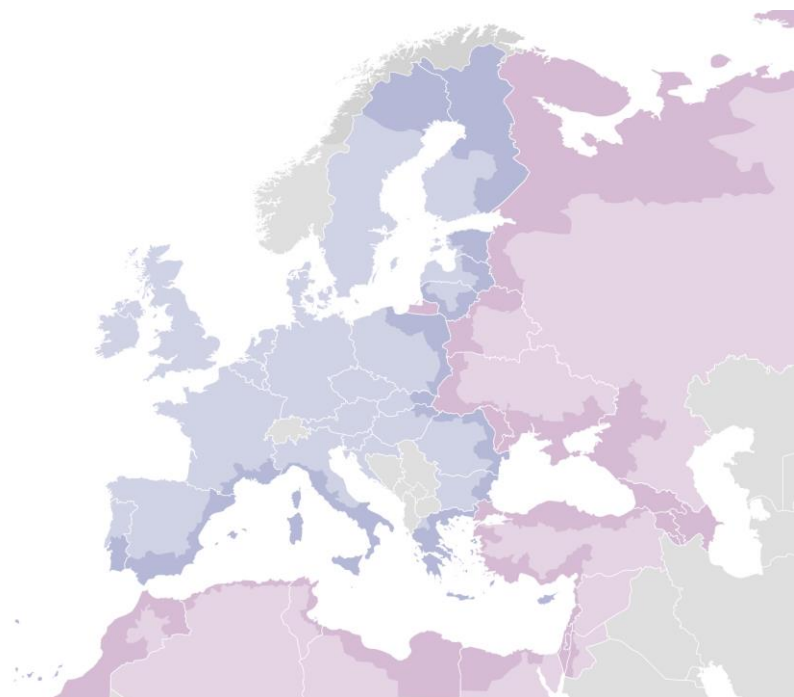




Technical support to the implementation and management of ENI CBC programmes

Notes from the 'Northern cluster meeting' of ENI CBC programmes

Kaliningrad, Russia
5-6 June 2019



Background information and introduction to the event

The creation of the Northern cluster was TESIM's response to the request for closer cooperation and exchange by programmes located in North and Northeast part of the ENI CBC area (programmes with participation of the Russian Federation).

The first meeting of the Northern cluster took place in Riga in January 2018, and the second meeting followed in August 2018 and was organised in Tartu.

During the previous Northern cluster programme meeting it was agreed that the following meeting could be held in the Kaliningrad region (Russian Federation). The Joint Technical Secretariats (JTS) of the Poland-Russia CBC and Lithuania-Russia CBC Programmes agreed that their Branch office (BO) located in Kaliningrad would assist TESIM in organising the meeting logistics.

The agenda of the meeting was based on the topics that are actual for the programmes participating in the Northern cluster.

The meeting started with the welcoming of the participants by Ms Alla Ivanova, representative of the Government of the Kaliningrad Region, and the Head of BO of Lithuania-Russia CBC and Poland-Russia CBC programmes in Kaliningrad, Ms Tatiana Shitikova.

State of play of Northern cluster programmes

An introductory presentation by TESIM outlined the road "from Tartu to Kaliningrad", highlighting the main achievements of the programmes in-between the meetings (from August 2018 to June 2019).

The main conclusions:

- 1) All programmes are gaining speed, and project implementation is well underway. In the Karelia CBC Programme, 2 projects have already finalised their implementation (these are the first finalised projects in the whole ENI CBC community);
- 2) There is a good proportion between submitted/selected proposals and requested/allocated funding;
- 3) Programmes now shift their focus from selection of the applications to be supported to monitoring and financial aspects of project implementation.

