final, ongoing or under contracting within the programme priorities. By 31 December 2012 the status for contracted and remaining projects under the ESPON 2013 Programme can be seen from the following table:

#### **Project status by end 2012** (excluding MA led projects under P3 and P4)

| Major projects                      | P1        | P2        | P3        | P4       | Total     |
|-------------------------------------|-----------|-----------|-----------|----------|-----------|
| Final, ongoing or under contracting | 25        | 23        | 10        | 7        | 65        |
| Remaining foreseen                  | --        | --        | --        | --       |           |
| <b>Total</b>                        | <b>25</b> | <b>23</b> | <b>10</b> | <b>7</b> | <b>65</b> |

In addition, a number of additional ESPON activities are carried through as services under 16 MA-led projects within Priority 3 and Priority 4. The implementation of these projects includes many actions involving calls for tender. Altogether 22 actions under MA-led projects are final or ongoing.

In total the ESPON 2013 Programme in its lifetime will implement more than 100 contracted projects and actions, of which more than 40 will be processed as smaller or larger service contracts under MA led projects.

During 2013 and 2014, the volume of results will increase exponentially. This requires a substantial and targeted effort on the processing, capitalisation and communication of the results to policymakers in an easy and targeted way. In making this happen, the resources of the CU are gradually being reallocated and a service contract for external expertise support has been tendered and contracted. Supporting this, transnational activity the 5 ongoing out of 7 networking projects under Priority 4 of the ESPON 2013 Programme will as well be contributing during 2013.

Due to the late stage of the programme implementation, the administrative and financial management continues to be a demanding task. The closure of finalised projects is a significant task in 2013, both in terms of closing the content part and in terms of checking progress reports as basis for payments.

To ensure that the spending necessary to avoid de-commitment of ERDF funds in 2013 remains at a sufficient level is a crucial and very tough task. The progress made in 2012 on the spending side was basically encouraging, however by the end of 2013 an additional spending in 2013 of approximately 8,3 mio. Euro will be necessary in order to avoid de-commitment of funds.

The audits carried through in 2012 shows an increase of the error rate from 0,17% in 2011 to 1,09% in 2012, higher although still well below the threshold of 2%. Considering that the number of audits to be implemented in 2013 will be higher due to the higher number of ongoing projects, a higher level of support and quality assurance shall be applied in order to ensure staying with a low error rate in 2013.

## **II. Detailed actions within the main activities of 2012**

The ESPON 2013 Programme will in 2013 put emphasis on managing Applied Research projects, Targeted Analysis as well as projects within the Scientific Platform on Tools. Many ongoing projects will deliver final or interim results. In order to guarantee the required high quality and policy relevance, considerable efforts will be made to support and steer project development and implementation.

For a comprehensive overview on ESPON project, their scope, envisaged results, budget, and partnership, the ESPON Project Overview which is available on the ESPON website and the final printed version which will be printed in early 2013.

Many additional actions under 16 MA led projects related to tools and data as well as capitalisation are foreseen during 2013. In addition, the capitalisation through Transnational Networking Activities will continue during 2013 as 5 of the 7 projects selected to be carried through by the ECP Network are still active.

### **II.1 Applied Research projects (Priority 1)**

The implementation of Applied Research projects will in 2013 gradually slow down. The programme will manage in parallel 25 Applied Research projects, all of which are contracted.

The project implementation of these 25 projects looks as follows:

- 7 projects have submitted their final deliveries by 31 December 2011.
- 8 projects will have delivered their Final Reports by 31 December 2012.
- 5 projects will during 2013 deliver their Final Reports.
- 4 projects will deliver their Draft Final Report in 2013.

- 1 project will deliver its second Interim Report in 2013.

The specific action under Priority 1, the Knowledge Support System (pool of experts for Sounding Boards) (Priority 1), is complete. Following the last call for expression of interest the Knowledge Support System currently includes 109 experts. No further calls will be implemented during the current programme period.

## **II.2 Targeted Analyses (Priority 2)**

Like with the Applied Research projects, the implementation of Targeted Analysis projects will in 2013 gradually slow down. The programme will manage in parallel 23 Targeted Analysis projects taking together contracted projects and projects in preparation.

