



Generating Good Projects

IQ-Net Thematic Paper 1(3)

Rona Fitzgerald and Christelle Promé

IQ-Net
Improving the Quality of Structural Fund
Programming through Exchange of
Experience

European Policies Research Centre

University of Strathclyde

Graham Hills Building

40 George Street

Glasgow G1 1QE

Tel: +44-141-548 3339/3955

Fax: +44-141-548 4898

E-mail: j.f.bachtler@strath.ac.uk

sandra.taylor@strath.ac.uk

November 1996 ISBN 1-871130-39-5

Preface

'IQ-Net': Networking to improve the quality of Objective 2 programmes

Launched in early 1996 and managed by the *European Policies Research Centre* (EPRC) at the University of Strathclyde in Glasgow, the network '*IQ-Net*' facilitates exchange of experience in the development, implementation and evaluation of Objective 2 programmes. Funded by a consortium of 13 Objective 2 areas and the European Commission (DG XVI), the network meets twice a year to examine issues of practical relevance to programme-makers and share examples of good, innovative and distinctive practice from across the EU. The first two meetings were held in Glasgow, in association with Strathclyde European Partnership (February 1996), and in Cardiff, hosted by the Welsh Office and Welsh Development Agency (September 1996). Meetings provide the opportunity to discuss the results of a structured programme of applied research and debate, which is steered by the network's partner regions:

- Steiermark and Niederösterreich, Austria
- Nordjylland, Denmark
- Päijät-Häme and South Karelia, Finland
- Aquitaine and Rhône Alpes, France
- Nordrhein Westfalen and Saarland, Germany
- Ångermanlandskusten and Fyrstad, Sweden
- Industrial South Wales and Western Scotland, UK

IQ-NET Thematic Papers

This document is one of four thematic papers produced by EPRC in 1996 as part of *IQ-NET*'s 1996 applied research programme:

- Series 1, No 1: Managing the Structural Funds.
- Series 1, No 2: RTD/Innovation policies in Objective 2 programmes.
- Series 1, No 3: Generating Good Projects.
- Series 1, No 4: Monitoring and Evaluation.

Focusing on topics selected by the network's partner regions, each paper places issues in their international context, raises questions for debate and highlights distinctive and innovative practices. For the convenience of readers, executive summaries are included in French, German and English.

The papers were first drafted on the basis of field research (encompassing interviews with Objective 2 programme managers and partners at regional, Member State and Commission levels) and substantial desk research. They were then modified to reflect the discussions of the Cardiff *IQ-Net* meeting and the comments of network sponsors. The papers are being distributed to a wide group of people nominated by the sponsors, and the EPRC welcomes comment and feedback on them.

Readers are reminded that the content of the papers does not necessarily represent the official position of either the partner regions or the Commission, and that errors of fact or interpretation are the responsibility of the authors alone.

Acknowledgements

The *IQ-Net* research team comprises:

John Bachtler
Ross Brown

Henrik Halkier
Conor Kearney

Patricia Noble
Christelle Promé

Ruth Downes
Rona Fitzgerald

Geraldine McBride
Rona Michie

Sandra Taylor
Douglas Yuill

Thanks is due to all those - too numerous to mention - who agreed to be interviewed by the above as part of the research process, and without whose input, the current research would not have been possible. The contribution of the European Commission, which co-finances the network is also gratefully acknowledged.

Translations were carried out by Sophie Currien (Lexus Translations Ltd) and Ingrid Schumacher.

Further Information

Additional copies of the papers and further information on IQ-Net can be obtained from John Bachtler and Sandra Taylor, managers of the network, at the EPRC. The December 1996 edition of '*IQ-Net Bulletin*', a newsletter co-financed by DG XVI and available from EPRC, also contains synopses of the papers.

Generating Good Projects

TABLE OF CONTENTS

EXECUTIVE SUMMARIES

1.	Generating Good Projects	3
2.	Générer de Bons Projets	9
3.	Die Schaffung "Guter" Projekte	15

THEMATIC PAPER

1.	Introduction	23
2.	Commission Perspectives.....	23
3.	Regional Approaches to Facilitating Good Projects	24
3.1	Strategy development	25
3.2	Publicising opportunities and engaging participation.....	25
3.3	Project selection systems	26
3.4	Selection criteria	28
3.5	Monitoring implementation	29
3.6	Evaluation.....	30
4.	Case Studies and Issues in Generating Good Projects.....	30
4.1	Case Study: Zeche Zollverein, Essen NRW	30
4.2	Case Study - Lower Austria.....	31
4.3	Case Study- Sweden	32
4.4	Case Study -Industrial South Wales	32
5.	Issues.....	33

Executive Summaries

Generating Good Projects

Générer de Bons Projets

Die Schaffung "Guter" Projekte

1. GENERATING GOOD PROJECTS

1.1 Introduction

A central element of the successful implementation of Structural Fund programmes is the generation of good projects. This process is complicated by the expanding scope of programme priorities into areas such as community economic development and research and technological development and by the demand for synergy, coherence between policies at various spatial scales, the integrated application of the ESF and ERDF and the inclusion of horizontal concerns such as equal opportunities and environmental sustainability.

This paper focuses on the experiences of the Objective 2 regions in generating good projects. The paper begins by briefly outlining the context within which project generation takes place, then focuses on the experience and approaches of the regions at key stages from strategy design through marketing/information provision, project selection, implementation and monitoring and evaluation.

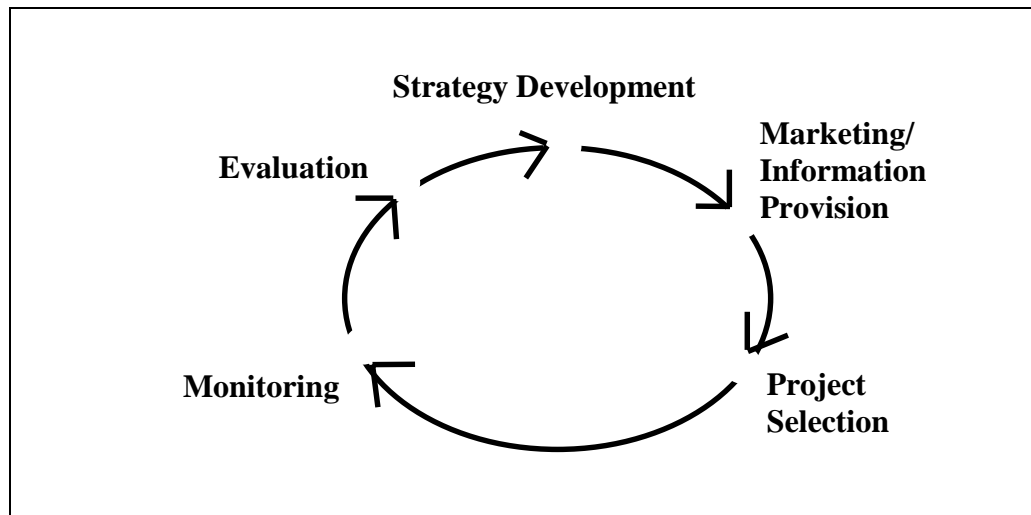
The starting point for reviewing the process of generating good projects is the perspective of the European Commission. For the Commission, while focusing on the central objective of *regeneration*, successful projects are those that meet the requirements of the system of monitoring and evaluation set up in partnership with the Commission, achieve the priorities set out in the Single Programming Document and produce verifiable economic impacts in terms of employment creation.

In translating these requirements into practice, the implementation of programmes, including project selection, is the responsibility of Member State authorities. Many Commission desk officers have a role in assisting the generation of good projects, for example by:

- asking ‘relevant questions’ periodically,
- encouraging high-quality projects to be taken forward,
- promoting pragmatic solutions e.g. with respect to eligibility,
- requiring the adoption of project selection criteria, and
- encouraging ERDF and ESF projects that are both focused and integrated into the strategy.

1.2 Regional Experience and Practice

To structure the discussion on how programme management influences the quality of projects supported by Objective 2 programmes, it is possible to conceptualise a *circular* process from strategy development, through marketing and information provision, project selection, implementation, monitoring and evaluation. How each stage is addressed affects the number, nature and quality of projects coming forward to be implemented.



1.3 Strategy Development

The strategy development stage of project generation is crucial for facilitating good projects. An important starting point is past *experience*. For many regions the critical examination of past programming periods provides a useful basis for the current programming document. However, very few programming documents indicate that this has explicitly been done. For many regions, the management of Fund allocations is so complex and urgent that they have not enough time to draw out lessons from previous programming periods or to make use of information from evaluations.

Many of the problems which are being experienced, particularly in innovative fields, find their roots in issues of strategy quality. A *coherent strategy* is required which involves relevant organisations from an early stage, is appropriate to needs, and gains wide awareness for the opportunities available.

In the Netherlands and Finland *seminars* are organised during the draft plan stage to bring relevant agencies together to identify priorities which measures could address.

Under the *Regional Challenge* programme which operates in parts of the UK, a tranche of European funding is reserved centrally to attract *large* and significant projects. The competitive application process is designed to enhance the quality and vision of applications and their value for money.

