



# ESPON 2013 Programme

## **Programme Manual**

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**Introduction**

The Programme Manual shall provide easy understandable information on the implementation of the ESPON 2013 Programme and serve as a guide for all involved actors, the Managing and Certifying Authorities, the Monitoring Committee, the Coordination Unit and the beneficiaries.

It includes all the information that in previous Structural Funds periods were included in the Programme Complement. This document is no longer necessary, but the practical information and guidelines on the implementation of the different operations as well as on the management of the programme is immanent for an efficient implementation.

The Programme Manual is conceived as a handbook for the programme bodies as well as a source of detailed information for potential beneficiaries, often as part of Application Packs, and for service providers in relation to calls for tender, by detailing the objectives and implementation provisions for different operations foreseen in the ESPON 2013 Operational Programme.

The Programme Manual is basically structured following the Priorities of the Operational Programme in order to be a flexible document where parts can be used separately, further developed and easily updated, based on experience from the programme implementation.

The Manual seeks to apply a style that is easy understandable for potential beneficiaries and service providers. It is envisaged that the document will be further developed and improved based on experiences gained during the programme implementation and as a consequence of any change decided of the Operational Programme itself.

# 1. The ESPON 2013 Operational Programme

## 1.1 General introduction

The overall aim of the ESPON 2013 Programme is to:

*“Support policy development in relation to the aim of territorial cohesion and a harmonious development of the European territory by (1) providing comparable information, evidence, analyses and scenarios on territorial dynamics and (2) revealing territorial capital and potentials for the development of regions and larger territories contributing to European competitiveness, territorial cooperation and a sustainable and balanced development”.*

In promoting the overall aim the following overall objectives will be strived at:

The ESPON 2013 Programme shall enhance European evidence, knowledge, data and indicators in relation to territorial cohesion and development that in an operational way can serve policy making. In that respect it shall take into consideration what has been/will be achieved by the ESPON 2006 programme.

Policy demand shall define the themes and EU policies to be addressed in applied research actions and ensure a focus towards the policy process. Progress made by the ESPON 2006 programme shall be further deepened and widened depending on demand expressed by policy makers involved. Exploratory efforts and perspective studies shall support policy relevant themes of the future. The applied research shall pave the way for integrated analytical activity in concrete territorial contexts.

A user oriented approach shall ensure capitalisation of the ESPON 2013 Programme. The current ESPON knowledge base is already able to offer operational support to strategic processes in smaller or larger territorial settings and within the themes studied so far. The ESPON 2013 Programme shall through a strong involvement of stakeholders and awareness raising offer targeted analytical deliveries upon demand, responding to needs.

In order to achieve the overall aims the following specific objectives will be pursued in order to ensure a focused and operational programme implementation:

Thematic orientations of applied research shall be based on strategic considerations and will be inspired by policy priorities of the Commission and EU Member States in order to meet the policy demand that is related to European policy processes, particular to progress on territorial cohesion policy, as well as to themes visible in Structural Funds Regulations and other European documents.

The policy-demand approach involving policy makers and practitioners shall be further stimulated and supported through targeted awareness raising, involvement and creation of sensibility to European dimension of regional policy and territorial development among stakeholders across the Community at European, national and regional levels.

Policy demand for applied territorial research and targeted analytical deliveries shall also be revealed by transparent consultations/screenings of interest that are addressed to key stakeholders at European and national level working on issues related to territorial development and in the context of European programmes related to Structural Funds 2007-2013 (in particular, other Interregional cooperation programmes).

Analytical support to the initialisation of territorial cooperation, in clusters and networks, involving regions, urban and rural territories as well as territories with specific characteristics shall be provided through evidence on regional comparative advantages in a European perspective and joint strategies in favour of territorial development, which could have a demonstration effect for other areas. A geographical detail in the actions that can ensure the interest and dialogue previewed, in particular through targeted analysis including more detailed information on regional/local areas shall be ensured, in particular through a more intensive use of case studies.

Quality control and validation of applied research and data as well as a check of their usability shall be an important part of the ESPON 2013 process and will be achieved through (1) programme-external knowledge and competence support for applied research actions on territorial development, (2) a continuous feed-back process on their actual usefulness in the context of targeted analysis, seminars and networking activities involving policy makers and practitioners, and (3) a reinforced programme internal knowledge support.

Knowledge and competence support in relation to territorial development and cohesion shall be ensured and used for validation of results from applied research by task forces/“sounding boards” in an interactive process with the transnational project groups carrying through the projects. For targeted analytical deliveries based on ESPON results the validation and usability check is part of the process and involvement of practitioners.

An ESPON Contact Point network, operative in all EU Member States, shall support awareness raising and involvement of national and regional policy makers and practitioners around Europe and ensure European wide correctness of information in applied research actions by means of blunder checks.

Scientific and intellectual support in the short and long term for conducting applied research in the field of territorial development and cohesion shall be stimulated through cooperation with scientific organisations relevant for a multidisciplinary European community in the field of territorial research.

The ESPON scientific platform shall be improved and maintained, including the ESPON database, indicators, necessary analytical tools and methodologies. Regionalised European dataset (including time series) shall in general be improved by using available sources at European and national level and by ensuring a thorough validation of the quality of results through the knowledge support within the programme and of the comparability of data by statistical support.

A monitoring system for European territorial trends and policy impacts shall be established to ensure relevant information to the target groups on the territorial in relation to policy orientations for a harmonious and balanced EU territory and a territorial cohesion. A networking with national spatial observatories shall support this action.

Public access to ESPON results shall be consolidated, in particular a transparent access to EU wide, comparable and regionalised information and analysis on regional competitiveness and territorial potentials, including under-used potentials of regions and larger territories as well as factors of improved attractiveness, focusing on opportunities for developing new assets, and on sustainable development, qualities of life and the environment.

Conditions for Transnational Project Groups and procedures for applying for ESPON actions shall stimulate many offers and budgetary provisions that can ensure involvement of high qualified project groups.

An efficient and competent coordination and a simple management structure and mechanisms for financial management as well as a sufficient analytical capacity available for providing synthesis of results for policy development shall be ensured.

## **1.2 ESPON 2013 programme priorities and operations**

The situation analysis indicated different strengths, weaknesses, opportunities and threats related to ESPON 2013 Programme. These elements were reflected in a hierarchy of objectives. In order to fulfil these objectives a number of priorities and actions will be carried through.

The ESPON 2013 Programme will carry through activities within 5 priorities at programme level, which reflect the programme strategy and overall objectives defined.

The 5 programme priorities are the following:

- Applied research on territorial development, competitiveness and cohesion: Evidence on territorial trends, perspectives and policy impacts
- Targeted analysis based on user demand: European perspective to development of different types of territories
- Scientific platform and tools: Territorial indicators and data, analytical tools and scientific support
- Capitalisation, ownership and participation: Capacity building, dialogue and networking
- Technical assistance, analytical support and communication.

The programme priorities will be set out as concrete actions by the ESPON Monitoring Committee as an integrated part of the implementation of the ESPON 2013 Programme. However, the operational objectives, main types of actions, operational provisions, target groups and beneficiaries as well as a tentative quantification of expected outputs, results and impacts, form part of each priority.

The ESPON 2013 Operational Programme approved by the European Commission includes more information on the actions envisaged under each programme priority and is available at [www.espon.eu](http://www.espon.eu).

## **2. Priority 1: Applied research on territorial development, competitiveness and cohesion: Evidence on European territorial trends, perspectives and policy impacts**

The SWOT analysis of the ESPON 2006 Programme, undertaken in the course of setting up the ESPON 2013 Programme, clearly indicates that more applied research action is needed for European policy development and that a thematic bias existed in the previous programme in favour of socio-economic knowledge. Actions foreseen under the first programme priority intend, among other things, to continue building new evidence based on comparable information addressing major territorial challenges and priorities. Furthermore, these actions should contribute to the improvement of the existing EU wide information and to strengthening the knowledge and competence capabilities needed to ensure scientifically validated results.

These objectives will be reached through three main types of actions:

- a) Cross-thematic and thematic analysis (defining territorial potentials and challenges), including studies of territorial trends and prospective studies
- b) Territorial impact studies of EU policies
- c) Knowledge Support System (KSS)

### **2.1 Applied research projects: Cross-thematic and thematic analysis and territorial impact of EU policies**

The applied research within the ESPON 2013 Programme will opt for information and evidence on territorial potentials and challenges focusing on opportunities of success for the development of regions and cities. Cross-thematic applied research will be a major activity integrating existing thematic analysis and adding future analysis of new themes. The impact of EU policies will be another important area of analysis. In support of the applied research actions a Knowledge Support System will be put in place to ensure high quality results (see chapter 2.2).

Applied research projects to be conducted under Priority 1 will be oriented towards the demand of policy makers and adopted by the ESPON Monitoring Committee (MC).

#### **2.1.1 Objectives**

The first type of applied research actions will lead to a greater European understanding of the complexity of territorial development. The provision of regionalised, updated information will help identifying potential synergies and/or conflicts among different policies and territorial assets and potentials.

By integrating analysis on different themes for the different territories, prospective studies will add a future oriented time dimension which represents a key element for the preparedness of stakeholders to respond to challenges and exploit new and/or under-used opportunities for development.



Territorial impact studies will provide information supporting the monitoring of policy achievements ex-post thereby allowing for a better understanding of the cause-effect relationships at different territorial levels. The development of sufficiently elaborated methodology for ex-ante impact assessment can, in addition, support the territorial awareness in sector policies.

Evidence on territorial impacts of sector policies, both ex-ante and ex-post, will contribute to the improvement of the coordination and mutual synergies between sector policies and create added value for regional policy and territorial cohesion.

### **2.1.2 Thematic axes**

Progress made by the ESPON 2006 Programme shall be further deepened and widened depending on the demand expressed by policy makers involved in ESPON 2013. Exploratory efforts and prospective studies shall support policy relevant themes of the future. The applied research projects under Priority 1 shall pave the way for integrated analytical activity in concrete territorial contexts.

The framework for applied research is organised in 3 thematic axes:

- (1) Territorial development and the competitiveness of regions, urban and rural territories
- (2) Territorial cooperation
- (3) Territorial impact of EU policies

The area for analysis and data collection will normally comprise all the countries taking part in the ESPON 2013 Programme. With regard to a possible enlargement of the geographical coverage of ESPON projects, EU candidate countries (i.e. Croatia, the former Yugoslav Republic of Macedonia, Turkey) and/or the other countries of the Western Balkans (i.e. Bosnia and Herzegovina, Serbia, Montenegro, Albania, Kosovo under UN Security Council Resolution 1244) might be included, if the data situation in these countries for the specific research issues allows so. An extension of the geographical coverage of an applied research project will, however, be subject to a decision by the ESPON MC.

The framework for potential research themes includes policy orientations and priorities related to Cohesion Policy 2007-2013 and to intergovernmental cooperation set out in policy documents, such as the “European Spatial Development Perspective” and the “Territorial Agenda of the EU”.

The thematic orientation of the applied research shall as well be influenced by an assessment of the coverage and gaps within the ESPON 2006 Programme and can take inspiration from the choices made by the MC on preparatory studies, including on small and medium sized cities, the social dimension of territorial development and territorial impacts of environmental policies. In addition, other themes inspired by user demand can be considered for additional applied research.

In some cases, projects of applied research could be supported by case studies, subject to decision by the ESPON MC.

### **2.1.3 Mapping the demand**

The demand from policy development by members of the ESPON MC will be the key selection criteria for the thematic orientations of applied research projects. Themes in support of territorial cohesion and cooperation will be given high priority along with themes related to the Lisbon Strategy and a sustainable economic development. At any rate, applied research within the ESPON 2013 Programme will give priority to integrated analysis, taking into account several sectors, themes, and/or different territorial dimensions.

Decisions on applied research actions will be taken at several moments in the course of programme implementation. The thematic orientations within the ESPON 2013 Programme should not and cannot be fully decided in advance for a seven year long programme period. Flexibility will have to prevail, giving the MC the opportunity to make thematic choices as policy develops.

A Concertation Committee (CC) will facilitate this process by proposing strategic issues that may be analysed in the framework of applied research projects under Priority 1. It can also give guidance to the ESPON 2013 Programme in relation to the European political agenda, thereby ensuring that territorial evidence can be available at the right moment in time to feed policy development.

In order to map the demand for relevant thematic issues, consultations of stakeholders will be undertaken within the programme period 2007-2013. These will be conducted in the form of questionnaires disseminated widely among stakeholders at European, national and regional levels working on issues related to territorial development and in the context of European programmes related to Structural Funds 2007-2013 (particularly other transnational cooperation programmes). To allow for transparency of this screening process, the questionnaires will be put on the ESPON website to make them accessible to stakeholders that might not be included in a mailing initiative. The ESPON Newsletter will refer to the consultation process to make sure that an extensive number of stakeholders are informed.

Furthermore, ESPON seminars and/or other major events in the context of European territorial development and cohesion policy (e.g. DG meetings) could be made use of to discuss the demand of stakeholders.

The results of these consultations will be processed and condensed by the Coordination Unit (CU), breaking them down in thematic orientations which will then be subject to an intensive dialogue with the MC. The CC can give additional guidance in this process by making the link to the respective current European political agenda.

At least three major rounds of selection of actions by the MC are envisaged to ensure an efficient operation. In addition, single actions might also be decided.

### **2.1.4 Deliveries and outputs expected**

The analytical activities of projects financed under Priority 1 will have to address territorial elements, types and phenomena in a given socio-economic context. Projects will have to approach the issues raised in the project specification developed for each project, by providing solid analysis demonstrating a clear understanding of territorial structures, trends, perspectives and impacts in relation to the socio-economic reality.

Project results shall reflect current scientific knowledge and methodological standards should be presented in such a way to ensure their practical use. Project teams will be requested to strictly follow the given timetable for the implementation of the project in order to coordinate and fit into the relevant political agenda.

The geographical coverage of projects will normally include all the regions and countries taking part in the ESPON 2013 Programme with as much detail as possible, depending on the availability of comparative data. However, the MC might decide to launch a limited number of analysis and studies focusing on smaller geographical entities. It might also initiate projects zooming-out in territorial terms to receive information on a wider context and/or on regions and neighbouring countries or continents not participating in the ESPON 2013 Programme. Regarding the inclusion of EU candidate countries (i.e. Croatia, the former Yugoslav Republic of Macedonia, Turkey) and/or the other countries of the Western Balkans (i.e. Bosnia and Herzegovina, Serbia, Montenegro, Albania, Kosovo under UN Security Council Resolution 1244) in applied research projects, Transnational Project Groups (TPGs) will be asked to assess the respective data situation for the specific research issue they are working on, and to report on that in their inception report. If the data situation allows so, these countries would be covered as well.

The following deliveries are expected from project teams conducting applied research projects:

- **Presentations** of the status-quo of the applied research **at ESPON seminars** which will be organised twice per year<sup>1</sup>.
- Data and maps produced within the framework of the research projects have to be delivered in a format which allows their inclusion in the ESPON Scientific Platform (for maps this should be in a vector format stored in .eps, .pdf or .ai files, whereas for databases this can be in any MS Access compatible format). Maps should be created in two separate layers so that they lend themselves better to further use. The first layer should consist of the map itself, i.e. geographical limits, colours, symbols used in the map, etc. The second layer refers to the legend and captions of a map that could be translated by Member States and Partner States to their respective language to ensure a better dissemination to regional and/or local stakeholders. The maps have to be delivered both in a resolution format which is suitable for presentations, web services, etc., and in a high-resolution format (minimum 300 dpi) which can be easily used for printing.

Regarding the development of new data and maps and/or the use of existing data, TPGs working on projects under Priority 1 should in any case closely cooperate with the TPG being in charge of the development of the ESPON 2013 Database.

- Delivery of **models developed** within the framework of the research project to be included in the ESPON tool box and be made accessible to others.

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<sup>1</sup> If this seems reasonable, depending on the period of time the project will have been underway by the time of the first ESPON seminar within the project's period of implementation (at least 5-6 months). Depending on the nature of the ESPON seminar – internal seminar or one open to all those interested in the programme and its achievements – the presentations will have to address different aspects of the project. (Whereas in an internal seminar individual steps of project development and advancement will be interesting for the audience, in the framework of an external seminar the eventual findings should be in the focus of the presentation.)

- **Dissemination of project results** in the framework of international conferences and seminars, e.g. transnational activities of the ESPON Contact Point (ECP) Network, events organised by the CU. Dissemination activities must be foreseen in the project proposal and be included in a specific work package number 3 “Dissemination” which implementation should run at least six months after the delivery of the project’s final report. However, project teams should consider that their core activity is applied research. The allocation of resources across all work packages shall consequently reflect this aspect. In addition, to ensure the consistency of a project’s dissemination activities with respective activities organised at Programme level, the project team should take into consideration the objectives and actions of Priority 4 of the ESPON 2013 Programme “Capitalisation, ownership and participation: Capacity building, dialogue and networking”, make use of these facilities and opt for complementarity.

In addition to the above, the following series of outputs is compulsory:

- An **Inception report**, consisting of max. 20 pages (plus annexes if relevant), based on the approach outlined in the project proposal, and to be submitted twelve weeks after the Kick-off Meeting. The Inception report consists of two parts. In its content part it should provide a more detailed overview of the research approach to be applied, the methodology and hypothesis for further investigation, as well as the main literature, data sources, etc. In addition, it should reveal the distribution of work packages among partners. Furthermore, in its financial part - with the completion of the template provided by the Programme - the Inception report should as well detail the break down of the project’s budget on the individual partners per budget line. It should be demonstrated by the TPG how the individual work packages are going to be synthesised to produce a coherent project report. The Inception report should throughout the lifetime of the project serve as a basis for assessment of project development. Whenever progress reports or Interim report(s) are submitted they should be checked in relation to the Inception report to see whether progress is being made on the content within the timeframe foreseen.
- One or two **Interim report(s)** depending on the project duration, consisting of max. 50 pages (plus annexes if relevant), and containing an executive summary, outline of methodology, presentation of main results achieved so far, and description of further proceeding.
- **Draft final report**, consisting of max. 50 pages (plus an executive summary of max. 10 pages) of the main results, an analysis of the results including description of territorial development trends and resulting impacts, both short term and long term, interpretation of newly produced maps and – in the case the research addresses themes being dealt with by ESPON 2006 and produces opposing results - an explanation of these differences, and a presentation of proposals for further European applied research, case studies, etc.
- **Final report**, as a revised and improved version of the draft final report on the basis of comments received from the MC, the Sounding Board<sup>2</sup> and the CU. Please note

<sup>2</sup> For each applied research project a Sounding Board will be set up, accompanying the project throughout its life cycle and giving advice to the TPG on both, scientific issues as well as relevance for policy makers.

that the Final report of max. 50 pages is considered as the main output of the applied research project.

All above mentioned reports will have to be delivered both, in a printed version via mail directed to the postal address of the ESPON CU as well as digitally by e-mail directed to the ESPON CU (in case the size of the files does not allow for sending by e-mail the reports can be delivered by upload on the dedicated programme intranet.) Aiming at full transparency the CU will upload reports received on the ESPON website. Deadlines for the submission of the above mentioned reports will be indicated in the project specifications and in the Subsidy Contract and will coincide with the deadlines for the submission of progress reports whose approval will allow for the release of the reimbursement of the incurred costs.

### **2.1.5 Application procedure**

All applied research projects financed under this priority will be subject to calls for proposals. For each thematic issue a project specification will be compiled responding to the research framework described above.

As soon as the launch of a particular call for proposals will have been decided upon by the MC, a pre-announcement of the call will be issued, providing information on the themes that will be included in the call. The pre-announcement will be widely published by adding it to the ESPON website, in the ESPON newsletter as well as in the Official Journal of the European Commission, C series. At the same time, the Member and Partner States participating in the ESPON 2013 Programme will be informed about the planned call so that the information can be nationally disseminated to potential Lead and Project Partners. The pre-announcement will normally be issued eight weeks prior to the publication of the call for proposals.

The pre-announcement procedure is supposed to facilitate the submission of a proposal at a later stage, by giving interested beneficiaries the chance to prepare on beforehand. The pre-announcement offers an opportunity to incorporate ideas of all partners equally, thus ensuring a high level of commitment to the project. As an additional advantage, partners can test how the cooperation works during this preparatory phase before starting implementing actual project activities.

Upon the publication of the call for proposals – via the same channels as the pre-announcement – the respective project specifications will be made available on the website of the ESPON CU ([www.espon.eu](http://www.espon.eu)), outlining the thematic scope of the project, its general objectives, and primary research issues envisaged as well as expected results and a timetable for deliveries.

Calls for proposals will usually be kept open for two months (40-45 working days). Proposals should be submitted according to the application requirements provided and specified in application packs. Standardised application forms will be provided by the ESPON 2013 Programme. Automatic registration of proposals will be ensured.

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Sounding Boards will normally be made up of one scientist and one practitioner. Their tasks will consist of assessing project proposals, giving continuous feedback to TPGs and commenting on their reports.

### 2.1.6 Selection procedure

The selection procedure starts immediately after the deadline set for submitting project proposals. It consists of two distinct assessment parts, an eligibility check and an evaluation. The two parts will time-wise run in parallel. The MC will first decide on the eligibility of proposals received before addressing the results of the content related evaluation resulting in a ranking of the best proposals. The MC will select the best eligible proposal according to the ranking resulting from the content related evaluation. The MC takes the final decision on project approval.

#### **Eligibility criteria**

Project proposals will be checked against the eligibility criteria in order to ensure that they fulfil the technical requirements of the Programme. The eligibility assessment will be performed by the CU.

The check of the eligibility criteria will be documented by ticking boxes of “yes” or “no”, depending on whether the respective evidence has been provided or not. Each project proposal to be assessed has to fulfil the following criteria:

<b>ELIGIBILITY CRITERIA</b>	
1.	Application has been submitted in due time in original <b>and</b> electronic version <sup>3</sup> .
2.	Application is complete and includes the requested administrative forms, supporting documents as well as an anonymous project proposal (the list of supporting documents required will be provided in the specific call), all properly filled according to the detailed instructions provided in Part A and Part B of the Application Form.
3.	The content of the proposal relates to the topic(s) set out in the call.
4.	The partnership involves at least the minimum number of participants given in the specific call.
5.	All partners are eligible (including that solvency of private partners involved is confirmed by the respective Member/Partner State)
6.	The budget limits have been respected.

In case the CU should detect, during the eligibility check phase, one or more of the following omissions in applications received within the deadline given, which would lead to the application being deemed ineligible, the respective Lead Partner will be informed

<sup>3</sup> You are advised to keep a proof of the submission of the postal version within the set deadline in case no date stamp is placed on the envelope by the postal services. Following the electronic submission you will receive an automatic confirmation that your email has successfully reached the programme mailbox. Should you not get the automatic confirmation mail, please check that the application was sent to the correct address and/or that no other error has occurred in order to avoid any problem with the eligibility of your proposal.

in written by fax and offered a maximum of **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report) to correct the omission(s).

The correctable omissions are the following:

- Missing supporting documents **in paper version** as requested in the call: the two annexes of Application Form Part A (3.5b management chart and 3.6b financial flow chart) and as well as solvency documents (if relevant);
- Missing signature and/or missing stamp on a document;
- Missing supporting documents **in electronic version** as requested in the call: the two annexes of Application Form Part A (3.5b management chart and 3.6b financial flow chart).
- Correction of discrepancies in the electronic version of the proposal submitted compared to the paper version sent to the MA (CU) by post, which is considered the valid application in legal terms.

In the first two cases, the listed missing and/or corrected documents, duly signed and stamped, shall be dispatched in original to the CU by registered express delivery within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report). In case of missing electronic versions of supporting documents as well as discrepancies between the electronic and the paper version of the submitted application, the electronic version corresponding to the paper version submitted shall be sent by email to the CU (to the email address indicated in the communication) within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

Any document delivered after the deadline given will not be considered and the proposal will be deemed not eligible. It is advised to all applicants to keep a proof of the sending of the requested documents within the deadline (e.g. receipt of the post office clearly indicating the sending date).