The project implementation of the 22 currently contracted projects looks as follows:

- 7 projects have submitted their final deliveries by 31 December 2011.
- 10 projects will have delivered their Final Reports by 31 December 2012.
- 5 projects will deliver their Final Reports by end of 2013.

There will be no more Calls for Expressions of Interest for Targeted Analysis during this programme period.

## **II.3 Scientific Tool developments and Analytical support (Priority 3)**

The ESPON 2013 Programme will in 2013 continue to make strong efforts to optimise the scientific platform and the ESPON tools for policymakers and practitioners. The last projects and the remaining service contracts under the Priority 3 Scientific Platform project will be launched and implemented in 2013. Focus will be put on enhancing the usefulness of ESPON results and tools and its practical use for policymakers at all levels.

Cooperation on European territorial data will continue in 2013, integrating the ESPON Programme further into this European process. In particular the cooperation with EUROSTAT is crucial and a further cooperation will be developed on key topics of common interest: time series, functional areas, urban data, maritime statistics and LAU1/LAU2 data. This approach will ensure mutual benefits in the development of pan-European regionalised information and European maps.

### ***Projects on scientific platform and analytical support***

With the last Call for Proposals in 2012, the following 8 Priority 3 projects will be running in 2013:

- ESPON 2013 Database (phase II)

The ESPON Database 2013 project – phase II (M4D Project) has delivered its First Interim Report in June 2012 and will deliver a Second Report in June 2013. Considering the large number of improvements requested by the ESPON CU and the ESPON MC on the interface and functioning of the ESPON Database the year 2012 was crucial for the development and consolidation of this ESPON tool, which is now more targeted to policy makers and non-experts. In particular it now has a new search facility which allows the identification of policy relevant indicators.

Considering that the M4D Project do not cover all ESPON Projects regarding data checking, quality control and data integration into the ESPON Database, the ESPON MC has decided to include this task as an addendum to the contract of the M4D Project. Currently the formalities are being finalised and it will ensure that data delivered by all ESPON projects and update of maps services contracts will be checked, quality controlled and integrated into the ESPON database. This approach will ensure that data and metadata included into the ESPON Database offers the same high standard and quality.

- ESPON Atlas on European Territorial Structures and Dynamics

The ESPON ATLAS project delivered the Inception Report in July 2012 and a revised Inception Report in October 2012. During the MC Meeting on 4 December 2012, the TPG carried out a workshop session in order to involve the MC in the further scoping of the thematic focus of the ATLAS. The Interim Report will be delivered on 31 March 2013 and the project will run into the second half of 2014.

- Internet Online Mapping Tool

The Rich Internet Online Mapping Tool project (RIMAP) delivered its Inception Report in June 2012 and will deliver its Interim Report in December 2012. According to the plan, the project will deliver its Final Report by the end of 2013 including a final version of the Online Mapping tool and user guidelines. A test version of the tool will be available for testing during the second half of 2013.

- Territorial Monitoring in a European Macro Region

This project is aimed at supporting evidence informed territorial development and cohesion in the Baltic Sea Region (BSR) by developing an indicator based monitoring system had its kick-off meeting in 2012 and delivered the Inception Report in June 2012. During 2013 the project will deliver its Interim Report and Draft Final Report.

- Territorial Evidence Packs for Structural Funds Programmes

The TerrEvi project delivered its Inception Report in June 2012 and drafts of its First Specific Delivery (Territorial Evidence Factsheets for all CBC and TNC areas) in November 2012. The project will be finalized during 2013, including a Second Specific Delivery of 10 ESPON Territorial Evidence Packs for case-study programme areas. Considering a main aim of the project is to ensure ESPON results input into Structural Fund programming, the early part of 2013 will be especially crucial for the project. The results are expected to be useful more generally as it will provide a sound methodological concept/tool for other territories who wish to maximise the use of ESPON territorial evidence in their policymaking.

- European Territorial Monitoring System

The project is scheduled for kick-off at the ESPON CU end of November 2012, and will be active during entire 2013. The main aim of the project is to develop a simple, easy understandable and policy relevant tool for European Territorial Monitoring and Reporting, capable of continuous assessment of territorial development trends and policy impacts in relation to policy objectives related to Territorial Cohesion (in particular the EU2020 Strategy, and the Territorial Agenda 2020). In general, this tool will mainly rely on, integrate and select time-series of territorial indicators and indexes developed by the INTERCO project and included in the ESPON 2013 Database.

