# IQ-Net Bulletin - Issue 1
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## Contents

# Approaches to programme management : Institutionalising good practice

*Since the 1988 reform of the Structural Funds, the basic principles of planning, partnership, additionality, coordination and concentration which underlie EU regional policy have become progressively integrated into Member State and regional systems for managing the Funds. This has taken place in some cases over the course of three programming cycles (1989-91, 1992-93, 1994-96). While all the systems which have evolved to manage and implement programmes have been shaped by the same fundamental principles, they differ substantially both between Member States and in some cases between regions within those States, because of divergent national constitutions, administrative cultures and also practices - notably the allocation of powers, duties and responsibilities between different levels of government. This article seeks to classify the main approaches to organising Structural Fund management and highlights the possible merits of some distinctive approaches being taken by selected Objective 2 areas.*

In part, the differences in approach to managing and implementing Structural Fund programmes reflect the relationship between national regional policy and the Structural Funds, the size and scale of programmes (within and between Objectives 1, 2, 5b and 6), the attitude and influence of Commission services, and the degree of regional/local experience with regional development strategies. Although these factors limit generalisation about the implementation of the Funds, it is possible to distinguish between groups of countries with respect to their implementation structures and regional arrangements for programme management.

Approaches to Structural Fund implementation generally fall into two categories. The first group of countries are those where *strong central government control* is exercised over implementation. Central government plays an important role in Structural Fund implementation in virtually all EU Member States (negotiating with Commission services, and supervising strategy formulation, expenditure, monitoring and evaluation). In some countries this central government role is more marked than in others: in France, the UK (England and Wales), Ireland, Portugal and Greece, central government is the main implementing *authority* <u>and</u> takes a leading role in programme management. The regional representatives of central government (eg. *préfectures de Régions* in France or Government Offices in England) chair the Monitoring Committees and make the final funding decisions, although some aspects of programme management may be devolved.

In a second group of countries, implementation is *devolved wholly or partly to regional authorities*. This applies mainly to the federal countries such as Germany, where the *Länder* (states) are legally responsible for regional development, as well as Austria and Belgium. Substantial devolution also applies in some non-federal countries like Denmark, Finland, the Netherlands and Sweden, where there is a high degree of regional autonomy over the implementation process, and programmes are largely managed and controlled by regional authorities. In several of these countries, programming (including budgetary resources) and some Commission liaison is decentralised to the regions, and the role of central government is restricted to general co-ordination of the Funds, higher level Commission negotiation, inter-ministerial co-ordination and evaluation of 'good practice'.

Italy and Spain tend to share elements of the two groups. In both countries, central government takes the lead in managing Objective 1 programmes, although the regions have considerable autonomy with respect to the delivery of programmes. By contrast, the management of Objective 2 programmes (including the chairing of Monitoring Committees and some Commission liaison) is largely devolved to regional authorities (Autonomous Communities in Spain, regions in Italy).

In most cases, these arrangements have evolved over several programming periods. There may also be regional variation *within* Member States. France and Italy are good examples: the extent of partnership and the balance of responsibility between central and regional authorities varies significantly between regional programmes.

The management of Structural Fund 'programming' has proved to be one of the most challenging issues for Member States at both national and regional levels, and they have reacted in different ways to the demands of implementing EU regional policy. Although implementation approaches vary widely, regions have experienced *common problems and constraints* arising from Structural Fund management. Some of the more distinctive and innovative approaches regions have taken to tackle these problems are highlighted below.

# Distinctive approaches

## Regional Management Offices

In **Austria**, a distinctive approach to programme implementation is being established through the formation of 35 **Regional Management Offices,** supporting implementation of the Structural Funds at local level, and promoting local involvement and project development. The Regional Managers' exact remit is not yet clear, but the following areas have been suggested:

- the transfer of information into the region;
- lobbying and information dissemination about the region at state level;
- assisting co-operation and co-ordination between beneficiary organisations within the region; and
- providing initial consultancy to programme applicants.

Regional Managers could make a significant contribution to the generation of good projects and, particularly, the identification of projects which combine ERDF and ESF. The success of the Regional Management system is, however, to an extent dependent on securing the involvement of qualified and motivated people.