The Lead Applicants of ineligible applications will receive a notification letter specifying the non-fulfilled eligibility criteria.

### **Evaluation criteria**

In parallel with the eligibility check, the evaluation of all project proposals takes place. The Evaluation Committee will be made up of MC members or experts nominated by the MC, representative(s) of the European Commission and a representative of the relevant Sounding Board, normally a scientist. MC members should be prepared to participate in an Evaluation Committee on a rotating basis.

The check of compliance with the evaluation criteria is based on a scoring system and results in a ranking list of all project proposals received.

This step in the selection procedure serves to assess the relevance of the proposals regarding the priorities and objectives of the ESPON 2013 Programme and of the specific call to which they respond. It also looks into the impact of each proposed project, i.e. its importance for stakeholders involved in territorial development on EU, national and regional level.

The evaluation will be based on three types of selection criteria:

- Content related criteria, referring to the anonymous scientific part of the proposal;
- Management related criteria, and
- Partnership related criteria.

<b><u>Content Related Criteria</u></b>
1. Sound concept and quality of the objectives and deliveries (e.g. can the objectives be realistically achieved through the proposed approach and methodology?).
2. Position/innovation in relation to the state-of-the-art in scientific excellence (e.g. do the approach and the results aimed at bring a clear added value compared to other current or past initiatives?).
3. Contribution to advancement of knowledge (e.g. is the project of complementary character to existing research and will not duplicate existing work?).
4. Quality and effectiveness of scientific methodology and associated work plan (e.g. are the components of the work plan logically interlinked?).
5. Contribution to the expected results and impacts of the programme (e.g. how many themes and policies have been deepened and widened within each project compared to ESPON 2006 results?).
6. Appropriateness of measures for the dissemination of project results (e.g. are they conceived in such a way that the adequate target group can be reached?).

<b><u>Management Related Criteria</u></b>
1. Appropriateness and clarity of the management structure and the plan for project implementation (e.g. is the Lead Partner experienced in project management? Are procedures for decision-making and monitoring transparent? Is the timing for individual work packages and the overall work plan convincing?).
2. Transparency of procedures related to ERDF requirements (e.g. are the required audit procedures, that need to be established, in place and are all project partners aware of them?).
3. Appropriateness of the allocation and justification of the resources (budget and staff) among the different work packages and project partners (e.g. is the break down of budget to partners adequate?).

<b><u>Partnership Related Criteria</u></b>
1. Quality and relevance of the presented competences/expertise and of the transnational project group as a whole (e.g. do the relevant partners involved, contribute the required knowledge and experience and are their specific fields of expertise taken account of?).



2. Quality and relevance of experience of the individual partners (e.g. does the accumulated academic and professional background of the team enable them to deal with the thematic and methodological challenges of the project?).

Each criterion will be awarded a score between 0 – 10. Half marks can be given, too. The scores indicate the following with respect to the criterion under examination:

0. No evaluation possible: The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
1. Unacceptable: The proposal almost fails to address the criterion making it very difficult to judge due to missing or incomplete information.
2. Extremely poor. The criterion is addressed very superficial and highly unsatisfactory manner.
3. Very poor. The criterion is addressed in a cursory and unsatisfactory manner.
4. Poor. Serious inherent weaknesses exist in relation to the criterion.
5. Un-sufficient. Inherent weaknesses exist in relation to the criterion in question, which are too serious for correction.
6. Sufficient. The proposal broadly addresses the criterion; however there are significant points that would need correction.
7. Fair. The criterion is addressed sufficiently; however some points would need correction.
8. Good. The proposal addresses the criterion well, although some improvements are still needed.
9. Very good. The criterion is addressed in a convincing way and only minor improvements are needed.
10. Excellent. The proposal successfully addresses all relevant aspects of the criterion in question without any shortcomings.

Each group of selection criteria has a total number of points. No weighting will be applied. However each criterion should be scored with a value of at least 6. Proposals that fail to achieve this minimum score for a criterion will not be further considered in the selection procedure.

The Evaluation Committee will convene after the closure of the call. The committee will include an uneven number of evaluators, normally 5 and at least 3. In case of force majeure, like illness and/or transport delays/cancellation, a different number of evaluators can be accepted.

Evaluators will assess and mark the proposals exactly as they are described and presented. The evaluation will follow a two step approach: assessment and scoring of (1) the anonymous content related part and (2) the management and partnership related part. Evaluators will not make assumptions or interpretations about the project in addition to what is in the proposal. Concise and explicit concluding justification will be given for each proposal as well as comments to scores, where relevant for the evaluator. Evaluation

forms with no concluding comments will be declared inadmissible. Recommendations for improvements to be discussed as part of a possible contracting will be given, if needed.

Once all the members of the Evaluation Committee have completed their individual assessments, the evaluation proceeds to a consensus discussion, supposed to represent the common views and comments of the evaluators. The consensus discussion, which also includes a ranking of proposals, is moderated by the CU who also writes a consensus report containing recommendations for improvements of proposals suggested by the Evaluation Committee. Consensus reports with hand-written corrections of scoring will be declared inadmissible.

Provided that several proposals receive an equal aggregate score, other factors might as well be taken into account by the Evaluation Committee:

- A reasonable geographical distribution of project partners.
- A reasonable involvement of partners from Member States having entered the EU after 1 January 2004.

The CU is responsible for a final editing of the evaluation report for each project specification included in the call. The main objectives of this process are:

- To ensure a sufficient compilation of arguments voiced pro and con the individual proposals evaluated.
- To review cases where a majority/minority view was recorded in the consensus report.
- To clearly reflect the ranking of the majority of evaluators in the consensus report and in the case of equal scoring of several proposals explain the considerations made regarding the additional factors mentioned above, that led to the final ranking.

Taking into account the importance of the TPG's managerial capabilities for the correct project implementation, the Managing Authority (MA) will, through the CU, separately assess the "Management Related Criteria" of the submitted proposals. Should the result of this separate and independent assessment be different from or add to the one obtained by the Evaluation Committee, the recommendations of the CU to the MC will take this opinion of the MA into account.

By signing confidentiality agreements (using no-conflict-of-interest forms) members of the Evaluation Committee guarantee their independence and impartiality during the assessment as well as that the privacy and confidentiality of all proposals will be kept. Declarations of no-conflict-of-interest with negligence mistakes are declared inadmissible. The content of the proposals should not be published or forwarded to persons or institutions which are not directly engaged in the evaluation or decision making. The project idea itself, as well as the description and concept of the project and the structure of the application, remain the property of the project applicant.

### **Decision making**

As indicated in the previous section, the decisions on approved projects will be made by the MC of the ESPON 2013 Programme, based on the results of the eligibility and evaluation processes. The MC will approve the best eligible proposal(s) confirming the

ranking of the content related evaluation (only one proposal will be approved for each of the theme).

This decision will be notified to all Lead Applicants soon after the MC decision. All the Lead Partners of the approved projects will receive a letter from the MA(CU) stating the decision of the MC as well as the total ERDF, EU Member States' and eventually Partner States' national funds approved. The MC decision may include certain conditions, recommendations and/or suggestions for improvements. In this case, the process of contracting, managed by the CU, will include a necessary revision/amendment of the project proposal. The result of this procedure will be the basis for concluding a Subsidy Contract.

All the Lead Applicants of the ineligible or non-approved proposals will receive a notification letter with a brief explanation related to the assessment results. In case Lead Partners of ineligible or non-approved proposals are not satisfied with the decision of the MC, they may put forward an appeal (for more details on the appeal procedure, please refer to chapter 8.12 of the Programme Manual).

### **2.1.7 Contract and duration**

The proposals that are selected for funding and that fulfil the conditions set by the MC will receive a Subsidy Contract, closed between the MA and the respective Lead Partner of the project. The Subsidy Contract shall determine the rights and responsibilities of the Lead Partner and the MA, the scope of activities to be carried out, terms of funding, requirements for reporting and financial controls, etc.

A model of the Subsidy Contract is available on the Programme website ([www.espon.eu](http://www.espon.eu)).

### **2.1.8 Budget**

TPGs conducting an applied research project will be granted a subsidy covering 100% of the real eligible costs incurred for carrying out the project approved. Funding will be made available by the ERDF, the national co-financing will be ensured by EU Member States at programme level and, eventually, by Partner States. Each call will indicate the maximum budget available related to individual project specifications included in the call.

## **2.2 Knowledge Support System**

Within the framework of Priority 1 of the ESPON 2013 Programme, a Knowledge Support System (KSS) will be set up to make sure that projects of applied territorial research will have a sound scientific base and meet a sufficient degree of scientific quality. The KSS will be implemented as a project led by the Managing Authority. The KSS will materialise in several independently operating Sounding Boards, each of which will be responsible for one research project under Priority 1.

### **2.2.1 Composition and role of the Sounding Board in Priority 1 actions**

A Sounding Board will be made up of two experts, ideally one scientist and one practitioner, both experienced in the respective thematic field of research. This composition shall ensure that both, a high scientific quality as well as the user perspective of practitioners will be catered for.

Experts in a Sounding Board will play an advisory role, providing continuous feedback and guidance to the transnational project group (TPG). By doing that, the Sounding Board ensures that projects pursue the approach outlined in the Inception report, and that eventually the expectations underlying the call for proposals will be met.

In order to make best use of the expertise of the Sounding Board from an early stage on, one representative should be involved in the evaluation of project proposals. The CU will make a proposal to the MC on who of the two Sounding Board members should be in the Evaluation Committee. Since an important aspect of the evaluation is to assess the scientific quality of the proposed research approaches, it would normally be the more scientific member of the Sounding Board taking part in the Evaluation Committee.

Sounding Boards will closely follow the progress made by the TPGs and their work will be coordinated by the CU.

The main activities of the project Sounding Boards are:

1. Assessing the project proposals,
2. Giving advice to TPGs,
3. Assessing the results of the applied research projects.

### **2.2.2 Expertise needed**

Experts (i.e. scientists and/or practitioners) taking part in a Sounding Board must have a verifiable sufficient professional experience in a specific field of applied territorial research of the ESPON 2013 Programme. They shall prove their competence by their CV, stating the different stages of their professional career and the main issues they have been dealing with, either in the form of applied research projects being involved in or in the form of research conducted and courses of higher education taught. If applicable, they should add a list of relevant publications they wrote or contributed to.

As mentioned above, the ideal Sounding Board will consist of one scientist from within the field of research addressed by a particular project and one practitioner. While the scientist would concentrate on providing feedback on e.g. research approach, methodologies, etc., the practitioner would focus on keeping a close link between the research going on and the applicability of its results in practice. Against this background, scientists taking part in a Sounding Board need to demonstrate the following expertise:

- Research experience within the precise thematic scope of the project, including insight in relevant territorial structures and territorial trends in the EU 27, candidate and neighbouring countries;
- Research knowledge and expertise in European territorial development, EU Cohesion Policy, as well as all relevant Community policies;

- Profound knowledge of the results of the ESPON 2006 Programme;
- Sound analytical skills and competence in assessing outcomes of research;
- Experience of working in a multidisciplinary team in a transnational setting.

Practitioners, however, should have a comprehensive overview of the information need of stakeholders in the particular field of research to continuously feed that into the project. Acquaintance with the ESPON 2006 Programme and its results would be an additional benefit.

All experts participating in the KSS have to demonstrate very good oral and written communication skills in English, especially regarding text drafting. They should also be prepared to work with deadlines, give advice to project partners, and be easily reached by phone and email.

Finally, potential experts should be familiar with the ESPON 2013 Programme, its objectives, priorities and structure.

### **2.2.3 Tasks and outputs expected from Sounding Boards**

Sounding Boards are expected to be active in specific moments of the project life cycle, as outlined below, and to produce the following outputs:

1. Assessment of content and partnership in submitted project proposals as evaluator in an Evaluation Committee with the same tasks and responsibilities as other evaluators involved.

In order to achieve a high quality level of projects, one of the two Sounding Board experts will be involved in the evaluation of submitted project proposals. The expert will in particular be expected to present strengths and weaknesses regarding the content of the proposals as well as the partnership behind, in relation to the evaluation criteria.

2. Meetings with TPG

Sounding Boards are expected to meet with the TPG at specific moments of the project life cycle. In principle, Sounding Boards and TPGs are expected to meet and discuss:

- a) Following the submission of the Inception Report;
- b) Following the submission of the Draft Final Report.

The meetings should serve the purpose of discussing and clarifying the project reports and results. The exact number of meetings will depend on the project's duration and consequently on the number of reports to be delivered. To make sure that the advice of the Sounding Board can be taken into account by the TPG it will be included, together with comments from the MC, in a CU response to the TPG on the respective report.

3. Commenting project reports

Experts will be asked to give comments in written on the Interim, the Draft Final and Final reports. The exact number of assessments will depend on the number of reports delivered.

Comments on reports will be directed to the CU who will compile all comments received, i.e. from the MC, from ECPs, and forward them to the TPG.

#### 4. Assessment of Final report

At the end of the project life cycle, Sounding Boards will be asked to assess the final report submitted by the respective TPG.

The following table gives an overview of the indicative involvement of the Sounding Board at the different stages of project development:

<b>Evolution of project</b>	<b>Involvement of Sounding Board</b>	<b>Working days required</b> (in total for both SB-members)
Project proposals	Yes – assessment (one SB member)	1
Inception report	Yes - commenting	2
Meeting TPG - Sounding Board	Yes	2
Interim report <sup>4</sup>	Yes – commenting	2
Draft Final report	Yes – commenting	2
Meeting TPG - Sounding Board	Yes	2
Final report	Yes – assessment	2
		<b>13</b>

#### 2.2.4 Application procedure

Experts with a specific thematic background will be selected through a call for expression of interest procedure. However, in case of not receiving enough qualified applications, the MC might take a decision on nominating external experts. Obviously, that kind of decision should be properly justified and the selection be made transparent for audit purposes. Therefore, a scoring procedure will be applied. Only candidates achieving a minimum of 60% of the total score and at least 50% in each of the three evaluation criteria can be considered as qualified enough to be an expert in the ESPON KSS.

It is expected that a call for expression of experts' interest will be launched once every 2-3 years. A list of the specific themes and territorial issues that are relevant within the ESPON 2013 Programme will be included in the call for interest to indicate the expertise needed. The call for interest will be published via the ESPON website, the ESPON newsletter and the Official Journal of the European Commission, C Series. At the same time, the Member and Partner States participating in the ESPON 2013 Programme will be informed about the call so that the information can be nationally disseminated. An application pack will be made available by the CU via the ESPON website.

<sup>4</sup> Normally, only one interim report is foreseen per project. In case of additional Interim Reports, 2 more working days will be required for each additional report.

The calls for expression of interest will normally be opened at least 2 months prior to the launch of a call for project proposals, so respective Sounding Boards will be up and running by the time submitted project proposals will need to be selected. Calls for expression of interest by experts will be kept open for two months (40-45 working days).

Experts interested in being member of a Sounding Board will be asked to send their application form, their CV and any relevant supporting documents to the CU, both by email and in hard copies (one original and one copy). Automatic registration of applications will be ensured.

Experts who will have successfully passed the selection procedure will be included in a database, hosted and maintained by the CU. The exact expertise gathered in the database as well as the availability of experts at the time needed will also influence the frequency and the total number of calls for experts' interest.

Experts for Sounding Boards will be selected in two steps: Firstly, a pre-selection of experts will be made by the CU (MC) from the pool of experts established via calls for expression of interest. The pre-selected experts will be informed about the timing of the relevant evaluation session. Secondly, following the closure of the subsequent call for proposals for applied research projects, the ESPON CU will check submitted proposals for potential conflict of interest with regard to an affiliation of the pre-selected experts to partners behind project proposals. Thereafter, the composition of Sounding Boards will be confirmed by nominating the respective experts and proceeding their contracting.

Applicants for the ESPON KSS should be aware that their participation in a Sounding Board will routinely be deemed impossible if they are legally employed by an institution involved in a proposal submitted for the project that they should follow.

During evaluations of proposals for applied research projects, all selected experts will be asked to sign declarations of no-conflict-of-interest.

### 2.2.5 Selection procedure

The selection procedure starts immediately after the deadline set for submitting expressions of interest. It consists of two distinct assessment parts, an eligibility check and an evaluation, and will be concluded with a ranking list of experts that is forwarded to the MC which takes the final decision.

#### **Eligibility criteria**

The check of the eligibility criteria will be documented by ticking boxes of “yes” and “no”, depending on whether the respective evidence has been provided or not. Each expression of interest to be evaluated has to fulfil the following criteria:

ELIGIBILITY CRITERIA
1. Expression of interest has been submitted in due time in original <b>and</b> electronic version <sup>5</sup> .

<sup>5</sup> You are advised to keep a proof of the submission of the postal version within the set deadline in case no date stamp is placed on the envelope by the postal services. Following the electronic submission you will

2. Expression of interest is complete and includes the requested administrative forms, as well as supporting documents, fully and properly filled in according to the detailed instructions provided in the Application Form.
3. The content of the expression of interest relates to the themes and territorial issues set out in the ESPON 2013 Programme, Annex V.2.1.
4. Applicants fulfil the eligibility criteria specified in the call for interest.

In case the CU should detect, during the eligibility check phase, one or more of the following omissions in applications received within the deadline given, which would lead to the application being deemed ineligible, the respective applicant will be informed in written by fax (in case of non-availability of a fax by registered mail) and offered a maximum of **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report respectively the day following the day of receipt of the registered mail) to correct the omission(s).

The correctable omissions are the following:

- Missing supporting documents **in paper version** as requested in the call (CV, and annexes if relevant).
- Missing signature and/or missing stamp (if available) on a document.
- Missing supporting documents **in electronic version** as requested in the call (CV, and annexes if relevant).
- Correction of discrepancies in the electronic version of the proposal submitted compared to the paper version sent to the MA (CU) by post, which is considered the valid application in legal terms.

In the first two cases, the listed missing and/or corrected documents, duly signed and stamped (if applicable), shall be dispatched in original to the CU by registered express delivery within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

In case of missing electronic version of supporting documents as well as discrepancies between the electronic and the paper version of the submitted application, the electronic version corresponding to the paper version submitted shall be sent by email to the CU (to the email address indicated in the communication) within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

Any document delivered after the deadline given will not be considered and the EoI will be deemed not eligible. It is advised to all applicants to keep a proof of the sending of the

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receive and automatic confirmation that your email has successfully reach the programme mailbox. Should you not get the automatic confirmation mail, please check that the application was sent to the correct address and/or that no other error has occurred in order to avoid any problem with the eligibility of your expression of interest.



requested documents within the deadline (e.g. receipt of the post office clearly indicating the sending date).

### **Evaluation criteria**

The second phase of the assessment starts normally following the decision of the MC on the eligibility outcome. This second step in the selection procedure serves to assess the relevance and quality of the expressions of interest regarding the specific call to which they respond.

The evaluation is based on a scoring system and results in a ranking list of the applications submitted.

<b><u>Evaluation Criteria</u></b>
1. Excellence in research/research management or in policy development and/or implementation (e.g. number of years of professional experience in territorial development/planning as researcher, consultant or practitioner).*
2. International project experience (e.g. number and scale of transnational (research) projects the applicant was involved in).*
3. Expertise in the specific thematic field the applicant expresses his/her interest for (e.g. number of publications in the field, number of years of practical experience in the theme).

Each criterion will be awarded a score between 0 – 10. Half marks can be given, too. The scores indicate the following with respect to the criterion under examination:

0. No evaluation possible: The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
1. Unacceptable: The proposal almost fails to address the criterion making it very difficult to judge due to missing or incomplete information.
2. Extremely poor. The criterion is addressed very superficial and highly unsatisfactory manner.
3. Very poor. The criterion is addressed in a cursory and unsatisfactory manner.
4. Poor. Serious inherent weaknesses exist in relation to the criterion.
5. Un-sufficient. Inherent weaknesses exist in relation to the criterion in question, which are too serious for correction.
6. Sufficient. The proposal broadly addresses the criterion; however there are significant points that would need correction.
7. Fair. The criterion is addressed sufficiently; however some points would need correction.
8. Good. The proposal addresses the criterion well, although some improvements are still needed.
9. Very good. The criterion is addressed in a convincing way and only minor improvements are needed.

10. Excellent. The proposal successfully addresses all relevant aspects of the criterion in question without any shortcomings.

The first two evaluation criteria (marked with \*) should be scored with a value of at least 6. Expressions of interest that fail to achieve the minimum score for these two criteria will not be further considered in the selection procedure. Regarding the third evaluation criterion, a score below 6 in one or more thematic fields selected by the applicant can be accepted if there is at least one thematic field for which the applicant receives the minimum score of 6. Those thematic fields for which an applicant would receive a score below 6 would not be considered as fields of expertise of the applicant. Therefore, the applicant would, upon approval of the MC, only be recorded in the KSS database for the thematic fields in which she/he would have received the minimum score of 6.

The expressions of interest will be marked and assessed exactly as they are described and presented. No assumptions or interpretations will be made in addition to what is in the application. Concise but explicit justification will be given for each score. Evaluation forms with no concluding comments will be declared inadmissible. Equally, evaluation forms carrying handwritten corrections of scoring are declared inadmissible if they are not accompanied by handwritten initials.

The assessment will be prepared by the CU. Once the CU will have completed the individual assessment, the evaluation proceeds to a consensus stage, representing the common views of those having taken part in the assessment of applications. In this framework, the CU will propose ideal combinations of experts for Sounding Boards, taking into account their theoretical and practical background as well as geographical balance and involvement of experts from Member States having entered the EU after 1<sup>st</sup> of January 2004. In the evaluation process consensus reports with hand-written corrections of scoring will be declared inadmissible.

An evaluation report, partly based on the consensus report from the evaluation session, covering both, a ranking list of individual experts as well as a distribution of the most suited experts for the specific Sounding Boards will be produced and forwarded to the MC for decision.

The content of the expressions of interest should not be published or forwarded to persons or institutions which are not directly engaged in the evaluation or decision making.

### **Decision making**

The MC has delegated the selection of the KSS experts and their allocation to specific projects to the MA/CU. The MA/CU has specified in a MA-led project description, the number of experts to be contracted and the total number of days.

Based on an evaluation report the MA/CU will select the best combination of experts for Sounding Boards related to applied research projects. Besides, the MA/CU will indicate experts who will be involved in the evaluation of project proposals. The MA/CU will also keep a reserve list of experts who might be contracted in case of any problem of signing the contracts with originally elected experts.

The decision of the MA/CU will be notified to all applicants having submitted an expression of interest.

Those experts, who will have passed the evaluation but will not immediately be selected to participate in a specific Sounding Board, will be recorded in a database by the CU. Once experts are recorded in this database for potential Sounding Board members they will remain there until the end of the programming period, unless they ask for deletion.

All the Lead Applicants of the ineligible or non-approved EoI will receive a notification letter with brief information on the assessment results. In case Lead Applicants of ineligible or non-approved EoI are not satisfied with the decision of the MC, they may put forward an appeal (for more detail on the appeal procedure, please refer to chapter 8.12 of the Programme Manual).

### **2.2.6 Contract and duration**

The MA will conclude individual service contracts with each of the selected experts. Contracts between experts and the MA will outline the obligations of experts as well as their relations to the TPG and the CU. The contract will be valid throughout the lifetime of the applied research project, for some experts also covering the project selection procedure. Experts' contract duration will depend on the particular project the expert is responsible for.

### **2.2.7 Budget**

The total contracted sum will depend on the number of expected working days (depending on the length of the applied research project the Sounding Board is going to advice) and the number of outputs that are going to be requested. In any case, the contracted daily fee would be limited to 750 € per working day all taxes included.