- Detecting Territorial Potential and Challenges

The project is scheduled for kick-off at the ESPON CU end of November 2012, and will be active during entire 2013. The main aim of the project is to make an inventory of relevant P1-3 projects to identify methods and analytical approaches regarding detecting territorial potentials. Including a number of case studies the project will deliver a handbook targeting practitioners and policy-makers.

- European Urban Benchmarking Webtool

The project is scheduled for kick-off at the ESPON CU end of November 2012, and will be active during entire 2013. The main aim of the project is to develop the methodological concept of the 'quickscan' webtool and operationalise this into a fully functioning webtool ready for use by the target group of policymakers and practitioners, as well as public and private investors.

***Tools (actions in MA-led project)***

The following service contracts will be running in 2013 under this action of Priority 3:

- Online MapFinder

The Online MapFinder is a web application aimed at promoting ESPON activities and making ESPON findings more accessible to the wider policy-making audience. The action has been developed with two service contracts, on IT part aimed at developing a user-friendly interface to search, find and display maps from ESPON projects and publications, and one content part aimed at delivering short, but concise, explanations for each of those maps. The final results will be made available on the ESPON website by the beginning of 2013.

- ESPON Data Navigator 2012

The 'ESPON 2013 Update of the Data Navigator, including Iceland and Liechtenstein' (ESPON Data Navigator 2012) is expected to deliver an update and an interactive version of the Data Navigator. The Draft Final Delivery is due by 5 April 2013 and the Final Delivery by 5 June 2013. With this update the service provider is developing a tool that provides unique information on the principal sources on relevant European statistics in an easy accessible way.

- Cartographic Language

This action is aimed at developing an innovative, accessible and practical approach to the visualisation and analysis of territorial trends and dynamics. The tender was launched during the second half of 2012 and the contracted service provider is expected to start early 2013.

In addition, the following service contracts are to be tendered and implemented during 2013:

- Improvement of the usefulness of the ESPON HyperAtlas for European regions

A new update of the ESPON HyperAtlas is foreseen to start in 2013. The main focus for this update will be: What does the user want? Based on this focus, the survey on the HyperAtlas V2 and the feedback we received from various sources and policy developments in the field of territorial cohesion an updated version of the HyperAtlas V3 will be developed.

- TIA web application using the ARTS methodology

A TIA web application is foreseen to start being developed in 2013. This TIA web application will be based on the methodology developed by the TIA related projects that have been carried out in ESPON 2013 Programme: TIPTAP, ARTS, EATIA and the TIA guidance that will be published early 2013.

- Online training platform with sessions focused on specific topics

The Priority 4 project ESPONTrain has developed an e-learning platform (Virtual Learning Environment, VLE) which is being used for running two separate teaching cycles for post-graduate students and practitioners/policy-makers using specially developed thematic teaching packs based on ESPON Priority 1 projects. This is a new addition to the ESPON tools and the purpose of this service activity is to explore its further usage and development.

#### ***Update of Data and Maps (actions in MA led projects)***

The following services are running in 2012 under this action of Priority 3:

- Update of Maps and Indicators on Natural Hazards

An Update of Maps and Indicators on Natural Hazards was tendered and a service provider selected in 2012 to implement this service contract (following public procurement procedures). The map updates and the related report will be used for the ESPON Territorial Observation no. 7, planned for early 2013.

Further update services will be prepared in the first half of 2013 and take place in 2013 and 2014.

## **II.4 Capitalisation and Communication (Priority 4 and partly 5)**

The ESPON 2013 Programme will in 2013 further strengthen the efforts to capitalise and communicate the final results of the projects through a wide range of activities and channels, existing as well as new ones.

The Communication Plan (approved in 2007), the Capitalisation Strategy (approved in September 2010) together with the Publication Plan (approved in June 2011) and the MA-led project 4.1 2011-14 (approved in September 2011), provide the strategic framework for implementing a wide range of targeted capitalisation and communication actions aimed at policy makers, stakeholders and the media.