## Regional Steering Committee

The involvement of political interests in Structural Fund management is an issue of concern to several regions. In **North Jutland (Denmark)**, it has been addressed by creating a **Regional Steering Committee** separate from the programme management executive and Monitoring Committee.

The committee's principal role is to ensure political backing at the regional level for major development issues related to the use of Structural Funds. The RSC is composed of local/regional political figures and is chaired by the leader of the county council. The function of the RSC as a vehicle for co-ordination between Objective 2 and separate regional development initiatives is important because not all the region's districts have the same degree of coverage by the Structural Fund initiatives. Co-ordination is facilitated as the RSC is at the same time the board of the North Jutland Development Fund, and the fund is backed up by the same secretariat as the Objective 2 programme.

According to local policy-makers, the administrative set-up in North Jutland has two advantages: the division of labour between the 'political' RSC and a 'technical' Executive Committee prevents territorial interests from dominating the programme; and the generation of regional political consensus is seen as strengthening regional actors.

## Financial management techniques

An approach used in some French regions to simplify the financial management of programmes is the alternating payment system ('paiement alternatif'). While each project is informed that it is in receipt of European funding, and is the beneficiary of a package of funding, it will be allocated a single source of finance. Thus, some projects will be funded by the regional councils, some by the state, and some exclusively by European funds. As a result, policy-makers can provide their financial support quickly. The main drawback appears to be the delays which can be caused to projects when one tranche of European funding is exhausted and the next does not come through immediately.

## Programme Executives

In other Member States, the tasks of the Austrian Regional Management Offices are combined with programme administration through the use of independent Programme Executives. In Objective 2 regions in Scotland, programme implementation and management are undertaken by independent management bodies supporting the Member State authority and the wider partnership. Scottish programme executives, such as Strathclyde European Partnership, undertake virtually all aspects of programme administration apart from payments. Fyrstad in Sweden has also established an independent Secretariat to administer its programme.

| Advisory Groups | Integration of ERDF and ESF |
|---|---|
| Advisory Groups are used to varying degrees in various EU countries (Finland/Netherlands/UK). These groups assist decision-making with technical advice, although in some regions their role is more substantive. For example, advisory groups in Päijät-Häme (Finland) are involved in projects at an early stage, and actively assist with project development. They undertake an initial and unofficial appraisal of possible project applications, and have an active role in improving them.<br><br>In Fyrstad (Sweden), various Advisory Groups work on projects before they are submitted to the more politically charged atmosphere of the Programme Management Committee. They can also act as a 'filtering mechanism', notifying programme managers of potential political issues arising from certain projects. | Most Member State authorities have found the integration of ERDF and ESF problematic. In almost all countries, the two Funds are administered separately, in some cases with different decision-making structures and systems.<br><br>One innovative approach is the Coherence Fund in Bremen (Germany), a formal mechanism included as a separate priority in the Bremen SPD to ensure that ERDF and ESF measures reinforce each other, even though they are administered by separate authorities.<br><br>Under the 'Coherence Fund' priority, project applications which involve both capital investment and qualification measures may be submitted through either the Economics or Social ministries. |

# Experiences and lessons

Implementing the Structural Funds has been a substantial challenge for Member States and eligible regions. The problems have been amplified for the new Member States, which have had to integrate a complicated system into national structures in a short space of time. In countries like the UK, it took at least 1-2 programming periods (3-5 years) to adjust to a multi-task, multi-activity programming approach within a single budget - with new procedures, vocabulary, terminology and human resource requirements - as well as multi-department management and co-ordination vertically and horizontally within (and outwith) government.

Several common features can be identified in those regions which have adopted effective programme management approaches: a degree of 'regional identity'; coherent economic and geographical areas; considerable experience or traditions of economic development; experience of (or the ability to establish) co-ordination, co-operation or liaison between different economic and social agencies; and strong personalities in charge of programmes.

The experience of Structural Fund management over the past eight years has given rise to several common issues that need to be addressed. First, at strategic level, the current approach to programming poses several important constraints. One of the most urgent requirements is for longer periods of stability - through longer programming periods. Further problems include the administrative burden involved, the number and duplication of Structural Fund initiatives and the

variable relevance of the SPD approach. Second, among organisational challenges, the implementation process has involved substantial administrative upheaval. In particular, problems have been experienced in co-ordinating the different actors in the various levels of the vertical partnership, and also in promoting awareness and participation among the 'horizontal' partnership at regional level. Lastly, regions are still experiencing problems with a number of technical issues, including the adoption of efficient management information systems, the resolution of co-financing and absorption difficulties, and, occasionally, Commission relationships.