The facts and figures provided by TESIM were based on the monthly programme state of play information, but - in order to provide a full picture of what had happened in the programmes - participants of the event were asked to provide short programme news in the form of tweets:

Programme	News
Kolarctic	<p>“64 applications in the 3rd call. More than ever! There is a great interest for the #KolarcticCBC”</p> <p>“8 more projects selected in #KolarcticCBC. Now they are 26”</p> <p>“18 projects and all 3 LIPs have started their actions. #Kolarctic CBC”</p> <p>“6 mln euro pre-financing has been paid by #KolarcticCBC”</p>
Karelia	<p>“The 1st projects were launched last week (it feels) and now we start reading the final reports”</p> <p>“Projects are active and full of energy. Read more: kareliacbc.fi/en/news-events”</p>
Estonia-Russia	<p>“EC Day created for cooperation: 3 EC Day events – all in cooperation with twin programmes” #EC Day #estoniarussiaCBC”</p> <p>“Best road for risks mitigation is:</p> <ul style="list-style-type: none"> - tool for project analysis (TESIM) - team building trainings - interactive seminars <p>#TESIM #estoniarussiaCBC”</p>
Poland-Russia	<p>“100km crossed to promote Poland-Russia programme and celebrate Europe Day in May 2019”</p> <p>“3 LIPs prepared for contracting”</p> <p>“Pre-financing from the EC and RF received (more than 20 mln euro)”</p> <p>“Implementing instructions delivered”</p> <p>“Financial report template prepared”</p> <p>“12 Heritage projects selected”</p> <p>“Designation procedure completed in May 2019”</p> <p>“Preparations for Annual Event 2019 completed”</p>
South-East Finland-Russia	<p>“51 projects approved, 38 kicked-off individually and contracted, including 8 LIPs. Project portfolios are created and made available. First project update reports are approved. 3rd PD!:)”</p>

	<p>"First SEFR CBC Annual Event was held, EC Day in cooperation with LATRUS and ESTRUS was a good example of cross-programme cooperation and synergies"</p>
Latvia-Russia	<p>"We are moving! Conditions set by #Latruscbc JMC for 17 open call projects have been successfully met. Stay tuned to see project portfolios once they are grant-contracted. #cbcb #latrus"</p> <p>"1 DAP and 6 regular projects contracted and even more started implementation in #latruscbc feel excited and motivated in latrus cross-border area"</p> <p>"Water, borders and history...All 4 DAPs at #latruscbc approved by EC with no conditions. Grant-contracting to come soon...#cbc #EC #EU"</p> <p>"we are the best at #latruscbc in our full-capacity team, according to latest ROM report! Celebrate with us"</p>
Lithuania-Russia	<p>"12 projects have been selected within the 1st call for proposals and are ready for contracting! #CBC #neighbours #LTRU #Projects"</p> <p>"The 2ch call for proposals open from February 1 to April 17 was wrapped with 46 applications" #cbc #activenighbours #LTRU"</p>

Parallel session: Risk assessment and monitoring at programme and project level

The session started with an overview provided by TESIM of the programme risk assessment plans, stressing the common points and things to learn from each other. The criteria used by the programmes to assess risks in the projects are related to:

- 1) **Partnership** (type and changes)
- 2) **Finance** (size of budget, quality of expenditure verification reports)
- 3) **Activities** (delays, progress towards indicator targets)
- 4) **Management** (quality of reports)
- 5) **Visibility** (visibility requirements)

The programmes acknowledge that the risk assessment has an inherent place in all day-to-day and strategic decisions made by the programmes. To that end, Jelena Pastušková from the Latvia-Russia CBC Programme presented the first system audit outcomes related to the risk management approach.

The presentation triggered a discussion on the risk appetite of the programmes (the risk extent accepted by the Managing Authorities-MA), as well as the risks monitored by the programmes and putting in practice the system audit recommendations.

A “**speed-date**” **group exercise** was carried out as next step; the participants exchanged their experiences based on the questions covering project and programme risk monitoring. During the exercise, the participants discovered that, irrespective the fact that the programmes are operating under the same legal framework, the actual practices related to the risk assessment are different. For example, the assessment of the risks related to the Joint Monitoring Committees (JMC) and the National Authorities (NA) was new to some programmes, as well as the on-going communication about the risks.

Programme representatives agreed that it would be interesting to share the results of the system audits carried out by the Audit Authority (AA) and the summary of their findings and recommendations, as well as the specific criteria for choosing on-the-spot project visits.

As regards the collection of indicators, the discussion focused on three levels of indicators:

- result indicators;
- output indicators;
- performance indicators.

