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On-going Programme Evaluation
of the
Hungary - Croatia Cross-border
Co-operation Programme 2007-2013

Summary of results and recommendations

Based on the Final Evaluation Report
approved by the Hungary-Croatia Joint Monitoring Committee in
July 2014

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1. Purpose and scope

In line with Article 109 of the 718/2007 EC Regulation participating countries are obliged to carry out evaluations linked to the monitoring of the cross-border programme “ in order to improve the quality, effectiveness and consistency of the assistance from the Community funds and the strategy and implementation of cross-border programmes while taking account of the objective of sustainable development and of the relevant Community legislation concerning environmental impact and strategic environmental assessment.” In such a context, the purpose of the ongoing evaluation activity is to assess and evaluate the progress made towards the achievements of the Hungary - Croatia Cross-border Cooperation Programme's objectives and indicators as laid down in the Programme Document. In pragmatic terms, the underlying target of the exercise is to provide a direct support to the programme management to learn and improve the procedures and to make necessary steps and measures for the smooth implementation of the new programme, which is presently under planning process. The geographical scope of the ongoing evaluation covers the whole territory of the implementation area.

The individual assessments of the activity will focus on the ongoing performance of the programme/projects in terms of the **relevance, efficiency, effectiveness, impact and sustainability** of the realized measures of the programming period for 2007-2013, as well as they will identify the weaknesses and challenges of the programme implementation. In the framework of the evaluation, the evaluators will accomplish several activities in order to answer the evaluation questions, as well as on the basis of the lessons learnt and capacities developed in the past programming periods they will make recommendations for the existing and forthcoming challenges by integrating the widest possible circle of stakeholders' experience into the evaluation exercise. As the timing of this ongoing evaluation is overlapping with the planning and programming phase of the 2014-2020 programme, the findings and results of the evaluation are to be incorporated into the content of the new programming document for the period of 2014-2020

The contracting authority is the Prime Minister's Office (legal successor of the National Development Agency); the evaluation process is being implemented by the consortium of HitesyBartuczHollai Euroconsulting Ltd., ICG Ex Ante Consulting and European Association for Information on Local Development (AEIDL) supported by the subcontractor Karzen i Karzen from Croatia.

The timeframe of the ongoing evaluation exercise is April 2013 – July 2014.

Main deliverables of the evaluation are 1 Inception report, 2 Interim reports and a Final report assessing the performance of the Programme from 2009 when data of the 1st Call for proposals is available until the state-of-play in July 2014.

1.1 Evaluation Questions

The Programme is assessed based on the following evaluation questions formulated by the programme bodies:

Topic 1: Direct comparison of the Programme objectives and results so far

1.1. Examination of the relevance of the Programme in the policy context:

- Programme interventions compared with those of other European Territorial Co-operation or national/regional programmes operating in the area: what are the synergies or overlaps?
- What social, economic and environmental changes happened in the programme area that might influence the relevance of the programme? What impacts the crisis had on the programme, how the programme could be adapted?
- Are the SWOT and the strategy still relevant?

1.2. Comparison between the programme objectives and results, in terms of

- Thematic scope of the approved projects
- Geographical scope of the projects
- Real cross-border impact of the projects (To measure it through classification of the projects (cross-border/mirror/non-cross-border), and using the findings of the INTERACT evaluations. Cross border impacts can be assessed under 4 main categories: impacts on joint planning, joint staff, joint finance, joint implementation.)Composition, balance and added value of the partnerships within project proposals and approved projects
- Cost efficiency of the projects (value for money)
- Sustainability of the projects: do the results, benefits, partnerships exist after the closure of the projects? Is the project triggering any further actions and/or investments? (Only closed projects of the 1st and 2nd calls will be analysed.)
- Is the volume of financial resources allocated in line with the emerging needs, demands coming from the side of applicants?

Topic 2: Assessment of the project selection procedure and criteria

- Are the requirements and procedures of the Call allowing the widest circle of applicants possible to apply for the fund?
- Introducing calls and on-going submission types of selection procedures – what could be the outcomes (added value) of using differentiated procedures (based on the opinion of the MA and JTS responsables on one hand, and on the second on the opinion of the beneficiaries)
- Are targeted calls / cluster calls contributing to a better overall project performance meeting the programme strategy and objectives to a higher degree??
- Is the project selection procedure including the system of criteria sufficient and efficient enough to support the selection of the best quality projects? How it should be improved? Is there any possible simplification of the selection procedure?
- Will project surgery sessions be adequate and applicable to improve the quality of the projects?
- Would a seed money approach be interesting to give a quality impulse to project applications?

Topic 3: Evaluation of programme performance by indicators

- Whether the projects providing tangible outputs whenever it is possible due to the nature of the project? (Yet considering that tangibility is not relevant in every case, as there are small projects (e.g. in the People-to-People Action of the Programme) that would rarely produce any tangible outputs because of the nature of the activities supported within the Action.)