The travel reimbursement rules for the KSS experts are as follows:

- Experts will be granted for each travel a total amount of 300 EUR for travel up to 300 km one way (between the country of residence and the location of the meeting) and 750 EUR for any other travel. These costs will have to be included in their invoicing to the MA.
- Experts will however have the possibilities to claim travel cost on the basis of the real cost incurred and this according to the standard travel reimbursement rules applicable.

In the latter case, costs incurred for travelling and accommodation in relation to Sounding Board tasks will be reimbursed by the CU according to the travel reimbursement rules that will be communicated to the experts. However, subsistence costs must not exceed the usual thresholds set by the ESPON 2013 Programme. Travel reimbursement rules and thresholds are available on the ESPON website ([www.espon.eu](http://www.espon.eu)).

Payments (interim and final) to the experts will be made upon submission of the relevant invoice accompanied by a short activity report listing the tasks accomplished, the meetings attended and copies of comments/assessments/deliveries provided to the CU during the relevant period covered by the invoice. Payments will be released within 45 days from the approval of the activities and relevant deliveries by the MA of the ESPON 2013 Programme.

### **3. Priority 2: Targeted analysis upon demand**

Priority 2 offers a framework for a new type of projects within the ESPON Programme, supporting the use of existing results in partnership with different groups of stakeholders.

Introducing a new approach to the generation of project ideas as well as to the implementation of projects, it provides an opportunity to stakeholders for (1) enhancing their understanding of the larger territorial context, (2) making comparisons to other territories, regions and cities, and (3) hereby providing a European perspective to considerations on the development of their territories.

#### **3.1 Basics of the targeted analyses and their implementation**

##### **What can stakeholders gain?**

Stakeholders engaging in targeted analyses delivered by ESPON will obtain customised and up-to-date information that they can make use of for policy development, the set up of strategies, and/or implementation measures related to their territorial reality.

The targeted analytical input should be of particular interest to stakeholders wanting to add a European dimension to the information and knowledge about their territorial context and opportunities for development.

##### **Who are the stakeholders?**

The particular stakeholders that can be considered by the Monitoring Committee (MC) are:

- Public authorities at European level and on all administrative levels of EU Member States and ESPON Partner States involved in processes implementing EU Cohesion Policy, i.e. the Territorial Cohesion objective, including the Community Strategic Guidelines and National Strategic Reference Framework strategies as well as territorially relevant aspects of Structural Funds Programmes under the objectives of Convergence and Competitiveness.
- Authorities responsible for implementing Structural Funds Programmes 2007-2013 under Objective 1, 2, and 3, including programmes dealing with cross-border, transnational and interregional cooperation as well as INTERACT and URBACT.
- Groups of public authorities at regional/local level representing regions and/or cities from at least three countries participating in the ESPON 2013 Programme and having a common interest in support from ESPON analyses for the purpose of gaining European perspective/context experience and/or knowledge on common challenges related to their territorial and/or urban development.

Only public authorities located in the EU territory or situated in a country participating in the ESPON 2013 Programme (Iceland, Liechtenstein, Norway or Switzerland) are eligible stakeholders. Following the decision of the ESPON 2013 Monitoring Committee a public authority is a body which has got a public mission, which can implement public policy and execute public tasks.

In the framework of the third type of actions, and in the case of cross-border cooperation programmes along external EU borders in Programmes under Structural Funds (SF), the eligible stakeholder will be the Managing Authority of the cross-border programme (located in the EU territory). However, public authorities representing the regional/local/national authorities involved in the cross-border programme, can also be involved in the steering of the Targeted Analysis and participate in meetings and events organised by the project stakeholder(s).

Organisations representing (types of) regions and cities as well as international networks related to EU regional policy or other policy areas cannot be considered as potential stakeholders. Representatives from such bodies can, in their capacity to facilitate cooperation between different stakeholders, be involved in the implementation of targeted analyses as members of Steering Committees or in a similar way.

### **Partnership and input of stakeholders**

Partnership in the project implementation is vital in order to achieve useful results. This applies to both, the partnership between the ESPON Programme and stakeholders, as well as between the team of experts and the stakeholder representatives.

Stakeholder involvement is essential throughout the project's life-cycle. This will encompass elements such as:

- Definition and development of the targeted analysis.
- Selection of the most appropriate team of experts to conduct the analysis.
- Steering and guidance of the targeted analysis and the group of experts.
- Provision of information to the analysis (e.g. detailed data; qualitative inputs).
- Applying the analytical output in practise and dissemination of project results.

The success of projects on targeted analysis highly depends on stakeholders' commitment to work together with researchers and to engage them in making use of the targeted analytical outputs provided within their daily work on matters and policies related to regions, cities and larger territories.

The team of experts being engaged for carrying through a targeted analysis will be carefully selected ensuring their preparedness and willingness to work in partnership with stakeholders. This may imply a different approach towards their usual research and analytical work, as stakeholders' needs and specific interests have to be taken into account.

In this respect, Priority 2 projects will contribute to the use of ESPON results in practise and to the involvement of policy makers, practitioners and scientists in a joint synergetic process.

**Operational results**

The project implementation shall ensure operational results in relation to the specific type of action (see chapters 3.3.1 to 3.3.3). This may imply an involvement of stakeholders, e.g. as members of a steering group. The commitment of key stakeholders needs to be ensured in order to reach this objective.

The analysis shall make use of existing ESPON results both, of the previous and the current programme period, and be enriched by more detailed information and practical know-how provided by stakeholders.

The ESPON projects shall have a European-wide relevance, i.e. be of interest beyond the actual stakeholders involved. A mechanism for dissemination of results will therefore be an integral part of the project implementation. Existing European networks provide wider audiences that should be included in the transfer of the results and use of the targeted analysis.

**A two-step procedure towards targeted analyses**

The stakeholders considered eligible for this type of projects include public authorities either (1) at European level and in EU Member States and ESPON Partner States (Iceland, Liechtenstein, Norway and Switzerland) dealing with territorial matters, or (2) involved in Structural Funds Programmes or (3) representing groups of regions and cities (see chapter 3.1 for a definition of groups of regions and cities).

Setting up the actions under this priority follows a two-step process:

(1) In a first step, stakeholders are invited to voice their interest for information/knowledge in relation to one of the three types of action under Priority 2 (see below) by submitting expressions of interest including project ideas. Expressions of interest selected by the ESPON MC will be the basis for project specifications for the targeted analyses that will be delivered by ESPON. These specifications will be set up with the active involvement of the stakeholders who submitted the respective expressions of interest.

(2) As the second step, these project specifications will be published in the framework of a call for proposal/tender for targeted analysis which will result in the selection of the best proposal/tender submitted and through this the TPG/team<sup>6</sup> of experts that entail the analytical capacity necessary. The TPG/team of experts will implement the targeted analysis in a partnership process with the stakeholders behind the selected projects.

No direct financial contributions or co-financing will be requested from stakeholders in implementing selected actions. However, stakeholders will be expected to cover personnel and travel costs for their own active involvement in the implementation and use of the targeted analysis provided.

**What is the difference to ESPON applied research?**

The distinction between Priority 1 and Priority 2 projects can be seen from the following overview:

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<sup>6</sup> Depending on the budget of the project – please refer to chapter 8.3.1.

	Priority 1	Priority 2
Project idea	ESPON MC	Policy makers & practitioners
Process	One-step process (Call for proposal)	Two-step process (Call for expression of interest; Call for proposal)
Project approach	Applied research providing new European wide results	Use of existing ESPON results, integrating them with practical know-how of and detailed information from stakeholders
Actors	TPG (researchers only)	TPG/Team of experts & stakeholders in partnership
Relationship	Results may feed Priority 2 actions	Results should feed operational use and may reveal needs for applied research under Priority 1

### 3.2 Objective of the targeted analysis

The aim is to carry through targeted analyses in partnership with policy makers and/or practitioners showing an interest in gaining awareness of European evidence, information, experience and/or knowledge on common challenges related to their territorial and/or urban development.

The individual targeted analysis shall support better informed policy decisions by:

- Integrating ESPON findings with more detailed information and practical know-how, either from a territorial part of Europe or from a sector authority.
- Contributing to a sound knowledge of territorial development perspectives/trends through new understanding of future development potentials and challenges for the respective territorial and/or urban development.

On the basis of the interest and ideas expressed by stakeholders in calls for expression of interest, the MC will be responsible for selecting actions of targeted analyses to be carried through by TPGs or teams of scientists/experts.

The target groups for the results of the user driven targeted analytical deliveries based on ESPON results are:

- (1) Policy makers and practitioners involved in carrying through programme and project activities outside and within Structural Funds' funded programmes;
- (2) Research institutes and universities carrying through the analysis.

The main difference between targeted analyses under Priority 2 and the rest of the ESPON 2013 Programme is the purpose of user involvement and the use of existing ESPON results.

### 3.3 Types of actions

Projects under Priority 2 can have different foci and accordingly vary in their content. In order to have a clear distinction between the various possible project orientations, each project needs to be clearly allocated to one of the following types of action:

- 1) Integrated studies and thematic analysis;
- 2) Knowledge support to experimental and innovative actions;
- 3) Joint actions related to other Structural Funds Programmes.

Independent of the type of action, each project should have a European perspective (i.e. supporting the understanding of the wider European context), a clear transferable character and a concrete implementation part, focusing on specific territories.

The analytical approach can provide integrated, cross-thematic analyses, study individual themes or sectors, or focus on a specific type of territories. At any rate, ESPON findings shall be integrated and supplemented with more detailed information and practical know-how, either from a territorial part of Europe or from a sector authority. Analyses can include/be based on case studies. The geographical coverage will normally have a more limited territorial coverage than the entire European territory.

#### 3.3.1 Integrated studies and thematic analysis

This type of action is foreseen to follow a “traditional” analytical approach using existing results of ESPON applied research and other studies. The analysis can integrate several themes relevant for certain types of territories, regions and/or cities or they can be less comprehensive in the approach by focusing on one or a few themes.

##### **Objectives**

The main objectives are:

- 1) To provide added value for territorial development of specific types of territories<sup>7</sup> by offering new comparative insight and understanding on territorial potentials and challenges from a European perspective;
- 2) To ensure that other (similar) types of territories/regions can benefit from the output of the analysis.

It is expected that groups of regions and/or cities across Europe as well as national authorities that are facing common challenges will be interested in territory specific and yet transferable analyses giving insight in their position in a European territorial context, e.g. how territories, types of regions and cities with similar challenges best develop their policies and strategies.

Studies or analyses could, for instance, look into a specific theme or potentials of certain types of regions, and assess their position in the European context. Contributing to the

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<sup>7</sup> Types of territories codified for the territorial dimension, include urban, rural-mountains, rural-islands, rural-area (sparsely and very sparsely populated), rural-other, former external border, area dependant on fisheries, outermost regions, transnational cooperation areas, cross-border cooperation areas and interregional cooperation areas (as listed in the ESPON 2013 Programme, p. 9).



assessment of the position of a region in a larger territorial context, cross-thematic studies can be of particular importance. Furthermore, this type of action offers the opportunity to break down existing ESPON results to a lower level, and to enrich them with specific regional/local knowledge/evidence. ESPON results can thereby be made more easily accessible and comprehensible for stakeholders below the national level. They can also provide an additional dimension to the development of strategies and policy making for the stakeholders involved.

### **Outputs expected**

The outputs expected are integrated analyses providing insights in the state of development, the challenges and potentials of particular territories/types of regions/cities by including a number of sectors and addressing potential synergies. Results can also concentrate on a particular theme. In both cases, the outcome of the interaction between the European perspective/dimension and the national/regional/local one is expected to deliver added value to the stakeholders involved. Results shall lend themselves to practical application/use by the stakeholders involved in the project.

### **3.3.2 Knowledge support to experimental and innovative actions**

This type of action clearly allows for the implementation of projects that differ from the mainstream of the ESPON 2013 Programme by being more experimental and/or innovative in character. It is in a way a laboratory for developing ways of meeting main territorial challenges that Europe is confronted with.

### **Objectives**

The objectives are:

- 1) To support experimental and innovative actions carried through in partnership with stakeholders with European knowledge on territorial structures, trends, perspectives and policy impact;
- 2) To provide methodological support to experiments and innovative efforts.

Project activities should go beyond a traditional format of analyses and case studies and proactively explore new avenues of creating territorial development, meeting main challenges and proposing innovative actions. They could inspire strategy building and planning processes and/or, particularly through their innovative approach, stimulate creativity on new ideas for applied research projects under Priority 1 of the ESPON 2013 Programme.

Innovative actions can in principle include actions improving the economic, social and environmental situation and performance of the territory in question. They can, for instance, relate to more comprehensive territorial visions and strategies including the larger territorial context. The actions can as well relate to governance issues related to implementing territorial cooperation in practice and to training efforts related to the use of ESPON results e.g. how to work with visions and scenarios, how to read regional relevance out of ESPON maps, how to use methodologies and techniques applied in ESPON, or how to relate in practice to a European perspective in regional/local efforts to shape development. Finally, an action could also be considered to be innovative and/or of

experimental character, if stakeholders of different regions work together for the first time.

### **Outputs expected**

Outputs expected include analytical/methodological inputs to visions, scenarios and strategies for the development of certain territories/types of territories as well as proposals for actions to be carried out by stakeholders which support innovative measures for the territory in question. Outputs can as well include new avenues to deal with major territorial challenges facing Europe, its regions, cities and larger territories. Even though more experimental and innovative in character, results shall lend themselves to practical application/use by the stakeholders involved in the project.

In the approach to major territorial challenges priority would be given to experimental and innovative project ideas meeting territorial challenges addressed by European policy orientations, such as:

- Demography:  
Fertility, ageing and migration processes.
- Economy:  
Globalisation, increasing global pressure to restructure and modernise, new emerging markets & technological development.
- Climate change:  
New hazard patterns, changing potentials.
- Energy supply and efficiency:  
Increasing energy prices.
- Transport and accessibility/mobility:  
Saturation of euro-corridors, urban transport.
- Geography:  
Territorial concentration of activities, mainly economic, in the core area of Europe, the process of metropolisation and further EU enlargements.

These challenges may impact on different types of regions, cities and larger territories in different ways and require diverse policy responses.

### **3.3.3 Joint actions related to other Structural Funds Programmes**

The joint actions related to other Structural Funds Programmes take a geographical starting point in the area covered by these programmes, be it transnational, cross-border, interregional, regional or urban territories. The content of these actions can be integrated and thematic analyses and they can be experimental and innovative of nature (as described above in chapters 3.3.1 and 3.3.2). A main prerequisite is that they are justified by supporting Structural Funds Programme implementation.

### **Objectives**

The objectives are:

1) To provide information and analyses on the European position of these areas, their comparability with other similar areas, and their potentials and challenges, useful for Structural Funds Programmes (regional, cross-border, transnational, interregional and urban);

2) To provide methodological support for strategic processes, including visions and scenarios for spatial development and planning.

It is expected that project results will support decisions on concrete actions such as documents on strategic development or Structural Funds actions involving several stakeholders from regions and cities as well as national level. Projects should have a particular collaborative approach between actors from different countries.

### **Outputs expected**

Outputs expected include support to programme implementation and ideas for definition of projects providing added value to the development of the territory covered by the Structural Funds Programme in question.

The following table gives a brief overview on the three types of action under Priority 2:

	<b>Type of action 1</b>	<b>Type of action 2</b>	<b>Type of action 3</b>
<b>Eligible stakeholders</b>	Groups of at least 3 regions and/or cities (i.e. a minimum of 3 public authorities <sup>8</sup> at regional/local level representing 3 different countries participating in ESPON 2013 Programme);  Public authorities at EU and national administrative levels (i.e. when public authorities at national level are behind an EoI no minimum representation of different countries participating in ESPON is required)	Groups of at least 3 regions and/or cities (i.e. a minimum of 3 public authorities <sup>9</sup> at regional/local level representing 3 different countries participating in ESPON 2013 Programme);  Public authorities at EU and national administrative levels (i.e. when public authorities at national level are behind an EoI no minimum representation of different countries participating in ESPON is required)	Authorities responsible for implementing Structural Funds Programmes 2007 - 2013 Objective 1, 2 and 3 (i.e. when an authority responsible for implementing Structural Funds is behind an EoI no minimum number of partners is required for submitting the EoI)
<b>Is is not consistent with the OPKey aspects to consider</b>	More reactive, “traditional” approach, based on existing ESPON results, though not necessarily limited	More proactive, experimental and/or innovative approach	Either of the two approaches <u>but</u> focused on existing Structural Funds Programme

<sup>8</sup> Please refer to the definition of public authority available at page 28)

<sup>9</sup> Please refer to the definition of public authority available at page 28)

	to these		
<b>Outputs</b>	Analyses of specific territorial potentials from a European perspective	Analytical input to territorial visions/ strategies/scenarios/ tools or to dealing with major territorial challenges	Either of the two outputs <u>but</u> focused on Structural Funds Programme area

### 3.4 Mapping the demand of stakeholders

In the course of programme implementation, ESPON will invite potential users through calls for expression of interest to propose project ideas. After the screening of the proposals received, a selected number of project ideas will be chosen by the MC and developed into project specifications/terms of references in close partnership with the respective stakeholders. The project specifications/terms of reference will be the basis for calls for proposals/tenders from TPGs or transnational teams of researchers/experts for carrying through the analysis requested.

Screenings of demand for targeted analyses by stakeholders shall be carried through at least 2-3 times during the implementation of the programme.

#### 3.4.1 General principles

In principle, the generation of project ideas for Priority 2 actions is conceived as a bottom-up approach, i.e. policy makers and practitioners shall voice their information and knowledge needs by expressions of interest that shall then be met by respective actions. The results of these actions shall, in turn, be put into use by afore mentioned stakeholders.

The MC will decide the timing of subsequent calls for expressions of interest.

Project ideas of stakeholders may be appropriate for a project under Priority 2 if an analysis of the proposed issue can contribute to policy development of the territories in question. The most prevailing territorial challenges at this point in time are known, however new themes will obviously appear on the policy agenda. Themes vary according to the territorial diversity in Europe. Therefore, it has not been considered appropriate to concentrate a call for interest on certain thematic issues, as there must be enough flexibility, also to cater for new needs occurring until the end of the current programme period.

#### 3.4.2 Application Procedure

A call for expression of interest will normally be launched including a public event where comprehensive information will be given on the application procedure. Stakeholders will also be informed about the call for expression of interest via the ESPON newsletter, the ESPON website as well as the Official Journal of the European Commission, C series. At the same time, the Member and Partner States participating in the ESPON 2013 Programme will be informed about the call so that the information can be nationally disseminated to stakeholders.

The publication of the call for expression of interest will include information on the type(s) of action for which proposals are requested and the general objectives of this type of projects. In order to offer guidance for the formulation of the expression of interest an application form will be provided on the website of the ESPON 2013 Programme.

Expressions of interest should be submitted by stakeholders as defined in chapter 3.1 (see above). In the case of type of action 1 and type of action 2, these can be either a group of regions and/or cities, i.e. a partnership of at least three public authorities at regional/local level representing three different countries participating in the ESPON 2013 Programme, or a public authority at EU and national administrative level (i.e. no minimum representation of different countries participating in ESPON). In the case of type of action 3, stakeholders should be Managing Authorities for Structural Funds Programmes 2007 – 2013.

Only public authorities located in the EU territory or situated in a country participating in the ESPON 2013 Programme (Iceland, Liechtenstein, Norway or Switzerland) are eligible stakeholders.

In the framework of the third type of actions, and in the case of cross-border cooperation programmes along external EU borders in Programmes under Structural Funds (SF), the eligible stakeholder will be the Managing Authority of the cross border-programme (located in the EU territory). However, public authorities representing the regional/local/national authorities involved in the cross-border programme, can also be involved in the steering of the Targeted Analysis and participate in the meetings and events organised by the project stakeholder(s).

In case of thematic or territorial intersections/overlaps among two or more expressions of interest submitted, it may be proposed that the respective stakeholders cooperate and form a larger grouping of stakeholders.

Calls for expression of interest will usually be kept open for two months (40-45 working days). Interested stakeholders will be asked to forward their expression of interest in both, hardcopies (one original and one copy) and digital format to the attention of the CU, making use of the standard application form for that particular purpose provided via the ESPON website.

A lead partner principle shall be applied in situations when several stakeholders are behind an expression of interest.

### **3.4.3 Selection Procedure**

The selection procedure starts immediately after the deadline set for submitting project ideas. It consists of two distinct assessment parts, an eligibility check and an evaluation, and will be concluded with a short-list of project ideas that is forwarded to the MC which takes the final decision on approval of ideas for targeted analyses to be carried through in partnership.

#### **Eligibility criteria**

At first, expressions of interest will be checked against the eligibility criteria in order to ensure that they fulfil the technical requirements of the Programme. The eligibility assessment will be performed by the CU.

The check of the eligibility criteria will be documented by ticking boxes of “yes” and “no”, depending on whether the respective evidence has been provided or not. Each project idea to be evaluated has to fulfil the following criteria:

ELIGIBILITY CRITERIA
1. Expression of interest has been submitted in due time in original <b>and</b> electronic version <sup>10</sup> .
2. Expression of interest is complete and includes the requested administrative forms and supporting documents (the list of supporting documents required will be provided in the specific call), all properly filled in according to the detailed instructions provided in the Application Form.
3. The content of the expression of interest relates to the type of action set out in the call.
4. All stakeholders involved are public authorities at local/regional/national level or Managing Authority of programmes under Structural Funds (please, refer to the definition of public authorities provided at page 28).
5. All involved partners fulfil the eligibility criteria specified in the call for interest (e.g. minimum number of public authorities at regional/local level in the case of the first two types of actions)

In case the CU should detect, during the eligibility check phase, one or more of the following omissions in applications received within the deadline given, which would lead to the application being deemed ineligible, the respective Lead Stakeholder will be informed in written by fax and offered a maximum of **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report) to correct the omission(s).

The correctable omissions are the following:

- Missing supporting documents in paper version as requested in the call (letter(s) of commitment).
- Missing signature and/or missing stamp on a document.
- Correction of discrepancies in the electronic version of the application submitted compared to the paper version sent to the MA by post, which is considered the valid application in legal terms.

<sup>10</sup> You are advised to keep a proof of the submission of the postal version within the set deadline in case no date stamp is placed on the envelope by the postal services. Following the electronic submission you will receive an automatic confirmation that your email has successfully reached the programme mailbox. Should you not get the automatic confirmation mail, please check that the application was sent to the correct address and/or that no other error has occurred in order to avoid any problem with the eligibility of your proposal.

In the first two cases, the listed missing and/or corrected documents, duly signed and stamped, shall be dispatched in original to the CU by registered express delivery within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

In case of discrepancies between the electronic and the paper version of the submitted application, the electronic version corresponding to the paper version submitted shall be sent by email to the CU (to the email address indicated in the communication) within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

Any document delivered after the deadline given will not be considered and the EoI considered not eligible. It is advised to all applicants to keep a proof of the sending of the requested documents within the deadline (e.g. receipt of the post office clearly indicating the sending date).

If the content of an expression of interest should not relate to the type of action set out in the call, it can be further considered in the selection procedure for the type of action it fits to, given that (1) this particular type of action was also covered by a call for expression of interest at the same time; and (2) subject to approval of the stakeholder(s) having submitted the expression of interest. In the event that the type of action, the application should actually be allocated to, was not subject of a call for expression of interest at that specific point in time, the application will be considered ineligible and the respective applicant will be notified accordingly.

The outcome of the eligibility checks has to be confirmed by the MC. Only those expressions of interest that will have fulfilled the eligibility criteria will be subject to the subsequent qualitative evaluation. Stakeholders that submitted ineligible applications will receive a notification letter specifying the non-fulfilled eligibility criteria.

### **Evaluation criteria**

The evaluation is based on a scoring system and results in a list of expressions of interest that is forwarded to the MC for decision.

This second step in the selection procedure serves to assess the relevance of the expressions of interest regarding the existing knowledge available, primarily within the ESPON Programme, and of the specific call to which they respond. It also looks into the impact of each proposed project idea, i.e. its importance and operational use for stakeholders involved in territorial development on EU, national and regional level.