1.4 Marketing and Information Provision

Once the strategy has been proposed, there may be a need to provide information to a wide audience on what opportunities are available. In general, *marketing/information* materials are global in application, although it is clear that some areas such as RTD need specific marketing. Some regions supplement written material with *seminars* informing potential applicants of what is available and encouraging the design of projects that are innovative, collaborative and well focused. Some regions also provide specialised one-to-one advice during the project development stage which can have a positive impact on the quality of applications.

The number and range of organisations requiring information expands as regions move from the planning stage to the implementation stage. Along with national and subnational authorities and the social partners, the information network needs to extend to the potential recipients of assistance in the public and private sector. The ‘publicity’ systems operating in some regions do not appear to be designed to attract *new* projects/sponsors, particularly the private sector, which may have different requirements with regard to information. The following are interesting approaches to information provision:

- In Aquitaine, a variety of means are used to promote the Objective 2 programme. Substantial use is made of the *press* for wide publicity. After Monitoring Committee meetings, a press release is issued and interviews given. The local media coverage helps to maintain the profile of the programme and build up familiarity with it. At the same time, this also provides the partners - including the “Mission Europe” with a sense of satisfaction which keeps motivation levels high. In addition to coverage in the mainstream press, the approval of large infrastructure projects is reported in a specialist construction journal to publicise contract opportunities. In order to inform potential project applicants of the activities which might be supported by European Funds under Objective 2, and to target a wider group of potential sponsors/applicants, a *folder* is produced containing cards describing each measure, its aims and its broad selection criteria and giving details of the main agency which should be contacted for further information.
- In Austria, the regional management system (*Regionalverein-Europaregion*) plays a role providing initial consultancy and identifying partners.
- In Western Scotland advice is available on request to groups/sponsors in order to help them develop project applications. More universal and transparent support is also available in the form of a loose-leaf *Partners Manual* which documents everything about the application process: selection criteria and scoring systems for each policy, application procedures, relevant contact details and advice on filling in forms. This is given to all partners and potential applicants.

1.5 Project Selection

The area of project assessment and selection is one where practice is still evolving in terms of the criteria and approaches used. There is considerable diversity in the approaches taken by different programmes. Some areas use an ‘instinctive’ or judgement-based approach, with their assessment of the potential economic impact of a project informed by past experience, the track record of the sponsors and the needs of the area. Others are beginning to operate scoring systems. The latter approach has tended to emerge where there are more ‘good projects’ coming forward than there are resources. In this context, there is a need to apply a consistent and transparent system to assessing their relative merits. Given the evident limitations of scoring systems - in particular their vulnerability to applicants ‘working the system’ - some most robust approaches are emerging which use a combination of scoring and expert appraisal.

Selection criteria vary and have been evolving as regions become more experienced and focused. Most regions have core criteria applying to all projects, as well as more specific criteria for different measures. While employment creation is included as a core criteria in almost all programmes, some other more qualitative criteria are used in some regions. In North Jutland (Denmark), core criteria include 'modernisation', and this has emerged as a crucial characteristic for the acceptance of a project. In the UK, the inter-departmental committee, GAMES-F, is refining a selection system which includes ranking, weighting *and* scoring, in order to facilitate consistent assessment on both a qualitative and quantitative basis.

The Commission is encouraging secretariats and partnerships to review their systems of project selection on an ongoing basis, and to refine them in the context of their particular region and strategy. Where systems come to work well, and expertise is accumulated, the role of the Commission in checking the eligibility of projects becomes superfluous.

One of the most interesting new approaches to project selection systems has been to devolve the process down, either to committees which are locally based (such as the Midi-Pyrénées programme management committees) or thematically specialised (such as the West of Scotland advisory committees). In the latter system, the secretariat maintains its role of checking the eligibility and the value for money of projects and for overseeing their coherence with the strategy, but more specific expertise feeds into the actual project appraisal. For example, the value of community economic development measures is best assessed by those most closely involved with area-based regeneration activities. A second innovation has been promoting the involvement of *university based specialists* on committees, so exploiting a source of impartial and specialist expertise.

Several principles for success emerge from the consideration of project selection criteria.

- The system needs to be developed in consultation with the partners and agreed to by them in advance of programme implementation.
- It should also be *transparent*, known not only to programmes administrators but also to all project applicants, and, seen to be applied fairly.

1.6 Monitoring and Evaluation

A key feature of the reform of the Structural Funds has been the emphasis on *monitoring and evaluation*. Prior to the reform of the Structural Funds, it was acknowledged that monitoring and control of Community regional expenditure was inadequate. Therefore, the reform introduced a comprehensive monitoring and evaluation system requiring Monitoring Committees to be set up for each Operational Programme. The role of the Monitoring Committees was strengthened in the context of the revisions to the Structural Funds which took place in 1993/94. Subject to the overall amount of the Community contribution and within harmonised limits, the Committees now have the flexibility to modify the procedures for granting assistance and the financial plans, including transfers between Community sources of finance and adjustments to the rates of assistance.

Monitoring can enhance the success of individual projects and so also the overall success of the programme: slow progress in project implementation can be identified and the reasons investigated and often resolved. It also provides regions with useful information when drafting the plans for further programming rounds and negotiating future assistance. The increasing use of computerised management information systems is a feature of many Objective 2 regions and enables secretariats to track the progress of a large number of projects relatively easily. While many such systems successfully address *financial monitoring*, they may be even more useful for ensuring the potential of 'good projects' is realised if they also gather information on the outputs being achieved. As a result, regions like Saarland have been adapting systems to provide information tailored to their needs. The separation of ESF from ERDF and the fact that they have different timescales and financial systems complicates the process of designing a system to meet the needs of management and administrative structures.

Evaluation studies can bring insights into a range of areas which, if acted upon, can help improve the quality of projects supported. However, while a great deal of evaluation work has been undertaken to date, regions often find that they do not have the *time* to utilise and incorporate lessons and recommendations. Again, some regions have been able to address this.

In Nordrhein-Westfalen, evaluation of the 1994-1996 programme was contracted out to three research institutes, each with a different role: the Netherlands Economic Institute, the Ruhr-University of Bochum and a private freelance consulting company from Bremen. The expectation is that this approach may speed up the evaluation process and provide useful information for the next programming round. A further approach in some other regions, such as North East England, has been to target the evaluation programme towards generating practically oriented final recommendations. These are the most likely to be implemented within strict time constraints.

2. GÉNÉRER DE BONS PROJETS

2.1 Introduction

La génération de bons projets est un élément central de la mise en œuvre réussie des programmes de fonds structurels. Ce processus est compliqué par la portée de plus en plus large des priorités des programmes dans des domaines comme la revitalisation des quartiers en difficultés (*community economic development*) et la recherche et le développement technologique et par la demande d'une synergie, d'une cohérence entre les politiques à diverses échelles spatiales, d'une application intégrée du FSE et du FEDER et de l'inclusion de préoccupations horizontales comme l'égalité des chances et l'utilisation de ressources renouvelables.

Cet exposé se concentre sur les expériences des régions d'Objectif 2 en ce qui concerne la génération de bons projets. L'exposé commence par décrire brièvement le contexte de la génération de projets, pour se concentrer ensuite sur l'expérience et les démarches des régions aux étapes importantes: l'élaboration de la stratégie, le marketing et la mise à disposition d'information, la sélection des projets, leur mise en œuvre, leur suivi/contrôle et leur évaluation.

Les perspectives de la Commission européenne fournissent le point de départ pour examiner le processus de la génération de bons projets. Pour la Commission, tout en se concentrant sur l'objectif central de la *régénération*, les meilleurs projets sont ceux qui répondent aux exigences du système de contrôle et d'évaluation mis en place dans le cadre du partenariat avec la Commission, qui correspondent aux priorités définies dans le Document Unique de Programmation et qui produisent des impacts économiques vérifiables en termes de création d'emplois.

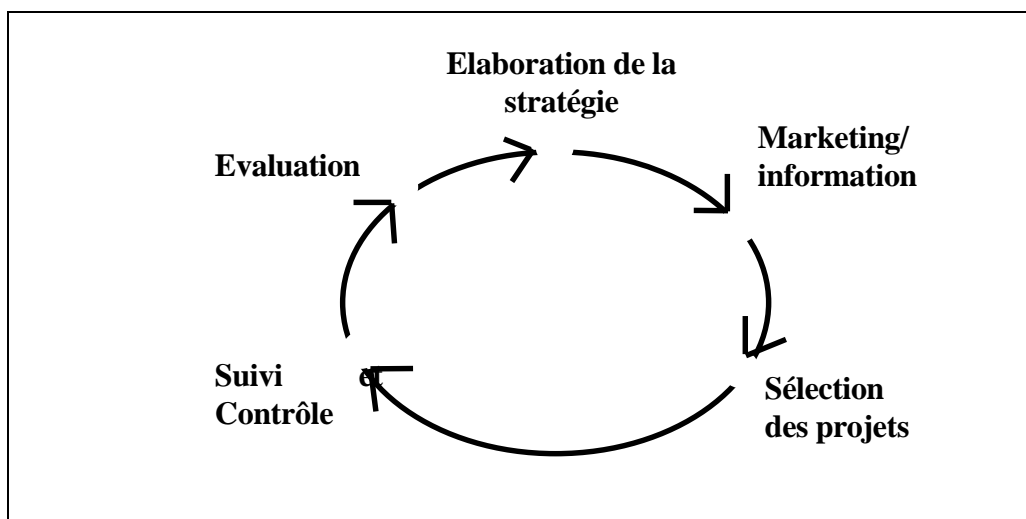
S'agissant de traduire ces exigences dans la pratique, la mise en œuvre des programmes, y compris la sélection des projets, relève de la responsabilité de l'administration des Etats-membres. De nombreux rapporteurs de la Commission ont un rôle à jouer s'agissant d'aider à générer de bons projets, par exemple en:

- posant périodiquement des "questions pertinentes",
- encourageant la progression de projets de haute qualité,
- favorisant les solutions pragmatiques, par exemple s'agissant des critères d'attribution,
- demandant l'adoption de critères de sélection de projets, et
- encourageant des projets du FEDER et du FSE qui soient focalisés et intégrés dans la stratégie.