- Is the indicator system supporting the monitoring activity effectively? Do the pre-defined programme indicators realistically contribute to achieving the programme objectives?
- Is the Monitoring and Information System of the programme ready to provide the necessary data?
- How can the indicator system be improved? How could the link between project and programme level indicators be better established in order to achieve a better coherence between them, meaning that project level indicators serve as a basic foundation building up the programme level performance.

The questions in this topic are to be answered on the basis of the data collected from the Monitoring and Information System of the programme (IMIS export), no additional primary data collection is necessary.

Topic 4: Revision of the Programme Communication activities based on the Communication Plan

- Have the expectations (objectives, results) of the Communication Plan been achieved so far? (in terms of relevance, effectiveness, utility, resources allocated)
- Is the level of EU and overall programme awareness satisfactory?
- How is it possible to further improve the visibility of the programme and of the European Union in the participating countries?
- Which further measures are necessary at programme and national level?
- Would cross-fertilization seminars be of interest to capitalize on knowledge generated within the project? Would this contribute to raise the overall programme performance? How does internal communication between projects look like? How is the dissemination and coordination organised in practice?

Topic 5: Contribution to European Policies: Analysis of the programme contribution to key European and macro-regional policies

- What is the programme contribution to the following concerned policies:
 - Overall strategy of the EU
 - Spatial and territorial development
 - Environment and sustainable development
 - Tourism
 - RTDI
 - Enlargement (i.e. What is the contribution of the programme to the integration process of Croatia?)
 - Danube strategy
- What additional deliveries are provided by the programme (which cannot be provided by other policy instruments)?
- How does the programme bridge different policy deliveries?

Topic 6: Future: analysis and evaluation of programme deliveries and results in order to provide recommendations to the Participating Countries to the next programming period (2014- 2020)

- Which are the most important results of the Programme? Which are the main improvements in comparison with the previous programme space or with other programmes? (comparison is possible with other CBC programmes in the region, benchmarking on a few programmes in Western Europe)

- Which are the main joint problems, which remained unsolved during the recent programme period? What are those topics and themes, which should be more focused on by the next programme?
- How efficient is the management structure of the Programme? Should there be any simplification measures initiated? (e.g. in modification of procedures; how do beneficiaries see them)
- Solutions coming from European cohesion policies: what are the expected impacts of the simplification of the management structures following the new ERDF regulations?

Topic 7: Case Studies and Best Practices

- Collection of Best Practices which might be used by other programmes as well;
- Collection of case studies, project deliveries that are well representing the programme and the cross-border co-operation as such.

The purpose of the case studies is to become a vehicle of know-how transfer on cross-border good practices. It provides illustration of how the programme is successfully implemented and can be used exemplify some of the evaluation questions, if applicable (e.g. project performance on the tourism economy, communication campaigns, etc.).

Topic 8: Benefits of the Programme in terms of preparing the non-member state (Croatia) for the absorption of Structural Funds at the time of accession to the European Union

- Have the main principles (e.g. single set of rules, single set of managing structures, single pot of money, Lead Beneficiary principle) of the IPA programme been fulfilled?
- What are the benefits for Croatia by participating in the IPA programme?
- What are the experiences of the joint project implementation?
- How the legal and management framework have been improved/harmonized facilitating the implementation of the projects? What could be the next steps towards harmonized rules?
- Have the communication activities of IPA Programmes raised the awareness about the EU in Croatia?
- What are the problems encountered by the Croatian National Authority and the possible solutions offered?
- How do the organisational capacities of potential applicants (other than regional development agencies) look like?
- Have the national administrations used the transfer of knowledge and if yes, how?
- How could the rate of absorption be increased (technical assistance)?

1.2 Methodology

The following matrix gives an overview of the evaluation tools and techniques the evaluators used for the analysis and assessment of the different evaluation topics.

Methods and tools	Topic 1	Topic 2	Topic 3	Topic 4	Topic 5	Topic 6	Topic 7	Topic 8
In-depth interview		x		x		x	x	x
Focus group interview	x	x	x	x		x		x

Methods and tools	Topic 1	Topic 2	Topic 3	Topic 4	Topic 5	Topic 6	Topic 7	Topic 8
Co-creation workshops (CCWS)						x		
Questionnaire – online survey				x		x		x
Statistical analyses (EVALSTAT)	x	x	x	x		x	x	
Data collection, document analysis	x	x	x	x	x	x	x	
Indicator analysis			x					
Process modelling		x						
Expert panel	x				x			
Website analysis				x				
Logical Framework Method (LFM)	x		x					

Table 1: Methods and tools used by the ongoing evaluation team
Source: own edition

It can be concluded that most of the evaluation techniques and methods worked well in the course of the evaluation process: the document analysis, in depth interviews and focus group interviews with the Programme bodies, beneficiaries and other stakeholders served valuable inputs. The number of respondents of the questionnaire survey regarding the visibility of the Programme among the general public was over expectations (a total of 219 responses – Hungarian 63, Croatian 156).

Similarly, analytical tools such as statistical analysis and expert panels have been successfully conducted and have produced the expected results.

