

Results Orientation:

What Is It Doing for Interreg?

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Results-orientation is a central theme in programme development, implementation and evaluation in the 2014-2020 programme period. This article focuses on the challenges of showing results in the Interreg programmes, and provides an example of methodologies used in the impact evaluation of the Northern Periphery and the Arctic Programme 2014-2020. The following discussion reviews the challenges of monitoring and evaluating the (NPA) results and impact of Interreg programmes, sets out how these challenges were addressed in the impact evaluation of the 2014-2020 NPA programme and concludes with discussion of future challenges and opportunities.

I. Introduction

Interreg is a part of EU Cohesion policy which is widely regarded as having EU added value. It is one of the most tangible expressions of European cooperation across borders, not just between Member States, but among tens of thousands of sub-national governments, local authorities, business organisations, educational institutions, NGOs and community groups. Nevertheless, a key area of debate relates to results. Although the principle and European added value of Interreg is widely supported among EU institutions and Member States, it is a comparatively modestly funded element of Cohesion policy receiving 2.8 per cent of the total Cohesion Policy budget in 2014-2020.¹ Further, the performance of this part of the policy has increasingly been brought to the fore, in particular because stakeholders need accurate and reliable information to ensure transparency, accountability and value for money, and provide information on which to base decisions on its future development and direction.

Central to this is the evaluation of Interreg programme results. Yet, in practice the results and impact of Interreg programmes have been notoriously difficult to demonstrate clearly and effectively. This challenge is particularly acute in the Interreg B Northern Periphery and Arctic Programme (NPA), which covers a vast geography but with comparatively limited resources. The following discussion reviews the challenges of monitoring and evaluating the results and impact of Interreg programmes, sets out how these challenges were addressed in the impact evaluation of the 2014-2020 NPA programme and con-

cludes with discussion of future challenges and opportunities.

II. Results Orientation in Interreg

Interreg programmes have been subject to extensive monitoring and evaluation processes and procedures, assessments and studies. Previous evaluations and assessments² have emphasised several aspects of added value, see Figure 1. Also noted are the significant impacts of individual projects to participating stakeholders and end beneficiaries, and other areas and sectors that have benefitted from Interreg cooperation, such as SME cooperation or the creation of new cross-border labour markets. It has also been noted that the potential of territorial cooperation is not fully exploited, not least due to the limited resource allocation.³

Results from the evaluations and studies can provide valuable input into future planning. However,

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1 European Parliament (2019) European Territorial Cooperation (Interreg) 2021-2027, Briefing

2 K. Mirwaldt and I. McMaster, 'Reconsidering Cohesion Policy: The Contested Debate on Territorial Cohesion' (EoRPA Paper May 2008); Paper has been prepared for the 29th meeting of the EoRPA Regional Policy Research Consortium at Ross Priory, Loch Lomondside on 5-7 October 2008; M. Ferry and F. Gross, 'The Future of Territorial Cooperation in an Enlarged EU'; Paper prepared for 2nd International Conference, Benchmarking Regional Policy in Europe, Riga, 24-26 April 2005

3 M. Guillermo-Ramirez, 'The Added Value of European Territorial Cooperation. Drawing from Case Studies' in E. Medeiros(ed), European Territorial Cooperation (The Urban Book Series 2018)

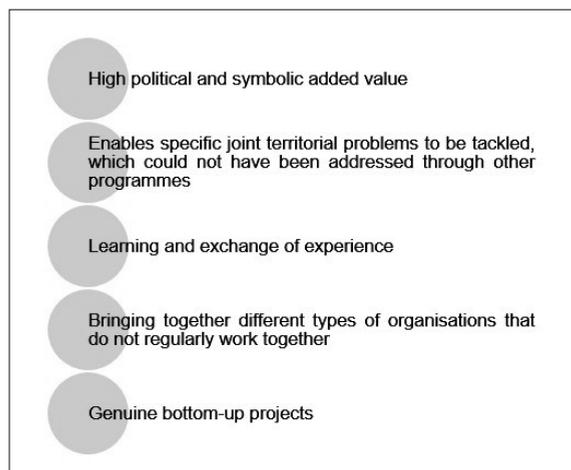


Figure 1: Added value of Interreg

Source: K. Mirwaldt and I. McMaster (n 2); M. Ferry and F. Gross (n 2)