2.2 Expérience et Pratique régionales

Pour structurer la discussion sur l'influence de la gestion des programmes sur la qualité des projets bénéficiant de l'aide des programmes d'Objectif 2, nous pouvons conceptualiser un processus *circulaire* partant de l'élaboration de la stratégie, et passant successivement par le marketing et la mise à disposition

d'information, la sélection des projets, leur mise en œuvre, leur contrôle et leur évaluation. La façon dont chaque phase est abordée influe sur le nombre, la nature et la qualité des projets proposés en vue de leur mise en œuvre.



2.3 Élaboration de la Stratégie

L'étape de l'élaboration de la stratégie dans le processus est cruciale s'agissant de favoriser la génération de bons projets. *L'expérience passée* fournit un point de départ important. Pour de nombreuses régions, l'examen critique des périodes de programmation passées fournit une base utile pour le Document de Programmation actuel. Cependant, très peu nombreux sont les Documents de Programmation indiquant que ceci a été fait explicitement. Pour de nombreuses régions, la gestion des allocations des Fonds est tellement complexe et urgente qu'elles n'ont pas le temps nécessaire pour tirer des leçons des périodes de programmation précédentes ou d'utiliser les informations fournies par les évaluations.

Beaucoup des problèmes rencontrés, particulièrement dans les domaines novateurs, trouvent leur origine dans des questions de qualité de la stratégie. Une *stratégie cohérente* est nécessaire qui fasse intervenir dès le début les organisations concernées, qui réponde aux besoins de façon appropriée et qui permette une grande prise de conscience des possibilités existantes.

Aux Pays-Bas et en Finlande, des *séminaires* sont organisés pendant la phase de formulation du plan afin de rassembler les diverses agences pour identifier les priorités qui pourraient faire l'objet de mesures.

Dans le cadre du programme *Regional Challenge* (défi régional) existant dans diverses régions du Royaume-Uni, une tranche de financement européen est réservée centralement pour attirer des projets importants et de *grande envergure*. Le processus de candidature par concours est conçu pour améliorer la qualité des candidatures, l'imagination dont elles témoignent, ainsi que leur rapport qualité/prix.

2.4 Marketing et Mise à Disposition d'Information

Une fois la stratégie proposée, il peut être nécessaire d'informer un vaste public sur les possibilités existantes. En général, les documents de *marketing/information* sont d'application globale, bien qu'à toute évidence, certains domaines comme la RDT exigent un marketing spécifique. Certaines régions complètent leurs documents écrits par des *séminaires* informant les candidats potentiels de ce qui est disponible et encourageant la conception de projets novateurs, faisant intervenir un travail de collaboration et bien focalisés. Certaines régions fournissent aussi des conseils spécialisés sur une base individuelle pendant la phase de développement du projet, ce qui peut avoir un impact positif sur la qualité des candidatures.

Le nombre et la diversité des organisations ayant besoin d'informations augmentent à mesure que les régions passent de la phase de planification à la phase de mise en œuvre. Outre les administrations nationales et sub-nationales et les partenaires sociaux, le réseau d'information doit atteindre les bénéficiaires potentiels de l'aide dans les secteurs public et privé. Les systèmes de "publicité" mis en œuvre dans certaines régions ne semblent pas de nature à attirer de *nouveaux* projets/sponsors, particulièrement dans le secteur privé, secteur qui peut avoir des exigences différentes en ce qui concerne l'information. Voici des démarches intéressantes s'agissant de la mise à disposition d'information.

- En Aquitaine, divers moyens sont mis en œuvre pour promouvoir le programme d'Objectif 2. La *presse* est beaucoup utilisée pour une large publicité. Après les réunions du Comité de Suivi, un communiqué est publié et des interviews sont accordées. La couverture médiatique locale contribue à maintenir le profil du programme et à mieux le faire connaître. En même temps, ceci donne aux partenaires, y compris la "Mission Europe", un sentiment de satisfaction qui permet de maintenir de hauts niveaux de motivation. Outre la couverture dans la presse générale, l'approbation des projets d'infrastructure de grande envergure est signalée dans un journal spécialisé de l'industrie de la construction afin de faire connaître les occasions de marchés. Afin que les porteurs de projet potentiels aient connaissance des activités susceptibles de bénéficier de l'aide des Fonds Européens dans le cadre de l'Objectif 2 et afin de cibler un groupe plus large de sponsors/candidats potentiels, un *dossier à fiches* est produit. Il contient des fiches décrivant chaque mesure, ses objectifs et ses critères de sélection globaux et indiquant la principale agence à contacter pour de plus amples informations.
- En Autriche, le système de gestion régionale (*Regionalverein-Europaregion*) joue un rôle s'agissant de fournir initialement des conseils et d'identifier des partenaires.
- Dans la région ouest de l'Ecosse, des conseils sont fournis sur demande aux groupes/sponsors afin de les aider à développer leurs dossiers de candidature. Un soutien plus universel et plus transparent est aussi disponible sous forme d'un manuel à feuillets *volants* (*Guide pour les Partenaires*), qui fournit toutes les informations nécessaires concernant le processus de candidature: critères de sélection et systèmes de notation pour chaque politique, procédures de candidature, coordonnées des contacts

pertinents et conseils pour remplir les formulaires. Ce manuel est remis à tous les partenaires et candidats potentiels.

2.5 Sélection de Projets

L'appréciation et la sélection des projets est un domaine dans lequel la pratique est encore en cours d'évolution s'agissant des critères et des démarches appliqués. Il existe une diversité considérable entre les approches adoptées dans les divers programmes. Certaines régions utilisent une approche "instinctive" ou reposant sur le jugement, prenant en compte les expériences passées, les antécédents des sponsors et les besoins de la région pour apprécier l'impact économique potentiel d'un projet. D'autres commencent à utiliser des systèmes de notation. Cette dernière approche tend à émerger quand trop de bons projets sont proposés et excèdent les ressources disponibles. Dans ce contexte, il est nécessaire d'appliquer un système constant et transparent pour juger de leurs mérites relatifs. Etant données les limitations manifestes des systèmes de notation - en particulier le risque que les candidats manipulent le système - certaines approches plus robustes apparaissent alliant une notation et un examen par des experts.

Les *critères de sélection* varient et évoluent à mesure que les régions deviennent plus expérimentées et focalisées. La plupart des régions appliquent des critères centraux à tous les projets, et des critères plus spécifiques aux différentes mesures. Tandis que la création d'emplois compte parmi les critères centraux dans presque tous les programmes, d'autres critères plus qualitatifs sont utilisés dans certaines régions. Dans le Jylland du Nord (au Danemark), la "modernisation" est un des critères centraux, et ceci émerge comme constituant une caractéristique cruciale pour l'acceptation d'un projet. Au Royaume-Uni, le comité interdépartemental GAMES-F affine actuellement un système de sélection faisant intervenir le classement, la pondération *et* un système de notation, afin de faciliter une évaluation uniforme tant sur une base qualitative que sur une base quantitative.

La Commission encourage les secrétariats et les partenariats à examiner en permanence leurs systèmes de sélection de projets, et à les affiner dans le contexte de leur région et de leur stratégie particulières. Lorsque les systèmes fonctionnent bien et à mesure que l'expertise est accumulée, le rôle de la Commission s'agissant de vérifier l'éligibilité des projets devient superflu.

L'une des nouvelles approches les plus intéressantes s'agissant des systèmes de sélection de projets a été de déléguer le processus, soit à des comités locaux (tels les comités de programmation départementaux dans la région Midi-Pyrénées) soit à des comités spécialisés thématiquement (tels les comités consultatifs de la région ouest de l'Ecosse). Dans le cadre de ce dernier système, le secrétariat conserve son rôle consistant à vérifier l'éligibilité et le rapport qualité/prix des projets et à vérifier qu'ils correspondent à la stratégie, mais une expertise plus spécifique intervient dans l'examen du projet à proprement parler. Par exemple, il est préférable que les mesures de revitalisation des quartiers en difficulté soient examinées par ceux qui sont le plus étroitement impliqués aux activités de régénération économique locale. Une seconde innovation a consisté à encourager la participation de *spécialistes*

universitaires aux comités, ce qui permet d'exploiter une source d'expertise impartiale et spécialisée.