The main issue discussed about the collection of the **result indicators** was related to reviewing the baseline data set in the joint operational programmes (JOPs), as the baselines were set already several years ago. Most programmes are not planning to review the baseline data; however, the Latvia – Russia CBC Programme intends to do such revision. As regards the actual programme result indicators, the Southeast Finland – Russia CBC Programme proposed to investigate the possibilities of cooperating with the relevant universities in the programme areas to calculate the result indicators (as an alternative to procurement or other methods). On one hand, the scientific organisations are always interested in such data and, on the other, the programmes would obtain the necessary analysis avoiding costly procurement procedures.

As regards **output indicators**, programmes do not foresee many challenges, as the data is easily collectible from the progress reports of the projects. However, it was highlighted that for many indicators the actual progress of the programme is hardly visible (on paper). Indicators such as number of organisations using programme support are often measured already at the commitment stage, thus the final data will not differ from the initial information.

Performance indicators for the most cases are used for internal purposes to evaluate the processes, such as organising the calls for proposals, the project evaluation, expenditure verification and others. Programmes seldom use the comparative data for benchmarking purposes, though. Such benchmarking allows demonstrating to the stakeholders (JMC, programme countries and the European Commission) the focus on the efficiency, as well as gives some answers to the question ‘How well are we



doing?’ For example, “The programme has optimized its processes with clear benefit to the beneficiaries - time between selection and first contract signed has decreased by 23% if compared to the 1st and the 2nd call for proposals.”

Parallel session: involvement of Branch Offices in project implementation cycle

The session started with a presentation by TESIM on the tasks of the BO listed in the JOPs, as well as based on the results of the survey that was carried out among the BO staff before the meeting. It was stressed that the BOs are the front desk in communication with beneficiaries in their countries and that they perform a variety of tasks (assistance to beneficiaries, accumulation of info, communication and visibility, support to programme implementation, mentoring and assisting the projects).

In several programmes, BO staff has been and/or will be involved in the checks of the project progress reports, either focusing on the fulfilment of the visibility requirements (in LV-RU CBC Programme) or on the pre-check of the quality of the reports before their submission to the JTS (PL-RU CBC Programme). Opinions of the participants concerning the checks of the project reports by the BO staff varied: some saw it as a way to improve the quality of the reports that are submitted to the JTS, whereas others argued that it was unnecessary.

When discussing in small groups the BO involvement in the project implementation cycle, participants of the meeting came up with conclusions that:

- BOs are usually less formal than the JTSs and thus more “accessible” for the project beneficiaries to discuss the difficulties they are facing;
- Regular team meetings among the MA, JTS and BO staff ensure a good level of information among all staff members and allow them to speak “in one voice”;
- Being part of the MA/JTS structure, but at the same time also having a close link with the national authorities in their countries, makes it sometimes difficult for the BOs to satisfy the needs of the “two masters”;
- BOs are an important link for building relationships between the programme and its supported projects;
- Being on the spot and seeing project beneficiaries “in action” allows BOs to be an early warning system for the programme, indicating where potential problems exist;
- BOs can play an important role in project internal communication, e.g. in situations where an experienced lead beneficiary mistreats a “junior” beneficiary;
- A strength of the BO is that they can provide information and clarifications in the national languages of the beneficiaries;
- Tasks of the BOs are very diverse, and this makes the work so exciting.

Day 2

Work was continued in parallel groups, and the participants could choose between the sessions on “Project monitoring for beginners”, “Financial issues”, in the “Strategic group to discuss a joint initiative” or the creative task.

Session: Financial issues

The session started with a short introduction by TESIM on the **anti-fraud approach** in the context of ENI CBC programmes. Such approach is challenging, because:

- It is important, but small part of the work;
- (By default) staff is not specialised in fraud prevention/detection;
- It is challenging to find a balance between formal requirements and practical solutions;
- In some cases, the audits by Ernst&Young (commissioned by DG NEAR), put an emphasis on anti-fraud policies.

The group work was aimed at self-assessing the anti-fraud approach put in place against the key requirements for the assessment of the management and control systems (based on EGESIF and TESIM guidance documents). The main conclusions of the working group were:

The systems put in place are in line with the requirements. However:

- Anti-fraud approach is not a separate set of documents and templates, but rather a mind-set when preparing all documents relevant for the beneficiaries;
- Good programme documents on the eligibility rules, project changes and other financial aspects are prevention tools;
- The right messages have to be communicated to the beneficiaries via events and documents (simply providing the links to the EC guidance documents and lengthy manuals is not an efficient approach!).

