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Interreg V-A AT-HU 2014-2020

Evaluation of the efficiency of the programme´s structures and processes and the evaluation of the communication strategy

FINAL REPORT – Executive Summary

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Executive summary

Interreg V A Austria-Hungary Cooperation Programme (Interreg AT-HU) is a cross-border cooperation programme under the European Territorial Cooperation objective of the EU cohesion policy 2014-2020. The Managing Authority (MA) of Interreg AT-HU, represented by Regionalmanagement Burgenland GmbH, contracted M&E Factory GmbH and MultiContact Consulting with the "evaluation of the efficiency of the programme's structures and processes and the evaluation of the communication strategy" on 13 June 2018.

The evaluation of the programme follows the requirements of European Regulation 1303/2013 Article 56, according to which the MA should carry out an evaluation addressing the effectiveness, efficiency and impact of the programme.

This report addresses the effectiveness and efficiency of the programme implementation as well as the implementation of the communication strategy. The evaluation is based on the evaluation questions outlined by the MA and defined in detail by the evaluation team.

The evaluation is based on a theory-based approach designed along three general groups of activities, each covering a different set of evaluation elements:

- general programme management activities;
- project life cycle;
- communication activities.

The data collection, interviews and survey, as well as the analysis phase, followed the structure of these three groups of activities. The assessment was done through a thoroughly defined evaluation system containing evaluation questions, key elements of the activities, judgment criteria, evaluation indicators and methodologies.

Achievement of OP targets

The evaluation revealed that the overall programme implementation has so far achieved the target values of the programme in terms of output indicators. Due to the late designation, the financial indicator values could not have been reached at the time of the evaluation. Nevertheless, at the time of the evaluation, project approvals covered 81% of the allocated cross-border programme budget. This included some larger projects.

Much of the remaining budget is allocated to Thematic Objective 11, which is by nature a very open thematic area. The applications submitted in this Priority Axis are smaller and rather "soft", so it will be more difficult to achieve a satisfactory level of absorption. To achieve the target values of the programme it is necessary to attract new applicants. Regional Coordinators will therefore have to become more active in addressing new applicants.

Programme management

In principle the structures and process of the cooperation programme are set up effectively. All the necessary programme management bodies are operating as expected. There are, however, some organisational issues. The MA has responsibility over the programme, but the various participating programme bodies are situated in different organizational hierarchies and geographical locations.

The programme management in general has established all the tools and requirements needed to ensure sufficient interaction between the different programme management bodies. The programme management organises regular Monitoring Committee meetings and Bilateral Working Group meetings, and has established a document archive at the programme website (back office). The decision-making processing in Bilateral Working Group meetings and at the Monitoring Committee level in general is clear and transparent. Participants in the Bilateral Working Group and the Monitoring Committee are generally satisfied with the process and highlight the positive communication atmosphere. There is no urgent need to change the process. First Level Controls meetings are envisaged at least once a year.

The administrative burden for the core programme management has not been reduced. The level of detail in the application form has increased, as has the complexity of reporting required. For some programme bodies the use of the electronic monitoring system (eMS) has meant a significant increase in the administrative burden, especially while the eMS application was being developed. For the management of the programme, on the other hand, the eMS system is seen as a considerable improvement in efficiency due to the level of structure it imposes.

The financial control process has not been improved compared to the previous programming period. First, validation is handled differently in different First Level Controls. Second, to avoid financial errors the level of detail in financial control has increased to the point where it frustrates beneficiaries, causes Interreg to appear unattractive, and creates high administrative costs for host administrations. The current complexity of the reporting leads to less and less participation in Interreg and certainly scares away new applicants. This level of detail exceeds European Commission requirements.

The Joint Secretariat (JS) has significant resource problems and this leads to delays. Due to the fact that the last programme period overlapped significantly with the current programme period, the programme management had to deal with a significantly higher workload. This has led to major bottlenecks affecting the preparation of the current programming period.

Project management life cycle

The guiding documents are seen as very useful, but they became available too late. This was caused by the late publication of the EC documents on one hand, and resource issues in the programme management on the other hand.

The personal relationship with the applicants positively affects the success of the programme. In Hungary the Regional Coordinators have continuous communication with the First level controls and also with the JS (same hosting body). In Austria, however, the Regional Coordinators do not have any systematic monitoring of their support nor is there a systematic information exchange between Austrian Regional Coordinators, the Austrian First level controls and the JS. Although the Regional Coordinators have the most important role during the preparation/application phase, project partners often contact them also during the implementation of the project. At different stages of the project life cycle, communication with applicants/beneficiaries moves from the Regional Coordinator to the Secretariat and finally to the First Level Control. It happens that these different contacts provide different information. The information provided to the beneficiaries is not coherent, due to the lack of coordination between the three types of programme management bodies.

The application process is positively influenced by the eMS tool, which helps the applicant to fill in the necessary information. Nevertheless, applicants who are not supported by consultants or other experts have considerable difficulties understanding the intervention

logic and indicators. The characteristics of Structural Funds in general and Interreg in particular are becoming increasingly complex and difficult to explain to external participants.

The selection process is effective and transparent, it focuses very much on the quality of the application. The information provided to selected projects is sufficient and timely.

The contracting phase, on the other hand, had substantial delays in the beginning. Although the main issues causing delays seem to have diminished, there is still room for more.

The most problematic aspect in the project life cycle is the time- and resource-consuming project reporting. Reporting seems to take up a considerable share of the project resources and scares off potential new applicants. For reasons already mentioned above, the financial reporting takes too long and is too detailed.

Internal communication

In terms of formal communication, the availability of information is assured via the programme website, the Monitoring Committee meetings and the Bilateral Working Group meetings. Communication in these meetings is perceived as very effective, but the communication activities do not have any significant effect on the internal communication. Regarding the exchange of written documentation, the website contains only official documents.