1.3 Decisions made in the Inception period

The following decisions were taken during the Inception period:

- The timeframe of the assignment was reduced to 15 months due to the parallel planning process
- In order to allow for availability of the most important information, conclusions and recommendations in due time to the responsible institutions for drafting the new OP, the order of the Topics to be elaborated was modified as follows:
 - 1st Evaluation phase (falling to the second half of 2013):
 - Topic 1, 3, 5, 6
 - 2nd Evaluation phase (falling to the first half of 2014):
 - Topic 2, 4, 7, 8
- Events with stakeholders, beneficiaries etc. will be – whenever possible – combined / organized at the same date to use synergies and avoid additional burdens on participants as much as possible.
- The group of key stakeholders includes the following types of organizations:
 - JMC, MA, NA, JTS, FLC, European Commission,

- Government authorities responsible for planning and preparing the 2014-2020 period,
 - Beneficiaries,
 - Programme authorities of other CBC programmes,
 - Sectoral professionals, specialists,
 - Evaluators,
 - Media
- For focus group meetings, in-depth interviews and similar events interpretation will be provided by the Consortium, however, during other events (e.g. workshops) English – as official language of the Programme – will be used.
 - The documents prepared by the Consortium are to be sent to the Steering Committee for opinion giving prior to the approval of the JMC members. In case of a decision making on the final documents within the framework of the JMC meetings on the premises and upon the request of the Programme Bodies, the Consortium is responsible for presenting the content of the relevant documents and the current state of the evaluation activity to the members of the JMC.

2. Abbreviations

AoI = Area of intervention

CBC = Cross-border cooperation

CfP = Calls for Proposals

FLC = First Level Control Body

HR = Croatia

HU = Hungary

JMC = Joint Monitoring Committee

JTS = Joint Technical Secretariat

LB = Lead beneficiary

MA = Managing Authority

NA = National Authority

PP = Project partner

TOR = Terms of Reference

3. Main conclusions of the evaluation

The overall appreciation of the programme is undoubtedly positive.

The Hungary-Croatia CBC Programme is a relatively young programme (compared to e.g. the Austria-Hungary CBC Programme) and its 10 years of operation have successfully contributed to shifting gradually towards more advanced techniques of Programme implementation. In the past and current period, the structure of funding and the calls have changed: from CARDS and PHARE (2004-2006) to IPA (2007-2013) and finally ERDF (2013 onwards), with a continuously increasing amount of funding and a growing interest from applicants. Meeting these challenges requested a much more flexible attitude and resulted in changing tasks carried out by the Programme bodies. The Programme is proceeding at a good pace; the high number of successfully implemented projects underpins the effectiveness of Programme implementation (out of all 162 selected projects only 1 project was cancelled due to the decision of the partnership).

3.1 Topic 1: Direct comparison of the Programme objectives and results so far

Despite the relatively late start and the end-heavy implementation of tourism actions, *the execution of the programme is proceeding in a good pace, and most probably it will be able to achieve its targets in both spending and outputs, while providing good value for money.*

Although until mid-2013 the HU-HR (IPA) CBC Programme was running as a cross-border cooperation programme at an external border of the EU, **its maturity regarding programme content, partnership structures and management capacities reaches and even exceeds the level of the CBC programmes between Member States in the region.**

The goals and priorities of the Hungary-Croatia CBC Programme reflect well to the goals/objectives of the European-level documents. It is clear that the Operational Programme contributes to almost all of the goals of the European-level documents. **Priorities and objectives are in synergy with the national and regional documents;** only two sub-area of intervention stands alone without having any synergy or overlap (Joint cross-border education and other training projects between educational institutions, Bilingualism actions).

The Programme significantly contributed to the improvement of the cross-border connections between the various actors (municipalities, universities, NGOs, etc.) of regional and local development, building a strong cooperation network. 83% of the respondents of the questionnaire survey replied that cross-border cooperation has a clear added value to the development of the whole border region. The economic crisis had a certain threat to the success of programme implementation. The reactive measures were taken mainly on technical and financial but less on the strategic level.

The intensity of the participation of the counties in the programme shows significant differences: the eastern part of the eligible area was much more active, Osijek-Baranja and Baranya absorbing 2-2,5 times

more funds than Zala – the geographical balance should therefore be reinforced. Meanwhile the partnerships established between the beneficiaries built a massive and strongly interconnected cooperation network, with about a dozen of organisations acting as cooperation hubs (regional development agencies, universities, some major municipalities).

The thematic scope of the programme was relatively broad compared to the Programme size; it addressed a number of various thematic fields. In this way, a broader scope of cooperation fields could be “tested”, involving a larger group of stakeholders, partners. Meanwhile, as only a limited number of projects could be financed in each action, there is only a limited opportunity for in-depth change or regionally determining outcome.