The second part of the session was dedicated to the **recoveries and ad-hoc financial questions** raised during the needs assessment. Ilze Skrebele-Stikāne, from the Latvia – Russia CBC Programme presented the experience of the ENPI CBC Estonia – Latvia – Russia Programme in pursuing several recovery cases, and explained all steps taken to ensure successful recovery.

The presentation led to a discussion about various financial questions, such as currency (and exchange rate) of the transfers between the Russian beneficiaries, accounting practices related to the accounting of the EU, transfer of the financing to

the lead beneficiaries and others. The discussion served the purpose to exchange experience on all topics (strategic and technical) related to finances.

Session: Project monitoring for beginners

The session started with a short introduction by TESIM, followed by practical tasks and discussions. The practical tasks consisted of a “mini” risk assessment of a project application, as well as a check of a project report.

During the discussion the participants concluded on the importance of passing the following messages to the project beneficiaries in order to ensure that they pay sufficient attention to internal project monitoring:

To be stressed to the project applicants:

- Review your project indicators, adjust and improve them;
- MA/JTS/BO are there to help you!
- Plan your project activities carefully!
- Be ready to start your monitoring activities early!
- Allocate proper resources to the project monitoring!

During the project implementation:

- Monitoring is a must!
- You do project monitoring for yourselves, not the MA!
- Project is implemented by all beneficiaries, so they all have to be in;
- Communication between the project beneficiaries is crucial;
- Monitoring data is crucial for the project communication;
- Monitoring is an on-going activity;
- Reports are a tool for you (not only the MA/JTS);
- Develop a system for monitoring: define who is responsible for what; make content and communication people meet and talk; ensure a clear link between the project and programme indicators.

The conclusions of the participants of the session after the practical tasks were:

- Figures do not always tell the whole story;
- Cross-checks are important when checking the reports in order to ensure consistency;
- Monitoring officers need to extract information that is important and let the beneficiaries know what is considered crucial;
- Beneficiaries need to be reminded of the importance of the evidence collection;
- Other monitoring tools are to be used when necessary along with the day-to-day monitoring;
- Beneficiaries are to be reminded that monitoring provides important data useful for the project communication;
- When needed, help can be sought from the national and regional authorities or heads of the institutions implementing the project;

- It is crucial that the monitoring officers provide feedback and suggest improvements to the projects!

Strategic level session

The session was dedicated to the discussion of the possibility for a joint participation in the side-events of the meeting of the Congress of Local and Regional Authorities of the Council of Europe that will take place from 29 till 31 October 2019 in Strasbourg. A background paper was sent to the programmes as a preparatory document for the Northern cluster meeting. The session gathered the Heads/managers of MA/JTS of the seven programmes.

It started with a short presentation of the initiative by Riikka Oittinen from the Kolarctic CBC Programme, describing the background and motives for a joint participation, as well as the underlying practicalities. During the discussion, programmes were asked to express their wish and readiness to join the initiative, and 6 programmes out of 7 preliminary agreed to participate.

The programmes underlined the importance of participation in such an event as:

- a) an opportunity to increase visibility of the ENI CBC programmes and tell about them, especially those implemented with Russia, to the Council of Europe;
- b) an opportunity to attract the attention/influence of the decision-makers (the EC) on the neighbourhood programmes and the importance to continue the cooperation, especially taking into account the timing of the Congress meeting in October: the strategic documents for the post-2020 period will be available in autumn too;
- c) an opportunity to get the message across/stress the uniqueness/excellence in cooperation at the external borders and not get lost among Interreg programmes in the future.

It was also agreed that all 15 CBC programmes should be presented in the exhibition ("belonging to the bigger family"), and all programmes might be involved into its preparation and might be invited to be present at the exhibition during the event (as guests). However, it was decided that the focus should be given to the Northern cluster programmes, especially the presentation. It was agreed that the exhibition might last for three days, while the presentation and the buffet should take place on the second day.

As the first step in the agreement on the concept of the event, the Karelia and Kolarctic CBC Programmes will formulate the **core message** and will disseminate it among the programmes for commenting. Based on this message, the general concept of the exhibition and the presentation will be further developed.