L'examen des critères de sélection de projets permet de dégager plusieurs principes de succès:

- Le système doit être développé dans le cadre d'une consultation avec les partenaires qui doivent l'approuver avant la mise en œuvre du programme.
- Il doit aussi être *transparent*, et être connu non seulement des administrateurs de programme, mais aussi de tous les porteurs de projet, et son application équitable doit être manifeste.

2.6 Suivi et Evaluation

L'importance accordée au *suivi et à l'évaluation* a constitué une caractéristique-clé de la réforme des fonds structurels. Avant cette réforme, il était reconnu que le suivi et le contrôle des dépenses régionales communautaires étaient inadéquats. La réforme a donc introduit un système complet de suivi, de contrôle et d'évaluation exigeant la mise en place de Comités de Suivi pour chaque Programme Opérationnel. Le rôle des Comités de Suivi a été renforcé dans le contexte des révisions des Fonds Structurels qui ont eu lieu en 1993/94. En fonction du montant global de la contribution de la Communauté et dans le cadre de limites harmonisées, les Comités ont maintenant une certaine souplesse qui leur permet de modifier les procédures pour accorder une aide et les plans financiers, y compris la possibilité d'effectuer des transferts entre les sources de financement de la Communauté et d'ajuster les taux d'aide.

Le suivi et le contrôle peuvent accroître le succès des projets pris individuellement et par conséquent le succès global du programme: il est possible de remarquer un progrès lent dans la mise en œuvre d'un projet, et il est donc possible d'en rechercher les causes et souvent d'y remédier. Cet exercice fournit aussi aux régions des informations utiles pour la rédaction des plans lors des phases de programmation futures et pour négocier une aide à venir. Dans de nombreuses régions d'Objectif 2 nous pouvons noter l'utilisation de plus en plus répandue des systèmes informatiques de gestion qui permettent aux secrétariats de suivre l'évolution de nombreux projets relativement facilement. Tandis qu'un grand nombre de ces systèmes répondent bien aux besoins de *contrôle financier*, leur utilité s'agissant d'assurer la réalisation du potentiel des "bons projets" serait encore accrue s'ils rassemblaient aussi des informations sur les résultats obtenus. Ainsi des régions comme la Sarre ont adapté les systèmes de sorte que ceux-ci leur fournissent des informations correspondant exactement à leurs besoins. La séparation entre le FSE et le FEDER et le fait qu'ils s'inscrivent dans des durées différentes et qu'ils aient des systèmes financiers différents compliquent le processus de conception d'un système qui réponde aux besoins des structures de gestion et d'administration.

Les études d'évaluation peuvent donner des aperçus dans divers domaines et, si l'on prend les mesures qui s'imposent en conséquence, elles peuvent contribuer à améliorer la qualité des projets bénéficiant d'une aide. Cependant, bien qu'un gros travail d'évaluation ait été effectué à ce jour, les régions n'ont souvent pas le *temps* d'utiliser et d'intégrer les leçons tirées et les

recommandations. Là encore, certaines régions ont pu faire face à ce problème.

En Rhénanie-du-Nord-Westphalie, l'évaluation du programme 1994-1996 a été confiée à trois instituts de recherche, chacun jouant un rôle différent: le Netherlands Economic Institute (Institut Economique des Pays-Bas), l'Université de Bochum dans la Ruhr, et un cabinet de conseil privé indépendant de Brême. Ils s'attendent à ce que cette démarche accélère le processus d'évaluation et fournisse des informations utiles pour la prochaine phase de programmation. Certaines autres régions comme le nord-est de l'Angleterre ont adopté une autre démarche consistant à cibler le programme d'évaluation en vue de générer des recommandations finales à orientations pratiques, celles-ci étant les plus susceptibles d'être mises en œuvre dans des limites temporelles strictes.

3. DIE SCHAFFUNG "GUTER" PROJEKTE

3.1 Einleitung

Ein zentrales Element einer erfolgreichen Umsetzung der Strukturfondsprogramme ist die Schaffung "guter" Projekte. Dieser Prozeß wird kompliziert durch die Erweiterung der Programmprioritäten auf Gebiete wie die wirtschaftliche Entwicklung der Gemeinden und Forschung und technologische Entwicklung sowie die Forderung nach Synergie, Kohärenz zwischen Maßnahmen auf in verschiedenen gebietsmäßigen Maßstäben, die integrierte Anwendung von ESF und EFRE und die Einbeziehung horizontaler Themen wie Chancengleichheit und Umweltschutz.

Diese Studie konzentriert sich auf die Erfahrungen der Ziel-2-Regionen mit der Schaffung "guter" Projekte. Die Arbeit beginnt mit einem kurzen Umriß des Kontexts, in dem die Schaffung der Projekte stattfindet, und richtet sich dann auf die Erfahrungen und Ansätze in den Regionen auf verschiedenen wichtigen Stufen aus - von der Strategieplanung über Marketing /Information, Projektauswahl, Umsetzung zu Begleitung und Evaluierung.

Den Ausgangspunkt für den Überblick über die Schaffung "guter" Projekte bildet die Perspektive der Europäischen Kommission. Die Kommission konzentriert sich zwar auf das zentrale Ziel der *Regeneration*, doch sind für sie Projekte erfolgreich, wenn sie den Anforderungen des Begleitungs- und Evaluierungssystems entsprechen, das in Partnerschaft mit der Kommission aufgestellt wurde, außerdem die Prioritäten des DPP/EPPD¹ erzielen und sich im Hinblick auf Arbeitsplatzschaffung nachweisbar auf die Wirtschaft auswirken.

Was die praktische Ausführung dieser Anforderungen anbelangt, so fällt die Umsetzung der Programme, einschließlich Projektauswahl, in den Zuständigkeitsbereich der Behörden der Mitgliedsstaaten. Eine ganze Anzahl von Bürobeamten der Kommission helfen auch dabei mit, "gute" Projekte zu schaffen, indem sie z.B.:

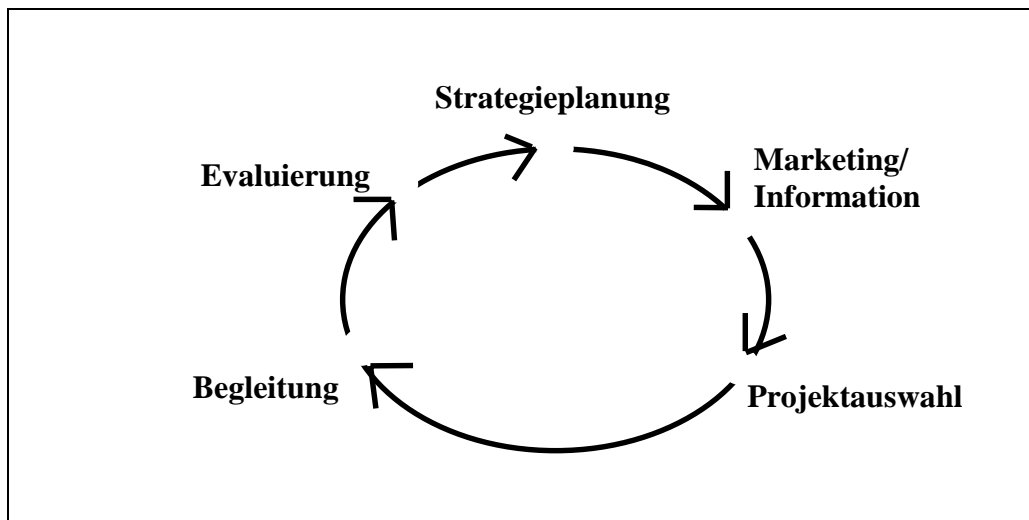
- periodisch 'relevante Fragen' stellen,
- dazu ermutigen, Projekte von hoher Qualität weiterzuleiten,
- pragmatische Lösungen, z.B. hinsichtlich der Förderfähigkeit, befürworten,
- die Annahme von Projektauswahlkriterien fordern, und
- EFRE- und ESF-Projekte fördern, die sowohl strategisch ausgerichtet als auch integriert sind.

3.2 Regionale Erfahrungen und Praxis

Zur Strukturierung der Diskussion, wie die Programmverwaltung die Qualität von Projekten, die durch Ziel-2-Programme gefördert werden, beeinflußt, kann man sich einen *Kreislauf* vorstellen, von Strategieplanung über Marketing und

¹ DPP in Deutschland, EPPD in Österreich

Information, Projektauswahl, Umsetzung zu Überwachung und Evaluierung. Wie jede dieser Phasen angegangen wird, beeinflusst die Zahl, Art und Qualität der Projekte, die anschließend umgesetzt werden.



3.3 Strategieplanung

Die Phase der Strategieplanung ist entscheidend, um die Schaffung guter Projekte zu erleichtern. Ein wichtiger Ausgangspunkt sind bisherige *Erfahrungen*. Für viele Regionen bildet die kritische Untersuchung vergangener Programmperioden eine nützliche Basis für das aktuelle Programmdokument. Doch lassen nur sehr wenige Programmdokumente dies vermuten. Für viele Regionen ist die Verwaltung der Fondszuweisungen so komplex und dringend, daß sie nicht genug Zeit haben, um aus früheren Programmperioden Lehren zu ziehen oder Informationen über Evaluierungen zu nutzen.