#### ***Media and Publication (actions in MA-led projects)***

##### **Publications and Design**

The implementation of the ESPON Publication Plan based on the strategic MA-led project 4.1a “Publications and Design 2011-2014”, began during 2012 and will be based on 3 service contracts related to:

- External Expertise, which will provide a pool of in-house and/or sub-contracted expertise, can be activated by the CU upon request and deliver writing and editorial services as well as being capable of handling data and mapping. The external expertise will be involved to various degrees in the majority of the envisaged publications, ranging from more substantial scientific and policy-oriented publications to easy accessible policy briefs and fact sheets with a more

journalistic touch as well as presentations. The service provider was contracted in October 2012,

- Layout and Design, which will be based on the existing and updated coherent corporate graphic design as specified in the ESPON Corporate Identity Manual. It will implement layout and design work related the various publications. The service provider is expected to be contracted in the beginning of 2013.
- Printing, covering the practical and technical execution of the printing of the ESPON publications, as well as the supporting printing and collaterals. The service provider is expected to be contracted in the beginning of 2013.

The publication activities will enter into full force during 2013 and is planned to include:

- ESPON Cyprus Seminar Report (No. 2)
- TIA Guidance/Handbook
- ESPON Synthesis Report No. 2
- ESPON Scientific Report No. 2
- Atlas on EU 2020 Indicators
- Territorial Evidence Packs
- Territorial Monitoring: Facts and Figures
- 5-7 ESPON Evidence Briefs
- 3-4 Territorial Observations
- Posters

In addition a number of various printed products/collaterals related to ESPON activities and events as well as promotional material and compilations of overviews of the progress of the ESPON Programme will be produced.

#### Capitalisation strategy

The following capitalisation activities are planned for 2013, some of them in cooperation with the service provider Media Bureau:

- At least 6 press releases in relation to major publications launches and events.
- 6 ESPON Newsletters.
- Delivering speeches at external major events.
- Additional video clips on ESPON tools.

#### ESPON Website

The ESPON Website II was contracted in 2012. The external service provider that has been contracted is the same as the previous, which will ensure continuity. The website will be regularly updated and continuously developed by the CU through additional pages and new tools such as videos, ESPON database and the online MapFinder.

#### ***European Seminars and Workshops (actions in MA-led projects)***

The following deliveries in 2013 are envisaged under the MA-led project “4.2 European Seminars and Workshops 2011-2014”:

- 3 European Seminars

*ESPON Open Seminar* will be arranged 13-14 June 2013 in Dublin, Ireland.

*ESPON Scientific Seminar* will be organised in spring 2013, highlighting the scientific progress on territorial development and dynamics. The second ESPON Scientific Report, planned for the fall 2013, will be based on the proceedings of this seminar. Scientific themes the scientific seminar will be decided in cooperation with the multitude of European Scientific organisations in the field of territorial research.

*ESPON Conference* or high-level event will be organised in spring 2013, focusing on launching the ESPON Synthesis Report No. 2 and the ESPON Atlas EU 2020 in the policy arena in Bruxelles.

- 2 ESPON Workshops

Two ESPON Workshops will be organised during 2013, one in the spring and one workshop in the fall. As previously the Workshops will consist of thematically oriented workshops based on specific ESPON projects/topics engaging scientists and policy-makers/practitioners in interactive exchanges of knowledge and experiences. The focus of the workshops under consideration is related to “Gateway Cities” and to “Targeted Analyses”.

Other workshops might be arranged as stand-alone events, in co-operation with scientific organisations/bodies, such as the annual Regional Studies Association Conference, and during the Open Days arranged by the European Commission.

The cooperation with other networking programmes dealing with European Territorial Cooperation will continue in 2013, starting with a coordination meeting on 31 January 2013 in Luxembourg will seek to explore complementarities between the different activities carried through by ETC Programmes, e.g. the INTERACT, URBACT, INTERREG IVC and ESPON Programmes.

### ***Transnational Networking Activities***

As part of the Transnational Networking Activities the European Contact Point (ECP) network will be asked (in February 2013) to report their national activities carried out during 2012. Their reports will be added to the compiled report started in 2008 and made available to the MC. In addition, as part of their obligatory activities, the ECPs will carry out blunder checks on ESPON Priority 1 projects, of which the last ones will be in November 2013.