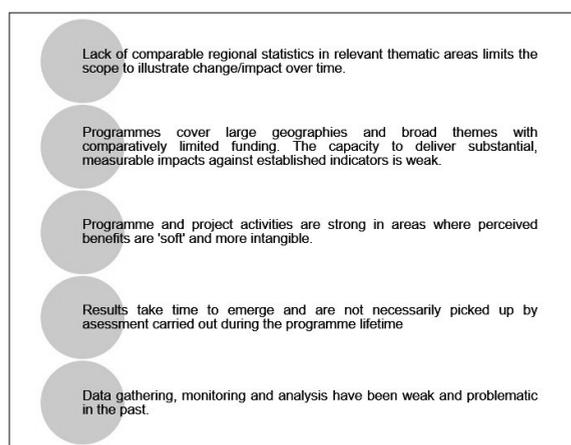


Figure 2: Challenges of measuring results and impact of Interreg programmes

Source: EPRC

more generally, the results and impact of ETC to Interreg are notoriously difficult to demonstrate clearly and effectively, see Figure 2. Combined, these issues mean there is limited scope to apply 'standard' policy analysis tools such as cost-benefit analysis to

determine results, which rely on quantifiable inputs and outputs.

Programmes struggle particularly with the fact that they are expected to demonstrate results not as the cumulative outcome of a programme's funded interventions, but as the programme's contribution to wider developments in the Programme area. In other words, a programme's result is not measured in, for example, 'number of new jobs created', but in terms of, for example, the 'reduction in the region's unemployment rate'. For programmes to have enough financial 'firepower' to make a measurable impact in the Programme area, the European Commission emphasised the principle of 'thematic concentration' – the requirement for programmes to allocate funding to a limited, but carefully selected number of objectives rather than diluting the programme's impact by funding a large number of largely unconnected operations.⁴ While this is a sensible approach in ERDF mainstream programmes, which dispose of a substantial financial envelope to be spent in a region, thematic concentration and the new indicator logic pose significant challenges to Interreg programmes.

The challenges involved in providing measurable, tangible results mean that Interreg projects, programmes and the overall policy struggle to present a clear, concise basis from which to justify its resources and activities. In a drive to better target and capture the role and impact of Interreg, the 'results-orientation' was embedded in the 2014-2020 Interreg programming process. The *results-oriented programming process* aimed to ensure that programmes have clearly specified objectives, a strong intervention logic, appropriate conditionality provisions for effective implementation of the Funds, and establish clear and measurable milestones and targets to ensure progress is made. In addition, Interreg programmes developed a range of approaches to measuring their results and impact.

Efforts to meet these criteria during the programming process, along with meeting the requirements to focus on a limited number of thematic areas, have led to an improvement in the strategic focus, clarity and alignment of Interreg programmes.⁵ However, to establishing clear, robust and/or complete indicators and appropriate methodologies for capturing and conveying achievements has proved extremely challenging. Experience shows that programmes are still struggling with data collection for updating their

4 V. Gaffey, 'A Fresh Look at the Intervention Logic of Structural Funds' (2013) Evaluation 19(2), 195–203

5 A. Cendrello, 'Preliminary Findings of the Study on Targets and Indicators', Ernest and Young presentation to the Interreg Annual Meeting on 6 June 2016, Brussels <http://ec.europa.eu/regional_policy/en/conferences/etc2016/agenda/> accessed 15 March

results indicators, but also with attracting sufficient high-quality proposals as potential applicants may regard some specific objectives as too narrowly defined, too prescriptive and too far away from their true needs. Hence, *concerns are raised about the applicability and utility of the current approach to measuring and conveying Interreg results.*