RONA MICHIE AND JOHN BACHTLER

# Promoting technology and innovation in Objective 2 areas: The policy challenge

*Raising technology and innovation levels in Europe's old industrial areas may provide a key to interrupting persistent vicious circles of economic decline. As a result, RTD and innovation policies appear in nine out of ten Objective 2 strategies and account for a seventh of Objective 2 Structural Fund resources - an emphasis the Commission is keen to see continue.*

*At the same time, developing and implementing appropriate policies is challenging: often there are fewer good applications than resources, leading to underspend and virement of funds into other fields. This article explores the difficulties, and highlights some positive and practical approaches being taken to address them.*

## Objective 2 constraints

Many problems in developing and implementing technology and innovation policies in Objective 2 areas stem from the complexity of the innovation process: it is not linear, but requires iterative interaction between sources of support, beneficiaries, RTD service providers and policy organisations. Such interaction is limited in many Objective 2 areas and facilitating it is difficult. First, many firms tend to be followers not leaders; they lack a culture of innovation and rely on outdated technologies. Second, agencies may struggle to provide appropriate support as making the required one-to-one contact is specialised and resource-intensive. Third, research facilities such as those in universities tend to avoid collaboration with small, less dynamic firms and are limited by the need to fulfil their own core functions. These limitations can be compounded by a lack of political dynamism and self-belief. Lastly, Objective 2 programmes are themselves constrained in RTD promotion by their short timescales and limited resources. In response to the urgent need to succeed in this difficult context, a variety of approaches are emerging to both developing and implementing RTD and innovation policies.

# Technology and innovation strategies

The main principle for policy development is that policies need to be *tailored* to the actual needs of an area and its firms to ensure rapid implementation. This demands a detailed study of the current regional situation, assessing innovation and technology levels among sub-groups of potential beneficiaries and identifying gaps in the policy and infrastructure framework.

An increasingly popular approach is to develop technology strategies which are broader and longer term than the SPD/OP timescales allow. Among the most prominent examples are those co-financed by the Commission under Article 10 of the ERDF, including examples in Wales (UK), Western Scotland (UK) and Päijät-Häme (Finland). These offer several advantages.

- The EC's financial support unlocks strategy development resources in the region.
- The process benefits from working to a timetable, with a tried and tested methodology and access to specialised Commission advisors.
- The final strategy is region-specific, appropriate to its context and has agencies committed to implementation.
- It provides a framework for other economic development initiatives, increasing their coherence and reducing duplication of effort.
- Regions become associated with a positive, co-ordinated approach to RTD/innovation which enhances their prestige and credibility and improves the self-image of regional actors.

Even without a *formal* strategy, a region can still benefit from undertaking detailed regional analysis and consultation on its technology capacity and requirements.

# Diversity of needs

Regional strategic analysis of the RTD situation serves to identify the different needs to be met by proposed policies. Ambitious ‘excellence oriented’ measures shaped for dynamic, advanced firms may need to be complemented by others ‘preparing the ground’ in firms working from a lower base. Further policies might be needed to co-finance the development of operating concepts and feasibility studies for complex projects in their formative stages.

Once appropriate policies have been put in place, the next challenge is to successfully implement them. Some RTD policies appear to be more

straightforward to implement than others. Infrastructure development and the co-financing of existing national or regional RTD schemes, for example, tend to present fewer problems than more 'experimental' policies targeting less responsive firms or promoting networking. The next sections summarise some of the approaches which appear to facilitate successful implementation and give examples of projects addressing the particular limitations of Objective 2 areas.

# Programme management approaches

Given the short timescale available, EU-wide experience indicates the need for a *pro-active* approach towards implementing Objective 2 programmes' technology and innovation policies. The critical monitoring of project applications enables under-performance to be noted in good time and the reasons identified, a process facilitated by involving specialists in monitoring and project selection (as in the Scottish Advisory Committees). *Technical Assistance* has been used to good effect in some cases to investigate the reasons for problems identified and to fund remedial action.