In 2013 three TNA projects, ESPONTrain, CaDEC and SCALES, will deliver their Final Reports, while the two projects started in 2012, ENECON and USESPON will deliver their Draft Final Report in December 2013, all based on transnational activities including workshops, seminars and teaching cycles, in support of the capitalisation and dissemination of ESPON evidence.

The ENECON project - ESPON Evidence in a North European Context - organised workshops and teaching & training activities and launched its website to facilitate the dissemination of information during 2012. Additional workshops addressing selected thematic issues, teaching and training activities targeted at universities and academic community are planned for 2013. In particular, the research team will organise a

conference in August 2013 in cooperation with Northern Research Forum. The event aims at turning attention towards the climate change topic as territorial challenge for European regions. The focus will be on existing evidence and the need for future research in the northernmost regions of Europe and the Arctic, and the challenge of translating scientific knowledge into action.

The last Priority 4 TNA project USESPON aims at creating awareness and sense of ownership amongst key stakeholders in respect of use of methods and tools developed within the ESPON programme. The strategy is to draw on and share work done in four previous and ongoing TNA projects. A key part of the transnational work is to pool the resources developed in the four TNAs directly represented in USESPON by their LPs. This includes building and further developing e-learning platforms and training materials (ESPONTrain), providing learning support through interactive workshops (INTERSTRAT), exploring the opportunities offered by the inter-relation of spatial scales when using ESPON methods (SCALES), and capitalising key territorial concepts (CaDEC). In addition, the LP will actively engage with the other two Priority 4 projects NORBA and ENECON through invitations to attend and present at USESPON events. The project held its kick off meeting on 9 November 2012 and will deliver its DFR 31 December 2013.

### ***Communication Action Plan 2013***

The planned communication activities are outlined in details in the ESPON Communication Action Plan 2013.

## **II.5. Management of Programme and Projects, Audit and Evaluation (Priority 5)**

The main challenge in relation to the Programme Management in 2013 will be to meet the commitment targets and pave the way for the more challenging commitment targets in 2013. Additional 8.315.654,17 EUR of ERDF will have to be certified to the Commission by the end 2013<sup>1</sup> (by the end of the year 2012 a total of 10.805.309,47 EUR of ERDF since the beginning of the Programme implementation period could be certified to the Commission).

Reaching the commitment targets for 2013 will require a close monitoring of projects and of the respect of the reporting deadlines, as the ESPON CU will have to assess and process in one year a much higher amount of progress report. This increase workload will for sure require additional resources at the ESPON CU in order for this challenge to be met.

### ***Programme Management***

From the programme management side during 2013 the main milestones are related on one side to the reporting duties to the European Commission, and on the other side to the implementation of the specific programme management verifications that are foreseen in the approved management and control system description.

From the reporting side, two main reports will have to be submitted to the European Commission via the SFC-2007:

- Forecast Payment for 2013 and 2014, by the 30 April 2013

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<sup>1</sup> For this first year of application of the de-commitment rule the 7% advance payment has to be reduced from the total ERDF to be declared to the European Commission.

- Annual Implementation Report for 2012 which will have to be submitted to the European Commission by 30 June 2013 following its discussion and formal approval of the MC.

The Managing Authority and the Coordination Unit will have as well to cooperate and coordinate with the Certifying Authority for the submission of the report on irregularities due by the 31 March 2013.

In relation the management verifications, during 2013 the Managing Authority will have to continue implementing quality controls on ongoing projects and as well support Member States for the implementation of their quality checks on their respective first level financial control system. More information can be found in the section related to the Audit activities.

Finally, as underlined in the introductory text, an important milestone for 2013 will be to make sufficient progress with the financial implementation leading to a no de-commitment risk for the years 2013.

### ***Call for tenders***

The MA and CU will have as well to manage call for tenders related to the implementation of actions in the framework of priority 3 and priority 4 (see sections II.3 and II.4) as described in the MA led project proposal approved by the MC.