Besides these positive outcomes of the analysis, **some further improvements have been also identified**. Strong synergy with European, national and regional programmes should be retained for the next programming period. Examination of how the synergies could be enforced in the implementation of the programme on project level would be useful as well. The Programme should have stronger emphasis/focus on economic development, on the existing problems with stronger concentration of the resources to achieve tangible results. More geographical balance along the border should be targeted. Pre-financing of state contribution and establishing other financial support (targeted loans) on state level would help the project partners to implement their project parts without heavy financial difficulties. Financial allocations of the CfPs shall be planned according to the Programme’s intervention strategy, based on the real current needs, and proactive tools shall be applied to effectively meet the allocation figures.

3.2 Topic 2: Assessment of the project selection procedure and criteria

The application and project selection procedure has fulfilled its overall objectives at a fairly high level.

The programme has continuously been evolving, by learning from previous steps of programme implementation it has endeavoured to be more applicant friendly. The guiding principle has always been to support projects that are implementable and reduce the risk of drop-outs.

Evaluation phases	1 st call	2 nd call	3 rd call	Total	Ratio (all submitted projects = 100%)
Submission					
Submitted	67	94	154	315	100%
<i>Applications with Croatian LBs</i>	18	19	63	100	100%
<i>Applications with Hungarian LBs</i>	49	75	91	215	100%
Formal and eligibility assessment					
Accepted	59	81	108	248	79%
<i>Applications with Croatian LBs</i>	15	16	45	76	76%
<i>Applications with Hungarian LBs</i>	44	65	63	172	80%
Quality assessment					
Recommended	48	61	78	187	59%
<i>Applications with Croatian LBs</i>	12	15	33	60	60%

Evaluation phases	1 st call	2 nd call	3 rd call	Total	Ratio (all submitted projects = 100%)
<i>Applications with Hungarian LBs</i>	36	46	45	127	59%
Final decision by the JMC					
Approved by the JMC	42¹	60	62	164	52%
<i>Applications with Croatian LBs</i>	11	15	28	54	54%
<i>Applications with Hungarian LBs</i>	31 ⁴	45	34	110	51%

Table 2: Results of the assessment procedure

Source: Own edition based on the working tables provided by the JTS (June 2014, with reserve list)

The main success factor of the mostly successful programme implementation was the performance of the programme bodies, especially that of the Joint Technical Secretariat (JTS): beneficiaries highly appreciated the helpfulness and efficiency in problem solving and/or change management provided by the JTS, the accessibility for direct communication with the programme bodies and the availability of the programme management. According to the opinion of the participants of the Programme this professional approach and co-operative and beneficiary-friendly attitude has characterised the operation of programme bodies in the whole project cycle: from application phase to the implementation and reporting phases.

The effectiveness of the Programme implementation procedure is well demonstrated by the fact that only one project was cancelled in the contracting and project implementation period. This proves that **both the project selection procedure has succeeded in selecting projects suitable for implementation** and also the general support activities provided by the Programme bodies have been carried out in such a way that beneficiaries could implement their projects in predictable and transparent environment. Besides these really positive features of the entire procedure, **there is still room for improvement:** especially in shortening the length of procedures, in shifting towards an electronic submission in line with the “e-cohesion” principle, in easing administrative burdens regarding the numerous and manifold supporting documentation, in amending the quality assessment criteria to ensure the selection of best quality projects to a greater extent and applying after-implementation monitoring activities in order to assess the real impacts of the Programme on the socio-economic development of the border region and therefore the effectiveness of the allocated support.

The requirements and procedures of the Call allowed a fairly wide circle of applicants to apply for the fund. This is especially true for soft-type actions, as the entry barriers of these actions were manageable also for smaller organisations (especially in comparison with the mainstream programmes).

One of the main focuses of the Programme was to prepare Croatia for the EU accession, an aim that has been fairly well accomplished: even though at the beginning more Hungarian Lead Beneficiaries (LB) took

¹ One project was cancelled by the partnership after the approval.

part in the Programme, throughout the Programme implementation both participation and financial allocation have become proportionate between the two countries.

The circle of applicants could be further widened in the future, e.g. by involving SMEs (at least as project partners; still respecting the state aid rules – de minimis funds), by ensuring a more balanced presence of the contact points (Info points) in both countries, by providing more help in partner finding and networking (e.g. organizing more partner finding events, cross-fertilization workshops, knowledge sharing and networking events), by easing the administrative burden of the procedures and solving financing problems, and by introducing obligatory internal partnerships (i.e. involvement of at least one other partner in a project from the same country) in order to strengthen the CBC impact, transfer of knowledge and learning process and to foster the involvement of smaller organizations (providing them an opportunity to participate and learn by doing and preparing them to take more significant roles in future projects).

In order to improve procedures with stronger focus on the selection of best quality projects new schemes could be considered to be applied, e.g. two-step application approach in truly justified cases; multi-phase application and project selection procedure with more frequent decision making dates per year; automatic project selection procedure with applying flat rates; cluster calls and predefined projects. Seed Money Facility, the creation of a pool of experts for supporting professional catalysts, surgery sessions and more thorough dissemination activities could contribute to an increase in the quality of the projects through knowledge capitalisation.