Viele der Probleme, die besonders im innovativen Bereich auftauchen, haben ihren Ursprung in Problemen strategischer Qualität. Was fehlt, ist eine *kohärente Strategie*, die von Anfang an relevante Organisationen engagiert, den Bedürfnissen entspricht und allgemein auf die gegebenen Möglichkeiten aufmerksam macht.

- In den Niederlanden und Finnland werden während der Entwurfsphase *Seminare* organisiert, um die relevanten Stellen zusammenzubringen und die Prioritäten zu identifizieren, die in den Maßnahmen angesprochen werden könnten.
- Beim *Regional Challenge Programme*, das in Teilen des Vereinigten Königreichs operiert, wird eine Tranche der europäischen Mittel zentral reserviert, um *große* und bedeutende Projekte anzuziehen. Das konkurrierende Antragsverfahren soll die Qualität und den Weitblick der Anträge und ihre Kosteneffektivität verbessern.

3.4 Marketing und Information

Ist die Strategie erst einmal geplant, könnte es eventuell notwendig sein, ein möglichst großes Publikum über die angebotenen Möglichkeiten zu informieren. Im allgemeinen sind *Marketing/ Informationsmaterialien* global in der Anwendung, obgleich bestimmte Gebiete wie FTE spezielles Marketing erfordern. Einige Regionen ergänzen schriftliches Material durch *Seminare*, um potentielle Antragsteller über das Angebot zu informieren und die Planung von Projekten zu stimulieren, die innovativ, kollaborative und zielgerichtet sind. Einige Regionen bieten auch individuelle Spezialberatung während der Projektentwicklungsphase an, was sich positiv auf die Qualität der Anträge auswirken kann.

Die Zahl verschiedener Organisationen, die Informationen benötigen, wächst, wenn die Regionen von der Planungsphase zur Umsetzungsphase übergehen. Neben nationalen und subnationalen Behörden und den Sozialpartnern muß sich das Informationsnetz nun auf potentielle Empfänger der Unterstützung im öffentlichen und Privatsektor ausdehnen. Die 'Publicity'-Systeme, die in einigen Regionen operieren, scheinen nicht dazu bestimmt zu sein, *neue* Projekte/Sponsoren, insbesondere im Privatsektor, anzuziehen, die vielleicht unterschiedliche Informationen benötigen. Folgende Ansätze zur Informationsverteilung sind interessant:

- In Aquitaine werden eine Reihe verschiedener Mittel verwendet, um für das Ziel-2-Programm zu werben. Die *Presse* wird in großem Maße für allgemeinere Publicity verwendet. Nach Sitzungen des Begleitausschusses wird eine Presseverlautbarung veröffentlicht und Interviews gegeben. Die lokalen Medien helfen das Profil des Programms zu erhalten und eine gewisse Vertrautheit damit aufzubauen. Dies verleiht den Partnern - einschließlich "Mission Europe" - gleichzeitig ein Gefühl der Befriedigung, was die allgemeine Motivation aufrechterhält. Zusätzlich zur Berichterstattung in der Tagespresse, wird über die Genehmigung großer Infrastrukturprojekte in einem Sondermagazin für die Bauwirtschaft berichtet, um Auftragsgelegenheiten bekannt zu geben. Um potentielle Antragsteller über Aktivitäten zu informieren, die eventuell durch die Europäischen Fonds nach Ziel 2 unterstützt werden, und um eine größere Gruppe eventueller Sponsoren/Antragsteller anzusprechen, wird ein *Informationsordner* produziert, mit Karten, die jede Maßnahme, ihre Ziele und allgemeine Auswahlkriterien beschreiben und Einzelheiten über die Hauptdienststelle angeben, an die man sich für weitere Informationen wenden sollte.
- In Österreich hat das Regional Management die Aufgabe, anfängliche Unternehmensberatung anzubieten und die entsprechenden Partner zu identifizieren.
- In Westschottland ist auf Anfrage eine Beratung für Gruppen/Sponsoren erhältlich, um ihnen bei der Entwicklung von Projektanträgen zu helfen. Eine mehr universale und durchschaubare Unterstützung ist auch in Form eines ungebundenen Handbuchs, *Partners Manual*, erhältlich, das alle Aspekte des Antragsprozesses dokumentiert: Auswahlkriterien und Punktesysteme für jede einzelne Maßnahme, Anwendungsverfahren,

relevante Kontakte und Beratung bei der Ausfüllung der Formulare. Dies wird allen Partnern und potentiellen Antragstellern gegeben.

3.5 Projektauswahl

Auf dem Gebiet der Projektbewertung und -auswahl muß sich eine Praxis bezüglich der verwendeten Kriterien und Ansätze erst noch entwickeln. Es besteht eine erhebliche Diversität in den Ansätzen, die von verschiedenen Programmen gewählt werden. Einige Gebiete verwenden einen 'instinktiven' Ansatz, wobei ihr Urteil auf einer Einschätzung des potentiellen wirtschaftlichen Effekts des Projekts - entsprechend vergangener Erfahrung - der Vorgeschichte der Sponsoren und den Bedürfnissen des Gebiets basiert. Andere beginnen damit, Punktesysteme zu verwenden. Der letztere Ansatz ist im allgemeinen zu finden, wenn sich mehr 'gute Projekte' anbieten als Ressourcen vorhanden sind. In diesem Kontext ist es notwendig, ein konsequentes, durchschaubares System zur Beurteilung ihrer relativen Verdienste anzuwenden. Angesichts der offensichtlichen Beschränkungen der Punktesysteme - insbesondere ihrer Anfälligkeit für Antragsteller, die das System ausnutzen - sind nun einige sehr robuste Ansätze zu finden, die eine Kombination von Punktesystem und Expertenurteil verwenden.

Bei den *Auswahlkriterien*, die sich mit zunehmender Erfahrung und Ausrichtung der Regionen entwickelt haben, gibt es einige Unterschiede. Die meisten Regionen haben Kernkriterien, die für alle Projekte gelten, sowie spezifischere Kriterien für verschiedene Maßnahmen. Während die Schaffung von Arbeitsplätzen in fast allen Programmen als Kernkriterium aufgenommen ist, gelten in einigen Regionen andere mehr qualitative Kriterien. In Nordjütland (Dänemark) gehört zu den Kernkriterien 'Modernisierung', was sich als maßgebliches Merkmal für die Annahme eines Projekts erwiesen hat. Im Vereinigten Königreich verbessert das interministerielle Komitee, GAMES-F, ein Auswahlssystem, das u.a. die Einstufung, Gewichtung und Punktevergabe regelt, um eine konsequente Beurteilung sowohl qualitativer als auch quantitativer Art zu erleichtern.

Die Kommission ermuntert Sekretariate und Partnerschaften dazu, ihre Systeme der Projektauswahl ständig zu revidieren und sie im Kontext ihrer betreffenden Region und Strategie zu verbessern. Bei gut funktionierenden Systemen und daraus entstehender Expertise wird die Rolle der Kommission bezüglich der Kontrolle der Förderfähigkeit der Projekte überflüssig.

Einer der interessantesten neuen Ansätze zur Projektauswahl war die Devolution des Prozesses entweder auf Komitees, die lokal etabliert (wie die Midi-Pyrénées Programmverwaltungscommittees) oder thematisch spezialisiert sind (wie die Beratungskomitees - *Advisory Committees* - für Westschottland). Beim letzteren System hat das Sekretariat auch weiterhin die Aufgabe, die Förderfähigkeit und Kosteneffektivität der Projekte zu kontrollieren und ihre Kohärenz mit der Strategie zu überwachen, spezifischere Expertise wird aber in die eigentliche Projektbewertung geleitet. So wird z.B. der Wert der Wirtschaftsförderungsmaßnahmen für die Gemeinschaft am besten von denen beurteilt, die am meisten mit gebietsmäßigen Regenerationsaktivitäten zu tun haben. Eine zweite Innovation förderte die Einbeziehung von

Universitätspezialisten in Komitees, um so eine Quelle unparteiischer und spezialisierter Expertise zu nutzen.

Bei der Betrachtung der Projektauswahlkriterien ergeben sich mehrere Erfolgsprinzipien:

- Das System muß durch Beratung mit den Partnern entwickelt und von ihnen vor der Umsetzung des Programms angenommen werden.
- Es sollte auch *durchschaubar* sein, und nicht nur den Programmverwaltern sondern auch allen Projektantragstellern bekannt sein und offensichtlich fair angewandt werden.

3.6 Begleitung und Evaluierung

Ein Hauptmerkmal bei der Reform der Strukturfonds war die Betonung von *Begleitung* und *Evaluierung*. Vor der Reform der Strukturfonds wurde allgemein anerkannt, daß die Begleitung und Kontrolle der Regionalausgaben der Kommission unzulänglich war. Daher führte die Reform ein umfassendes Begleitungs- und Bewertungssystem ein, bei dem für jedes Operationsprogramm ein Überwachungskomitee eingerichtet werden muß. Die Rolle des Begleitausschusses wurde im Kontext der 1993/4 stattfindenden Revisionen der Strukturfonds noch verstärkt. Im Rahmen des Gesamtbeitrags der Gemeinschaft und innerhalb harmonisierter Grenzen haben die Komitees nun die Flexibilität, die Verfahren zur Gewährung der Förderung sowie die finanziellen Pläne zu ändern, wie u.a. Transfers zwischen den Finanzquellen der Gemeinschaft und Änderungen der Fördersätze.