Preparation for project selection can usefully include the identification of 'missing pieces' in the existing policy and infrastructure framework, enabling those projects to be prioritised which are most likely to make the greatest difference. This insight has been generated in some regions through focused discussion sessions involving a wide range of relevant partners. Having established which types of project will contribute most to achieving a programme's core objectives, there is merit in adhering to this strategic direction, even if fewer applications are forthcoming than was anticipated, as this sends a clear message to potential applicants which may improve the quality and relevance of future projects.

# Building on opportunity

By prioritising projects which *build on existing assets*, such as clusters of specialised firms, Objective 2 programmes can contribute to achieving a self-sustaining 'critical mass' in a given sector or specialism. In North East England (UK), 'centres of excellence' are being established in three local universities, each building on distinctive and successful aspects of the local company base.

Challenging preconceptions can also be advantageous. Rather than accepting the 'inevitable' demise of declining sectors, investigations can seek ways to resuscitate them. In Western Scotland, the steep decline in the Ayrshire lace industry has inspired a study identifying why this sector has continued to flourish in Northern Italy.

## Securing SME involvement

The technological level and innovation rate of lagging small firms often needs to be raised, but these are precisely the firms least receptive to support. At the same time, relevant support agencies struggle to engage them in a dialogue about technology as this is resource-intensive and requires uniquely skilled personnel - able to see a business in overall terms and also bring a thorough understanding of technology and RTD policy.

To enable support agencies to engage with firms, Rhône Alpes (France) has trained highly qualified unemployed people in business counselling. They visit firms and identify development opportunities - often involving technology issues - which other skilled unemployed people pursue. The region has also addressed the deficit of skilled advisors through the network "Présence Alpes", which co-ordinates the activities of the region's RTD and innovation promotion organisations, and provides continuing professional development for their advisors.

## Networking

The impetus for the all-important innovation networks to emerge in Objective 2 areas is often limited - for the reasons described above. One successful approach has been to facilitate the establishment of intermediary agencies or 'brokers', which link firms with appropriate RTD service providers; an agency in Limburg offers a 'one door approach' and accessible fee rates, both of which encourage firms to seek support they might otherwise not have considered.

In other cases, universities have been co-financed to undertake 'outreach' efforts. Sunderland University in North East England was funded to diagnose small firms' information technology needs and help them choose solutions. This provided SMEs with cost-effective non-supplier dependent advice and at the same time changed their preconceptions about universities.

A further distinctive approach is the establishment of *interest groups* in Nordrhein Westfalen (Germany) for networking and technology transfer. These groups cost-effectively draw together a wide range of actors, united by a common field of interest; information is exchanged on recent developments through such mechanisms as workshops and bulletins, leading, in some cases, to joint projects.

Training is a further route to network building. In North Jutland (Denmark), graduates are placed into SMEs to work on specific technology projects and, in so doing, increase the likelihood of the firm seeking further technology support. In other cases, employees of firms undergo advanced training which not only

enhances their skills but also forges a direct and personal link between the training establishment and the company.

## Rich rewards

From the above exploration of RTD and innovation policy in Objective 2 areas, three principles appear imperative: policy responses should be tailored to *specific* needs and opportunities; they should engage wide ‘grass-roots’ commitment and participation; and they should be implemented pro-actively.

The challenge of translating these principles into practice is formidable, but the lure of the self-sustaining spirals of growth currently benefiting Europe’s archipelago of ‘islands of innovation’ is a strong impetus to persevere.

SANDRA TAYLOR

# Monitoring and evaluation: practices making perfect

*The Commission's requirements for monitoring and evaluation of Structural Funds operations have become progressively more onerous and complex. At the same time, they are only two of the many demands on programme administrators. In a fast-moving environment where resources are limited, some managers claim that just making programmes run has to be the first priority. Only then can they focus on making them run better.*

*In other programmes, ways are being found to respond to the challenge of effective, efficient monitoring and evaluation, and benefits are emerging as a result - not just for the Commission in verifying value for money, but also for the day-to-day operation of programmes. This article considers the challenges of monitoring and evaluation for programme-makers and some of the ways in which the tasks are being effectively managed.*

## Benefits and challenges

Progress in the monitoring and evaluation of Objective 2 programmes has been driven by the regulatory requirement to undertake ongoing assessment of Structural Fund operations. At the same time, several practical *operational* benefits have emerged from these activities.