3.3 Topic 3: Evaluation of programme performance by indicators

The indicator system presented in the Programme cannot ensure in itself sound measurement and monitoring. **The indicator system in general terms meets the requirements of SMART and QQTTP criteria. However, there are some deficiencies in terms of specificity and in some cases of relevance.** Indicators defined at programme-level (obligatory action specific indicators) are SMART but only in their action specific way, as they cannot cover all intervention areas / actions. That was the cause for designing various action-specific indicators instead of comprehensive, common indicators at programme level. While the quality of measuring outputs is good, the measure of results or impacts of the entire Programme leaves room for development. Predefined indicators of the OP cannot reflect whether the set objectives could be achieved or not, moreover the programme's significance and results are not expressed in this indicator system. Consequently, **although there are many good projects and the Programme is considered to be well-implemented and very useful for the respective area, significance and results cannot be obviously seen in indicators.**

There are tangible outputs and indicators can reflect the real status of projects. However, they are not designed for continuous project monitoring. Monitoring progress is executed mainly by collecting information on activity and spending.

The main criticism towards the content and implementation of the OP (from all levels of the operating structure) is the lack of focus and prioritisation. The priorities and measures are considered being too broad both in terms of scope and target institutions. To sum up, mainly the complexity of the programme causes that too many specific indicators were needed and general indicators could simplify the system.

The lessons learnt from the running system help the establishment of a good quality indicator system for the next programme: **a more logical and simplified system should be established, eliminating overlaps and providing necessary definitions, with a minimalized but well-focused list of indicators.** Sources and verification of each indicator should be determined; SMART criteria must be taken into account more strictly at programme level (especially in terms of general indicators). Links between results and indicators should be clearly defined. The indicators shall be objectively measurable and will lend themselves for aggregation so as to facilitate effective evaluation of physical progress in the accomplishment of objectives. A greater degree of integrated approach is required, in order to monitor the progress more effectively.

3.4 Topic 4: Revision of the Programme Communication activities based on the Communication Plan

The Programme implementation should be supported by an increased level of communication. The Programme's communication could mostly achieve its main communication aim, namely to attract applications in an increasing number and in a balanced manner and could meet its general purposes as well:

- It could assure transparency of the whole Programme implementation process;
- It could highlight the role and added value of the European Union at a fairly high level;
- It could make it clear to the potential beneficiaries what were the procedures for receiving financing from the Programme.

The performance of communication from quantity aspects is outstandingly good (the Programme could not only comply with the measurable targets set in the Communication Plan, but the results of the communication activities significantly outperformed the expectations), **from quality aspects, compliance with the general and specific objectives set forth in the Communication Plan could be ensured at a good level** with some shortcomings to be improved in the next programming period.

Internal communication, that is, communication between the programme bodies was evaluated by every participating actor (JTS, MA, NA, JMC, FLC) among the best in the spatial area; communication with the beneficiaries was justified as excellent as well. However, **visibility of the Programme among the general public and at higher than regional level should be improved.**

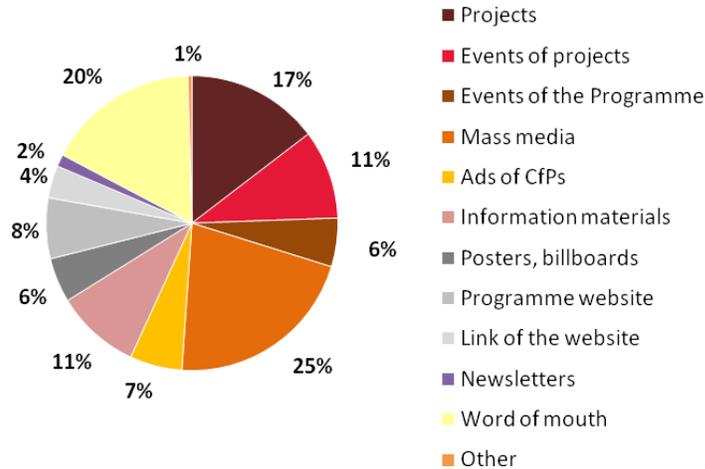


Chart 1: Current communication tools the respondents use
Source: questionnaire survey

At the start of the new programme period a new communication strategy should be defined, amended in its strategic and targeted approach. The programme could be more pro-active in terms of defining readymade press messages. The most important improvements of Programme level communication found necessary are the following – with providing the proper human, technical and financial resources:

- Improving communication tools in order to reach the general public by, among others, using more visible and attractive communication tools (e.g. non-conventional BTL communication tools, target-group specific social media), by putting more effort in the dissemination of the projects and their results, widening the scope of programme level events, developing the Programme website to increase its user-friendliness and attractiveness.
- Refocusing the communication message in order to be more attractive for the public by, among others, allocating more financial resources to the promotion of the Programme’s results, disseminating clearer and more interesting messages for the general public, publishing information about the new programming period more frequently.
- Branding the Programme with, among others, actions, mainly PR activities and events targeting the general public with the aim of involving them more deeply into the life of the Programme, thus creating a sense of ownership and strengthening the cross-border identity; with participating at different international external events, stimulating cluster-type networking and joint promotion of projects dealing with similar issues, improving the visual identity and environment friendly approach of the Programme.