Begleitung kann den Erfolg einzelner Projekte und auch den Erfolg des Programms insgesamt erhöhen: langsame Fortschritte bei der Projektumsetzung können identifiziert, die Gründe untersucht und die Probleme oft gelöst werden. Die Regionen erhalten außerdem nützliche Informationen für den Entwurf von Plänen für zukünftige Programmrunden und die Aushandlung zukünftiger Unterstützung. Der zunehmende Gebrauch computerisierter Informationssysteme für das Management ist ein Merkmal vieler Ziel-2-Regionen; Sekretariate können dadurch den Fortschritt einer großen Anzahl von Projekten relativ leicht verfolgen. Während viele solcher Systeme erfolgreich die *finanzielle Begleitung* vornehmen, sind sie eventuell noch nützlicher, wenn sie auch Informationen über die erzielte Leistung sammeln, um sicherzustellen, daß das Potential 'guter Projekte' realisiert wird. Infolgedessen haben Regionen wie das Saarland Systeme entsprechend geändert, um Informationen zu erhalten, die auf ihre Bedürfnisse zugeschnitten sind. Die Trennung von ESF und EFRE und die Tatsache, daß sie verschiedene Zeitpläne und Finanzsysteme haben, kompliziert den Prozeß, ein System zu planen, das den Bedürfnissen des Management und den Verwaltungsstrukturen entspricht.

Evaluierungsstudien können einen Einblick in eine ganze Anzahl verschiedener Gebiete geben, was - wenn entsprechend gehandelt wird - die Qualität der unterstützten Projekte verbessern kann. Während jedoch bis jetzt ein beträchtliches Ausmaß an Evaluierungsarbeit unternommen worden ist, stellen Regionen oft fest, daß sie nicht die Zeit haben, um Lehren und Empfehlungen zu nutzen und einzubauen.

In Nordrhein-Westfalen wurde die Evaluierung des Programms für 1994-96 an drei Forschungsinstitute vergeben, von denen jedes eine verschiedene Rolle hat: das Niederländische Wirtschaftsinstitut, die Ruhr-Universität in Bochum und eine private freiberufliche Unternehmensberatungsfirma aus Bremen. Dies soll den Evaluierungsprozeß beschleunigen und nützliche Informationen für die nächste Programmrunde liefern. Ein weiterer Ansatz in einigen anderen Regionen, wie im Nordosten Englands, war die Ausrichtung des Evaluierungsprogramms, so daß es praktisch orientierte Abschlußempfehlungen gibt. Sie werden wohl am ehestens innerhalb der knapp bemessenen Zeit umgesetzt werden.

Thematic Paper

Generating Good Projects

Generating Good Projects

1. INTRODUCTION

The reform and expansion of the Structural Funds following the Single European Act in 1987 has increased the profile of the Funds and resulted in a sharper focus on the effective use of structural interventions. While these reforms led to greater scrutiny of the operation and management of the Structural Funds, the focus has been at the level of the programme rather than on the elements that are the central core of the programmes - projects. Good projects, whose impact can be measured, are vital to the success of a regional strategy. The process of generating good projects is complicated by the expanding scope of programme priorities into areas such as Community Economic Development and Research and Technological Development and by the demand for synergy, coherence between policies at various spatial scales - national, regional and local - and the integrated application of the European Social Fund and the European Regional Development Fund.

This paper examines the context within which good projects are generated and sets out to identify the characteristics of a good project and to examine the factors that assist or inhibit this process. Its aim is to provide an overview of the generation of good projects in the Objective 2 regions of the Consortium. The paper describes the constituents of a good project according to the Commission and the regions, considers how these can be achieved, and explores some case studies of best practice in the process of good project generation.

2. COMMISSION PERSPECTIVES

The starting point for reviewing the process of generating good projects is the perspective of the European Commission. This perspective is conditioned by the reform of the Structural Funds in 1988 which established a number of operating principles for the implementation of the Funds, principally concentration, programming, partnership, additionality and subsidiarity.

In its document “Guide for Monitoring Operational Programmes”, the European Commission states:

the Commission grants large subsidies each year in the framework of the structural policies. It is both legitimate and necessary that it should ensure that the Structural Funds should be spent in accordance with the objectives established, the regulatory provisions, and according to the principles of sound financial management.

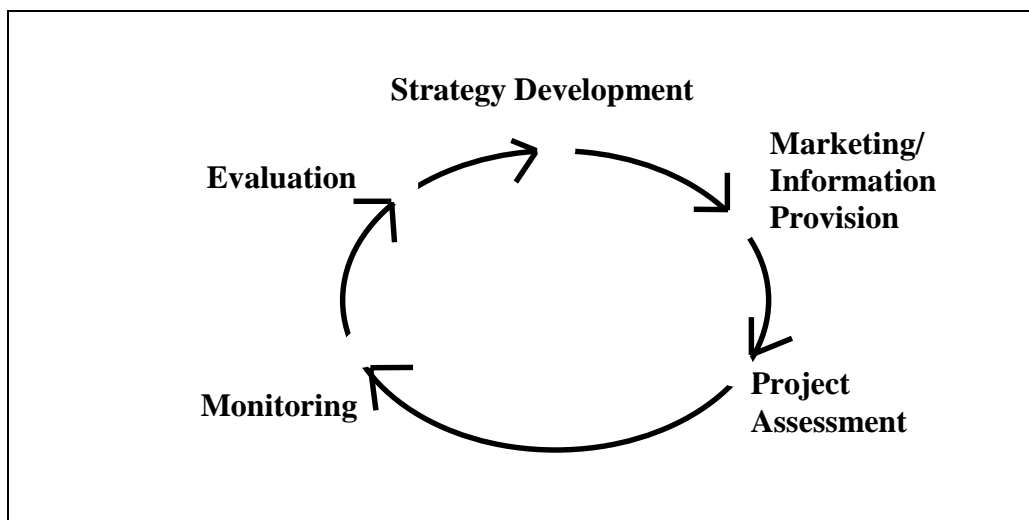
For the Commission, while focusing on the central objective of regeneration, successful programmes are those that meet the requirements of the system of monitoring and evaluation set up in partnership with the Commission, achieve the priorities set out in the Single Programming Document and produce verifiable economic impacts that demonstrate progress in achieving a standard of living close to the European Union average. Projects should offer value for

money, promising clear economic benefits that can be quantified and used to vindicate the Structural Funds. They should be demonstrably additional and be appropriate to the regional situation. The publicity which good projects receive in the region should also raise the profile of the Structural Funds as a significant player supporting the region's economic development.

Within Objective 2 areas the Commission's expectations of regional programmes have become steadily more complex. The former focus of regional strategies on infrastructure investment has been replaced by SPDs containing a wide range of priorities and measures - business development, human resources, business environment, physical regeneration, environmental improvement, research and technological development and community economic development. In designing programmes, Member State authorities have been encouraged to maximise their use of funding possibilities permitted under the Structural Fund regulations. The demands on Objective 2 programmes continue to grow: in the Commission guidelines for the 1997-99 programming period, four themes have been emphasised - the environment and sustainable development, the promotion of equal opportunities, support for research and technological development, and employment creation through supporting competitiveness and indigenous potential.

3. REGIONAL APPROACHES TO FACILITATING GOOD PROJECTS

In translating the Commission's requirements into practice, the implementation of programmes is the responsibility of Member State authorities. The systems and structures which Member States have evolved for allocating Structural Fund expenditure - over several programming periods in most Member States, but just one for the new Member States - incorporate various mechanisms for bringing forward and selecting 'good projects'. To discuss these mechanisms, it is useful to conceptualise a circular process from strategy development, through strategy marketing, project assessment and selection, monitoring of implementation, and evaluation. At each stage, the approaches adopted by those involved in programme implementation can be shaped to positively impact upon the quality of the resulting projects.



3.1 Strategy development

The strategy development stage is crucial for facilitating good projects. Feedback from regional partners suggests that, if a measure is clear and well defined, it is easier to get good projects coming through. In many cases, involving relevant organisations at an early stage through consultation helps to ensure this. Meetings held in the Netherlands, Finland and North East England at the strategy definition stages may be highlighted as they bring potential sponsors together to identify specific areas where projects are needed and where there is scope for co-operation among different groups.

For projects to come forward under measure headings, relevant implementation mechanisms need to be in place, preferably in advance. This therefore needs to be taken into account at the policy development stage. Some of the problems encountered in implementing innovative community economic development policies in some UK regions have illustrated this. The question has been effectively managed in the West of Scotland, however, where one of the eligibility criteria for target areas has been that they should have local development organisations and strategies already in place, which the European Funds can assist. This makes developing projects and implementing them in the limited timescale more feasible.

A further observation from the strategy development stages is that special arrangements may be made to attract certain types of project application. For example, under the Regional Challenge programme which operates in parts of the UK, a tranche of European funding is reserved centrally with the objective of attracting large and significant projects. These projects are submitted to a competitive process which is designed to enhance the quality and vision of applications and their value for money.