Already in the lead up to the adoption of the 2014-2020 programmes, it was recognised that the *conditions set out for results-orientated programmes were particularly difficult for ETC programmes* in comparison to other ERDF programmes. Additional concerns were: the challenge of establishing baseline measures for large multi-country programmes due to the limited availability of appropriate comparable data; and setting realistic targets covering an extended time period, which is extremely difficult due to the range of factors that can influence results across such large areas. In addition to concerns over data availability, a range of programme issues can be noted:

- Distinctions within the Programme areas affect the operation of the programmes and the results achieved in different areas. For instance, in some cooperation areas simply the process of working cooperatively is a valuable result; in others cooperation is simply a means to achieve more concrete results. Thus, each Interreg programme differs in terms of what it can be expected to achieve.
- Programme priorities and objectives have, in the past, been broad. In part this is linked to challenges in refining and negotiating programme focus. However, it has also been linked to efforts to be 'initiatory and not ... restrictive.... The actors and project partners are... deliberately left a freedom to design, which has, incidentally, proved to be a major strength of Interreg.'⁶
- Interreg programmes commonly address complex areas of intervention. Whether it concerns the long-term development of transport corridors, climate protection in sensitive natural regions, the protection of the population against environmental dangers or a systematic linking of economic potential: these tasks are protracted, complex, frequently associated with provisional failures, yet thoroughly imperative and hardly possible to carry out through international regulation.⁷ The role of Interreg as a process/action initiator can be missed.
- Formal programme results and impacts are captured and conveyed for the cross-border/transna-

tional area, which can obscure potentially notable contributions made at European and more local levels.

- Project/programme results may not be fully apparent during the life of the Programme and therefore are not picked up during programme evaluation/monitoring.

III. NPA Impact Evaluation

The Interreg B Northern Periphery and the Arctic Programme (NPA) brings together partners from nine countries (territories in Finland, Sweden, Norway, Iceland, Faroe Islands, Greenland, Scotland and Northern Ireland). The Programme area covers a large geography but shares a number of similar features, including low population density, low accessibility, low economic diversity and an abundance of natural resources. Peripherality and low population density are key shared development concerns and link to a number of development opportunities and challenges. For the 2014-2020 programme period, the NPA Programme identified four priority axes as the key areas to address through transnational cooperation:

1. Use innovation to maintain and develop robust and competitive communities;
2. Promote entrepreneurship to realise the potential of the Programme area's competitive advantage;
3. Foster energy-secure communities through promotion of renewable energy and energy efficiency;
4. Protect, promote and develop culture and natural heritage.

The NPA 2014-2020 will allocate in total approximately 56 MEUR.

A number of factors mean that the challenges faced in monitoring and evaluating results and impact of Interreg programmes are particularly acute for the NPA.

6 FORUM GmbH, 'Impacts and Benefits of Transnational Projects (Interreg III B)' Forschungen 138, Federal Ministry of Transport (ed), Building and Urban Affairs (BMVBS) / Federal Office for Building and Regional Planning (BBR) (Bonn 2009) <<http://www.act4ppp.eu/publications/documents/impacts-and-benefits-transnational-projects-interregiii-b>>, 7, accessed 15 March

7 op cit

- The mix of EU Member States and non-EU Member States means that comparable statistics are not always available;
- The large geographic scale, sparsity of population and scale of funding means that impacts and results are likely to be widely dispersed;
- The programme has a long standing focus on the delivery of tangible results, but the value of intangible impacts, especially in relation to strategic issues such as the role of regions in Arctic developments should not be overlooked.
- Proportionality is an important principle in evaluation, which means that the resources and effort committed should reflect the scale of the programme.