Cross-fertilisation seminars would be also beneficial, in order to get insight into other projects, exchange ideas on various topics and find synergies between projects tackling similar challenges.

comparison to being only a national project). Partners from both countries considered that the main external impacts of their projects are soft-type effects, e.g. contribution to networking, improving cooperation, impacts on public awareness.

Regarding additional deliveries, the positive characteristic of the programme should be preserved and incorporate its' possibility into the Programme of the next period. Emerging problems like joint financing and joint staffing should be tackled. **More emphasis should be put on the thematic concentration of the priorities and resources in the next programming period between 2014 and 2020 in order to ensure an even stronger contribution to the key European and macro-regional policies,** as, for instance, projects in relation with energy efficiency and waste could deserve higher consideration in the future, there seems to be a rather low appraisal of the programme contribution to Research, Technological Development and Innovation.

3.6 Topic 6: Future - analysis and evaluation of programme deliveries and results in order to provide recommendations to the Participating Countries to the next programming period (2014-2020)

The deepened cooperation as a "soft" result, bringing partnership building, networking, raising awareness, increased cooperative attitude, cross-border co-operative thinking, is definitely the strongest result of the programme. Although the majority of the activities were soft-type actions, some common project initiatives, spectacular project developments (e.g. wastewater treatment plant, industrial park, hydro plan) were also implemented. There is a clear improvement in the number of joint projects compared to the previous Slovenia-Hungary-Croatia NP 2004-2006 Programme.

Due to the preparatory activities (high-quality plans, studies, research activities, monitoring systems, etc.) supported from the Programme and the upswing of cross-border connections, the region is better prepared to larger cross-border investments, so the seeds of the future joint development of the border region have already sowed. Actions with the goal of awareness raising, fostering cooperative attitude, improving cross-border co-operative thinking of people and dissemination activities the Programme became more visible also for the general public.

More than 80% of the beneficiaries taking part in a questionnaire survey considered that the CBC Programme generated tangible results in the region. Closely 100% of the respondents (56% for sure, 40% probably) are going to apply in the next programming period, if the eligible activities and partners will suit their development ideas and needs.

However, we must also remark that 60% of the respondents consider that **there are still a lot of problems remained unsolved in both sides of the border region,** so the Programme's contribution was not enough yet to solve the main problems (the main economic-social problems of the CBC region identified in the OP still exist – such as the dynamically decreasing and ageing population, the slowly recovering economy with increasing territorial disparities, the increasing unemployment, the remaining huge gap in tourist turnover

or the problems in border crossing). Among the main identified reasons why the Programme could not strongly contribute to the easing these problems can be mentioned the followings: lack of practical interventions and implementation of the projects' results, limited number of infrastructural interventions, no cross-border accessibility development, weak interest of the stakeholders, lack of common sectoral strategies / development directions (except tourism development), limited knowledge about the planned and implemented developments – lack of connection of the single projects, fragmentation of the funds because of the too wide scope of areas of intervention.

In general, **the management structures, roles and responsibilities are well defined and clear; assistance, support provided by the Programme management got a fairly good evaluation; cooperation/communication between the management bodies was satisfactory.** At the same time communication between first level control bodies and the JTS can be improved via giving it more structure. Applicants and beneficiaries already in the vast majority of cases find rules and procedures as being complicated. Together with, for example, time consuming procedures of the reimbursement of expenditures, it can create contra-effect in promotion of EU values, opportunities and needed changes supported and implemented through the Programme. All beneficiaries and the representatives of Programme Bodies agreed that simplification of the system is a positive trend; they are looking forward the detailed implementation regulation of the next programming period.

In order to improve the performance of the Programme, **some further recommendations can be taken into consideration regarding programme deliveries and results:** e.g. enhancing wider partnership; extension of eligible partners (e.g. SMEs with de minimis aid), improving the capitalisation on results of the cross-border Programme at cooperation level (compared to single partner level). **Importance of joint projects should be more emphasised** and assessed; CBC impact should be separately assessed with a clearly defined criteria system (instead of mirror projects with artificial cross-border character, projects designed for tackling real joint problems, achieving joint goals should be preferred). It might be worth exploring the **possible harmonization, linkage of the projects dealing with similar issues** in order to connect the single projects into networks and to widen the impacts of the programmes in the region (e.g. applying cluster calls, motivating / supporting CBC projects to be channelled into mainstream tenders, harmonization of projects with other CBC programmes or extended eligible area). By **more concentrated allocation on better defined areas of intervention** (based on sectoral strategies) the fragmentation of funds can be decreased and support can be provided for activities with real, tangible results in the border region. Stronger emphasis should be put on stimulating economic performance, business development, competitiveness of SMEs, more funds should be provided for improving cross-border accessibility. **Shifting eligible activities from the preparatory phase towards the implementation, practical utilization of investments could ensure more tangible results.**