3.2 Publicising opportunities and engaging participation

Once the strategy has been defined, it is essential that it be publicised among relevant actors and that then, support is available, should it be required, to assist the development of potential projects into mature project proposals. In general, marketing of programmes tends to be limited and global in application, although it is clear that some areas such as R&D may benefit from specific marketing.

One example of good general marketing material is the *folder* produced by Aquitaine to inform potential project applicants of the activities which might be supported by European Funds under Objective 2. The folder contains only the information from the SPD which is useful to potential applicants, and this is presented as a series of cards, each describing a measure, its aims and its broad selection criteria and giving details of the main agency which should be contacted for further information.

In Aquitaine, substantial use is also made of the *press* as a tool for wide publicity. After each Monitoring Committee meeting, a press release is issued and interviews are given. The local media coverage helps to maintain the profile of the programme and build up familiarity with it. At the same time, this also provides the partners - including the "Mission Europe" - with a sense of satisfaction which helps to keep motivation levels high. In addition to coverage in the mainstream press, the approval of large infrastructure projects

is reported in a specialist construction journal to publicise contract opportunities.

A further means to provide general programme information is through *seminars* informing potential applicants of what is available and encouraging the design of projects that are innovative, collaborative and well focused. The interpretative advice and expertise which some areas provide at this stage of the process can have a positive impact on the quality of applications.

A danger of some approaches to programme publicity is that they may neglect to actively encourage applications from potential project sponsors who have not previously been involved in Structural Fund programmes. This is particularly so with the private sector. Not all firms are aware of the opportunities available under Objective 2, in part because the Structural Funds continue to be seen by some as only of relevance to the public sector. Wider awareness is needed, promoted by new approaches to marketing the Funds, not only at the regional level but also at national and European levels.

Once a programme has been publicised, it may be beneficial if more specific information can be supplied to potential applicants, helping them to successfully negotiate the application process. Again, various approaches are taken. In the Finnish case, notably Päijät-Häme, consultation at the pre-application stage is considerable. In discussion sessions, advisory groups give an initial and unofficial appraisal of projects at a formative stage. They then take an active role in improving those projects which appear promising, co-ordinating the resources which can be drawn upon, bringing proposers of similar projects together and enhancing the quality of the applications.

As well as advice provided in organised group settings, one-to-one advice is offered by many Objective 2 programme managers and partners. It is interesting to note that, where advice is available in a *formal* manner (as 'part of the service') it appears to be used more than where it may be available in an *informal* manner ('anyone who wants to can come and speak to us').

In the West of Scotland, advice is available to potential applicants in order to develop the project application to the stage where it is feasible. However, to provide a more universal and consistent source of information in a way which is not time intensive, they have also compiled a 'Partners Manual'. This is a loose leaf file given to all potential applicants which documents everything about the application process: the programme management structure, policy details, eligibility, the application process including advice on completing the forms, and the scoring system including the selection criteria used.

3.3 Project selection systems

Facilitating project applications is only the first stage. These applications must then be assessed for their suitability for Structural Fund support and a decision made accordingly. The derivation and application of project selection systems has been a particular concern for programme managers and the Commission, as selecting the best projects is key to ensuring programmes meet their objectives and achieve value for money. Increasingly sophisticated project selection systems are emerging in many programming areas, seeking to combine qualitative as well as quantitative project assessments in the same system, in order to benefit from the advantages of both. While this trend is

welcomed by the Commission, there is still some way to go to develop and implement optimal systems. All systems are likely to continue to evolve as experience reveals their limitations - in the definition of who is involved in the process, the roles of different actors, the criteria which are applied to assess project quality and the way the appraisal is carried out and decisions made. Where systems do come to function effectively, and expertise is accumulated by a number of actors, the role of the Commission in checking the eligibility of projects becomes increasingly superfluous.

One notable trend where there have been more good applications than resources to fund them has been the emergence of *scoring systems* to appraise and rank projects. These systems respond to the need to apply a transparent, fair and consistent system to selecting projects for EU co-financing. The systems emerging, however, also present inherent difficulties which have in turn needed to be addressed. For example, some of the scoring systems which superseded 'judgement based' systems, have caused difficulties as they have come to be relied on excessively by selectors. They enabled partners to avoid conflict by 'hiding behind' the scores allocated to individual projects rather than having to discuss them on their merits, and this may in turn have diminished the strategic strength of some programmes. In addition, such systems also affect the project development process as applicants shape projects to compete for points. In reaction to some of the difficulties being encountered in the UK, the inter-departmental committee GAMES-F is refining a system to include ranking, weighting *and* scoring to facilitate the qualitative as well as the quantitative appraisal of projects.

A second trend in project selection has been for some secretariats to devolve the task down to committees which are more *locally based* or more *thematically specialised* (as in the Scottish advisory committees). In such systems, the main secretariat maintains its role of checking the eligibility and the value for money of projects and overseeing their coherence with the strategy, while more specific knowledge of a geographic area or economic development field informs the actual project appraisal. One condition of such systems is that the individual sub-committees need to co-ordinate their activities with each other, but having members serving on more than one committee can help to enable this. Where they work well, devolved arrangements can simplify the tasks of the main programme secretariat.

The system of thematically based advisory committees is one which presents further benefits as it can enhance the degree to which projects can be critically and impartially assessed. In some Programme Management and Monitoring Committees where final project decisions are made, discussion can be limited as partners hesitate to criticise each other's projects, especially in fields of economic development activity in which they are not expert. This does not facilitate the constructive debate necessary to ensure that the best projects are selected. In face of such difficulties, thematically specialised 'advisory committees' present the advantage that they can bring more impartial and specialised organisations into the selection process - including, for example, university based specialists. Projects can therefore be discussed more freely and critically. This has in some cases helped to improve the quality of debate and so of the portfolio of projects supported.

An unresolved issue in project selection is determining the eligibility of projects. In some cases, it has proved difficult to delineate which projects may and may not be supported, especially since Commission advice in this regard has not always been consistent - largely due to the complexity of the field and the fact that the Commission perspective is represented by a number of individual Desk Officers. Common complaints are that different regions have received different responses to similar questions and that there have been apparent changes in the Commission's position *during* programming periods.

Whatever system is adopted for project selection, three main principles for success emerge:

- To operate successfully, the system should not just be seen simply as a method imposed from outside. It needs to be accepted by all the partners, and agreed to by them in advance of programme implementation.
- It should also be transparent, known not only to the partners but also to potential project applicants.
- At the same time, the system has to be intelligently applied, in a way which enables its limitations to be managed.

A further actor with a role in project selection is the Commission. While not officially involved in the process of appraising projects, Commission representatives can play a supporting role, for example by asking 'relevant questions' periodically, encouraging high-quality projects to be taken forward, promoting pragmatic solutions eg. with respect to eligibility, and encouraging ERDF and ESF projects that are focused and integrated into the strategy.

3.4 Selection criteria

Whatever project selection system is employed, it is implemented using a series of formal - or in some cases informal - 'selection criteria'. Most regions have a set of core criteria which are applied to assessing all projects and then more specific criteria for different measures. While employment creation is a criterion in all programmes, some other more qualitative criteria are also used in some regions. In North Jutland (Denmark), core criteria include the idea of 'modernisation' and this has emerged as a crucial characteristic for the acceptance of a project.

Selection criteria are a good indicator of what the regions consider are the main characteristics of a good project, and indeed certain criteria are important to most programmes, namely:

- effect on employment,
- commitment and capacity of the applicant to carry out the project successfully,
- coherence with and contribution to the overall strategy, and, to a certain extent
- impact on the environment.

The effect on employment is the most frequently mentioned and influential criterion. However, not all SPDs mention it in their core list (e.g. it only appears as a measure-specific criterion in Strathclyde). Core criteria tend to be

“horizontal”, focusing on technical and economic aspects of projects whereas the measure-specific criteria put the emphasis on issues of a less tangible, more qualitative nature, for instance, the requirement that projects enhance quality as well as capacity.

Selection criteria encompass a range of issues that reflect local/regional and in some cases national priorities.

- In North Jutland, questions of modernisation and quality enhancement rate highly in the criteria echoing national trends.
- In the French regions different issues emerge. For instance in Rhône Alpes the only criterion mentioned is the impact on the environment, whereas in Aquitaine job creation emerges as the main criterion. While the core criteria are important indicators of what regions look for in projects, the informal criteria bring a qualitative dimension to the decision-making process relating to organisation management and strategy.
- In both Austria and Germany, selection criteria tend to reflect national priorities. Along with the creation and preservation of jobs, the issue of enhancing/protecting the environment emerges as a core criterion.
- In Ångermanlandskusten (Sweden) there is an added dimension bringing the issue of equality/gender into the process. One of the selection criteria specifically mentions support for companies employing or run by women.
- In the UK generally, while there is an emphasis on job creation, issues such as private sector investment and clear targets which facilitate evaluation of the project emerge as being important.

3.5 Monitoring implementation

When projects have been approved for co-financing under the Structural Funds, the next task is to ensure that they are implemented successfully and in the process achieve the promised outputs and impacts. The process of monitoring can enhance the success of individual projects and so also the overall success of the programme by enabling slow progress in project implementation to be identified and the reasons investigated and often resolved.