The general evaluation criteria that need to be met by all expressions of interest, independent of the type of action they address, are the following:

<b>GENERAL EVALUATION CRITERIA</b>	
1.	Presence of a European perspective/dimension in the targeted analysis.
2.	Degree of transferability and added value of expected results (e.g. geographical coverage of stakeholders involved should be typical for a certain typology of

cities/regions).
3. Operational use and implication of the analytical results envisaged by the stakeholders involved (e.g. how are the results related to stakeholder processes?).
4. Degree of competent involvement of stakeholders in the targeted analysis (e.g. how do they intend to provide appropriate know-how and give access to all necessary data and documents for analysis to the team of experts?).
5. Measures for the dissemination of the experience made with project results (e.g. are they conceived in such a way that a wide target group can be reached?).
6. Contribution to the expected results and impacts of the ESPON 2013 Programme (e.g. has the theme/topic already been covered by another action under Priority 2?).

In addition, one specific criterion will be taken into account for each of the three types of action:

<b>SPECIFIC EVALUATION CRITERIA</b> <b>Depending on Type of Action</b>	
<b>1. Integrated studies and thematic analysis</b>	Degree to which the action provides new comparative insight and understanding of the state, trends, perspectives and/or policy impacts from a European perspective for the territories, regions and cities involved.
<b>2. Knowledge support to experimental and innovative actions</b>	Degree of innovative and/or experimental character of the action and ability to approach major territorial challenges (e.g. has the approach/methodology been applied before in this particular type of territory?).
<b>3. Joint actions related to other Structural Funds Programmes</b>	Depending on whether the action is supposed to be of more “traditional” character or more innovative character, one of the two above mentioned criteria will apply.

Stakeholders should, when expressing an interest, give a brief presentation of the territory for which the analysis should be conducted (incl. key data on size, population, economic strength, challenges).

Stakeholders submitting an expression of interest should nominate one representative that will function as Lead Partner.

Each criterion will be awarded a score between 0 – 10. Half marks can be given, too. The scores indicate the following with respect to the criterion under examination:



0. No evaluation possible: The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
1. Unacceptable: The proposal almost fails to address the criterion making it very difficult to judge due to missing or incomplete information.
2. Extremely poor. The criterion is addressed very superficial and highly unsatisfactory manner.
3. Very poor. The criterion is addressed in a cursory and unsatisfactory manner.
4. Poor. Serious inherent weaknesses exist in relation to the criterion.
5. Un-sufficient. Inherent weaknesses exist in relation to the criterion in question, which are too serious for correction.
6. Sufficient. The proposal broadly addresses the criterion; however there are significant points that would need correction.
7. Fair. The criterion is addressed sufficiently; however some points would need correction.
8. Good. The proposal addresses the criterion well, although some improvements are still needed.
9. Very good. The criterion is addressed in a convincing way and only minor improvements are needed.
10. Excellent. The proposal successfully addresses all relevant aspects of the criterion in question without any shortcomings.

Each group of selection criteria has a total number of points. No weighting will be applied. However each criterion should be scored with a value of at least 6. Proposals that fail to achieve this minimum score for a criterion will not be further considered in the selection procedure.

The expressions of interest will be marked and assessed exactly as they are described and presented. No assumptions or interpretations about the project idea will be made in addition to what is in the application. Concise but explicit justification will be given for each score. Evaluation forms with no concluding comments will be declared inadmissible. Equally, evaluation forms carrying handwritten corrections of scoring are declared inadmissible if they are not accompanied by handwritten initials. Any recommendations for improvements to be proposed to the stakeholders will be included as well.

The assessment will be prepared for the MC by the CU. Once the individual assessments are completed, the evaluation proceeds to a consensus discussion, integrating the views of those having taken part in the assessment. A consensus report will be produced, also including any proposals for improvements. Consensus reports with hand-written corrections will be deemed inadmissible.

The content of the assessment will not be published or forwarded to persons or institutions which are not directly engaged in the evaluation or decision making. The project idea itself included in the expression of interest, as well as the description,

concept and structure of the idea for a targeted analysis remains the property of the stakeholder(s) behind the idea.

### **Decision making**

Decisions on project ideas for targeted analysis will finally be made by the MC of the ESPON 2013 Programme, based on the results of the eligibility check and of the evaluation of the EoI. All EoI will be evaluated and the result of the evaluation will generate a ranking of the EoI received for the call in question. After having decided on the eligibility of EoI, the MC will confirm the best applications resulting from the ranking of EoI.

The number of EoI that will be approved will be decided by the MC prior to the launch of a call for EoI. This will be done either as a specific number of EoI or as a total budget allocation for the implementation of the related Targeted Analyses. The decision of the MC will opt at a selection of EoI that ideally includes actions from the three different types of actions.

The result of this exercise will be made transparent by providing the MC with a list including all expressions of interest received and the information below:

- The scoring resulting from the evaluation and the result of the eligibility check.
- A compilation of suggestions for improvements from the assessment of the expressions of interest that could include proposals for merging expressions of interest and/or improve the content of the targeted analysis envisaged.

For the approval of the best EoI, provided that the above conditions are met (i.e. eligibility and evaluation criteria), the following factors might as well be taken into account by the MC in case of equality in scoring:

- Relevance of the proposed project idea with respect to the type of action(s) covered by the call and with respect to the programme.
- A reasonable involvement of partners from Member States having entered the EU after 1<sup>st</sup> of January 2004.

Following the decisions of the MC, all stakeholders, having submitted an expression of interest, will be informed in written about the outcome of the selection procedure. All stakeholders whose expression of interest could not be approved will receive a notification letter with brief information on the assessment results. Similarly, all stakeholders behind approved expressions of interest will receive a letter from the MA (CU) stating the decision of the MC as well as a maximum budget foreseen for the targeted analysis. The decision may include certain recommendations for improvements deriving from the results of the evaluation assessment, which will be discussed with the stakeholder when setting up the project specification.

Selected project ideas will at a next stage be developed into project specifications/terms of reference for a call for proposal/tender.

All the Lead Applicants of the ineligible or non-approved EoI will receive a notification letter with brief information on the assessment results. In case Lead Applicants of ineligible or non-approved EoI are not satisfied with the decision of the MC, they may

put forward an appeal (for more detail on the appeal procedure, please refer to chapter 8.12 of the Programme Manual).

### **3.5 Setting up the analysis**

#### **3.5.1 Role of the stakeholders in the setting up phase**

Stakeholders whose project ideas have been accepted by the MC will be considered partners in the further specification and setting up of the targeted analysis. This involvement will include the elaboration of detailed project specifications/terms of reference as well as the assessment of proposals/tenders from potential TPG/team of experts supporting the decision of the MC on the most suitable project and TPG/group of researchers/expert.

Stakeholders will be fully involved in carrying through targeted analysis, not only by taking part in the development of the action but also by providing information to the analysis, such as detailed data and qualitative inputs. The involvement of stakeholders will provide for knowledge support and can be organised in the form of a Steering Committee following the implementation of the action. Stakeholder organisations at European level, e.g. organisations representing (types of) regions and cities as well as international networks related to EU regional policy or other policy areas, can eventually be invited on their own expenses to participate in the steering of the project should the stakeholder(s) wish so.

#### **3.5.2 Elaboration of Project Specifications/Terms of reference**

On basis of the financial volume for the call allocated by the MC, project specifications or terms of references will be elaborated. The stakeholders behind the selected project ideas will be involved in specifying the analytical delivery to be provided by the project. This will ensure the highest possible usefulness of results and the commitment by the involved stakeholders.

The project specifications/terms of reference will be elaborated by the CU in collaboration with the stakeholders. Involvement of the ESPON Concertation Committee in specifying the Targeted Analyses is not foreseen. However, the CC can be asked for advice by the CU in the process of elaboration.

The pre-announcement of the project will be launched in parallel to the starting of the drafting of the project specification, at the latest.

The MC will be presented for formal approval and commenting draft project specifications including indicative project budget (during an MC meeting or in written procedure).

The MC has mandated the finalisation of the project specification including budget allocation to the MA/CU. The MA/CU will in agreement with the stakeholders finalise the project specification and process them in relation to the call for proposal.

The MA/CU has been given the mandate to take a final decision on project budgets within a threshold of +/- 50.000 EUR difference from the initial budget proposal indicated in the draft project specifications submitted for approval.

### **3.5.3 Cooperation agreement with stakeholders**

Once the project specifications/terms of reference are finalised by the MA/CU in cooperation with the stakeholders, including the budget allocation, a Stakeholder Cooperation Agreement on the targeted analysis shall be concluded between stakeholder(s), represented by a Lead Stakeholder, and the ESPON MA. This agreement will be signed by both sides before the launch of a call for proposal and should provide for the following aspects:

- The intention of use of the results from the targeted analysis.
- The commitment of representative(s) of the stakeholders in setting up the project specification/terms of reference.
- Their involvement in the assessment of the best proposal/tender.
- Their active participation in the steering of the project including meetings with the selected team of experts (i.e. kick-off meeting, intermediate meetings, final meeting).
- The obligation of stakeholders to submit a report at the latest 12 months after the final delivery of the targeted analysis, evaluating and giving evidence of its usefulness and application as well as any shortcomings, etc.
- The commitment of stakeholders to disseminate widely the experience from the targeted analysis, including key messages translated in the language(s) of the stakeholder(s).
- The provision of human resources and funds necessary for the stakeholder involvement in the partnership.

The Stakeholder Cooperation Agreement is necessary as a commitment of stakeholders to the project and as basis for the MC's decision to allocate funds to the targeted analysis.

### **3.5.4 Partnership between stakeholders and TPGs/teams of researchers**

As outlined above, a close partnership between stakeholders and researchers is important for achieving successful results of the targeted analysis. In the setting up of the analysis it will be sought to meet the following requirements:

- Persons with solid competences, both from the stakeholder and the researcher side. The cooperation must be based on mutual trust and respect and be oriented towards the requested outputs. Communication is a key word. Individual solutions for each project are therefore necessary, depending on the partners and the character of work.
- The stakeholders will be responsible for providing their practical knowledge and input on their needs. They should also make efforts to facilitate data not readily available. Stakeholders should respect the requirement for the results to be of European relevance. They are obliged to participate in the dissemination of results

and must commit to the necessary involvement throughout and particularly after finalisation of the analyses.

- The TPG/team of experts must accept that targeted analyses are “more applied” than applied research in the sense that they take their starting point from user demand. Therefore they may be comparatively far away from traditional research. A combination of a good understanding of the subject matter, willingness to listen to users and ability to address users’ needs in a practical language is necessary. The language issue concerns both, the ability to communicate in an easily understandable manner as well as the use of the languages most appropriate for the end-users.
- Cooperation between the TPG/team of experts and stakeholders is a key factor for the use of the results of Priority 2 projects. The results must be scientifically solid and the stakeholders must feel confidence in the accuracy of project results. Conclusions must be expressed in a non-technical language, and delivered in time to be fed into policy development processes.

### 3.5.5 Deliveries and outputs expected

The targeted analyses financed under Priority 2 will have to approach the issues raised in the project specification/terms of reference developed for each project, by providing solid and targeted analysis of relevant territorial structures, trends, perspectives and impacts in relation to the socio-economic reality.

The concrete deliveries and outputs of each project will be specified in the respective project specifications/terms of reference. The deliveries will concentrate on (1) the output from the targeted analysis to be provided by the TPG/team of experts and (2) supporting events (e.g. workshops) during project implementation that can contribute to the usefulness of the analysis for the stakeholders.

The analytical delivery shall reflect current scientific knowledge and methodological standards and should be presented in such a way as to ensure the practical use. The TPG/team of experts will be requested to strictly follow the given timetable for the implementation of the project defined together with the stakeholders involved in order to coordinate towards and fit into the latter’s relevant agenda.

The project specifications/terms of reference for each project elaborated together with stakeholders will define the detailed project implementation, inputs from stakeholders to the project, the exact outputs and deliveries and their optimal timing. The size and length of the individual project will influence the outputs and deliveries.

However, as a general indication, the following outputs will normally be the minimum requirements for team of experts conducting a targeted analysis:

- An **Inception report**, consisting of max. 20 pages (plus annexes if relevant), based on the approach outlined in the project proposal/tender, and to be submitted normally twelve weeks after the Kick-off Meeting will have taken place. The inception report consists of two parts. In its content part it should provide a more detailed overview of the analytical approach to be applied, the methodology and hypothesis for further investigation, as well as the main literature, data sources, etc. The inception report should throughout the lifetime of the project serve as a basis for assessment of project development. Furthermore, in its financial part - with the completion of the template

provided by the Programme - the Inception report should as well detail the break down of the project's budget on the individual partners per budget line.

- **Interim report(s)** depending on the project duration, consisting of max. 50 pages (plus annexes if relevant), and containing an executive summary, outline of methodology, presentation of main results achieved so far, and description of further proceeding.
- **Draft final report**, consisting of max. 50 pages (plus an executive summary of max. 10 pages) of the main results, covering the analytical delivery, its (prospects of) operational use and the elaboration process conducted together with stakeholders.
- **Final report**, as a revised and improved version of the draft final report on the basis of comments received from the stakeholders involved, the MC and the CU. The Final report is considered the main analytical output of the project. However, stakeholders' use in practice of the knowledge provided is a main objective for the targeted analysis as well.

Deadlines for the submission of the above mentioned reports will be specified in the project specifications/terms of reference and in the subsidy/service contract and will coincide with the deadlines for the submission of progress reports/invoices whose approval will allow for the release of the reimbursement of the incurred costs.

Related to the targeted analytical delivery the TPG/team of experts will have (as far as relevant) to comply with the following series of compulsory deliveries:

- Delivery of **data and maps** produced within the framework of the targeted analysis for their inclusion in the ESPON scientific platform (for maps this should be in a vector format stored in .eps, .pdf or .ai files, whereas for databases this can be in any MS Access compatible format). Maps should be created in two separate layers so that they lend themselves better to further use. The first layer should consist of the map itself i.e. geographical limits, colours, symbols used in the map, etc. The second layer refers to the legend and captions of a map that could be translated by Member States to their respective language to ensure a better dissemination to regional and/or local stakeholders. The maps have to be delivered both in a resolution format which is suitable for presentations, web services, etc., and in a high-resolution format (minimum 300 dpi) which can be easily used for printing. Considering the development of new data and maps and/or the use of existing data, all experts working on projects under Priority 2 should ensure a close cooperation with the experts being in charge of the development of the ESPON 2013 Database.
- Delivery of **models developed** within the framework of the targeted analysis to be included in the ESPON tool box and be made accessible to others.
- **Dissemination of the analytical project results** in the framework of international conferences and seminars, e.g. transnational activities of the ECP Network, events organised by the CU. Dissemination activities must be foreseen in the project proposal and be included in a specific work package number 3 "Dissemination". However, project teams should consider that their core activity is implementing a targeted analysis. The allocation of resources across all work packages shall consequently reflect this aspect. In addition, to ensure the consistency of a project's dissemination activities with respective activities organised at Programme level, the

project team should take into consideration the objectives and actions of Priority 4 of the ESPON 2013 Programme “Capitalisation, ownership and participation: Capacity building, dialogue and networking”, make use of these facilities and opt for complementarity.

- **Presentations** of the status-quo of their project **at ESPON seminars** which will be organised twice per year<sup>11</sup>.

Reports have to be delivered both as a printed version via mail directed to the postal address of the ESPON CU as well as digitally by e-mail (or the most adequate media) directed to the ESPON CU (in case the size of the files does not allow for sending by e-mail the reports can be delivered by upload on the dedicated programme intranet.). Aiming at full transparency, the CU will upload reports received on the ESPON website.

Deadlines for the submission of the above mentioned report will be specified in the project specifications and in the subsidy contract and will coincide with the deadlines for the submission of progress reports whose approval will allow for the release of the reimbursement of the incurred costs.

### 3.5.6 Application procedure

All projects of targeted analysis financed under this priority will be subject to calls for proposal, with the exception of projects which budget is estimated not to exceed €75.000. The latter will be commissioned as service contracts according to EU and Luxembourgish public procurement legislation. The information provided below and in the following chapters 3.5.7 - 3.5.9 is relevant only for calls for proposals. General information on the tendering procedure process will be provided in chapter 3.5.10.

As soon as the launch of a particular call for proposal will have been decided by the MC, a pre-announcement of the call will be issued, providing information on the themes that will be included in the call. The pre-announcement will be widely published on the ESPON website, in the ESPON newsletter as well as in the Official Journal of the European Commission, C series. At the same time, the Member and Partner States participating in the ESPON 2013 Programme will be informed about the planned call for the information to be nationally disseminated to potential Lead and Project Partners. The pre-announcement will normally be issued eight weeks prior to the publication of the call for proposal.

The pre-announcement procedure is supposed to facilitate the submission of a proposal at a later stage, by giving interested beneficiaries a chance to prepare on beforehand. Normally, TPGs/teams of experts, composed by competent eligible beneficiaries of the programme/ researchers/experts, are foreseen to provide the targeted analysis. The pre-announcement of the targeted analysis gives an opportunity to incorporate ideas of all partners equally, thus ensuring a high level of commitment to the project. As an

<sup>11</sup> If this seems reasonable, depending on the period of time the project will have been underway by the time of the first ESPON seminar within the project's period of implementation (at least 5-6 months). Depending on the nature of the ESPON seminar – internal seminar or one open to all those interested in the programme and its achievements – the presentations will have to address different aspects of the project. (Whereas in an internal seminar individual steps of project development and advancement will be interesting for the audience, in the framework of an external seminar the eventual findings should be in the focus of the presentation.)

additional advantage partners can test during this preparatory phase how the cooperation works before eventually starting implementing actual project activities.

Upon the publication of the call for proposal – via the same channels as the pre-announcement - the respective project specifications/terms of reference will be made available on the website of the ESPON CU ([www.espon.eu](http://www.espon.eu)), outlining the thematic scope of the project, its general objectives, and primary research issues envisaged as well as expected results and a timetable for deliveries.

Calls for proposal will be usually kept open for two months (40-45 working days). Proposals should be submitted according to the application requirements provided and specified in the relevant application pack. Standardised application forms will be provided by the ESPON 2013 Programme. Automatic registration of proposals will be ensured.

### 3.5.7 Selection procedure

The selection procedure starts immediately after the deadline set for submitting project proposals. It consists of two distinct assessment parts, an eligibility check and an evaluation. The two parts will time-wise run in parallel. The MC will first decide on the eligibility of proposals received before addressing the results of the content related evaluation resulting in a ranking of the best proposals. The MC will select the best eligible proposal according to the ranking resulting from the content related evaluation. The MC takes the final decision on project approval.

#### **Eligibility criteria**

Project proposals will be checked against the eligibility criteria in order to ensure that they fulfil the technical requirements of the Programme. The eligibility assessment will be performed by the CU.

The check of the eligibility criteria will be documented by ticking boxes of “yes” or “no”, depending on whether the respective evidence has been provided or not. Each project proposal to be evaluated has to fulfil the following criteria:

ELIGIBILITY CRITERIA
1. Application has been submitted in due time in original and electronic version <sup>12</sup> .
2. Application is complete and includes the requested administrative forms and supporting documents requested as well as the anonymous proposal (the list of supporting documents required will be provided in the specific call) properly filled in according to the detailed instructions provided in Part A and Part B of the Application Form.

<sup>12</sup> You are advised to keep a proof of the submission of the postal version within the set deadline in case no date stamp is placed on the envelope by the postal services. Following the electronic submission you will receive an automatic confirmation that your email has successfully reached the programme mailbox. Should you not get the automatic confirmation mail, please check that the application was sent to the correct address and/or that no other error has occurred in order to avoid any problem with the eligibility of your proposal.



3. The content of the proposal relates to the topic(s) set out in the call.
4. The partnership involves at least the minimum number of participants given in the specific call.
5. All partners are eligible (including that solvency of private partners involved is confirmed by the respective Member/Partner States)
6. The budget limits have been respected.

In case the CU should detect, during the eligibility check phase, one or more of the following omissions in applications received within the deadline given, which would lead to the application being deemed ineligible, the respective Lead Partner will be informed in written by fax and offered a maximum of **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report) to correct the omission(s).

The correctable omissions are the following:

- Missing supporting documents **in paper version** as requested in the call: the two annexes of Application Form Part A (3.5b- management chart and 3.6b - financial flow chart) as well as solvency documents ( if relevant).
- Missing signature and/or missing stamp on a document
- Missing supporting documents **in electronic version** requested in the call: the two annexes of Application Form Part A (3.5b - management chart and 3.6b - financial flow chart).
- Correction of discrepancies in the electronic version of the proposal submitted compared to the paper version sent to the MA (CU) by post, which is considered the valid application in legal terms.

In the first two cases, the listed missing and/or corrected documents, duly signed and stamped, shall be dispatched in original to the CU by registered express delivery within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report). In case of missing electronic versions of supporting documents as well as discrepancies between the electronic and the paper version of the submitted application, the electronic version corresponding to the paper version submitted shall be sent by email to the CU (to the email address indicated in the communication) within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

Any document delivered after the deadline given will not be considered and the proposal will be deemed not eligible. It is advised to all applicants to keep a proof of the sending of the requested documents within the deadline (e.g. receipt of the post office clearly indicating the sending date).

After completion of the eligibility check and following the decision of the MC on the final eligibility outcome, the evaluation takes place. The Evaluation Committee will be

made up of two MC members or experts nominated by the MC, a representative of the European Commission and a representative of the Stakeholder Consortium. MC members should be prepared to participate in an Evaluation Committee on a rotating basis.

The Lead Applicants of these ineligible applications will receive a notification letter specifying the non-fulfilled eligibility criteria. Only those proposals that will have fulfilled the eligibility criteria will be subject to the subsequent quantitative evaluation.

### **Evaluation criteria**

In parallel with the check based on the eligibility criteria, the evaluation of all project proposals will take place. The Evaluation Committee will be made up of MC members or experts nominated by the MC and representative(s) of the European Commission as well as a representative of the respective stakeholder consortium, normally the Lead Stakeholder. MC members should be prepared to participate in an Evaluation Committee on a rotating basis.

The check of compliance with the evaluation criteria is based on a scoring system and result in a ranking list of all project proposals received.

This step in the selection procedure serves to assess the relevance of the proposals regarding the priorities and objectives of the ESPON 2013 Programme and of the specific call to which they respond. It also looks into the impact of each proposed project, i.e. its importance for stakeholders involved in territorial development on EU, national and regional level.

The evaluation will be based on three types of selection criteria:

- Content related criteria, referring to the anonymous scientific part of the proposal;
- Management related criteria, and
- Partnership related criteria.

<b><u>Content Related Criteria</u></b>
1. Sound concept and quality of the objectives and deliveries (e.g. can the objectives be realistically achieved through the proposed approach and methodology?).
2. Position/innovation in relation to the state-of-the-art in scientific excellence (e.g. does the approach and the results aimed at bring a clear added value compared to other current or past initiatives?).
3. Contribution to advancement of knowledge (e.g. is the project of complementary character to existing research and will not duplicate existing work?).
4. Quality and effectiveness of scientific methodology and associated work packages (e.g. are components of the analysis logically interlinked?).
5. Contribution to the expected results and impacts of the programme (e.g. how many themes, topics and experiments will be covered by the actions realised? How many types of specific territories are covered by the actions realised? To which degree will the outcomes of the actions be cited in publications at European, national and

regional level?).
6. Appropriateness of measures for the dissemination of project results (e.g. are they conceived in such a way that the adequate target group can be reached and transfer of results achieved?).

<b><u>Management Related Criteria</u></b>
1. Appropriateness and clarity of the management structure and the plan for project implementation (e.g. is the Lead Partner experienced in project management? Are procedures for decision-making and monitoring transparent? Is the timing of work packages convincing?).
2. Transparency of procedures related to ERDF requirements (e.g. are the required audit procedures, that need to be established, in place and are all project partners aware of them?).
3. Appropriateness of the allocation and justification of the resources (budget and staff) among the different work packages and project partners (e.g. is the break down of budget to partners adequate?).