Similar to other Interreg programmes, the NPA Programme is subject to various evaluations, most recently an impact evaluation of the 2014-2020 programme period.⁸ Within this evaluation the evaluation team aimed to address the challenges involved and develop a tailored solution.

The methodology of the impact evaluation reflected both the character of the NPA Programme and the way the Programme was expected to impact upon the Programme area and drew on a variety of methods, see Figure 4. Evaluation guidelines for the 2014-2020 period follow the ‘theory of change’ approach developed by Fabrizio Barca and Philip McCann and adopted by DG REGIO. *The evaluation approach is based on the assumptions made in the programme’s own theory of change* about how the programme intends to produce the intended results. For example, as is stated in the NPA Evaluation Plan, no large-scale investments can be made in, eg investment schemes for SMEs. Nevertheless, NPA funded interventions can support interventions such as the introduction of new technologies and business concepts, promoting better uptake of opportunities. These interventions can help the development of new networks and clustering across the Programme area and beyond national and other administrative borders and better links to R&D providers can be established. The Programme can support changes in attitudes and in longer term perspective and also impact behaviour among business actors as well as oth-

er important stakeholder groups dealing with local community development.

Furthermore, *the evaluation will take into account that ‘change’, as the desired result of programme interventions, has different dimensions*, which may not be mixed. Change can happen at various levels in Interreg programmes, Figure 3. Change can happen on the level of:

- individuals (eg, improved skills),
- organisations (eg, increased organisational capacities) or
- on the level of target population (eg, changed attitude towards wind power).

It can be an immediate result of the project intervention (eg, changed administrative practices to remove obstacles for labour market mobility), or it can be a mid-term (eg, increased number of cross-border commuters) or long-term impact of project intervention (eg, deeper integration of the border region).

To evaluate impact the evaluation drew on a range of approaches, including case studies, semi-structured interviews, discussion fora, and quantitative analysis of programme data.

The key in the NPA impact evaluation approach was the recognition that impact is experienced differently at different levels, in different areas and over different timescales, eg taking time to develop. Therefore, the research and analysis:

- tracked the medium-longer term impacts of past 2007-13 projects in order to establish the extent to which it is realistic to expect medium-longer term impacts in the current period;
- considered *strategic/programme level actions as well as direct project activities*; and
- used in-depth regional case studies to *identify the scales of territorial impact*, and the extent to which *impacts are attributable to programme activities*.

An online survey was conducted for project beneficiaries of the predecessor 2007-2013 Northern Periphery Programme. Given that the programme is in the unique situation to have already carried out an impact assessment for the 2007-2013 period, the main purpose of the survey was to follow up on the results of that study to gain insight into the mid/ long-term impact of the programme. A short online survey was sent out to the beneficiaries of the 29 projects that were included in the impact assessment. The survey asked what has happened to their products and ser-

⁸ I. McMaster I, N. Wergles and H. Vironen, ‘Impact Evaluation of the Northern Periphery and the Arctic Programme’ (2019)