The increasing use of computerised management information systems is a feature of many Objective 2 regions and has enabled secretariats to track the progress of a large number of projects relatively easily. While many such systems successfully address *financial monitoring*, they may be even more useful for ensuring the potential of ‘good projects’ is realised if they also gather information on the outputs being achieved. As a result, regions like Saarland have been adapting systems to provide information tailored to their needs. The separation of ESF from ERDF and the fact that they have different timescales and financial systems complicates the process of designing a system to meet the needs of management and administrative structures.

In some cases, especially in innovative fields, the systems used to implement the Structural Funds may create barriers to successful project implementation, as may characteristics of the partners encouraged to become involved. A good example has been community economic development in the UK. One of the

main problems in implementing community economic development measures has been finding enough match funding for projects. Voluntary sector organisations, in particular, cannot raise adequate resources. Even should this problem be resolved, these organisations risk being seriously damaged by delays in the arrival of Commission funding which other larger and more flexible organisations can support easily. Further examples of problems encountered, this time in RTD policy, are found in IQ-NET Thematic Paper 1 (2) RTD/Innovation Policies in Objective 2 Programmes.

In the case of community economic development, seminars have been used in some English programmes to discuss the problems which have been encountered and to publicise the opportunities. Further outreach efforts have included the employment of animators (funded under technical assistance) to disseminate information through local agencies.

3.6 Evaluation

The lessons from evaluation studies can help improve the quality of projects supported subsequently. For this to be the case, evaluations first need to be carried out effectively. Many regions suggest the need for more and clearer guidance from the Commission in this field. The second challenge is for evaluation findings to be implemented in the short timescales available. Without this, the considerable evaluation effort being made is wasted. An innovative approach in Nordrhein-Westfalen has been to contract three research institutes to carry out the evaluations of the 1994-1996 programme: the Netherlands Economic Institute, the Ruhr University of Bochum and a private freelance consulting company from Bremen. The three evaluators have different roles/focus and the hope is that this will speed up the evaluation process and provide timely and useful information for the next programming round.

4. CASE STUDIES AND ISSUES IN GENERATING GOOD PROJECTS

The categorisation of projects as ‘good’ is subjective and to a certain extent region-specific. However, it may still be instructive to examine examples of projects identified as ‘good’ by programme managers, and to consider the rationale behind this description. The following selection gives some examples. Following on from this, some observations are made arising from the discussion of project generation.

4.1 Case Study: Zeche Zollverein, Essen NRW

In 1989, a building preservation company ‘Bauhütte Zeche Zollverein Schacht XII’ was set up to regenerate a former colliery in the heart of the Ruhr. The colliery, built in the late 1920s but closed down in 1986, has 20 or so buildings which are now being adapted to other uses, thus revitalising a monument of industrial architecture. The Nord Rhein Westphalia Development Co. (LEG), which has the tasks of buying up old industrial sites and preparing them for redevelopment, and the City of Essen hold equal shares in the Bauhütte. Besides managing the restoration of the site, the Bauhütte is also responsible for finding new leases and improving public awareness of the project.

Some of the activities of the Bauhütte have been supported by the Objective 2 programme of Nordrhein Westfalen. Programme managers highlight the project as being exceptionally interesting in that, while preserving a piece of Ruhr history, it is at the same time giving a new identity to a disused site and generating investment and jobs. Some further interesting features and positive outcomes of the project are listed below.

- The focus of the new development is on Art and Design. The restored main halls have been used for cultural events, conferences and exhibitions, which attract both local and international visitors.
- A centre for training long-term unemployed young people has been housed in one unit, while much of the old industrial machinery and processing lines are being maintained for use as a tourist attraction. When complete, the tourist facility expects to attract some 15-20,000 visitors.
- Smaller firms, many working in the area of art and industrial design are also moving in. The renovated site provides employment for some 500 employees.

The renovation work is being financed by the European Union, the federal government, the Land NRW and the City of Essen. Contributions under Objective 2 include DM4.8 million for the long-term unemployed training centre, DM4.9 million for the renovation of one hall and DM4.7 million for the heating system.

One of the features of the German system is that there is exchange of experience in infrastructure projects: the two Development Agencies organise workshops on specific problems, eg. dealing with environmental damage. There is also exchange of experience with other Länder, eg with Berlin on conversion of old sites.

4.2 Case study - Lower Austria

The “mobile abattoir” project in the Lower Austria Objective 2 area is one which this programme highlights as successful. Under the project, an innovative product has been developed which, in moving towards production, has brought international producers to the region and forged linkages between regional supply firms. The project developer, who holds a patent for the mobile abbatoir (which enables animals to be slaughtered at farms rather than transported to conventional abbatoirs), approached the *Regionalverband - Europaregion NÖ Süd* (the regional level tier of the Objective 2 implementation structure in Lower Austria) for initial discussions about financial support. The project was accepted enthusiastically, both because of the very poor labour market situation in the area where the project would be based, and the potential importance of the project itself.

The Objective 2 office was able to help the project developer to establish key links, eg with heavy goods vehicle producers, consultants, the Chamber, and the Lower Austrian government. Assistance was also given in developing the various elements of the proposal into a unified whole. The next stage was the provision of finance through ERDF for business consultancy to establish an enterprise concept with a definite project plan. On this basis, financial assistance is being sought through the ERDF and ESF funds for the

establishment of the whole project (including investment, employee training etc.). A representative of the Lower Austrian government, responsible for this area of development, was informed of the project during the initial phase of contact, and followed the project through to the point of application.

This kind of project development is clearly very important for the Objective 2 region. The role of the *Regionalverein - Europaregion NÖ Süd* was key in providing links to potential cooperation partners and funding agencies and assisting in the development of the project to the point where an application for finance could be submitted. A knowledge of other regional firms was also important in trying to establish a regional supplier network. A German producer is to be brought to the Ternitz area to establish, in conjunction with the project developer, both an R&D office and production facilities for the development and assembly of the prototype of the “mobile abattoir”.

4.3 Case study- Sweden

‘Adal Produktion’ is considered a ‘good project’ by Ångermanlandskusten programme managers. The project, which began in 1991, is a consortium of 20 participating firms which work together on a loose collaborative basis. All the firms were previously engineering subcontractors to the pulp and paper industry, but now work together to provide engineering systems and sub-systems which individually they could not produce.

By working together, the firms have been able to win new contracts, for example with Ericsson, the giant Swedish electronics firm. They have also become more cost-effective, achieving better terms from raw material suppliers and reducing their transport and distribution costs by between 35 and 50 percent. Better IT links have been established between the firms as a consequence of the project, and technology levels overall have been raised, both in products and approaches to management. In terms of overall impacts, the project has created employment, with one of the firms, Gerdins, increasing its workforce from 35 to 100.

Among the reasons why the project achieved new Objective 2 funding were its existing track record of success, and the fact that, in Ångermanlandskusten, projects are rarely proposed in which SMEs forge collaborative links. It was thought that the effective development of this project could set a good example for other SMEs to work together - and indeed, Adal has been used as a role model for other collaborative projects involving SMEs in the wood and plastics sectors. One of the most notable features of the ‘Adal’ project has been the time needed to bring the SMEs together to the point where they could work together effectively. In many ways this illustrates the difficulty of getting SMEs to collaborate in a region which is unfamiliar with this type of corporate networking.

4.4 Case study -Industrial South Wales

Chwarae Teg (Fair Play) is an organisation set up to expand the role of women in the workforce. It provides a service to women wishing to expand their participation in the workforce and a service to employers, matching their needs with the needs of potential female employees. It has the dual aim of helping SMEs become more efficient and competitive by aiding the

recruitment/retention of female staff and developing new and existing businesses run by women.

The project scored well because:

- its cost per unit output was low,
- it was strategically significant in that the whole of the programme area was targeted,
- it demonstrated synergy with projects previously supported with European funding,
- it was seeking to address an unmet need within the programme area,
- it encouraged networking and co-operation, and
- it encouraged trade into new market areas and targeted SMEs with growth potential.

5. ISSUES

There are a number of observations and questions arising from the analysis of the process of generating good projects.

- The purpose of the Structural Funds in Objective 2 regions is the regeneration of former industrial areas. This involves identifying sectors where sustainable jobs can be created, the provision of training that meets the changing needs of the labour market and the generation of projects that can realise these objectives. This is an enormous task for programmes that are time-based and administratively complex. At every level - European, national and regional - this is a learning process.
- Discussion of approaches to programme management shows that the systems adopted may themselves create barriers to good projects. It follows that secretariats can facilitate the generation of good projects by improving their own operating systems. However, there is limited scope for this given the pressures under which programmes already operate.
- The fact that ESF and ERDF are administered separately and have different timescales and financial systems mitigates against project integration and exacerbates a process that is already complex and time-consuming.
- Good projects are, broadly, those which most assist the achievement of programmes' strategic objectives. However, actually defining the selection criteria and systems which enable these projects to reliably be identified is more complex. How can scoring systems be made specific and comprehensive enough to be an efficient and effective tool for appraisal? How can project assessment effectively consider issues such as displacement and deadweight at the selection stage? Should there be a common system of selection criteria for all Objective 2 areas?
- Project generation, especially in new areas such as R&D and Community Economic Development requires a proactive approach and specific expertise. In some cases, training and capacity building may be required to release the potential.