<b><u>Partnership Related Criteria</u></b>
1. Quality and relevance of the competences/expertise present and of the transnational project group as a whole (e.g. are the relevant partners involved, contributing the required knowledge and experience and are their specific fields of expertise taken account of?).
2. Quality and experience of the individual partners (e.g. does the accumulated academic and professional background of the team enable to deal with the thematic and methodological challenges of the targeted analysis? Do the partners provide sufficient experience for ensuring smooth partnership with stakeholders?).

Each criterion will be awarded a score between 0 – 10. Half marks can be given, too. The scores indicate the following with respect to the criterion under examination:

0. No evaluation possible: The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
1. Unacceptable: The proposal almost fails to address the criterion making it very difficult to judge due to missing or incomplete information.
2. Extremely poor. The criterion is addressed very superficial and highly unsatisfactory manner.
3. Very poor. The criterion is addressed in a cursory and unsatisfactory manner.
4. Poor. Serious inherent weaknesses exist in relation to the criterion.

5. Un-sufficient. Inherent weaknesses exist in relation to the criterion in question, which are too serious for correction.
6. Sufficient. The proposal broadly addresses the criterion; however there are significant points that would need correction.
7. Fair. The criterion is addressed sufficiently; however some points would need correction.
8. Good. The proposal addresses the criterion well, although some improvements are still needed.
9. Very good. The criterion is addressed in a convincing way and only minor improvements are needed.
10. Excellent. The proposal successfully addresses all relevant aspects of the criterion in question without any shortcomings.

Each group of selection criteria has a total number of points. No weighting will be applied. However each criterion should be scored with a value of at least 6. Proposals that fail to achieve this minimum score for a criterion will not be further considered in the selection procedure.

The Evaluation Committee will convene after the closure of the call. The committee will include an uneven number of evaluators, normally 5 and at least 3. In case of force majeure, like illness and/or transport delays/cancellation, a different number of evaluators can be accepted.

Evaluators will assess and mark the proposal exactly as it is described and presented. The evaluation will follow two steps of assessment and scoring: (1) the anonymous content related part and (2) the management and partnership related part. Evaluators will not make assumptions or interpretations about the project in addition to what is in the proposal. Concise and explicit concluding justification will be given for each proposal as well as comments to scores, where relevant for the evaluator. Evaluation forms with no concluding comments will be deemed ineligible. Equally, evaluation forms carrying handwritten corrections of scoring are declared inadmissible if they are not accompanied by handwritten initials. Recommendations for improvements to be discussed as part of a possible contracting will be given, if needed.

Once all the members of the Evaluation Committee have completed their individual assessments, the evaluation proceeds into a consensus discussion, supposed to represent common views and comments of the evaluators. The consensus discussion, which also includes a ranking of proposals, is moderated by the CU who also establishes a consensus report containing as well the recommendation for improvements suggested by the Evaluation Committee. Consensus reports with hand-written corrections of scoring will be declared ineligible.

Provided that several proposals receive an equal aggregate score, other factors might as well be taken into account by the Evaluation Committee:

- A reasonable geographical distribution of project partners.
- A reasonable involvement of partners from Member States having entered the EU after 1 January 2004.

The CU is responsible for a final editing of the evaluation report for each project specification included in the call. The main objectives of this process are:

- To ensure a sufficient compilation of arguments voiced pro and con the individual proposals evaluated.
- To review cases where a majority/minority view was recorded in the consensus report.
- To clearly reflect the ranking of the majority of evaluators in the consensus report and in the case of equal scoring of several proposals explain the considerations made regarding the additional factors mentioned above, that led to the final ranking.

Taking into account the importance of the TPG/team of experts' managerial capabilities for the correct project and programme implementation, the MA will, through the CU, separately assess the "Management Related Criteria" of the submitted proposals. Should the result of this separate and independent assessment be different from or add to the one obtained by the Evaluation Committee, the recommendations of the CU to the MC will take this opinion of the MA into account.

By signing confidentiality agreements (using no-conflict-of-interest forms) members of the Evaluation Committee guarantee their independence and impartiality during the assessment as well as that the privacy and confidentiality of all proposals will be kept. Declarations of no-conflict-of-interest with negligence mistakes are declared inadmissible. The content of the proposals should not be published or forwarded to persons or institutions which are not directly engaged in the evaluation or decision making. The proposal on the targeted analysis itself, as well as the description and concept of the project and the structure of the application, remain the property of the project applicant.

### **Decision making**

As indicated in the previous section, the decisions on approved projects will be made by the MC of the ESPON 2013 Programme, based on the results of the eligibility and evaluation processes. The MC will approve the best eligible proposal(s) confirming the ranking of the content related evaluation (only one proposal will be approved for each of the themes).

This decision will be notified to all Lead Applicants soon after the MC decision. All the Lead Applicants of the approved projects will receive a letter from the MA (CU) stating the decision of the MC as well as the total ERDF, EU Member States' and eventually Partner States' national funds approved. The MC decision may include certain conditions, recommendations and/or suggestions for improvements. In this case, the process of contracting, managed by the CU, will include a necessary revising/amending of the proposal for the targeted analysis. The result of this procedure will be the basis for concluding a Subsidy Contract.

All the Lead Applicants of the ineligible or non-approved proposals will receive a notification letter with brief information on the assessment results. In case Lead Partners of ineligible or non-approved proposals are not satisfied with the decision of the MC, they may put forward an appeal (for more detail on the appeal procedure, please refer to chapter 8.12 of the Programme Manual).

### **3.5.8 Contract and duration**

The proposals that are selected for funding and that fulfil the conditions set by the MC will receive a Subsidy Contract, concluded between the MA and the respective Lead Partner of the project. The Subsidy Contract shall determine the rights and responsibilities of the Lead Partner and the MA, the scope of activities to be carried out, terms of funding, requirements for reporting and financial controls, etc. A model of the Subsidy Contract is available on the Programme website ([www.espon.eu](http://www.espon.eu)).

The size and duration of projects can vary depending on the user demand for targeted analysis and the timing of the use of results envisaged.

### **3.5.9 Budgetary details**

TPG/team of experts conducting a targeted analysis under Priority 2 will be granted a subsidy covering 100% of the real eligible costs incurred for carrying out the project approved. Funding will be made available by the ERDF, the national co-financing will be ensured by EU Member States at programme level and, eventually, by Partner States. Each call will indicate the maximum budget available related to individual project specifications included in the call.

The ESPON 2013 Programme will be able to financially support the analytical part of the collaboration, but not the coordination of the actors themselves.

### **3.5.10 Procedures related to projects up to €75.000**

Projects with a budget up to €75.000 can be contracted directly by the ESPON MA as a MA led project. In practice this means the MA will launch of a call for tender based on a decision of the MC on the content of the service to be provided. The MA will follow a tendering procedure including all necessary elements of publication, submission of tenders, selection, award and contracting following the rules set out in the Luxembourg public procurement law and related implementation provision as well as EU legislation.<sup>13</sup>

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<sup>13</sup> Luxembourgish law of 30 June 2003, Règlement Grand Ducal (RGD) of 7 July 2003

## **4. Priority 3: Scientific Platform and Tools**

The scientific platform and analytical tools represent a core element in the knowledge base of ESPON for the preparation of effective territorial policies. In this sense it is important to maintain, develop and expand the existing scientific platform and the analytical tools set up in the framework of the ESPON 2006 Programme. In addition, new actions shall be undertaken to make use of the indicators, data and tools provided by ESPON, to continue to deliver new ones and to make them accessible to the public.

It is of particular importance that harmonised European wide data is robust and reliable, and has as high a geographical detail as possible. Comparable regional data shall be ensured through statistical quality control and data validation that shall respect European standards for spatial referencing and storage of data and metadata.

Analytical tools and methodologies shall support the implementation of the ESPON 2013 Programme as well as be a delivery of the programme operations. This will include typologies of regions and cities, modelling tools and techniques for forecasting and scenario development.

The development of the scientific platform and tools shall make it possible to continuously assess and monitor territorial development dynamics in relation to territorial policy objectives at European level.

Networking with other European and relevant bodies in the field of territorial development (such as spatial observatories dealing with national and cross-border territories) should be ensured in order to enhance the European added value of these projects.

Four types of actions are foreseen to be financed within this priority:

- ESPON Database and data development
- Territorial Indicators/Indices and Tools
- Territorial Monitoring System and Reports
- Targeted Actions for Update of Indicators and Maps

The first three actions will be mutually supportive and carried out in a sequence with close cooperation among the transnational project groups (TPGs) concerned. In this context, the implementation of the actions shall ensure mutual support and effective communication between the research teams involved in order to promote synergies and consistency of results.

The following sub-chapters deal with the four types of actions, explaining the respective objectives as well as the deliveries and outputs expected. In addition, the procedures relevant for the calls for proposals respectively call for tenders are described.

## **4.1 ESPON Database and Data Development**

### **4.1.1 Objectives**

The improvement of the data situation, in particular the further development of territorial indicators and of the ESPON 2013 Database, is a central task for the ESPON 2013 Programme. The aim is to gradually enlarge the availability of data and indicators relevant for territorial development and cohesion, covering Europe, its regions and cities.

Availability of comparable, reliable and useful regional data with a European coverage at a detailed geographical scale has been a challenge for the ESPON 2006 Programme and even before.

The main European provider of data for ESPON will remain to be EUROSTAT. However, the thematic and territorial content of ESPON 2013 projects will require data collection by the project teams from other data sources, including the OECD Territorial Database and national statistical offices.

European and international standards for spatial referencing, storage of data and metadata shall be fully respected in order for ESPON to contribute to the European process of improving European wide spatial data. ESPON shall become integrated in the European networking on geo-referenced data and in particular comply with the INSPIRE initiative of establishing an Infrastructure for Spatial Information in the European Community.

The project on the ESPON 2013 Database will be carried through in two subsequent actions during 2008-2014. It shall support the internal consistency and synergy between ESPON actions undertaken being it applied research or targeted analysis. Here, the general objective is to create and manage a geo-referenced information system within the ESPON 2013 Programme, considering the ESPON themes of applied research and targeted analysis and the geography to be covered.

In general, the project shall provide for data storage and statistical validation as well as transformation of data into information, and the management of data/metadata and information. In doing so, the team behind the ESPON Database project shall ensure that further data development and territorial indicators created within different projects can be included in the ESPON 2013 Database. For the management of the geo-referenced data, a spatially enabled database is appropriate. Output methods for geo-referenced data should be compliant with open standards (and the INSPIRE Directive), to enable a transparent access to the data by all members of the ESPON community and beyond.

The project on the ESPON 2013 Database and the related data development shall provide, maintain, update and further develop the most relevant data and indicators made available by both the ESPON 2006 and 2013 Programmes, including new data and indicators provided by new ESPON projects.

The ESPON 2013 Database shall be regularly updated and improved in terms of time-series and relevant data for territorial analysis of the European territory, its regions and cities and in support of policy decisions at a European level.

Robustness of data, data quality, flexibility and usability are the main key words to be considered in the development of the ESPON 2013 Database. The project shall ensure standard quality control procedures and, if needed, undertake some actions (such as



statistical estimation methods) to complete datasets or metadata. In particular, quality control shall be ensured in a two-step system:

- (1) Lead Partners will be obliged to carry through a statistical validation of data and indicators used in their project based on recommendations made in the ESPON Handbook for Data Collection, Harmonisation and Quality Control.
- (2) A final validation in relation to quality control procedures shall be undertaken by the TPG responsible for the ESPON 2013 Database before new data sets and indicators from applied research and targeted analyses projects are included in the ESPON 2013 Database.

In addition, the project should also be able to give advice and recommendations in relation to data issues to researchers involved in applied research projects under Priority 1 or targeted analysis under Priority 2, if requested.

Access to the ESPON 2013 Database should be ensured for the general public, and the service offered should comprehend several ways of interaction, such as discovery, view and download service.

The TPG should further ensure the updating and further development of a map kit tool which could enable the production of maps for the entire ESPON territory, based on the regional datasets included in the ESPON database and considering the three level approach (i.e. addressing the European/global, national/transnational and regional/local level) used in applied research projects under Priority 1. Moreover, the integration of the data included in the ESPON database into the ESPON cartographic tools such as the ESPON web-GIS, the ESPON HyperAtlas and the ESPON map kit tool shall be supported by the TPG responsible for the ESPON 2013 Database.

Finally, the ESPON 2013 Database project shall be able to provide - upon request - special data deliveries and maps related to activities by the ESPON MC, MA and CU based on the data included in the database. It shall also be capable of supporting the elaboration of ESPON publications with underlying data, indicators and maps.

#### 4.1.2 Deliveries and outputs expected

The following deliveries are expected from the project on the ESPON 2013 Database:

- A **well-maintained database for external use** (main delivery) including robust and statistically validated indicators and data for European regions and cities, which should comprehend different ways of interaction: discovery service, view service and download service.
- An **internal database** including the data used and produced by the research teams involved in ESPON projects under Priority 1 and 2, comprehending also raw data from third parties to be used only internally. The ESPON 2013 Database will gradually develop over the programme period. As a result, at least **20-30 new European wide, comparable indicator sets** shall be available in 2013, duly validated and updated, giving information for all regions of Europe.

Further, the ESPON 2013 Database will provide **updated indicators** and **time series on a number of territorial indicators**.

- A **map collection** (vector format) from projects under Priority 1 and 2, which should be provided by the respective Lead Partners developing the projects.
- An **updated ESPON Map kit tool** with the latest information in relation to administrative boundaries and respective codes, which should be compatible with the ESPON 2013 Database.
- Special deliveries of **data, indicators and maps for ESPON reports, ESPON publications, press releases, presentations.**
- Close integration and **networking between ESPON and European and international organisations** dealing with relevant data for analysing the territorial development of Europe.
- **Presentations of the status-quo of the project at ESPON seminars** which will be organised twice a year.
- **Dissemination of project results** in the framework of international conferences and seminars, e.g. transnational activities of the ECP Network, events organised by the CU. Dissemination activities should be foreseen in the project proposal and be included in a specific work package “Dissemination”. However, project teams should consider that their core activity is the development of the ESPON database. The allocation of resources across all work packages shall consequently reflect this aspect. In addition, to ensure the consistency of a project’s dissemination activities with respective activities organised at Programme level, the project team should take into consideration the objectives and actions of Priority 4 of the ESPON 2013 Programme “Capitalisation, ownership and participation: Capacity building, dialogue and networking”, make use of these facilities and opt for complementarity.

The implementation of the ESPON 2013 Database will be split in two: A first project running from 2008-2011 and a second project covering the period 2011-2014.

The first project is envisaged to include the following main components:

- An ESPON Database **strategy**;
- The **database design**;
- A **test** of the strategy and the design;
- **Implementation** of the ESPON 2013 Database structure;
- **Maintenance, evolution and deliveries**;
- **Evaluation** of the functionality and deliveries.

In addition to the deliveries mentioned above, the following outputs are expected from the project team working on the ESPON 2013 Database during 2008-2011:

- An **Inception report**, based on the approach outlined in the project proposal to be submitted twelve weeks after the Kick-off Meeting. The Inception report consists of two parts. In its content part it should provide a more detailed overview of the approach to be applied, the objectives envisaged, the database design proposed, as well as the work plan until submission of the first interim report. In addition, it should reveal the distribution of work packages among partners. Furthermore, in its financial

part - with the completion of the template provided by the Programme - the Inception report should as well detail the breakdown of the project's budget on the individual partners per budget line. It should be demonstrated by the TPG how the individual work packages are going to be synthesised to produce a coherent project report. The inception report should throughout the lifetime of the project serve as a basis for assessment of project development. Whenever progress reports or interim report(s) are submitted they should be checked in relation to the inception report to see whether progress is being made on the content within the timeframe foreseen.

- Two **Interim reports**, presenting the progress of work on the internal and external parts of the ESPON 2013 Database and the related mapping tools, the integration in the European cooperation on geo-referenced data, etc. The Interim reports shall consist of an executive summary, a presentation of main results achieved so far, and a work plan towards the next report.
- **A Draft final and a Final report**, including all aspects of the evolution of the ESPON 2013 Database provided, as well as a proposal for the further development of the ESPON 2013 Database and data development, as well as ideas for a possible work plan for the period 2011-2014.

Results presented in the second Interim Report and the entire work developed until then will be the basis for the elaboration of the project specification for launching a call for proposal for the continuation of the ESPON 2013 Database project in 2011-2014. For the second phase of the project, further outputs will be expected in a similar rhythm as the one outlined for the first project phase.

All above mentioned reports will have to be delivered both as a printed version via mail directed to the postal address of the ESPON Coordination Unit (CU) as well as digitally by e-mail (or the most adequate media) directed to the ESPON CU (in case the size of the files does not allow for sending by e-mail, the reports can be delivered by upload on the dedicated programme intranet). Deadlines for the submission of the above mentioned reports will be specified in the project specifications as well as in the subsidy contract and will coincide with the deadlines for the submission of progress reports whose approval will allow for the release of the reimbursement of the incurred costs.

## 4.2 Territorial Indicators/Indices and Tools

### 4.2.1 Objectives

The configuration of territorial indicators and indices supporting the objective of territorial cohesion will be a major area for improvement in order to meet policy demand. The ESPON 2006 Programme did make some progress in filtering indicators that could be considered core indicators for territorial development. However, more systematic and selective work shall be undertaken with the involvement of policy makers to reach an operational level.

Territorial cohesion as an aim in the Lisbon Treaty for the European Union calls for further scientific and political reflection on synthetic/combined indicators and indices that can inform the policy process related to territorial cohesion.

Indicators used by national territorial observatories shall be considered in the further development of the scientific platform for the ESPON 2013 Programme.

Besides indicators, tools for territorial analysis are necessary for the application and use of data for policy and strategy formulation as well as for planning. This includes a wide range of different analytical tools such as mapping facilities, models and methodologies. Actions will include the further development and update of existing tools, such as the HyperAtlas, the Web-based GIS, the basic methodology for Territorial Impact Assessment as well as the development of new applications such as forecasting models and innovative types of cartographic presentation to further develop the scientific platform.

Addressing more basic research questions, partly from the ESPON 2006 Programme, will also be considered. This may include further progress on definitions and methodologies. Further development of tools for territorial analysis will reflect demands of particular importance for the achievement of useful actions within Priority 1 and 2.

Tools' development will be targeted to the use of policy makers and practitioners at all administrative levels and will be made widely available via the ESPON website and publications in order for potential users to capitalise on the territorial indicators, indices and tools developed.

#### 4.2.2 Deliveries and outputs expected

This type of action will include several projects. One project on indicators/indices shall deliver **territorial indicators that are scientifically and politically calibrated**. The territorial indicators need to reflect the policy orientations laid down in relevant documents related to EU Cohesion Policy, such as the coming EC Green Book on Territorial Cohesion and the Territorial Agenda for the European Union.

Related to the concept of territorial cohesion the project is envisaged to result in **one or several indices** that can be used to inform policy makers on the development of the European territory in relation to the aim of territorial cohesion. An **index related to territorial cohesion** shall be developed based on territorial indicators using synthetic/combined indicators and typologies for types of regions and cities.

Other projects will provide new tools for territorial analysis, including models and methodologies that can further support an integrated analytical approach. New methodologies and models supporting Territorial Impact Assessment represent one potential innovation within the ESPON Scientific Platform.

In total, 5-10 projects leading to new tools are envisaged. In addition, some existing tools, such as mapping facilities and models, will be maintained and updated.

Project teams working on this type of actions will be expected to give a presentation of the status-quo of their project at ESPON seminars which will be organised twice a year. In addition, they will be required to **disseminate project results** in the framework of international conferences and seminars, e.g. transnational activities of the ECP Network, events organised by the CU. Dissemination activities must be foreseen in the project proposal and be included in work package number 3 "Dissemination" which implementation should run at least six months after the delivery of the project's final report. However, project teams should consider that their core activity is the development

of territorial indicators/indices and tools. The allocation of resources across all work packages shall consequently reflect this aspect. In addition, to ensure the consistency of a project's dissemination activities with respective activities organised at Programme level, the project team should take into consideration the objectives and actions of Priority 4 of the ESPON 2013 Programme "Capitalisation, ownership and participation: Capacity building, dialogue and networking", make use of these facilities and opt for complementarity.

In addition to the above, a series of outputs is compulsory for these projects. However, depending on the actual duration of the project, the exact number of outputs will vary. Generally, the following outputs can be considered to be required:

- An **Inception report**, based on the approach outlined in the project proposal, to be submitted twelve weeks after the Kick-off Meeting. The Inception report consists of two parts. In its content part it should provide a more detailed overview of the approach to be applied, the methodology, as well as the main data sources, etc. In addition, it should reveal the distribution of work packages among partners. Furthermore, in its financial part - with the completion of the template provided by the Programme - the Inception report should as well detail the break down of the project's budget on the individual partners per budget line. It should be demonstrated by the TPG how the individual work packages are going to be synthesised to produce a coherent project report. The inception report should throughout the lifetime of the project serve as a basis for assessment of project development. Whenever progress reports or interim report(s) are submitted they should be checked in relation to the inception report to see whether progress is being made on the content within the timeframe foreseen.
- One or two **Interim report(s)**<sup>14</sup> depending on the project volume and duration, consisting of an executive summary, outline of methodology, presentation of main results achieved so far, and description of further proceeding.
- **Draft final report**, consisting of max. 50 pages (plus an executive summary of max. 10 pages) of the main results, and a presentation of proposals for further actions in this particular field.
- **Final report**, as a revised and improved version of the draft final report on the basis of comments received from the MC and the CU. Please note that the final report of max. 50 pages is considered as the main output of the project.

All above mentioned reports will have to be delivered both, in a printed version via mail directed to the postal address of the ESPON CU as well as digitally by e-mail (or the most adequate media) directed to the ESPON CU (in case the size of the files does not allow for sending by e-mail the reports can be delivered by upload on the dedicated programme intranet). Deadlines for the submission of the above mentioned reports will be specified in the individual project specifications as well as in the subsidy contract and will coincide with the deadlines for the submission of progress reports which approval will allow for the release of the reimbursement of the incurred costs.

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<sup>14</sup> In case the project should run for a period of less than 12 months, no interim report will be required.

## 4.3 Territorial Monitoring System and Reports

### 4.3.1 Objectives

Monitoring territorial dynamics related to European policy and particularly to territorial cohesion is demanded by policy makers. A Territorial Monitoring System for the continuing assessment of territorial structures, development trends, perspectives and policy impacts shall be set up. It shall be able to provide facts related to main territorial challenges such as climate change, ageing, polycentric development etc. as part of current spatial scenarios. Furthermore, it shall inform policy makers how the actual territorial development corresponds/correlates to agreed European policy objectives for territorial cohesion as laid down, inter alia, in the Territorial Agenda for the European Union.

The monitoring system shall rely on the ESPON 2013 Database, use, integrate and eventually further elaborate the territorial indicators and indices developed and present results in an easily accessible way. A targeted use of key territorial indicators shall become reality for a periodical monitoring and reporting of the European territorial development.

The monitoring activity shall further progress on the experience gained and the result of the test phase implemented at the end of the previous programming period. The monitoring shall also target different types of territories including metropolitan urban regions, rural areas and others as stated in the Structural Funds Regulation.

The reporting shall address practitioners and policy makers requiring information on European territorial dynamics which could add this dimension to development considerations in their regions and larger territories. The territorial monitoring shall be presented in reports which will allow the evaluation of territorial effects of trends and policy impacts and support the monitoring of territorial development with respect to policy objectives at European level.

### 4.3.2 Deliveries and outputs expected

The project will develop a **concept for a continuous monitoring of the European territory**, focusing on selected structures, trends, perspectives and policy impacts. In this process the necessary supporting indicators will be selected and some new ones will be developed.