- Monitoring provides hard data to back up intuition on progress and any problems being experienced.
- Monitoring and evaluation also help programme managers to determine and justify programm-ing adjustments and to assess the success of different approaches.
- The information generated by monitoring and evaluation enables partners to enhance implementation and subsequent policy development.
- Regular reporting on progress boosts the morale of partners, and also allows the regular provision of accurate and up-to-date information to the media.
- Open access to good quality monitoring and evaluation reports promotes transparency and a dynamic, competent image.

At the same time, there are several important reservations about the way in which monitoring and evaluation is being centrally organised and conducted.

- Although the situation has improved, thanks to increased experience and formal evaluation research programmes, principally ‘MEANS’, the Commission has been criticised in the past for lacking clarity and consistency in explaining its requirements.
- Monitoring and evaluation requirements have changed constantly as the Structural Funds have evolved.
- Completing the requirements as they now stand is onerous in terms of both financial and personnel resources (with three evaluation reports expected for a three-year programme, in addition to comprehensive six-monthly monitoring reports).
- Monitoring processes and tasks are complicated by working within a wider partnership which also has to be involved in the process.
- The processes demand enormous capacities for managing information and manipulating data.
- Bureaucracy is increased for applicants and partners which can negatively affect a programme’s image.
- There is rarely enough time for the outcome of studies and monitoring reports to feed back fully into improving programmes.

The next sections explore how some of the problems are being managed to maximise the benefits.

# Managing monitoring

Financial monitoring has improved dramatically in most Objective 2 areas in recent years, in many cases as a result of computerised management information systems, but progress in the monitoring of output information is much less well developed.

In some areas (eg. in France and the UK), recipients of assistance are increasingly being asked to provide information on outputs in order to claim payments. The linking of output data to the release of tranches of funding means less effort is required to encourage project implementers to report on progress. In some cases, the information provided is verified by programme managers visiting a sample of assisted projects. This process, however, is resource intensive. Warning project applicants in advance that they may receive a monitoring visit seems in some cases to serve a preventive role.

Effective monitoring has resource implications. Funding tends not to be the primary obstacle - thanks in part to the co-financing available under Technical Assistance. The lack of sufficient and adequately trained staff is a more frequent

constraint. To meet the Commission's requirements, staff are needed whose roles include or consist entirely of clearly defined monitoring tasks.

Technical Assistance cannot in itself resolve manpower issues, first because securing the match funding to take on additional personnel is not always possible, especially where public sector spending is restricted. Second, existing staff and new civil servants are ineligible for Structural Funds support. Solutions which have been pursued include the use of people on temporary placements to fulfill certain tasks and the establishment of separate monitoring and evaluation units. Following a pilot project in North East England, Technical Assistance is used to take staff on secondment from partner organisations to supplement the resources of the English Government Offices.

## Management information systems

Establishing computerised management information systems has revolutionised the monitoring of some programmes, enabling them to cope relatively easily not just with storing but also manipulating an enormous volume of information. Such systems can generate much of the data required for programme management and monitoring committee meetings in minutes or hours, rather than the days and weeks required for manual storage systems. Developing or commissioning such packages has entailed a considerable investment by some regions, but this effort has usually been worthwhile.

Analysis of some of the systems currently in place across the EU illustrates a range of interesting and exemplary practices, as well as highlighting some of the common problems encountered among Objective 2 programmes.

- There may be a long teething process and, during the changeover, it may be necessary to maintain the old and new systems in parallel, which has significant resource implications.
- Since the tasks systems have to fulfil change over time, they should be adaptable.
- In Aquitaine (France), the same system has been used for all the Structural Fund programmes in the region. This enables expenditure - and ultimately impacts - over the whole territory to be monitored and means that individuals working on different programmes only need to be trained once.
- The Aquitaine database has also been networked to the partners. They input project data themselves, so reducing the workload of the central administrative office and the amount of duplication of effort. In addition, the partners use the database to answer their own questions on implementation and so enhance progress. The degree of transparency

reflected in permitting open access to the database inspires a sense of involvement among the partners.

- Under some database solutions, separate, incompatible systems are used for ERDF and ESF information, making it difficult to generate synthesised data and increasing hardware and software resource requirements.