### ***Project Monitoring***

In relation to project monitoring during 2013 there will be a major increase related to the monitoring of ongoing projects together with the winding up of the contracting procedure for the lasted contracted projects selected following the call closed on 13 June 2012. The CU expects receiving 131 progress reports during 2012 and addressing the financial closure of 26 projects.

Particular attention, in agreement with the priority set for the year, and in line with the Road Map to avoid de-commitment, will be provided to the timely and correct submission of projects reimbursement claim, taking into account the important deadline with the application of the de-commitment rule by the end of the year. The experience of 2012 showed again an insufficient level of quality of the submitted reimbursement claims and as well shortcomings in relation to the certification according to first level financial control.

In order to avoid de-commitment at the end of 2013 the ESPON CU will have to reinforce the support to Lead and Project Partners, but as well to the first level financial controller. As indicated in the section related to the Communication Plan, specific events have been planned in order to treat with the needed urgency this issue. In addition, specific session at the ESPON seminars will be organised.

Close contact with the Lead Partners and the first level financial control will be reinforced and as well projects will be encouraged to send to the CU the draft reimbursement claims before they are sent to the first level financial controller for verifications.

### ***Audit activities 2011***

The main audit activities within the year 2013 will mainly include:

- Audit of operations during the first half of the year to be finished by 30 June 2013,

- Annual control report and opinion during the second half of the year to be delivered to the EC by 31 December 2013.

The audit of operations will be implemented on behalf of the Audit Authority by the external auditor between February and April 2013, taking into account the need of giving all audits closed by the 30 June 2012. The methodology of the audit of operation will remain the same as in 2010. However, based on the previous experience, the preparatory phase of the audit of operations will start already in December 2012 by informing the audited beneficiaries and planning the on-field interventions by the external auditor.

The Group of Auditors meeting held in Paris on the 13 and 14 November 2012 has defined the confidence level of the ESPON 2013 programme based on the results of audit of operations of 2012 and set the size of the sample to be audited.

On the basis of the number of operations paid and certified by the Certifying Authority in 2012 (40 operations reported costs during 2012 ), the sampling size of the audit of operation will be of 7,5% corresponding to 3 operations selected, therefore 2 Lead Partners and 2 projects partners during February-April 2013.

The AA and the GoA have decided and approve both the random and the complementary sample during the meeting on 13 and 14 of November 2013. As random sample the TERCO, GEOSPEC and SGPTDE have been selected. Of these three operations the LPs located respectively in the Poland, Switzerland and United Kingdom. The project partners selected are located respectively in Finland, Ireland, and Hungary.

The complementary sample is left to the AA and GoA's discretion according to the results of the mandatory sampling if it helps to conclude and provide a meaningful opinion to the EC by the 31 December 2013. For this reason the AA and GoA's have decided to add an operation as complementary sample. The selection methodology of the complementary sample as been the following:

- Operations and countries not already covered by previous audits or controls by the external auditors and the Certifying Authority
- Countries and beneficiaries having the highest expenditure declared.

According to result of the above mentioned analysis it has been decided to audit an additional operation and in particular a Transnational Networking Activity as this type of operation has not yet been audited. Taking into account that the Lead Partner is located in the United Kingdom, country already covered by audits in previous years and also included in the sample also for 2013, the GoA decided to audit two project partners located respectively in Belgium and in Slovenia.

The annual control report and opinion of the reference year 30/06/2012-30/06/2013 will be prepared by the external auditor and approved by the Audit Authority and Group of Auditors during the GoA meeting foreseen in Luxembourg and planned for the week of the 14 November 2013 in Paris, France.

### ***The MA Quality checks***

The Managing Authority and the ESPON Coordination Unit will in 2013 reinforced the work with MA quality checks on operations, on-the-spot and this in consideration of the increased error rate registered with audits in 2012 it is of outmost importance to have the a reasonable amount of quality checks implements in 2013 and this already from the first months of 2013. Therefore, taking into account that the audits and the quality

checks implemented by the CA have detected weaknesses in relation of the audit trail and the calculation of staff costs, the ESPON CU will have to implement a considerable amount of checks in 2013. The MA/CU is planning to conduct between 5 and 10 MA quality checks during 2013.