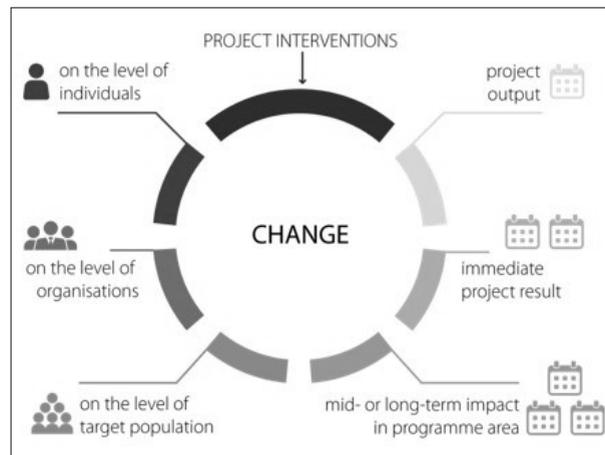


Figure 3: The different dimensions of change
Source: Author's elaboration

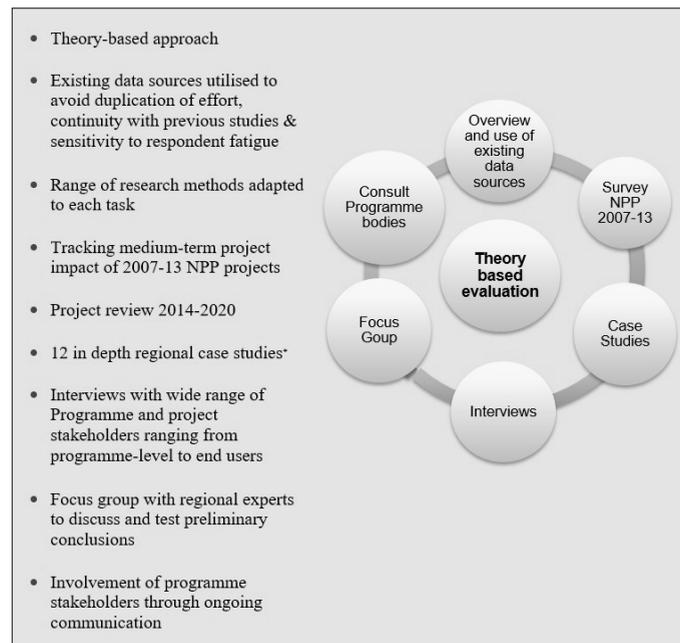


Figure 4: Approach and methods of the NPA impact evaluation 2014-2020
Source: I. McMaster, N. Wergles and H. Vironen (n 8)

vices (are they still being used, have they been developed further) and whether they can report on positive impacts of the project that took place after project closure?

The evaluation recognised the strategic/influencing role the programme and groups of its projects can have, particularly in relation to issues such as development in the Arctic. The NPA has an important role in organising a network of Interreg pro-

grammes with Arctic territories, which draws on and promotes project activities, but also takes a more strategic role in policy thinking and debate. Also, cumulatively groups of projects and programme engagement can have important effects on territorial perspectives on development approaches, transnational linkages etc. With this in mind, interviews and a focus group with territorial and thematic experts were undertaken.

On the scales of territorial impact, *case studies* were the central element of the research method to establish the causal link between project results and observed development in the Programme area.

Case studies were conducted for selected regions of the Programme area. Selection was based on:

- Balanced representation of all 6 programme objectives (SOs): Two case studies per SO were carried out, chosen primarily from the pool of advanced projects from the first and second call of the 2014-2020 programme.
- *Representation of the Programme area's remotest and most sparsely populated regions*: Given the extent of the Programme area and the limited budget, the programme aims to make an impact primarily in the Programme area's remotest and most sparsely populated regions. Therefore, case studies were focused on projects that include partners, resp. undertake project activities in those areas. For defining remote and sparsely populated regions, the definition of remote and sparsely populated NUTS 3 regions on population density data and EUROSTAT's urban-rural typology was used.
- *Consideration of the sample regions selected for determining result indicator baselines*: NPA Result Indicator Baselines and Targets were established for three sample regions per result indicator. Attention was paid to including these sample regions via case studies, where possible, in order to contrast identified project results with wider developments in the sample regions that may have had an effect on the successful delivery of results.
- *Clear contribution to programme result indicators*: It is the nature of indicators that they only capture selected aspects of the possible range of results. Case studies were selected to ensure that least one of the two case studies per SO directly contributes to the result indicator.
- Clear contribution to the Arctic dimension of the programme: The Arctic dimension of the programme was strengthened in the 2014-2020 programming period as a field of particular strategic importance for the NPA Programme. Projects are encouraged to contribute to this Arctic dimension,

eg concerning climate change, the environment, sustainable development and shipping and maritime safety, and to further develop cooperation in the Arctic. At least two case studies had a clear contribution to the Arctic dimension of the programme.