- It is rare that the same system is used by all the programming areas of any single Member State (notable exceptions being the Netherlands and Finland). Member States - or the Commission - could have taken the lead here to ensure minimum expense and duplication of effort. However, the incremental and ad hoc approach taken is also the product of the simultaneous and rapid changes taking place in information technology and in the monitoring and evaluation requirements of Structural Fund programming.

- Too much should not be expected of management information systems. They are only a tool assisting the monitoring process. The information they generate only becomes useful when it is interpreted by programme managers and partners and put into active use. A qualitative analysis of the data is still required, drawing on the expertise of partners and programme managers. In turn, the role of the systems in meeting evaluation obligations is limited to generating some of the financial and statistical data upon which evaluations can then build.

## Managing evaluation

Most evaluations are carried out by professional evaluators rather than programme secretariats. This brings specialist expertise to bear and offers an independent and fresh perspective. Experience in managing evaluation studies is growing. In some cases, ongoing relationships are being nurtured between programmes and their chosen evaluators which draw fully upon accrued expertise.

In terms of the practice of evaluation, the purpose of each stage in the evaluation calendar (see inset) is clear. However, actually carrying out and drawing benefit from each study in the time available is challenging. In some cases, nonetheless, evaluation findings *are* leading to improvements to existing or subsequent programmes. Effective management of the evaluation process seems to be a key - including defining relevant objectives for evaluation, providing the necessary base information to evaluators quickly and in a usable format (often with the help of management information systems), and securing the positive collaboration of the wider partnership.

Nonetheless, even in regions where the value of formal evaluation studies is acknowledged, the informal process of assessment which managers are involved

in on a daily basis still feeds into programmes in a more constant, timely and sensitive way. The ongoing reliance on informal mechanisms indicates that approaches to monitoring and evaluation need to be further refined and developed.

## Sources of advice and expertise

Practitioners exploit various sources of advice and expertise on evaluation practice. Some use is made of Commission guidance on evaluation methodologies, but the support available could be better publicised. Not all practitioners are as yet aware of the main relevant Commission initiative, the 'MEANS programme'. Of those who are, most acknowledge the quality of its output, although some find its recommendations rather technical for the non-specialist.

## Progress

While a great deal of progress has been made by eligible areas in adapting to the Commission's monitoring and evaluation requirements, there is still some way to go if programmes are to gain maximum benefit from all these efforts.

CONOR KEARNEY

# Netting a prize catch: Getting the best Objective 2 projects

*A central element of the successful implementation 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 the ERDF and the incorporation of horizontal concerns such as equal opportunities and environmental sustainability.*

*The approach to project generation in Objective 2 programmes can be conceptualised as a* ***circular*** *process from strategy development, through marketing and information provision, project selection, implementation, and monitoring and evaluation. How each stage is addressed affects the number, nature and quality of projects coming forward to be implemented. The review which follows looks at regional practice and identifies some innovative approaches to the process of generating good projects.*


## Strategy development

Many of the problems which are being experienced, particularly in innovative fields, find their roots in issues of strategy quality. It follows that the strategy development stage is crucial for facilitating good projects. A *coherent strategy* is required which involves relevant organisations from an early stage, and gains wide awareness for the opportunities available.

In several countries, *seminars* are organised during the draft plan stage to bring relevant agencies together to identify priorities which measures could address. This ensures the appropriateness of the policies included in the SPD and helps to provide early publicity for them. In Finland, consultation at the strategy development stage is considerable.

In terms of policy types which might attract ‘good’ project applications, an innovation in parts of the UK has been the *Regional Challenge* programme. Here, a tranche of European funding is reserved centrally to attract *large* and significant projects which compete with each other for funding. Although not popular with some regions, the competitive application process is designed to enhance the quality and vision of applications and their value for money.

## Marketing and information

Once the strategy has been agreed, there is a need to provide information widely on the opportunities available. In general, *marketing* and *information* materials are global in application, although it is clear that some policy areas such as RTD can often benefit from more targeted marketing.

Some regions supplement written publicity material with *seminars* informing potential applicants of what is available and encouraging the design of projects that are innovative, collaborative and 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.