The concept for a European Territorial Monitoring will be implemented and result in **periodic reports 2-3 times during the programme implementation period**, conveying the key findings of the monitoring effort and relating these results to key policy orientations adopted for territorial development and cohesion.

The TPG responsible for this action will be expected to give presentations of the status-quo of their project at ESPON seminars which will be organised twice a year. In addition, they will be required to **disseminate project results** in the framework of international conferences and seminars, e.g. transnational activities of the ECP Network, events organised by the CU. Dissemination activities should be foreseen in the project proposal and be included in a specific work package which implementation should run at least six months after the delivery of the project's final report. However, project teams should consider that their core activity is the development of a territorial monitoring system. The

allocation of resources across all work packages shall consequently reflect this aspect. In addition, to ensure the consistency of a project's dissemination activities with respective activities organised at Programme level, it would be useful for the project team to refer to the objectives of Priority 4 of the ESPON 2013 Programme "Capitalisation, ownership and participation: Capacity building, dialogue and networking".

In addition to the above, the following series of outputs is compulsory:

- An **Inception report**, based on the approach outlined in the project proposal, to be submitted twelve weeks after the Kick-off Meeting. The Inception report consists of two parts. In its content part it should provide a more detailed overview of the research approach to be applied, the methodology and hypothesis for further investigation, as well as the main literature, data sources, etc. In addition, it should reveal the distribution of work packages among partners. Furthermore, in its financial part - with the completion of the template provided by the Programme - the Inception report should as well detail the breakdown of the project's budget on the individual partners per budget line. It should be demonstrated by the TPG how the individual work packages are going to be synthesised to produce a coherent project report. The inception report should throughout the lifetime of the project serve as a basis for assessment of project development. Whenever progress reports or interim report(s) are submitted they should be checked in relation to the inception report to see whether progress is being made on the content within the timeframe foreseen.
- **Interim report(s)**, consisting of an executive summary, outline of methodology, presentation of main results achieved so far, and description of further proceedings.
- **Mid-term report**, including a proposal for the further development of the ESPON Territorial Monitoring System, as well as a proposal for a work plan for the period 2011-2013.
- **Two-three periodic reports**, conveying the key findings of the monitoring effort and relating these results to key policy orientations adopted for territorial development and cohesion.

All above mentioned reports will have to be delivered both, in a printed version via mail directed to the postal address of the ESPON CU as well as digitally by e-mail (or the most adequate media) directed to the ESPON CU (in case the size of the files does not allow for sending by e-mail the reports can be delivered by upload on the dedicated programme intranet). Deadlines for the submission of the above mentioned reports will be specified in the project specifications as well as in the subsidy contract and will coincide with the deadlines for the submission of progress reports which approval will allow for the release of the reimbursement of the incurred costs.

## 4.4 Update of indicators and maps

### 4.4.1 Objectives

In order to keep the ESPON knowledge up to date a number of targeted actions updating indicators, maps and corresponding tools, if necessary, will be carried through. In many cases, these actions might be based on urgent demand. Such targeted actions will mainly

relate to the maintenance of tools and the urgent update of existing datasets and maps based on new European datasets and information that become available.

European standards (ETRS1989 for data and LAEA for map projections) shall be respected, and made available in electronic format for publication purposes.

The demand for updates will be generated by policy development and the occurrence of new data that makes updates feasible.

#### **4.4.2 Deliveries and outputs expected**

Every update of indicators and maps shall be documented in a report presenting the new indicator values as well as an updated European map. In addition, maps showing the changes in the indicator shall be presented accompanied by an analysis/interpretation of the changes occurred.

Annexed to the report the absolute indicator values shall be included broken down to the regional level used.

### **4.5 Operational provisions**

The procedures described in the following chapters (4.5.1-4.5.4) are relevant for the three major projects, “the ESPON 2013 Database”, “Territorial Indicators and Indices” and “Territorial Monitoring and Reports”, that will all be launched with open calls for proposal<sup>15</sup>.

Concerning the other types of actions, every year and for each of the type of action, the MA will propose to the MC an MA-led project which will include the different activities that should be implemented in the course of the reference year. The activities included and described in the different MA-led project will be implemented by the MA as provision of services according to EU and Luxembourg public procurement legislation (see 4.5.4).

#### **4.5.1 Application procedure for Call for Proposals**

For each thematic issue, project specifications will be compiled responding to the research framework described above.

As soon as the launch of a particular call for proposal will have been decided upon by the Monitoring Committee (MC), a pre-announcement of the call will be issued, providing information on the themes that will be included in the call. The pre-announcement will be widely published by adding it to the ESPON website, in the ESPON newsletter as well as in the Official Journal of the European Commission, C series/S series. At the same time, the Member and Partner States participating in the ESPON 2013 Programme will be informed about the planned call so that the information can be nationally disseminated to potential Lead and Project Partners. The pre-announcement will normally be issued eight weeks prior to the publication of the call for proposal.

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<sup>15</sup> For “Territorial Indicators and Indices” and “Territorial Monitoring and Reports” where the theme and/or nature of the activity make it appropriate and most efficient in obtaining the results envisaged, and whenever the foreseen budget is below €75.000, actions may be contracted as provisions of services and tendered according to Luxembourg public procurement rules



The pre-announcement procedure is supposed to facilitate the submission of a proposal at a later stage, by giving interested beneficiaries the chance to prepare on beforehand. The pre-announcement gives an opportunity to incorporate ideas of all partners equally, thus ensuring a high level of commitment to the project. As an additional advantage partners can test how the cooperation works during this preparatory phase before starting implementing actual project activities.

Upon the publication of the call for proposal – via the same channels as the pre-announcement - the respective project specifications will be made available on the website of the ESPON CU ([www.espon.eu](http://www.espon.eu)), outlining the thematic scope of the project, its general objectives, and primary research issues envisaged as well as expected results and a timetable for deliveries.

Calls for proposal will usually be open for two months (40-45 working days). Proposals should be submitted according to the application requirements provided and specified in the accompanying application pack. Standardised application forms will be provided by the ESPON 2013 Programme. Automatic registration of proposals will be ensured.

#### **4.5.2 Selection procedure**

The selection procedure starts immediately after the deadline set for submitting project proposals. It consists of two distinct assessment parts, an eligibility check and an evaluation. The two parts will time-wise run in parallel. The MC will first decide on the eligibility of proposals received before addressing the results of the content related evaluation resulting in a ranking of the best proposals. The MC will select the best eligible proposal according to the ranking resulting from the content related evaluation. The MC takes the final decision on project approval

##### **Eligibility criteria**

Project proposals will be checked against the eligibility criteria in order to ensure that they fulfil the technical requirements of the Programme. The eligibility assessment will be performed by the CU.

The check of the eligibility criteria will be documented by ticking boxes of “yes” or “no”, depending on whether the respective evidence has been provided or not. Each project proposal to be evaluated has to fulfil the following criteria:

<b>ELIGIBILITY CRITERIA</b>
1. Application has been submitted in due time in original <b>and</b> electronic version <sup>16</sup> .
2. Application is complete and includes the requested administrative forms, supporting documents as well as the anonymous project proposal (the list of

<sup>16</sup> You are advised to keep a proof of the submission of the postal version within the set deadline in case no date stamp is placed on the envelope by the postal services. Following the electronic submission you will receive an automatic confirmation that your email has successfully reached the programme mailbox. Should you not get the automatic confirmation mail, please check that the application was sent to the correct address and/or that no other error has occurred in order to avoid any problem with the eligibility of your proposal.

supporting documents required will be provided in the specific call), all properly filled in according to the detailed instructions provided in Part A and Part B of the Application Form.
3. The content of the proposal relates to the topic(s) set out in the call.
4. The partnership involves at least the minimum number of participants given in the specific call.
5. All partners are eligible (including that solvency of private partners involved is confirmed by the respective Member States and Partner States)
6. The budget limits have been respected.

In case the CU should detect, during the eligibility check phase, one or more of the following omissions in applications received within the deadline given, which would lead to the application being deemed ineligible, the respective Lead Partner will be informed in written by fax and offered a maximum of **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report) to correct the omission(s).

The correctable omissions are the following:

- Missing supporting documents in paper version as requested in the call (two annexes of Application Form Part A – 3.5b (management chart) and 3.6b (financial flow chart) as well as solvency documents – if relevant).
- Missing signature and/or missing stamp on a document.
- Missing supporting documents in electronic version as requested in the call (two annexes of Application Form Part A – 3.5b (management chart) and 3.6b (financial flow chart)).
- Correction of discrepancies in the electronic version of the proposal submitted compared to the paper version sent to the MA (CU) by post, which is considered the valid application in legal terms.

In the first two cases, the listed missing and/or corrected documents, duly signed and stamped, shall be dispatched in original to the CU by registered express delivery within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report). In case of missing electronic versions of supporting documents as well as discrepancies between the electronic and the paper version of the submitted application, the electronic version corresponding to the paper version submitted shall be sent by email to the CU (to the email address indicated in the communication) within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

Any document delivered after the deadline given will not be considered and the proposal will be deemed not eligible. It is advised to all applicants to keep a proof of the sending

of the requested documents within the deadline (e.g. receipt of the post office clearly indicating the sending date).

After completion of the eligibility check, and following the decision of the MC on the final eligibility outcome the evaluation takes place. The Evaluation Committee will be made up of three MC members or experts nominated by the MC and a representative of the European Commission. MC members should be prepared to participate in an Evaluation Committee on a rotating basis.

The Lead Applicants of ineligible applications will receive a notification letter specifying the non-fulfilled eligibility criteria. Only those proposals that will have fulfilled the eligibility criteria will be subject to the subsequent qualitative evaluation.

### **Evaluation criteria**

In parallel with the eligibility check, the evaluation of all project proposals will take place. The Evaluation Committee will be made up of MC members or experts nominated by the MC and representative(s) of the European Commission. MC members should be prepared to participate in an Evaluation Committee on a rotating basis.

The check of compliance with the evaluation criteria is based on a scoring system and results in a ranking list of all project proposals received.

This step in the selection procedure serves to assess the relevance of the proposals regarding the priorities and objectives of the ESPON 2013 Programme and of the specific call to which they respond. It also looks into the impact of each proposed project, i.e. its importance for stakeholders involved in territorial development on EU, national and regional level.

The evaluation will be based on three types of selection criteria:

- Content related criteria, referring to the anonymous scientific part of the proposal;
- Management related criteria, and
- Partnership related criteria.

<b><u>Content Related Criteria</u></b>
1. Sound concept and quality of the objectives and deliveries (e.g. can the objectives be realistically achieved through the proposed approach and methodology?).
2. Quality and effectiveness of scientific methodology and statistical quality (e.g. Does the project consider European standards and initiatives on data related issues?).
3. Contribution to the maintenance, development and expansion of the existing scientific platform and the existing analytical tools resulting from the ESPON 2006 Programme (e.g. does the approach and the results aimed at bring a clear added value compared to other past initiatives?).
4. Contribution to the expected results and impacts of the programme (e.g. to which degree will the results of the action be useful in the context of ESPON applied research actions and in policy development processes?).

5. Intensity of internal and external co-operation (Does the project provide clear linkages to other projects or ESPON activities? Does the project comprehend an exchange and dissemination of experiences and knowledge with other European and national/transnational organisations such as spatial observatories dealing with national and cross-border territories?)
6. Appropriateness of measures for the dissemination of project results (e.g. are they conceived in such a way that the adequate target group can be reached?).

#### **Management Related Criteria**

1. Appropriateness and clarity of the management structure and the plan for project implementation (e.g. is the Lead Partner experienced in project management? Are procedures for decision-making and monitoring transparent? Is the timing for individual work packages and the overall work plan convincing?).
2. Transparency of procedures related to ERDF requirements (e.g. are the required audit procedures, that need to be established, in place and are all project partners aware of them?).
3. Appropriateness of the allocation and justification of the resources (budget and staff) among the different work packages and project partners (e.g. is the break down of budget to partners adequate?).

#### **Partnership Related Criteria**

1. Quality and relevance of the presented competences/expertise and of the transnational project group as a whole (e.g. are the relevant partners involved, contributing the required knowledge and experience and are their specific fields of expertise taken account of?).
2. Quality and relevance of experience of the individual partners (e.g. does the accumulated academic and professional background of the team enable them to deal with the thematic and methodological challenges of the project?).

Each criterion will be awarded a score between 0 – 10. Half marks can be given, too. The scores indicate the following with respect to the criterion under examination:

0. No evaluation possible: The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
1. Unacceptable: The proposal almost fails to address the criterion making it very difficult to judge due to missing or incomplete information.
2. Extremely poor. The criterion is addressed very superficial and highly unsatisfactory manner.
3. Very poor. The criterion is addressed in a cursory and unsatisfactory manner.
4. Poor. Serious inherent weaknesses exist in relation to the criterion.

5. Un-sufficient. Inherent weaknesses exist in relation to the criterion in question, which are too serious for correction.
6. Sufficient. The proposal broadly addresses the criterion; however there are significant points that would need correction.
7. Fair. The criterion is addressed sufficiently; however some points would need correction.
8. Good. The proposal addresses the criterion well, although some improvements are still needed.
9. Very good. The criterion is addressed in a convincing way and only minor improvements are needed.
10. Excellent. The proposal successfully addresses all relevant aspects of the criterion in question without any shortcomings.

Each group of selection criteria has a total number of points. No weighting will be applied. However each criterion should be scored with a value of at least 6. Proposals that fail to achieve this minimum score for a criterion will not be further considered in the selection procedure.

The Evaluation Committee will convene after the closure of the call at the latest. The committee will include an uneven number of evaluators, normally 5 and at least 3. In case of force majeure, like illness and/or transport delays/cancellation, a different number of evaluators can be accepted.

Evaluators will assess and mark the proposals exactly as they are described and presented. The evaluation will follow a two step approach: assessment and scoring of (1) the anonymous content related part and (2) the management and partnership related part. Evaluators will not make assumptions or interpretations about the project in addition to what is in the proposal. Concise and explicit concluding justification will be given for each proposal as well as comments for each score, where relevant for the evaluator. Evaluation forms without concluding comments will be deemed inadmissible. Equally, evaluation forms carrying handwritten corrections of scoring are declared inadmissible if they are not accompanied by handwritten initials. Recommendations for improvements to be discussed as part of a possible contracting will be given, if needed.

Once all the members of the Evaluation Committee have completed their individual assessments, the evaluation proceeds to a consensus discussion, supposed to represent the common views of the evaluators. The consensus discussion, which also includes a ranking of proposals, is moderated by the CU who also writes a consensus report containing recommendations for improvements of proposals suggested by the Evaluation Committee. Consensus reports with hand-written corrections of scoring will be declared inadmissible.

Provided that several proposals receive an equal aggregate score, other factors might as well be taken into account by the Evaluation Committee:

- A reasonable geographical distribution of project partners.
- A reasonable involvement of partners from Member States having entered the EU after 1 January 2004.

The CU is responsible for a final editing of the evaluation report for each project specification included in the call. The main objectives of this process are:

- To ensure a sufficient compilation of arguments voiced pro and con the individual proposals evaluated.
- To review cases where a majority/minority view was recorded in the consensus report.
- To clearly reflect the ranking of the majority of evaluators in the consensus report and in the case of equal scoring of several proposals explain the considerations made regarding the additional factors mentioned above, that led to the final ranking.

Taking into account the importance of the TPG's managerial capabilities for the correct project implementation, the Managing Authority (MA) will, through the CU, separately assess the "Management Related Criteria" of the submitted proposals. Should the result of this separate and independent assessment be different from or add to the one obtained by the Evaluation Committee, the recommendations of the CU to the MC will take this opinion of the MA into account.

By signing confidentiality agreements (using no-conflict-of-interest forms) members of the Evaluation Committee guarantee their independence and impartiality during the assessment as well as that the privacy and confidentiality of all proposals will be kept. Declarations of no-conflict-of-interest with negligence mistakes are declared inadmissible. The content of the proposals should not be published or forwarded to persons or institutions which are not directly engaged in the evaluation or decision making. The project idea itself, as well as the description and concept of the project and the structure of the application, remain the property of the project applicant.

### **Decision making**

As indicated in the previous section, the decisions on approved projects will be made by the MC of the ESPON 2013 Programme, based on the results of the eligibility and evaluation processes. For each theme, the MC will approve the best eligible proposal confirming the ranking of the content related evaluation (only one proposal will be approved for each of the theme).

This decision will be notified to all Lead Applicants soon after the MC decision. All the Lead Partners of the approved projects will receive a letter from the MA (CU) stating the decision of the MC as well as the total ERDF, EU Member States' and eventually Partner States' national funds approved. The MC decision may include certain conditions, recommendations and/or suggestions for improvements. In this case, the process of contracting, managed by the CU, will include a necessary revision/amendment of the project proposal. The result of this procedure will be the basis for concluding a Subsidy Contract.

All the Lead Applicants of the ineligible or non-approved proposals will receive a notification letter with a brief summary of the assessment results. In case Lead Partners of ineligible or non-approved proposals are not satisfied with the decision of the MC, they may put forward an appeal (for more details on the appeal procedure, please refer to chapter 8.12 of the Programme Manual).

#### **4.5.3 Contract and duration**

The proposals that are selected for funding and that fulfil the conditions set by the MC will receive a Subsidy Contract, closed between the MA and the respective Lead Partner of the project. The Subsidy Contract shall determine the rights and responsibilities of the Lead Partner and the MA, the scope of activities to be carried out, terms of funding, requirements for reporting and financial controls, etc.

A model of the Subsidy Contract is available on the Programme website ([www.espon.eu](http://www.espon.eu)).

#### **4.5.4 Budget**

TPGs conducting a project under Priority 3 will be granted a subsidy covering 100% of the real eligible costs incurred for carrying out the project approved. Funding will be made available by the ERDF, the national co-financing will be ensured by EU Member States at programme level and, eventually, by Partner States. Each call will indicate the maximum budget available related to individual project specifications included in the call.

Main individual actions, for Territorial Indicators/Indices and Tools and Territorial Monitoring Systems and Reports which budgets do not exceed € 75.000, will normally be contracted as provision of services and tendered according to EU and Luxembourg Public Procurement Rules. For each individual project terms of references will be issued and a tendering procedure carried through.

For minor actions under Territorial Indicators/Indices and Tools and Targeted Actions for Update of Indicators and Maps, every year and for each of the type of actions, the MA will propose to the MC an MA-led project which will include the different activities that should be implemented in the course of the reference year. The activities included and described in the different MA-led project will be implemented by the MA as provision of services according to EU and Luxembourg public procurement legislation

## **5. Priority 4: Capitalisation, Ownership and Participation: Capacity Building, Dialogue and Networking**

The ESPON 2013 Programme will put much emphasis on capitalising the evidence and findings through awareness raising and involvement of policy makers, practitioners, scientists and the wider public, in the beginning partly based on the results achieved by the ESPON 2006 Programme.

A participatory approach – including all target groups – for preparing territorial policies is fundamental to ensure their relevance, effectiveness and sustainability. The strategy of the ESPON Programme would therefore be incomplete and unable to achieve its overall objectives without specific actions raising awareness and involving stakeholders in the practical use of results coming out of projects. Bringing together views of policy makers, practitioners and scientists has been a good experience within the ESPON 2006 Programme, also as dialogue on defining and guiding actions. This also holds true for the applied research projects, for targeted analysis and for progressing further the ESPON Scientific Platform in the ESPON 2013 Programme.

The SWOT analysis included in the ESPON 2013 Operational Programme concluded that the capitalisation and awareness raising activities of the ESPON 2006 Programme and the results obtained so far were too limited, and that the uses of results should be improved by means of involvement, capacity building, dialogue and networking.

A substantial effort will be undertaken in the course of the ESPON 2013 Programme to involve the target groups in order to ensure quality partnership and the highest possible acquaintance, understanding and use of the evidence and knowledge base developed. Capitalisation, ownership and participation represent a core element in making the knowledge base of ESPON operational and used in practise, and for the preparation of effective territorial policies.

Three types of actions are foreseen to be financed within Priority 4 in support of capitalisation:

1. Media and Publications
2. European Seminars and Workshops
3. Transnational Networking Activities

The implementation of these actions is expected to increase profoundly the awareness of ESPON and the comparable European evidence available. The actions will ensure a wide coverage of the capitalisation of results by addressing mainly the following target groups:

- At the European level policy makers in European Institutions and programmes, representatives of EU Member States dealing with territorial development and relevant sector policies;
- Global, transnational, national, regional and local policy makers, practitioners, the private sector, as well as the general public involved in the development of territories. The scientific community (including students and young scientists) related



to territorial research will empower the capitalisation of results and be a target by itself in awareness raising activities.

As the ESPON 2006 Programme resulted in a substantive output, an enhanced dialogue and involvement of policy makers and practitioners at all levels has become feasible from the beginning of the ESPON 2013 Programme.

The dialogue envisaged should as well result in an increase of requests for additional information and assistance from ESPON, such as in particular themes for applied research under Priority 1 and interest for participating in actions under Priority 2, which would increase the use of ESPON findings and evidence even more.

The operational objectives for the three types of actions include the following:

- Capitalisation by raising awareness of ESPON findings, in particular by involving different stakeholders in interactive and focused transnational dialogues;
- Improving and consolidating the ownership of ESPON evidence and knowledge;
- Receiving feedback on the usefulness and use of ESPON results in practice;
- Ensuring the transferability of results by providing compact, written and long-lasting, easily readable evidence of the territorial knowledge built within the ESPON 2013 Programme.

A targeted ESPON Capitalisation Strategy as the guiding strategy for Priority 4 will provide action lines guiding the best possible capitalisation and use of results from applied research and analysis in creating awareness, involvement and to build capacity around ESPON findings. Its implementation will be facilitated by a media bureau as external support.

In addition, an ESPON Corporate Identity, identified and developed in the framework of the ESPON Communication Plan, targeting potential beneficiaries, will be created and implemented in order to create an ESPON identity and ease the visual communication of ESPON facts and data. The Corporate Identity will in general support the branding of the ESPON 2013 Programme. The ESPON Corporate Identity shall support and be used as part of the ESPON Capitalisation Strategy and in efforts of external awareness raising and communication during the entire programme implementation, also by the ESPON Coordination Unit (CU).

The ESPON Website will play an important role in ensuring a wide dissemination and use of results, tools, programme documents, and the ESPON e-Library. The further development of the ESPON Website will be closely coordinated with the ESPON Corporate Identity and include its design elements.

An active media and press cooperation will also support the capitalisation of the Programme in line with the strategy set up. Several series of ESPON publications are planned which will target different groups of stakeholders, be it policy makers, practitioners and/or scientist. The production, printing and dissemination of these will ensure a solid transfer of results and be oriented towards an easy use of results and key messages in the policy context. Finally, the Capitalisation Strategy will include the necessary (collaterals) auxiliaries promoting the ESPON 2013 Programme.

In particular, a number of projects on transnational activities are foreseen to ensure a wide dissemination of ESPON activities in complementarity to the capitalisation

provided at European level. Packages of actions at transnational level involving regional / local actors will stimulate the understanding and use of ESPON results, and should support operational decisions in the territories in question.

## 5.1 Media and Publications

### 5.1.1 Objectives

A crucial factor for creating awareness and empower the different actors in territorial development is to ensure a strategic support from media and publications stimulating information and dialogue on ESPON results which can lead to the use of the results. This cannot be achieved only by oral communication, but needs the support of specific outputs documenting the progress on the development of evidence and the knowledge base as well as the experiences made.

The media activities will involve a continuous and pro-active media dialogue, based on a flow of Territorial Observations (Briefings) and Media Activities / Blogs being based on key results. The different target groups of different media will be aimed at and the ESPON Website as a well-established brokering information platform will be developed further.

The elaboration of compact and easily readable ESPON Synthesis Reports, Scientific Reports, and other publications will provide written and long-lasting evidence of the territorial knowledge in an easily understandable language. It is therefore a very important and necessary element for the achievement of the specific objectives of this programme priority and for the entire ESPON 2013 Programme.