3.7 Topic 7: Collection of best practices

Within the framework of the present ongoing evaluation, *some best practice projects have been identified* with the purpose to become a vehicle of know-how transfer on cross-border good practices, and to serve

dissemination and PR purposes as well. Based on these case studies, the key success factors of projects could be determined, which are, among others:

- The project is in high compliance with the Programme strategy and objectives
- The project involves the most relevant organisations of the respective field on both sides of the border with the adequate geographical scope, therefore the partners possess the necessary competences and professional skills, the relevant experience and mandate for the planned activities
- The project deals with a real cross-border problem or opportunity which is truly important and relevant for the respective cross-border area and for the affected stakeholders (the problems to be tackled or the opportunities to be utilized are crucial)
- The project builds on the existing values, traditions and opportunities of the region and takes into account the needs of the respective area
- The project is able to deliver practical outcomes and tangible results, and can involve external stakeholders contributing to the practical utilisation of the project's results
- The cross border cooperation enables the transfer of knowledge and experience both among project partners and among the external stakeholders
- The project fits into a longer term strategic plan of the partnership, cooperation of the partners is long lasting, e.g. there are antecedent developments and future activities are also expected (e.g. new proposals and projects capitalizing on the current initiative)
- The role and responsibilities of the partners are clearly defined and are in line with the competence and interest of each of them, cooperation of the partners is efficient and fruitful, thus the sustainability of the partnership has a high probability – it requires the involvement of adequate partners with clear interests
- The project can have an impact on higher level decision-makers, e.g. on strategic planning or legislation processes as well (e.g. through policy recommendations)
- The achievements (methods, approaches, concrete results) of the project can be adapted by other organisations as well

The following projects were selected as best practices:

Project data				
Action	Project number	Acronym	Project title	Lead beneficiary
Action 1.1.1.	HUHR/0901/1.1.1/0002	Mura WWTP	Waste Water Treatment Plants on Mura River - Podturen and Tótszerdahely	Međimurske vode doo
Action 1.1.1.	HUHR/1001/1.1.1/0006	De-Mine HU-HR	Rehabilitation of Land Mine Contaminated Sites in the Drava-Danube Area	Croatia Mine Action Centre

Project data				
Action	Project number	Acronym	Project title	Lead beneficiary
Action 1.2.3.	HUHR/1101/1.2.3/0029	Cross-border wine routes	From wine tradition to wine tourism - creating cross-border wine routes	City of Križevci
Action 2.1.2.	HUHR/0901/2.1.2/0001	Mobile Region	Towards Competitive Cross-Border Labour Market	Međimurje County
Action 2.1.3.	HUHR/1001/2.1.3/0004	I3CT Cross border Clustering	I3 (Informatics, Innovation, Incubation) & Crossborder Clustering	Technology Innovation Centre Međimurje Ltd.
Action 2.1.4.	HUHR/0901/2.1.4/003	DRAVIS2	Further development and extension plans for Complex Disaster Management Information System along the Drava river	Somogy County Disaster Management Directorate
Action 2.1.4.	HUHR/1001/2.1.4/0001	CoPo	Danube Border Police Cooperation in the HR-HU border area	Baranya County Police Headquarters
Action 2.1.4.	HUHR/1001/2.1.4/0003	Sovisec	Somogy–Virovitica-Podravina Strategic Economic Cooperation	Foundation of Centre for Entrepreneurship of Somogy County
Action 2.2.1.	HUHR/0901/2.2.1/0009	CROST II	Educational workshop series for revealing cross-border development opportunities	STRDA South-Transdanubian Regional Development Agency Nonprofit Limited Liability Company (Hungary)

Table 31: List of best practice projects
Source: own edition

3.8 Topic 8: Comprehensive Study on programme operation and benefits for Croatia

Croatia has significantly benefited from participation in the Programme in terms of preparation for the absorption of Structural Funds at the critical period of accession to the European Union. **The main principles of the Programme have been successfully fulfilled.** Experience gained through project preparation and implementation can be regarded as a training- and “learning-by-doing” exercise for the use of Structural Funds.

The national level has benefited first of all from the use of shared management and from the application rules (which mirror to a great extent those of the ERDF ETC programmes) and from obtaining a full understanding about the Structural Funds approach. The Croatian national administration has made use of transfer of knowledge from the Hungarian side, utilised the Programme as a pre-course for EU integration and as a learning exercise for the national administration. Croatian institutions could take advantage of opportunities for gaining knowledge through programming and implementation of the programme to be transferred to other parts of the national administration as well.

Beneficiaries' gains are reflected in the improvement of their implementation capacity (including skills, competences) which is significantly higher than capacity of similar organizations outside the Programme area. **Participation in the Programme has highly contributed to the improvement of capacity and capability of beneficiaries to prepare and manage projects.** The organisational capacities of potential applicants have been significantly improved by the Programme. The main benefits deriving from working and communicating with the partners from Hungary involve: exchange of experiences, gaining new knowledge, better understanding of programme philosophy and project approach, application of new methods and better understanding of target group needs.