Once selected, case study areas were analysed in detail by means of interviews with project beneficiaries, representatives of immediate⁹ project target groups and other regional stakeholders. Project target group representatives are individuals who are the intended beneficiaries of the project's activities or recipients, resp. users, of the project's outputs. 'Regional stakeholders' refers to individuals from the case study region who have detailed insight into the regional situation that the project aims to improve. Contrary to project target group representatives, regional stakeholders ought not have been involved in the project, but have generally good links to the project's target group to be able to put project results into the perspective of wider developments in the region.

Through this approach, the research moved away from a focus merely on numeric measures of progress, results and impact or descriptions of best practice. In doing so, the evaluation identified and focused on the specific areas of added value that transnational territorial cooperation brings to participating territories and for the Programme area, by enabling, engaging and delivering on:

- working in new ways on traditional topics/sectors, gaining new perspectives;
- working across sectors and across stakeholders;
- providing an opportunity to link local/place-specific development issues with wider policy and practice networks;
- providing a chance to learn, and develop knowledge and skills, with a very practical/practice-oriented approach;

IV. Creating Cooperation Spin-offs/ Conclusions

The results and impact of Interreg have been difficult to demonstrate clearly and effectively. For the 2014-2020 period Interreg programmes developed a range of different methodologies following the requirement for increased measurement of results and impacts.

⁹ It is important to distinguish between 'immediate target groups' (benefiting from and using the project's outputs) and 'indirect target groups' (benefitting from the positive mid- and long-term impact of the project).

For the NPA impact evaluation 2014-2020, the key methods included case studies, semi-structured interview, discussion fora, survey and quantitative analysis of programme data, paying attention to both the time and territorial dimension of programme results. The evaluation drew on existing data sources and information as far as possible, took into account the need to avoid respondent fatigue and duplication of effort. By moving away from a dependence on 'hard indicators' and taking into account the scope for longer term impact and strategic and intangible results, the approach has the capacity to deliver a more complete view of what the programme is delivering

- at different territorial scales;
- in terms of intangible and well as tangible results; and
- in the future.

However, there remain challenges. Adapting tailored, more descriptive approaches means there is potentially a lack of comparability across Interreg programmes, which limits the scope to build an overview of Interreg's role overall. 'Selling' the idea of the value of intangible/mid-long term impacts to policy audiences is challenging, particularly as public sector budgets remain under pressure, and debates about the role of Cohesion policy continue. Despite the push for more results in evaluation work, Interreg programmes continue, by their very nature, to be difficult to evaluate. While Interreg is widely agreed to provide European added value, it remains a modestly funded element of Cohesion Policy. Policymakers expect concrete, hard results in order to justify fu-

ture decisions for the programmes, while Interreg programme and project activities are strong in areas where perceived benefits are 'soft' and more intangible. Linked to this, expectations are often rather unrealistic in terms of what ETC to Interreg programmes can actually deliver, particularly in comparison to other Cohesion policy programmes. Interreg programmes tend to address complex areas of intervention, and the role of Interreg as a process/action initiator can be missed, even more so because project interventions need time to develop their full impact.

So what could be done in the future to ensure that results orientation not only leads to better, but also to more traceable Interreg results? Experience from the NPA and other programme evaluations shows that, in order to capture the full range of Interreg results, Interreg programme impact evaluations should:

- Combine descriptive, 'story-telling' type of approaches with more quantitative approaches based on common indicators which are meaningful for Interreg programmes and able to capture typical Interreg results;
- Consider that programme results happen on different levels (individuals, organisations, target population), and also have a relevant time-dimension; and therefore
- Embark on systematic longitudinal impact evaluation studies, looking beyond single programming periods, to account for the fact that the main achievement of Interreg is that it facilitates the flow of people, ideas and practices across borders, promoting European integration.