Issues to be considered are territorial trends which are of interest for policy makers, the private sector and the wider interested public (e.g. climate change, energy, demography, migration, economic perspectives for regions and cities, and good governance).

### 5.1.2 Deliveries and Outputs Expected

Capitalisation and media activities will imply a large amount of smaller and larger targeted efforts and deliveries creating visibility of ESPON facts and data among different groups of stakeholders:

- **ESPON Capitalisation Strategy** (Targeting all relevant groups and audiences)  
The ESPON Capitalisation Strategy leads to a plan for activities addressing different target groups of stakeholders such as mentioned before. It will materialise in an Annual Action Plan to be handed over to and approved by the MC.
- **ESPON Corporate Identity and Lay-Out** (Relevant for all ESPON “products” targeting all relevant groups and audiences)  
Based on the Corporate Graphic Design Guidelines<sup>17</sup> and taking the ESPON Communication Plan as cross-reference, the development and implementation of the

<sup>17</sup> These Guidelines govern the application of the identity and confirm approved colour palettes, typefaces, page layouts and others such as methods of maintaining visual continuity and brand recognition across all physical manifestation of the brand. Both, the development of these Guidelines and the production of promotional material based on these Guidelines, are financed under Programme Priority 4. On the contrary,

ESPON Corporate Identity includes primarily promotional material (e.g. map books, posters, business cards, CD ROM, etc).

- **ESPON Media Activities** (Targeting media and journalists)

Media activities will – as continuous media dialogue – include approx. 100 media reveals in the lifetime of the ESPON 2013 Programme period (equivalent to approx. 17 per year as output) implemented as direct mailings, press releases, articles, newsletters [**green series**] using own ISSN numbering, the presence at editors' lunches, and blogs/weblogs/videoclips. Relevant media may be European journals (e.g. cafébabel, EurActiv, EUobserver, European Agenda), the Global Press (e.g. The Economist), Net-Broadcasting (e.g. arte ["Le Dessous des cartes" / "Mit offenen Karten" by Jean-Christophe Victor], BBC [taking Climate Watch as reference], EuroNews, WDR ["Die Sendung mit der Maus" / "La souris souriante]), Institutions and Networks (e.g. Intergovernmental Panel on Climate Change – IPCC, World Economic Forum, World Social Forum), and national journals / newspapers with an explicit European Focus (e.g. DIE ZEIT, Neue Zürcher Zeitung, Le Monde).

- **ESPON Synthesis Reports** (Targeting policy makers, practitioners, and the private sector in European settings)

The ESPON Synthesis Reports will result in approx. 3 Synthesis Reports in the course of the ESPON 2013 Programme period (equivalent to approx. 1 per two years as output), using an own ISBN numbering [**white series**].

- **ESPON Territorial Observations (Briefings)** (Targeting policy makers, practitioners, and the private sector in European settings)

The ESPON Territorial Observations (Briefings) will result in approx. 12 Territorial Observations in the lifetime of the ESPON 2013 Programme period (equivalent to approx. 2 per year as output), using an own ISBN numbering [**red series**].

- **ESPON Scientific Reports** (Targeting the European scientific community)

The Scientific Reports will result in approx. 3 Scientific Reports as output in the course of the ESPON 2013 Programme period (equivalent to approx. 1 per two years as output), using an own ISBN numbering [**blue series**].

- **ESPON Website ([www.espon.eu](http://www.espon.eu))** (Targeting the general interested public)

The ESPON Website will continue its role as key information source having the home page conceived with information on the programme, the ESPON e-Library (downloads), a story and map of the month (changing approx. every month during the ESPON 2013 Programme period), and selected web links (e.g. European Commission's DG Regio's website Inforegio, OECD, Networks related to territorial development). Updating the ESPON Website will be managed in-house at the CU.

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promotional material of general value (e.g. application package, stationary) is financed within the activities of the Communication Plan under Programme Priority 5. The concrete application of the Guidelines belongs to each specific product. The Corporate Identity will be visible in the way it has been visually designed, but not in its structure, content, etc. The Corporate Graphic Design Guidelines will be available at [www.espon.eu](http://www.espon.eu) in due time.

In addition to the deliveries mentioned before, additional outputs (e.g. reports) may be necessary, but will be detailed in the respective Terms of Reference depending on the specific task to be fulfilled.

### **5.1.3. Implementation provision**

Activities under this action will be implemented as MA led projects. This implies that the MA will propose to the MC an MA-led project which will include the different activities that should be implemented in the course of the relevant project implementation period (the duration can be of one or more years depending on the types of activities foreseen). The activities included and described in the MA-led project will be implemented by the MA as provision of services according to EU and Luxembourg public procurement legislation. The MA will follow a tendering procedure including all necessary elements of publication, submission of tenders, selection, award and contracting following the rules set out in the Luxembourg public procurement law and related implementation provision as well as EU legislation.<sup>18</sup>

## **5.2 European Seminars and Workshops**

### **5.2.1 Objectives**

The objective of European seminars and workshops, mainly targeting policy makers and practitioners and being open to interested scientists and a wider interested public from EU Member States and Partner States, their regions and cities, is to widen and consolidate the ownership of ESPON evidence and knowledge produced in Applied Research under Priority 1, also through the exchange of the experiences acquired with the participation in the Targeted Analyses financed under Priority 2 and progress made on the Scientific Platform under Priority 3.

The transfer of results will primarily target the group mentioned before. However, some seminars are aiming as well at discussing the global perspective, in cooperation with neighbouring countries, some continents and groupings of countries (e.g. Mediterranean Area, Eastern Europe, the Black Sea Cooperation and the Northern Periphery).

The establishment of a competent and long-lasting intellectual capacity in Europe in the field of territorial development and cohesion shall also imply scientific events targeting territorial research and analysis. Events, scientific conferences and workshops on specific issues shall involve the network of scientists in the field of territorial research and related fields established under the ESPON 2006 Programme as well as operating spatial observatories of EU Member States and Partner States.

These open seminars and workshops<sup>19</sup> would provide valuable inputs for the MC on the specific needs of different target groups in terms of information, tools and guidance that should be given priority when deciding on actions to be financed under the other programme priorities. In addition, they will provide feedback on the usefulness and use

<sup>18</sup> Luxembourgish law of 30 June 2003, Règlement Grand Ducal (RGD) of 7 July 2003

<sup>19</sup> Apart from these open European Seminars and Workshops, internal ESPON Seminars will be staged in the lifetime of the ESPON 2013 Programme. The internal ESPON Seminars are organised to ensure dialogue between MC Members, the ECP Network and Lead / Project Partners on the progress of projects results. They are financed by the Technical Assistance Budget of the ESPON 2013 Programme (Priority 5).

of ESPON results in practice allowing for an ongoing improvement of the overall usefulness of the ESPON Programme deliveries towards actors of high relevance for territorial development and cohesion. Workshops on scientific issues can be part of the activities ensuring the usefulness of future results.

The open seminars and workshops will, in order to support at its best the capitalisation for policy development, be organised in close cooperation with the bodies mentioned. In particular, a broad approach shall be taken in relation to different sector policy areas and in relation to European associations representing urban and rural areas, maritime regions etc. as well as organisations promoting specific sectoral interests. Institutions related to the collection and use of territorially related data and facts (e.g. EEA, OECD, etc.) will be considered as well. In addition, European professional and scientific organisations (e.g. AESOP, ECTP, ERSA, EUGEO, FIG, IFHP, ISoCaRP, RSA, etc.) will be taken into account.

Common events with other Structural Funds Programmes shall take into consideration the first experience of cooperation between the ESPON 2006 Programme and the INTERACT Programme within the previous programming period. A yearly coordination will be undertaken between the ESPON 2013 Programme, INTERREG IV B, INTERREG IV C, INTERACT II, and URBACT II to ensure complementarities, which may include common events.

Issues to be considered in preparing these events are territorial structures, trends, perspective and policy impacts which are of interest for policy makers, practitioners and interested scientists (please refer to 5.1.1), taking particularly into account the issues of data collection, database maintenance and use, and monitoring.

### **5.2.2 Deliveries and Outputs Expected**

The organisation of European seminars and workshops targeting specific EU Community actors, actors at European / global level and within relevant Structural Funds financed programmes as well as the scientific community and national spatial observatories will as deliveries result in:

- **ESPON Seminars and Workshops**

14-20 seminars and workshops will be staged during the ESPON 2013 Programme period (equivalent to 2-3 per year). Each year, one event will target in particular policy makers and practitioners at European level, working in European Institutions and international cooperation structures.

- **Events in cooperation with stakeholders**

It is as well foreseen to stage events in cooperation with other relevant bodies, either based on (1) a cost sharing model, (2) by including ESPON 2013 work sessions/workshops financed by ESPON, back-to-back with the event, or (3) by providing and paying for speakers presenting ESPON results at external events.

In relation to the deliveries mentioned above, additional outputs (e.g. seminar material, printed reports, brochures, etc.) may be necessary, which may be tendered and detailed in respective Terms of Reference depending on the specific tasks to be fulfilled.

### **5.2.3. Implementation provision**

Activities under this action will be implemented as MA led projects. This implies that the MA will propose to the MC an MA-led project which will include the different activities that should be implemented in the course of the relevant project implementation period (usually one year). The activities included and described in the MA-led project will be implemented by the MA as provision of services according to EU and Luxembourg public procurement legislation. The MA will follow a tendering procedure including all necessary elements of publication, submission of tenders, selection, award and contracting following the rules set out in the Luxembourg public procurement law and related implementation provision as well as EU legislation.<sup>20</sup>

## **5.3 Transnational Networking Activities**

### **5.3.1 Objectives**

The ESPON 2013 Programme states that the ECP Network shall play the important role of undertaking these Transnational Networking Activities related to capitalisation of results.

The activities shall aim at supporting a targeted transnational capitalisation, awareness raising, exchange of experiences, participation, empowerment and dissemination of ESPON results and evidence. They shall activate transnational interest in ESPON by involving policy makers, practitioners and scientists, young academics and students in particular those who would otherwise not be informed about ESPON.

A specific objective is to ensure a complete coverage of all relevant actors at transnational level within the European territory involving the target groups mentioned before and to promote the European perspective of territorial development, competitiveness and cohesion.

Moreover, the transnational activities should contribute to the quality of the applied research actions by providing factual feedback based on national information, via the CU, to the TPG on draft final project reports.

A particular challenge for the Transnational Networking Activities is to ensure an operational approach that can lead to proposals for new initiatives that can be decided and implemented by relevant stakeholders. The Transnational Networking Activities shall consider and / or seek to define potential new actions within the transnational territory, which can contribute to the development of its regions and cities. In this context, the transnational networking could also lead to raising the interest from practitioners and stakeholders for targeted analytical deliveries under Priority 2 of the ESPON 2013 Programme.

### **5.3.2 Compulsory Actions and Additional Activity Ideas**

Within the ESPON 2013 Programme a range of approximately 14 Transnational Networking Activities shall be carried through during 2007-2013. The Transnational Networking Activities shall be implemented as transnational projects under Priority 4 of

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<sup>20</sup> Luxembourgish law of 25 June 2009, Règlement Grand Ducal (RGD) of 3 August 2009

the Operational Programme. The total budget for the 27 Member States ECPs for the entire programming period is € 3.000.000 and an additional €118.000 is available for the participation of the 4 Partner States ECPs.

A Transnational Networking Activity will normally last 2-3 years. Depending on the logic of each Transnational Networking Activity and the strategy chosen, its duration might be shorter or longer. ECP institutions wanting to participate in the last call for Transnational Networking Activities opening on 24 August 2011 shall assure that their formal nomination as national ESPON Contact Point is valid for the entire project implementation period in the proposal and does not expire before the proposed project implementation has ended. The MC will in the course of the eligibility check be asked to confirm the duration of the nomination of their national ECP institution

The Transnational Networking Activities are part of the capitalisation efforts within the ESPON 2013 Programme opting for ownership, participation, capacity building, dialogue and networking. Some analytical effort in communicating a transnational perspective shall be envisaged based on existing ESPON results. However, research and conceptual work exclusively aimed at new scientific results is not foreseen as part of the Transnational Networking Activities.

Project proposals for Transnational Networking Activities by the ECP Network shall as foreseen in the ESPON 2013 Programme comply with the following requirements and explicitly include all 4 compulsory activities listed below (specific outputs and results shall be as well indicated):

1. An overall strategy for the Transnational Networking Activity as such justifying each (separate) action proposed within the project characterised by (1) a clear transnational orientation, including purely national actions only where they can be justified as an integrated part of the Transnational Networking Activity, (2) clearly defined target groups, including groups which otherwise could not have been informed and, become interested.
2. A package of several actions to be implemented as part of the Transnational Networking Activity, among which, (1) actions carrying through events that can support capitalisation of ESPON results in the transnational context, and (2) actions with an operational approach which could lead to recommendations for new initiatives within the respective transnational area.
3. Actions that provide feedback on blunders, misinterpretations and mishaps in Draft Final Reports of ESPON Projects under Priority 1, which will be forwarded by the ESPON CU to the MC and relevant TPG and Sounding Board members<sup>21</sup>.
4. Actions ensuring the ESPON Monitoring Committee feedback on national activities (twice a year) on the status and development of national networks related to ESPON and on potential demands and expectations.

The last call for proposals opening on 24 August 2011 should benefit from positive capitalisation experiences made in other ongoing Transnational Networking Activity projects and explicitly include cross-fertilisation of activities integrating thematic issues

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<sup>21</sup> Blunder checks refer to factual mistakes, misinterpretations and mishaps. The more in-depth scientific check of project deliveries is undertaken by the Sounding Boards experts in the framework of the KSS. In this sense, each individual ECP is requested to provide feedback on blunders related to its respective country.

and approaches already undertaken in other transnational capitalization projects under Priority 4 and making use of best experiences in a communication targeting users of ESPON results.

Project elements, which the ESPON Monitoring Committee does not envisage to be included and implemented by the ECP Network, are:

- Collection of data for other ESPON projects;
- Purely national actions, unless they are integrated and fully justified as part of a Transnational Networking Activity.

The following ideas for actions are the result of discussions within the ESPON Monitoring Committee and with the ECP Network. They express proposals that can be further considered by the ECP Network and eventually included in project proposals for Transnational Networking Activities. The list shall not to be considered exhaustive, and serves only the purpose of stimulating the process in the ECP Network leading to project proposals for Transnational Networking Activities:

(1) Promotion of a territorial development approach at events involving key stakeholders, practitioners and scientists in developing strategic development objectives and finding underused development potentials, which could be turned into operational actions by the stakeholders. Information on the scenarios and their consequences for the transnational territory in question could be included.

(2) Stakeholder-oriented activities on national, regional and local level in order to raise and / or deepen awareness and stimulate the use of results of ESPON projects and thus to stimulate interest – in the sense of bottom-up approaches – in targeted analysis proposals under Programme Priority 2. In doing so, it is a particular challenge to bridge the gap between the scales of NUTS (being the basis for ESPON results) and the sometimes very detailed concerns of stakeholders on the local/regional level. Developing activities to illustrate the relevance of ESPON results on the national, local and regional level could start in “small states” as their stakeholders are particularly aware of matters of scale.

(3) Awareness raising in the transnational territories focusing on the main territorial challenges for Europe defined in the ESPON 2006 Scenario project (3.2) and the necessity to include a larger territorial context in finding a sustainable development path, eventually including the involvement of stakeholders from the private sector. Particular focus should be given to raise awareness about possible opportunities for development.

(4) Activities for young researchers, scholars and students in order to activate the particular interest of the next academic generation of administrators and scientists. Transnational networking activities should address these by staging tailor-made events. Such events should follow-up on experiences gained from the YoungStars Seminars under the ESPON 2006 Programme. These events could be coordinated between several projects and culminate in a bigger event in the course of the ESPON 2013 Programme organised by the ESPON CU in close cooperation with the ECP Network.

(5) Training and teaching activities could be provided for practitioners, policy makers and teachers in order to enable them to use territorial information and ESPON findings. These activities could also include other European Territorial Cooperation (ETC) Programmes as well as other activities / networks than ESPON. An example for existing



training / teaching material might be the “Flipping-Through-Atlas” produced by the Italian Ministry of Transport and Public Works.

(6) Learning efforts towards secondary schools and higher education institutions teaching the European perspective for the generation that will live in Europe of tomorrow. Eventually elaborating teaching material and conveying open competitions among school classes on “their European territory of tomorrow” can be considered.

(7) Dissemination of results, information and publications related to ESPON projects to relevant regional, sectoral and academic stakeholders, e.g. at seminars, conferences, etc. The dissemination to national networks involved in the transnational project could be done by regular mailings, organisation of national “info-days” or workshops, websites linked to the ESPON Programme Website, etc.

(8) Efforts to increase networks around the ESPON 2013 Programme and by doing so, the potential partners in ESPON actions under Priority 1, 2 and 3. This could include targeted seminars for scientist representing potential beneficiaries that could become partners in a TPG.

(9) Networking with other networks relevant for territorial development and cohesion could be considered, as well as common actions with other Structural Funds Programme that should be given high priority in such considerations.

(10) Networking action could also include neighbouring countries / continents (on their own expense). Different regional activities could be included considering different planning cultures and integrating basic territorial approaches and ideas. Preference should here be given to EU Candidate Countries. In addition, the ESPON Monitoring Committee has expressed particular interest in integrating the Balkan countries in ESPON activities, including in Transnational Networking Activities.

(11) Cooperation across projects on Transnational Networking Activities could be an option on a variety of issues, including promotion activities, events, teaching, etc. In addition, an action such as a “road show (ESPON on the Road)” could be developed and staged in order to go public with ESPON 2006 and 2013 findings.

(12) National websites could be set up providing information on the ESPON 2013 Programme. However, ECP websites shall be clearly complementary to the ESPON Website at programme level and not duplicate information already accessible at programme level. The use of links to the ESPON Website should prevail. The presence of native languages should be present in ECP Websites, particular the homepages, in order to reach a wider audience.

(13) Translation of short key texts (such as brochures related to Transnational Networking Activities and/or text for websites) into other languages than English, depending on the logic of the activity envisaged and keeping its added transnational value in mind.

### **5.3.3 Deliveries and Outputs expected**

The contracted ECP Lead Partner has, according to the usual reporting requirement related to Progress Reports, every six months to inform on the Transnational Network

Activities carried through.. These activity reports will include information on the project implementation and the output, results and impacts achieved in the transnational context.

In addition to these regular activity reports, each contracted Transnational Networking Activity will have to deliver:

- Delivery of **feedbacks from the blunder checks** implemented by the TPG members within 3 weeks time after receiving an information email from the ESPON CU on the availability of the Priority 1 project(s) Draft Final Reports. A template table for each ECP noting blunders, misinterpretation and mishaps will be made available. The Lead Partner will ensure that the individual inputs provided by each of the ECP partners in the project are compiled in one document and submitted to the ESPON CU.
- A **Draft Final Report**, consisting of max. 50 pages (plus an executive summary of max. 10 pages), shall consist of a presentation of the strategy implementation achieved as well as the main results in terms of capitalisation of ESPON results that the Transnational Networking activity has accomplished. The Draft Final report shall in particular address the level of impact on concrete decisions aimed at developing the transnational territorial context.
- A **Final Report** as a consolidated and improved version of the Draft Final Report on the basis of comments received from the ESPON MC and the CU. The Final Report is considered as the main documentation of the Transnational Networking Activity.

All the above mentioned reports will have to be delivered both, in a printed version via mail directed to the postal address of the CU as well as digitally by email (or the most adequate media) directed to the ESPON CU (in case the size of the files does not allow for sending by e-mail the reports can be delivered by upload on the dedicated programme intranet). Aiming at full transparency the CU will upload reports received on the ESPON Website. Deadlines for the submission of the above mentioned reports will be indicated in the specifications and in the Subsidy Contract and will coincide with the deadlines for the submission of progress reports whose approval will allow for the release of the reimbursement of the incurred costs.

## 5.4 Application and Selection Procedures for calls for proposals

All projects financed under this priority under the action Transnational Networking Activities, will be subject to calls for proposals and subsequent subsidy contracts.

### 5.4.1 Application Procedure

All Transnational Networking Activities financed under this priority will be subject to calls for proposals.

As soon as a launch of a call for proposals has been decided upon by the MC, a pre-announcement of the call will be issued, providing information on the call. The pre-announcement will be widely published by adding it to the ESPON Website ([www.espon.eu](http://www.espon.eu)), to the ESPON Newsletter as well as to the Official Journal of the European Commission, C Series. At the same time, the Member and Partner States

participating in the ESPON 2013 Programme will be informed directly about the planned call. The pre-announcement will normally be issued eight weeks prior to the publication of the Call for Proposals.

The pre-announcement procedure is supposed to facilitate the submission of a proposal at a later stage, by giving interested beneficiaries the chance to prepare on beforehand. The pre-announcement offers an opportunity to incorporate ideas of all partners equally, thus ensuring a high level of commitment to the Transnational Networking Activity. As an additional advantage, partners can test how the cooperation works during this preparatory phase before starting to implement actual Transnational Networking Activities. It is possible for an ECP institution to participate in more than one proposal.

The publication of the Call for Proposals will become public via the same channels as the pre-announcement.

Calls for Proposals will usually be open for two months (40-45 working days). Proposals should be submitted according to the application requirements provided and specified in the application packages. Standardised application forms will be provided by the ESPON 2013 Programme. Automatic registration of proposals will be ensured.

#### **5.4.2 Selection Procedure**

The selection procedure starts immediately after the deadline set for submitting proposals for Transnational Networking Activities. The two parts will time-wise run in parallel. The MC will first decide on the eligibility of proposals received before addressing the results of the content related evaluation resulting in a ranking of the best proposals. The MC will select the best eligible proposal(s) according to the ranking resulting from the content related evaluation. The MC takes the final decision on the approval of projects on Transnational Networking Activities.

##### ***Eligibility Criteria***

Transnational Networking Activities will be checked against the eligibility criteria in order to ensure that they fulfil the technical requirements of the Programme. The eligibility assessment will be performed by the CU.

The check of the eligibility criteria will be documented by ticking boxes of “yes” or “no”, depending on whether the respective evidence has been provided or not. Each proposal for a Transnational Networking Activity to be assessed has to fulfil the following criteria:

<b>ELIGIBILITY CRITERIA</b>
1. The application has been submitted in due time in original and electronic version <sup>22</sup> .

<sup>22</sup> You are advised to keep a proof of the submission of the postal version within the set deadline in case no date stamp is placed on the envelope by the postal services. Following the electronic submission you will receive an automatic confirmation that your email has successfully reached the programme mailbox. Should you not get the automatic confirmation mail, please check that the application was sent to the correct address and/or that no other error has occurred in order to avoid any problem with the eligibility of your proposal.

2. The application is complete and includes the requested administrative forms properly filled in according to the detailed instructions provided in the Part A and Part B of the Application Form, supporting documents as well as the proposal for a Transnational Networking Activity (the list of supporting documents required will be provided in the specific call).
3. The content of the proposal specifically includes all the 4 compulsory activities required (see list in page 78).
4. The proposal comply with the requirement set by the ESPON 2013 Programme (as detailed in Chapter 5.3.2 of the Programme Manual)
5. The partnership involves at least the minimum number of participants given in the specific call.
6. The nomination of all ECP institutions involved in the project proposal has been confirmed by the Monitoring Committee by the time of the opening of the call, and a valid nomination exists for all partners involved until the end of the project by the deadline for the submission of the proposal.

In case the CU should detect, during the eligibility check phase, one or more of the following omissions in applications received within the deadline given, which would lead to the application being deemed ineligible, the respective Lead ECP Partner will be informed in written by fax and offered a maximum of five working days (counting from the day following the day of receipt of the fax as documented by the transmission report) to correct the omission(s).