Internal communication is dominated by a network of programme partners who to a large extent already know each other from previous periods. There are strong informal communication links between certain programme bodies, based on long-term relationships within the programme management. Other programme bodies (mainly Austrian ones) are less embedded in the information exchange. There is no evidence that any of the communication activities in this programme period have changed significantly between programme management bodies.

Communication between different programme management bodies follows a much more structured approach on the Hungarian side compared to the Austrian side. For example, communication between Austrian First Level Control and the other Austrian programmes bodies is not comprehensive and opens up misunderstandings and conflicts.

There is also room for improvement in the interaction between the MA and the JS. Currently, communication and file sharing are handled via e-mail. There is no other file sharing system installed and the planned website back office space is empty. Due to the fact that the Secretariat and MA are at two different locations in two different Member States it is even more important to have an effective decision-making and communication system which goes beyond the description of the Management and Control System.

External communication

The most important communication activities in terms of raising awareness and knowledge are those done by the RCs. Apart from the website, which provides important information, the RCs are the main source of information on what is required and where to put the emphasis when preparing an application.

The major impact of the communication strategy is the definition of an improved cooperative design and the establishment of the website. Other communication tools such as leaflets and folders and events were not seen as very important or useful.

The most critical points when addressing communication tools are the microsites. Although generally valued as an idea, the way the microsites are implemented was not appreciated

by beneficiaries. It seems that external communication is currently not so important for beneficiaries. The impression is that most of the beneficiaries lack the resources to adequately address the planned communication activities, so they deal with communication at a later stage of the project.

Communication activities supporting project implementation include face-to-face meetings and project training sessions. However, the training has not been seen as very effective so far. It seems that local training focusing on particular aspects (mostly financial reporting) is valued above general training for Lead Partners. Generally speaking the sessions lack interactivity and are seen as lectures rather than real training.

The exchange of information between Interreg programmes did not change significantly compared to the previous programming period. Apart from the national meetings of Interreg programme management bodies, no other formal cooperation is visible. During programme implementation, cooperation with other Interreg programmes is incremental, with no systematic approach.

There is no evidence that stakeholders feel well informed about the benefits of cross-border cooperation. There is a lack of communication towards general stakeholders due to a lack of resources. Unlike other Interreg programmes, Interreg AT-HU does not engage social media such as Twitter to reach a wider public.

The programme management currently does not have a communication manager to ensure coherent and adequate internal and external communication. The recruitment of such a manager is costly and time-consuming, and it is questionable whether such an expert can be financed by the available budget.

Recommendations

The matrix **structure of the programme management** is set by national structures and EC regulations. This structure cannot be changed in the current programming period. It is therefore important that all the bodies involved in managing the programme acknowledge the situation. Programme implementation can only be successful if all the bodies aim for the same goal: successful and effective implementation of the programme. This requires an excellent communication atmosphere, trust and agreement.

We recommend introducing **result-oriented process management tools** which should in the long run simplify the work process. These tools might in the short run require additional resources but would improve the programme management.

For the JS it is recommended to set up a clear and **simple work plan system** that is more result-based, including milestones, targets and deadlines. The work plan should not only help to structure the work process in the JS and better manage the interaction between the MA and the JS but also make sure that all other programme bodies are aware of deadlines that all the partners are obliged to respect. The work plan should focus on results rather than on the process. Such a system should not be designed to allow the workload to be increased, but instead should eliminate inefficient dissipation of energy and provides a basis for agreement between the MAs and the JS. This again would help to eliminate misunderstanding in communication.

Differences in the **validation approach** of different First Level Controls could be addressed by a more rigid and simplified document which should be binding for all programme bodies. The current eligibility handbook still offers too much room for interpretation.

Additionally, a systematic and efficient communication and electronic **information exchange system** is required. The current work process relies on e-mail transfer of documents.

Improvement during the current programming period in terms of the **project life cycle** should focus on two major aspects:

1. harmonization and simplification of the first-level control; and

2. better information exchange between Regional Coordinators, JS and First Level Controls.

Internal communication is broadly addressed in the communication strategy but not adequately managed. There is a need to reduce the size of the meeting minutes and focus more on results and agreements rather than capturing every word spoken during the meeting. A simple template that focuses on the key aspects of the meeting – including outcomes and next steps – would be easier to use and would probably result in minutes that are read more frequently. The benefit of such a system would be to effectively point out the actual agreements and tasks, and make it easier to monitor the achievement of these tasks.

The **communication strategy** could have a valuable impact on the effectiveness and efficiency of internal and external communication. However, the value intended to be added by this part of the strategy has so far not been used sufficiently. Part of the reason is the absence of a communication manager. However communication is part of the daily work process and should be integrated in all parts of the programme management activities by all bodies of the programme management. To save individual programme budgets it might be possible to employ a communication manager for more than one Interreg CBC programme. Communication is currently seen mainly in relation to external communication. However, internal communication forms an important part of the whole and should not be underestimated.

The strategy itself sets out **result indicators** that are actually output indicators. These result indicators are not feasible ways to assess progress towards the objectives of the strategy.

The **communication tools** defined to date should not be seen as an obligatory set of tools for all projects. Each project should define the most suitable methods of communication.

The MA should provide project information on the website but should not ask for separate microsites. In other Interreg programmes, project beneficiaries provide regular input in the form of Word files and the communication manager uploads this information to the centrally managed website. Each project has to allocate a certain percentage of the project budget to this centralised information management.

Project beneficiaries tend to feel obliged to prepare folders or brochures. To ensure resource efficiency, managers should question the need for any printed material proposed.