The idea of bridging the ENPI CBC period to the ENI CBC period in the exhibition was discussed. Karelia CBC suggested a possibility of using the information available in 'cooperation posters'. Kolarctic CBC underlined that the exhibition and the presentation will be included in the official agenda of the Congress meeting and that all the meeting participants will be able to see the exhibition and the presentation.



The following next steps were agreed:

- 1) The open letter requesting the conduction of the side event (**application**) to be circulated among the programmes by Karelia CBC;
- 2) The **common message** underlying the participation of the programmes in this event to be formulated by Karelia CBC/Kolarctic CBC and sent out to other programmes for commenting on 10 June (Monday). By commenting this message, the programmes will confirm their involvement and readiness to share the necessary costs before submitting the application;
- 3) The application must be sent to the organisers by the 3rd week of June;
- 4) Upon receiving a positive reply from the organisers, the preparatory work should start as early as July;
- 5) TESIM will take the lead in contacting the programmes, collecting and aggregating the information, including the development of necessary templates, coordination and organisation of the preparatory work, brainstorming, etc. TESIM will create a new **Slack thread** "Congress meeting side-event" for exchanges during the event preparation. The programmes will involve the responsible programme managers into this network;
- 6) 'Cross-border cooperation posters' to be shared with all programmes by Karelia CBC;
- 7) The notes of this session will be circulated among the programmes as part of the meeting proceedings.

Creative task

8 participants joined **Group 3** (creative task). They were split into 2 teams, each of which had the following task: "Find the evidence of cross-border cooperation in Kaliningrad and tell its story in 10 min".

During 1,5h the teams had to go outside to gather the material. After the coffee break the teams had 1,5h to work on their projects using at least one of the suggested graphic design or video-making tools (e.g., Canva, Piktochart, GIPHY, Biteable, InShot, Flickr).

The projects were presented in the afternoon session and each team participant received a small award.

Closure and next meeting

It was agreed that the next meeting of the Northern cluster programmes would be organised in summer 2020 in Lappeenranta, Finland.

Participants of the meeting expressed in the evaluation forms the need to discuss the following topics:

1. Focus on projects

- More information/ examples from the projects to illustrate our activities (a lot is being said about the programmes and their procedures, let's speak about the projects!);
- How to involve all projects in common meeting and learn from each other;
- Project visits;
- Project implementation;
- An interesting example of a project from each programme participating;
- Since programmes are launching their projects, it would be interesting to get more in-depth information from the more experienced project managers regarding situations in the projects when they (projects) are close to the end, but crucial issues appear. For instance, beneficiary's management is changed and issues arise.
- Practical aspects of reporting would be interesting, especially concerning the Russian partners, to understand what evidence of expenditure should be requested as an example;
- Difficult cases with projects/ partners (good example – a real recovery procedure).

2. Future programmes

- Programming the new perspective and changes in the legislation;
- Programming post 2020 period – step by step;
- Future monitoring systems and implementation tools;
- Some info on the future programmes and outcomes of taking over the CBC by DG REGIO (summary/analysis from TESIM experts).

3. Communication

- Communication of results;
- Sharing the best practices (e.g. what works best for delivery of information);
- Best practices for organization of JMC, SC, etc. meetings;
- Communication tools;
- Storytelling;
- Best practices in communicating programme results, promoting programme/ project news, reaching audience;
- Visibility, assisting projects in promoting their results.

4. Monitoring and evaluation

- Practicalities and common issues with checking of interim/ final reports;
- Overview of the existing electronic monitoring systems in the programmes;
- Indicators;
- Checking project reports;
- Mid-term evaluation (possible structure, obligatory and complimentary topics to be included);
- Monitoring and evaluation of LIPs as a session;
- On monitoring – to have more “close to life” discussions, e.g. how to establish relations with project partners to facilitate their interaction (if needed), to what extend to get involved, etc.;
- Monitoring of programme and projects (indicators, finances, activities, visibility);
- ROM;
- Programme monitoring,
- Mid-term evaluation (results).

5. Audit and finance

- Audit (a joint session with AA would be great) -> system audits (exchange of programmes on recommendations given by the AA), how to harmonise MA responses to the AA;
- Irregularities – exchange on interesting cases, including fraud cases;
- On-the-spot visits, approaches of different programmes;
- Financial corrections;
- Approaches to project on-spot checks – methodology and risk matrix;
- Experiences with expenditure verification and training of Russian auditors;
- In-depth clarifications, maybe from EC upon TESIM request, e.g. what are steps/ approvals really necessary for e.g. recoveries (JMC approval vs MA decision, etc.);
- Financial issues: staff costs, financial corrections (if any) and on the spot checks.