The beneficiaries, Lead partners or Project partners, will be selected for MA quality checks, based on the risk analysis performed by the MA/CU which plan to inform the latest on an on-going basis over the year 2013.

The main focus of the MA Quality checks in 2013 will be put on the improvement of the audit trail and calculation of staff costs with a direct impact on the reporting process, in particular the improvement of the quality of documents submitted to the FLC and the ESPON CU, as part of the MA/CU' efforts to ensure no de-commitment in 2013. Involvement of the MC members, First Level Controllers and Central Approbation Body representatives in relation to the beneficiaries concerned by MA quality checks will be demanded from the preparatory phase until the implementation of necessary corrective actions, if any.

Results of the MA quality checks will be presented to the central authorities of the Programme, MC and CA over the year 2013, once the final reports are ready. The follow-up on implementing corrective actions should be the case, will be controlled by the First Level Controllers concerned.

#### ***Member and Partner State Quality checks***

The Member States and Partner States will still be strongly recommended by the MA/CU to perform Quality checks of their First Level Control Systems. During 2012 Quality checks have been implemented by France UK.

The MA/CU will continue supporting the Members States and Partner States via internal manuals, interview guidance and an overview by country of their First Level control system and issues encountered during desk review performed by the CU on behalf of the MA. Involvement of the MC members, First Level Controllers and Central Approbation Body representatives in relation to MS/PS quality checks will be demanded from the preparatory phase until the implementation of necessary corrective actions, if any.

The main focus of the MS/PS Quality checks in 2013 will be put on the improvement of the certifying process, in particular the improvement of the First Level Controllers' qualifications and of the quality of control documents submitted and the verification controller's implements on the audit trail and on the calculation of staff costs.

Due to the fact that each Member States and Partners States must perform at least one quality check of their First Level Control System in place during the programming period according to the regulation, further MS/PS quality check must be planned for the entire year 2013. The assistance of the ESPON CU/MA to the MS/PS has been identified as essential for the successful implementation of these quality checks.

#### ***Certifying Authority quality checks***

The Certifying Authority will perform a CA quality check on operations in the second half of 2013. The selection of operations will be made based on the list of operations paid and certified between 30/06/2012 and 30/06/2013 prepared by the MA/CU early July 2013.

One project will be sampled based on a risk analysis performed by the CA in accordance with the defined methodology. Most probably, the CA will perform CA quality checks on two operations in 2013. The selection of the second operation was foreseen already in 2010 and 2011. However, due to the workload the CA has still not selected the sample for 2012 (which will be done in any case by the end of the year) and to postpone the selection of this second operation to 2013. The CA already informed that the FOCI and ATTREG projects under Priority 1 cannot be selected again in 2013 in accordance with the defined methodology, because they have been already controlled in 2010 and 2011 by the CA.

Results of the CA quality checks will be communicated to the central authorities of the Programme via final reports before the 31 December 2013. Follow-up on implementing necessary corrective actions, should this be the case, will be given to the MA/CU in case of irregularities and to MC members and First Level controllers concerned.

### ***Ongoing Evaluation***

The monitoring and evaluation of the implementation of the ESPON 2013 Programme is according to EC Regulation 1083, Art. 47 conducted as an ongoing evaluation during the entire programme implementation. Hence, the ongoing evaluation will continue in 2013 with internal evaluation reports in spring and autumn 2013 using the created Scoring Board.

## **III. Time planning 2013**

### ***Monitoring Committee meetings 2013***

The ESPON Monitoring Committee is scheduled to meet on 20 March, 11-12 June and in September (date tbc) and on 3 December 2013.

### ***Concertation Committee activity in 2013***

The Concertation Committee will instead of meeting give advice via e-mail, if needed.

### ***ECP meetings 2013***

In 2013, the ECP network will be gathered for meetings on 12 June and 6 December 2013.

### ***Group of Auditors meetings 2013***

The next meeting of the GoA is scheduled for November 2013.

### ***Financial Managers Seminars 2013***

The last Financial Manager seminar will be held in spring 2013.

## **IV. Budget 2013**

The implementation of the Work Programme for 2013 is envisaged to imply expenses according to the indicative budget inserted as Annex 3. During 2012, the MC will be presented for budget updates corresponding to the contracting, spending and absorption of funds.