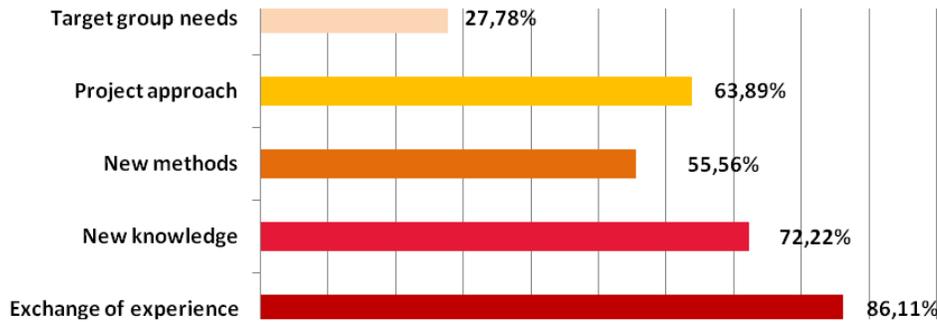


Chart 22: Main benefits for Croatian organizations from the communication and work with their partner organization from Hungary
Source: questionnaire survey

Some successful interventions implemented under the 1st Call for Proposals of the Programme were continued, clearly showing that relevant and appropriate actions can be accelerated, providing the clear message to other organisations and applicant candidates that **thoroughly planned initiatives have a chance to improve and grow further**: according to the result of the questionnaire survey, after experience with the HU-HR CBC Programme the majority of the beneficiaries have launched more projects.

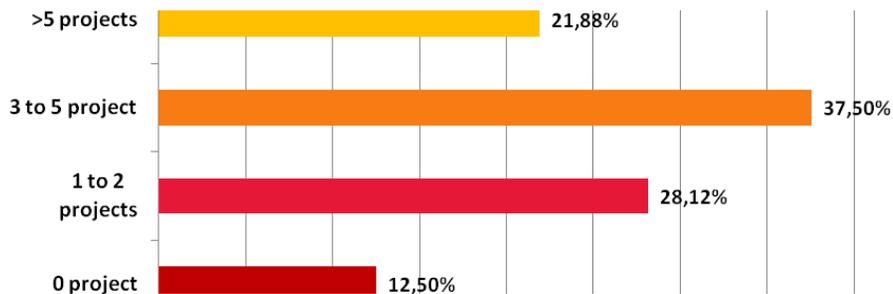


Chart 3: Number of prepared projects after experiences with the HU-HR (IPA) CBC Programme
Source: questionnaire survey

The communication activities of **the Programme have highly contributed to a higher level of awareness about the EU in the participating Croatian territories.**

The legal and management framework facilitating the implementation of the projects has been improved. However, **further improvements are needed and possible**, e.g. with introducing Harmonised Implementation Tools (HIT), with formalizing and unifying direct communication between Croatian and Hungarian First Level Controls, with establishing a monitoring system in Croatia as well (similar to the existing monitoring system).

Additional technical assistance is still needed both in project preparation and implementation to all actors involved, in particular for beneficiaries, through, among others, providing support to potential applicants in the project preparation phase, organizing knowledge sharing events and sectoral partner finding forums, providing technical assistance to the development of Terms of Reference for certain services, like feasibility studies and cost-benefit analyses.

4. Follow-up of the recommendations

Suggestions were collected from the Topic reports and have been introduced to the planners of period 2014-2020 and the JTS to evaluate the possibility of their implementation in the next Programme for the period 2014-2020.

In the 1st evaluation phase, altogether 65 recommendations were drawn up covering Topics 1,3,5,6. Based on the opinions of the expertise planning the new Programme and the JTS, 4 recommendations (5%) of the 65 recommendations have been chosen not to be implemented due to different circumstances; all other suggestions (**95%**) are considered to be incorporated into the new programme fully (82%), partly (5%) or they are intended to be achieved (8%).

Out of the 129 recommendations formulated in the 2nd evaluation phase in order to further improve the quality and efficiency of the application and project selection procedure, to amend the communication activities and to provide more help for the Croatian actors to have direct benefits from the participation in the Programme (Topics 2,4,8) **73% of the suggestions are intended to be implemented**. The implementation of some recommendations (especially regarding the communication activities of the Programme) has already started (e.g. presentation of success stories, development of the website) and they are considered to be continued in the future as well.

As some of the recommendations refer to the rules and procedures of the next programming period (especially regarding the application and project selection procedure), **the implementation of 21% of the recommendations – evaluated as feasible and beneficial improvement of the Programme – depends on the later discussion and the joint decision of the programme bodies or other conditions** (e.g. financial resources available for the next programme period). Altogether 8 recommendations (6%) of the 129 were chosen not to be implemented due to different reasons.