6. Other

- Transfer to DG Regio;
- Common challenges (CCP, implementation, reporting, visibility);
- Obstacles in procurement procedures in Russia;
- Cooperation between NA, BO, MA, JTS and finding of consensus for controversial matters concerning project implementation;
- How to organize trainings in the most effective way;
- More specifically (and practically) about BOs. It will be possible to come up with topics when projects have started their implementation;

- In general, the same topics that were discussed in this meeting, it would be interesting as the implementation of the programmes/ projects progresses.



Annex I – Guide to the Northern cluster programme territories

List of places to visit and things to do in the Northern cluster programme territory

	Name	Programme	Recommends to see/visit/do
1.	Riikka	Kolarctic	The seaside of the Barents Sea
2.	Polina	Estonia – Russia	Roof excursion in St.Petersburg
3.	Ekaterina	Estonia – Russia	Spaso-Preobrazhensky Cathedral of Mirozhsky monastery
4.	Ewa	Poland – Russia	Gdansk and Cathedral in Kaliningrad
5.	Alina	Poland – Russia	Malbork castle cathedral and Kant Island
6.	Lena	Latvia – Russia	New Holland, bar hopping, river boat trip, visit old palaces in St.Petersburg (not Hermitage)
7.	Erja	SEFR	Cruise from Lappeenranta (FI) to Vyborg (RU)
8.	Irina	Lithuania – Russia	Friedland Gate/ Svetlogorsk
9.	Agnese	Latvia – Russia	LatRus staff ;)
10.	Lauris	Latvia – Russia	Rundale Palace in summer
11.	Natalia	Latvia – Russia	Hanseatic Days in June this year
12.	Valentina	SEFR	White nights, to visit “singing bridges” performance in May – August in St.Petersburg
13.	Anu	SEFR	Lake Saimaa
14.	Ekaterina	SEFR	Vyborg
15.	Taina	SEFR	Lappeenranta Harbour
16.	Ilze	Latvia – Russia	Go on boat down Gauja/ Daugava River, spend a night in a tent
17.	Jan Martin	Kolarctic (Norway)	The easternmost point in the “West” – Vardø (my native town)
18.	Anna-mari	Kolarctic (Sweden)	Worldheritage Laponia/ naturum Laponia

19.	Olga	Kolarctic	Kenozero National Park
20.	Linda	Kolarctic (NO)	Vadsø
21.	Valeria	Poland – Russia	Kaliningrad Zoo
22.	Irina	Lithuania – Russia	Kaliningrad Zoo
23.	Radek	Poland – Russia	Olsztyn City
24.	Alisa	Poland – Russia	Mazury
25.	Ewa	Poland – Russia	Sopot City and take a bike ride along the Baltic coast
26.	Tatyana	Poland – Russia	Curonian Split
27.	Svetlana	Lithuania – Russia	Curonian Split
28.	Edita	Lithuania – Russia	Kintai Arts
29.	Sigute	Lithuania – Russia	Lithuanian Sea Museum
30.	Sigita	Lithuania – Russia	Lithuanian Sea Museum
31.	Inga	Poland – Russia	Ostroda and Elblag canal
32.	Jelena	Latvia – Russia	Renovated territories by the projects
33.	Katri	Kolarctic	Midnight sun, when the sun does not set at all, 24 hours of daylight
34.	Unda	Estonia – Russia	Tartu Observatory in Tõravere during the EC Day event with Est-Lat on 21 September 2019
35.	Renata	Kolarctic	Maly Karely, Arkhangelsk
36.	Svetlana	Kolarctic	Game of thrones snow village in Levi, stay overnight in Ice Hotel and experience ice sauna
37.	Liane	Estonia – Russia	Tartu City, AHHA centre, EC Day in Tõravere, Tartu County Taru observatory on 21 September
38.	Tuula	SEFR	“Kummakin” bolder “Large balancing rock” at Ruokolahti
39.	JP Bergman	SEFR	Local SPAs by the lake