In Aquitaine (France), a variety of means are used to promote the activities of the Objective 2 programme. Substantial use is made of the *press* as a tool for wide publicity. After Monitoring Committee meetings, a press release is issued and interviews are given. The local media coverage helps to maintain the profile of the programme and build up local familiarity. 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, some regions produce guidance folders, containing a description of each measure, its aims and its broad selection criteria and giving details of the main agency which should be contacted for further information. Some regions are also using audio visual presentations to disseminate ‘user friendly’ information on wider scale.

In the West of Scotland (UK), a universal and transparent form of support is available in the form of a loose-leaf *Partners Manual* which documents the whole application process, including information on policies, application procedures, selection criteria, scoring systems and sources of further advice and information. This is given to all partners and potential applicants.

# Project selection and criteria

There is considerable diversity in the approaches taken to project assessment and selection. 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 applicants 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 the relative merits of proposals. Given the evident limitations of scoring systems, however - in particular their vulnerability to applicants 'working the system' - some more robust approaches are emerging which use a combination of scoring and expert appraisal. In the West of Scotland, expert *advisory committees* form part of a 'combination' system which exploits the expertise of specialist advisors in a structured manner. Research into approaches is ongoing in some cases: in the UK, the inter-departmental committee 'GAMES-F' is refining a system including *ranking, weighting* and *scoring*, which it is hoped will facilitate the effective qualitative as well as the quantitative assessment of projects.

Whatever approach is adopted to project appraisal and selection, a key principle is that such systems should be developed in consultation with the partners and agreed to by them in advance of programme implementation. They should also be *transparent,* known not only to programme administrators but also to all project applicants, and seen to be applied fairly.

# Monitoring and evaluation

While a great deal of progress has been made by eligible areas in adapting to the Commission's monitoring and evaluation requirements, there is still some way to go if programmes are to gain maximum benefit from all these efforts.

Monitoring can enhance the overall success of programmes by helping to ensure the successful implementation of individual projects. Systems can be used to single out projects whose progress in implementation is slower than anticipated. The reasons for this can then be identified and addressed.

The increasing use of computerised management information systems has been extremely valuable in enabling secretariats to track the progress of a large number of projects relatively easily. However, while many such systems already successfully address *financial monitoring,* they may be even more useful for ensuring the potential of 'good projects' is realised if they are also able to gather information on the *outputs* being achieved. Progress has already been made in

some systems, including those which require projects to provide output information in order to trigger the release of tranches of funding.

Evaluation can also provide information which leads to improvements in project quality. However, while a great deal of evaluation work has been undertaken, regions often find that they do not have the *time* to utilise and incorporate lessons and recommendations. To address this issue, Nordrhein Westfalen selected three different evaluators to assess the 1994-96 programme - the Netherlands Economic Institute, the Ruhr University of Bochum and a consultancy in Bremen. Each has a different role and focus, and it is hoped that this will speed up the evaluation process and provide useful targeted information for the next programming round. Clearly, the more *fully developed* and *practically* orientated evaluation report recommendations are, the more likely they are to be implemented in a context of strict time constraints. In this regard, reference to the 'handbooks' for programme managers, produced by the MEANS group in Lyon can provide useful guidance.

RONA FITZGERALD AND SANDRA TAYLOR

# What is IQ-Net?

IQ-Net is a network whose aim is 'Improving the Quality of Objective 2 Programmes through Exchange of Experience'. It involves a structured programme of debate and applied research through a network of Objective 2 areas in Austria (Niederösterreich, Steiermark), Denmark (Nordjylland), Finland (Päijät-Häme, South Karelia), France (Aquitaine, Rhône-Alpes), Germany (Nordrhein-Westfalen, Saarland), Sweden (Ångermanlandskusten, Fyrstad) and the United Kingdom (Industrial South Wales, West of Scotland). Launched at the start of 1996, and managed by the European Policies Research Centre at the University of Strathclyde in Glasgow, the network exchanges experience on programme development, management and evaluation, bringing together ideas from across the EU and sharing information on 'good practice'. Part-funded by the European Commission (DG XVI), the network meets twice a year, the first four meetings having been held in Glasgow and Cardiff (UK) , Gelsenkirchen (Germany) and Fyrstad (Sweden). The next meeting is planned for Bordeaux (Aquitaine) in May 1998.

Published twice a year, the IQ-Net Bulletin provides topical information for programme managers, partners, policy-makers and researchers on international experiences of implementing EU structural policies in industrial areas undergoing reconversion.

## Further information about IQ-Net

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