The correctable omissions are the following:

- Missing supporting documents **in paper version** as requested in the call: the two annexes of Application Form Part A (3.5b - management chart and 3.6b - financial flow chart) as well as solvency documents ( if relevant).
- Missing signature and / or missing stamp on a document.
- Missing supporting documents **in electronic version** as requested in the call: the two annexes of Application Form Part A (3.5b - management chart and 3.6b - financial flow chart).
- Correction of discrepancies in the electronic version of the proposal submitted compared to the paper version sent to the MA (CU) by post, which is considered the valid application in legal terms.

In the first two cases, the listed missing and / or corrected documents, duly signed and stamped, shall be dispatched in original to the CU by registered express delivery within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report)..

In case of missing electronic versions of supporting documents as well as discrepancies between the electronic and the paper version of the submitted application, the electronic

version corresponding to the paper version submitted shall be sent by email to the CU (to the email address indicated in the communication) within **seven working days** (counting from the day following the day of receipt of the fax as documented by the transmission report).

Any document delivered after the deadline given will not be considered and the proposal will be deemed not eligible. It is advised to all applicants to keep a proof of the sending of the requested documents within the deadline (e.g. receipt of the post office clearly indicating the sending date).

The Lead ECP Applicants of ineligible applications will following the MC decision on eligibility receive a notification letter specifying the non-fulfilled eligibility criteria.

### ***Evaluation Criteria***

In parallel with the eligibility check, the evaluation of all project proposals will take place. The Evaluation Committee will be made up of CU staff members.

The check of compliance with the evaluation criteria is based on a scoring system and results in a ranking list of all proposals received.

This step in the selection procedure serves to assess the relevance of the proposals regarding the priorities and objectives of the ESPON 2013 Programme and of the specific call to which they respond. It also looks into the impact of each proposed Transnational Networking Activity, i.e. its importance for the capitalisation at transnational level and for stakeholders involved in territorial development on EU, national and regional level.

The evaluation will be based on three types of selection criteria:

- Content related criteria,
- Management related criteria, and
- Partnership related criteria.

<b>Content Related Criteria</b>
1. Soundness of the proposed strategy, adequacy of the objectives set and the actions proposed (e.g. Are the strategy, objectives and actions consistent? Can the strategy and its objectives be realistically achieved through the proposed approach? Will the Transnational Networking Activity support territorial development processes and operational initiatives in the transnational context? Could the project lead to demands for further analytical work/activities within ESPON?)?
2. Potential contribution to a transnational capitalisation of ESPON 2013 results (e.g. Is the proposed strategy adding value and strengthening the capitalisation activities at Programme level? Does the proposed strategy consider adequately a complementarity to the objectives, results and impacts of the Priority 4 of the ESPON 2013 Programme?)
3. Balance between the 4 compulsory activities and the other activities proposed by the partnership (e.g. Are activities linked together in a logic and reinforcing manner?)

4. Cross-fertilisation through integration of thematic issues and approaches already undertaken in other transnational capitalization projects under Priority 4 and thus making use of best experiences in a communication targeting users of ESPON results.
5. Appropriateness of actions and disseminations activities proposed in relation to the objectives and target groups identified by the proposals (e.g. Have adequate target groups been identified? Are they conceived in such a way that target groups can be easily reached? Does the dissemination activities proposed include innovative new ways of capitalising on ESPON results?)

#### **Management Related Criteria**

1. Appropriateness and clarity of the management structure and the plan for the implementation of the Transnational Networking Activity (e.g. is the Lead ECP Partner experienced in project management; are procedures for decision-making and monitoring transparent; is the timing for individual work packages and the overall work plan convincing?)
2. Transparency of procedures related to ERDF requirements (e.g. are the required audit procedures, that need to be established, in place and are all partners aware of them?)
3. Appropriateness of the allocation and justification of the resources (budget and staff) among the different work packages and partners (e.g. is the breakdown of budget to partners adequate?)

#### **Partnership Related Criteria**

1. Sufficiency of the combination of competences/expertise presented in the applying ECP Group as a whole for the strategy and activities proposed (e.g. are the team of partners involved covering the required knowledge and experience related to the proposal?)
2. Relevant experience of the individual partners (e.g. does the professional and academic experience of the individual team members correspond sufficiently to deal with the variety of challenges related to the Transnational Networking Activity?)

For the final call for proposals opening on 24 August 2011 the Monitoring Committee has adopted the following call specific criteria in order to ensure the ambition of the Operational Programme of having all national ECP institutions involved in Transnational Networking Activities:

#### **Call Specific Criteria**

1. Involvement in the partnership of one of the ECPs not yet involved in any running TNA projects (Portugal or Denmark) = 10 points.
2. Involvement in the partnership both ECPs not yet involved in any running TNA projects (Portugal and Denmark) = 30 points.

Each criterion will be awarded a score between 0 – 10. Half marks can be given, too. The scores indicate the following with respect to the criterion under examination:

0. No evaluation possible: The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
1. Unacceptable: The proposal almost fails to address the criterion making it very difficult to judge due to missing or incomplete information.
2. Extremely poor. The criterion is addressed very superficial and highly unsatisfactory manner.
3. Very poor. The criterion is addressed in a cursory and unsatisfactory manner.
4. Poor. Serious inherent weaknesses exist in relation to the criterion.
5. Un-sufficient. Inherent weaknesses exist in relation to the criterion in question, which are too serious for correction.
6. Sufficient. The proposal broadly addresses the criterion; however there are significant points that would need correction.
7. Fair. The criterion is addressed sufficiently; however some points would need correction.
8. Good. The proposal addresses the criterion well, although some improvements are still needed.
9. Very good. The criterion is addressed in a convincing way and only minor improvements are needed.
10. Excellent. The proposal successfully addresses all relevant aspects of the criterion in question without any shortcomings.

Each group of selection criteria has a total number of points. No weighting will be applied. However each criterion should be scored with a value of at least 6. Proposals that fail to achieve this minimum score for a criterion will not be further considered in the selection procedure.

The evaluation will be implemented for the MC by the CU. Evaluators will assess and mark the proposal exactly as it is described and presented. The evaluation will follow a two step approach: assessment and scoring of (1) the content related part and (2) the management and partnership related part. Evaluators will not make assumptions or interpretations about the Transnational Networking Activity in addition to what is in the proposal. Concise and explicit concluding justification will be given for each proposal as well as comments to scores, where relevant for the evaluator. Evaluation forms with no concluding comments will be deemed inadmissible. Recommendations for improvements to be discussed as part of a possible contracting will be given, if needed.

Once all the members of the Evaluation Committee have completed their individual assessments, the evaluation proceeds to a consensus discussion, supposed to represent the common views of the evaluators. The consensus discussion, which also includes a ranking of proposals, includes as well recommendations for improvements of proposals suggested by the Evaluation Committee. Consensus reports with hand-written corrections of scoring will be declared inadmissible.

Provided that several proposals receive an equal aggregate score, other factors might as well be taken into account by the Evaluation Committee:

- A reasonable geographical distribution of project partners.
- A reasonable involvement of partners from Member States having entered the EU after 1 January 2004.

The CU is responsible for a final editing of the evaluation report for each project specification included in the call. The main objectives of this process are:

- To ensure a sufficient compilation of arguments voiced pro and con the individual proposals evaluated.
- To review cases where a majority/minority view was recorded in the consensus report.
- To clearly reflect the ranking of the majority of evaluators in the consensus report and in the case of equal scoring of several proposals explain the considerations made regarding the additional factors mentioned above, that led to the final ranking.

Taking into account the importance of the managerial set-up for the correct Transnational Networking Activity implementation, the MA will, through the CU, separately assess the “Management Related Criteria” of the submitted proposals. Should the result of this separate and independent assessment be different or add to the one obtained by the Evaluation Committee, the recommendations of the CU to the MC will take this opinion of the MA into account.

By signing confidentiality agreements (using no-conflict-of-interest forms) members of the Evaluation Committee guarantee their independence and impartiality during the assessment as well as that the privacy and confidentiality of all proposals will be kept. Declarations of no-conflict-of-interest with negligence mistakes are declared inadmissible. The content of the proposals should not be published or forwarded to persons or institutions which are not directly engaged in the evaluation or decision making. The Transnational Networking Activity idea itself, as well as the description and concept of the project and the structure of the application, remain the property of the Transnational Networking Activity applicant.

### ***Decision Making***

As indicated in the previous section, the decisions on approved projects will be made by the MC of the ESPON 2013 Programme, based on the results of the eligibility and evaluation processes. The MC will approve the best eligible proposal(s) confirming the ranking of the content related evaluation.

This decision will be notified to all Lead ECP Applicants soon after the decision of the MC. All Lead ECP Partners of approved activities will receive a letter from the CU (MA)



stating the decision of the MC as well as the total ERDF, EU Member States' and eventually Partner States' national funds approved. The MC decision may include certain conditions, recommendations and / or suggestions for improvements. The MC may as well opt for a completion of a group of ECP institutions behind a proposal by including additional ECP institutions should the sufficient participation of ECP's not be given. In these cases, the process of contracting, managed by the CU, will include a necessary revision / amendment of the Transnational Networking Activity proposal. The result of this procedure will be the basis for concluding a Subsidy Contract.

All Lead ECP Applicants of the ineligible or non-approved proposals will receive a notification letter with a brief summary of the assessment results. In case Lead ECP Partners of ineligible or non-approved proposals are not satisfied with the decision of the MC, they may put forward an appeal (for more details on the appeal procedure, please refer to chapter 8.12 of the Programme Manual).

### **5.4.3 Contract and Duration**

The Transnational Networking Activities proposals which are selected for funding and which fulfil the conditions set by the MC will receive a Subsidy Contract, closed between the MA and the respective Lead ECP Partner of the Transnational Networking Activity. The Subsidy Contract shall determine the rights and responsibilities of the Lead ECP Partner and the MA, the scope of activities to be carried out, terms of funding, requirements for reporting and financial controls, etc. This does not go for all other activities under Priority 4, which instead will result in Service Contracts.

A Model of the Subsidy Contract is available on the ESPON Website.

### **5.4.4 Budget**

The partners in the ECP Group conducting a Transnational Networking Activity will be granted a subsidy covering 100% of the real eligible costs incurred for carrying out the activity approved. Funding will be made available by the ERDF; the national co-financing will be ensured by EU Member States at programme level and, eventually, by Partner States. Each call will indicate the maximum budget available related to individual specifications included in the call.

## **6. Ongoing Evaluation within the ESPON 2013 Programme**

The monitoring and evaluation of the implementation of the ESPON 2013 Programme shall according to EC Regulation 1083, Art. 47 be conducted as an ongoing evaluation during the entire programme implementation. The targets set for outputs, results and impacts in the Operational Programme for the ESPON 2013 Programme will constitute an important element in the necessary monitoring framework behind a continuous evaluation of the programme implementation.

The guiding principles for the ongoing evaluation will be (1) the consistency of the activities under the different programme priorities, their relationships and complementarity, (2) the effectiveness of the operations measured with the indicators provided in the OP, and (3) the efficiency which compares the processes and effects to the means and resources mobilised.

The relevance of the ESPON 2013 Programme is not seen as a key evaluation issue as the programme with its clear policy driven and user relevant approach, which will be facilitated by programme bodies composed of policy makers, should guarantee a high degree of relevance of the themes and evidence produced by the programme.

### **6.1 Monitoring and Evaluation of Programme and Projects**

The aim of monitoring and evaluation is to improve the quality of the programme implementation. A continuous monitoring of selected indicators within the ESPON 2013 Programme will provide the basis for two distinctive components in the ongoing evaluation, one internal and one external, using different approach and with a specific timing.

An iterative internal evaluation will be conducted by the CU and presented to the Monitoring Committee in connection with the yearly Annual Report, and/or when circumstances may make it necessary.

An external evaluation will be conducted once in the lifetime of the ESPON 2013 Programme. The size and volume of the programme and the principle of proportionality is behind the decision to opt for only one external evaluation.

The three core elements of the ongoing monitoring and evaluation foreseen are further detailed below.

#### **6.1.1. The Monitoring Score Board**

The monitoring information to be provided for the ongoing internal evaluation and for the Monitoring Committee will, as said, be founded in the indicators for outputs, results and impacts included in the Operational Programme. In addition, the ongoing monitoring will include information based on additional indicators related to the budget absorption and the capitalisation envisaged.

At project level the target indicators of the Operational Programme (annex V.4), scoring on each action included will be set up and continuously updated at the CU. The necessary input to the Scoring Board will involve information from ongoing projects (under subsidy contracts), which will be ensured by Lead Partners in the Interim, draft Final and Final Reports scheduled, as well as information on MA led projects (under service contracts) generated by the CU from the implementation of these projects.

At programme level, a budget monitoring will be included showing the development of absorption on the 5 programme priorities and including simulation of the absorption necessary to avoid N+2/3 de-commitment. The budget monitoring will be tabled for the MC 1-2 times per year related to decisions and/or adjustments of the overall programme budget and included in reporting to the Commission.

Also at programme level, additional indicators will be included on capitalisation achieved showing the level of exposure and interest in the programme and project activities, including information on website hits, ESPON Newsletter subscribers and uptake of ESPON material on other websites.

The information gathered as part of the monitoring will be compiled and presented as a Monitoring Scoring Board. As the ESPON 2013 Programme is still in the initial phase of implementation, the Monitoring Scoring Board will for the first time be presented for the MC in December 2009.

### **6.1.2. Ongoing Internal Evaluation**

The ongoing internal evaluation will measure the level of accomplishment obtained and the trends in achievements in accordance to the expectations set up for the programme.

The internal evaluation will be based on the collection of information related to the indicators included in the Monitoring Score Board. The collection of data will be updated iteratively and evaluated by the CU every 6 months, by June and December.

The internal evaluation made by the CU will mainly be based on indicators selected providing a mix of information showing (1) the outputs and results achieved, (2) the financial absorption of the programme and (3) the capitalisation achievements realised, will be used for internal evaluation.

The evaluation will on that basis focus on (1) the level of achievements, (2) the trends to be observed and (3) a simple simulation of the expected achievements until the end of the programme.

The internal evaluations will on this basis judge whether stimulating interventions are necessary to meet the outputs and results, to ensure a higher/lower financial absorption and/or to ensure an up-going trend in the capitalisation activities.

The internal evaluation of the monitoring supported by the Score Board shall twice a year be reported by the MA to the ESPON Monitoring Committee. This is foreseen (1) in relation to the decision by the MC on the Annual Report that by 30 June every year shall be submitted to the Commission by the MA, and (2) in relation to the decision each year on the yearly Work Plan. In case of more urgent need, the Monitoring Committee will be presented with results and recommendations of the ongoing internal evaluation.

### 6.1.3. External Evaluation

An external evaluation addressing the guiding principles for the ongoing evaluation will be conducted by external experts in October-November 2010, when the programme activities have reached a certain level of maturity, and when it is still possible to implement quality improvements, if necessary.

For a minor programme as ESPON, the proportionality principle means that an external evaluation will only be conducted once. However, should the framework conditions around the ESPON 2013 Programme change profoundly, additional evaluation exercises could be evoked.

The external evaluation will be implemented as a service provision within the TA budget. The Terms of Reference for the evaluation will take inspiration from a forthcoming template being developed by the InterAct Programme.

The Terms of Reference to be developed will ensure that the external evaluation focuses on the following issues:

- The consistency of the activities under the different programme priorities, their relationships and complementarity.
- The effectiveness of the operations measured with the indicators provided in the OP.
- The efficiency which compares the processes and effects to the means and resources mobilised.
- The relevance of the ESPON 2013 Programme in its political context.

The external evaluators will be asked to address the relevance of the programme in its political context taking the nature and policy drive inherent in the ESPON 2013 Programme into account.

This external evaluation might lead to proposals for changes in the programme as well as the modalities set up implementing it. External factors, such as changing policy priorities, can influence the realism of priorities and actions.

The timing will imply that the MC will be asked to decide upon Terms of Reference for this external evaluation in the beginning of 2010 after which a Call for Tender will be launched and a contractor found before summer 2010. The external evaluation will then be conducted during September-November 2010 and reported to the MC in December 2010.

The external evaluation will be conducted in compliance with quality standards for both the evaluation process and report as set out by EVALSED.

## 6.2 Evaluation Plan

The Evaluation Plan includes the elements of monitoring and evaluation mentioned. The timing of activities is considered of high importance in order to harvest the potential benefits of the monitoring and evaluation efforts. The time schedule envisaged can be seen in the following table:

**ESPON 2013 Evaluation Plan**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>CU: Monitoring Score Board update</b>	Update December/	Update June/ December	Update June/ December	Update June/ December	Update June/ December
<b>MA/CU: Ongoing Internal Evaluation</b>	June/ December	June/ December	June/ December	June/ December	June/ December
<b>MC: Decision on Internal Evaluation</b>	December	December	December	December	December
<b>MA/CU: External Evaluation</b>	-	September- November	-	-	-
<b>MC: Decision on External Evaluation</b>	-	December	-	-	-

**6.3 Steering and transparency**

The ongoing monitoring and evaluation of the programme implementation is the responsibility of the ESPON Monitoring Committee. The Monitoring Committee will therefore be the “steering” body in relation to the activities of the monitoring and ongoing evaluation and take the decisions necessary in that respect.

The Managing Authority supported by the CU will implement the monitoring, internal and external evaluation and provide recommendations to the MC resulting from the ongoing monitoring and evaluation.

The involvement of the MC every year in June and December (see Evaluation Plan above) on the results of Internal and External Evaluations will ensure an optimal timing in relation to decisions on the Annual Report to the Commission and to the yearly Work Plan, normally by the end of each calendar year.

The transparency of the ongoing monitoring and evaluation of the programme implementation will be ensured by uploading the monitoring score board on the ESPON website. Concerning the ongoing Internal Evaluations previewed, any decisions of the MC in that context will be reflected in the Annual Reports and/or the Yearly Work Plan. Both documents are available on the ESPON website.

The transparency related to the External Evaluation will be ensured by uploading the Terms of Reference as well as the Final report of the external evaluators contracted.

## 7. Programme Management

The authorities and bodies implementing the ESPON 2013 Operational Programme are described in detail in the programme document approved by the European Commission on 7 November 2007. The ESPON programme has a Monitoring Committee where all 31 countries involved in the programme have a seat.

A Concertation Committee has been established in support of ensuring a policy demand driven programme as the EU Presidency country and the two successive Presidency countries together with the European Commission and the MA are represented. The role of the committee is to advise the MC on themes for Applied Research, Targeted Analysis and actions related to the Scientific Platform.

The Managing Authority, the Ministry of Interior and Spatial Development in Luxembourg, has the responsibility for the implementation of the programme according to the Operational Programme and the decisions of the MC. The MA plays in this respect the roles envisaged in EU regulations.

The Coordination Unit supports the MA in the programme implementation. The CU is in formal terms the joint technical secretariat of the programme. The CU prepares the operational issues normally related to procedures and the financial management and control of projects. The CU acts as a secretariat for the MC and CC, and plays as well due to the expected output and capitalisation of results of the ESPON 2013 Programme, an analytical role of translating scientific evidence into policy relevant messages.

A Certifying Authority has been established in the Ministry of Interior and Spatial Development in Luxembourg, in full independency of the MA.

The role of Audit Authority envisaged is borne by the Ministry of Finance, ICF, in Luxembourg.

A Group of Auditors has formally been set up according to the rules.

A more detailed description of the tasks and responsibilities of the above-mentioned programme authorities and bodies can be found in the ESPON 2013 Operational Programme, which is available on the ESPON website, [www.espon.eu](http://www.espon.eu).

Relevant documents related to the implementation of the technical assistance and the communication activities previewed can be accessed on the ESPON website, [www.espon.eu](http://www.espon.eu).

## 8. Project application, management and implementation

### 8.1 Application and selection

The application should be developed in close cooperation with the future project partners, as this is a requirement for projects financed under the “European Territorial Cooperation” objective of Structural Funds Programmes in the period 2007-2013. The preparation of a good application goes beyond the answer to the specific elements that are subject of the call and is based on the principles of *joint development* and *joint implementation*, where *joint* refers to the entire partnership.

Partners should carefully study the Programme documents and the information provided in this Programme Manual.

Applications have to be completed in English as this is the working language of the programme. Applications submitted in another language will be considered as ineligible.

The Application Form consists of standardised Excel and Word forms as well as separate annexes which type and number will depend on the legal status of the partner(s)<sup>23</sup> forming the partnership and the type of project you will be applying for. The standardised Excel form is characterised by a number of automatic links and formulas. Thanks to these functionalities, error messages will appear in the form if this is not properly filled in. The protection of the Excel document must not be removed. This will significantly reduce the risk of submitting ineligible applications. Detailed instructions on how to fill in the Application Form are provided in the Application Form itself. The Application Form is available at the ESPON website at [www.espon.eu](http://www.espon.eu).

Applications can be submitted at any time between the launching of the call and its closing date. The characteristics of each call have to be carefully checked by applicants on the programme’s website [www.espon.eu](http://www.espon.eu).

The application must be submitted:

- Electronically by e-mail **AND**
- In two paper versions, one duly signed ORIGINAL and one COPY of the original (unbound hard copy) by post. These paper versions will be considered as the official application.

The above documents have to be sent to the Coordination Unit within the set deadline for the call for proposals. The electronic version of the application has to be submitted at the latest by the end date of the call. Similarly, the paper versions signed, stamped and dated has to be sent at the latest by the same date. This eligibility criterion will be checked through the date of the postal stamp on the envelope.

In case further assistance is required on project development and/or the application procedure, applicants should not hesitate to contact the Coordination Unit. All the

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<sup>23</sup> In case of doubts on your legal status please contact the relevant MC Member. The wrong indication of the legal status is not a correctable omission and a wrong indication will cause the ineligibility of your proposal.

relevant information for project development and application including contact details for the Coordination Unit and for the ESPON Contact Points can be found on the programme's website [www.espon.eu](http://www.espon.eu)

The CU will regularly organize individual consultations or workshops for potential applicants. Information will be provided on the ESPON website.

### **Eligible bodies**

Following the decision of the MC on 17 March 2009, call for proposals are open to (1) public bodies and bodies governed by public law<sup>24</sup> as well as to (2) private bodies<sup>25</sup>.

According to Article 6 (4) of the Agreement, the CU, when assessing the eligibility of the application, will ask Member States and Partner States to verify that any Project Partner under private law meets all the established legal conditions. In particular member States and Partner States will have to certify, on the basis of documents provided as part of the application procedure, the solvency of any private partner involved. This condition is considered as an eligibility criterion and proposals including private partner(s) whose solvency will not be positively confirmed will be declared not eligible.

The updated list of country specific documents that have to be provided by each private partner will be made available on the ESPON 2013 website at the moment of the pre-announcement of the call for proposals.

Projects can only involve contributing partners. It is not possible to participate with an “observer” status. It is neither possible to participate as a “sub-partner” and to receive ERDF funding through another partner organisation/umbrella organisation officially listed in the Application Form. Any organisation that contributes to the implementation of the project and receives programme funding has to be listed as a formal project partner. In all other cases, any form of participation in the project would be considered as sub-contracting by one of the formal partners and requires the respect of national and European procurement rules and a full payment from the partner on the basis of a contract and invoices before asking the reimbursement of this cost by including it in a Project Progress Report.

## **8.2 Contracting**

### **8.2.1 Subsidy contracts**

A Subsidy Contract governing the obligations of the Transnational Project Group (TPG) and its relation to the ESPON 2013 Programme will be signed between the Lead Partner, as representative of the TPG, and the ESPON Managing Authority. The contract is concluded in Euro.

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<sup>24</sup> According to Directive 2004/18/EC, Art. 1

<sup>25</sup> Taking into account the different and higher responsibility of Lead Partner in relation to the implementation of the projects, private partners are advised to carefully consider the opportunity to take up the LP role.



To ensure a sound and efficient implementation of the project, the Subsidy Contract may only be concluded after the MA has received the confirmation that adequate control systems according to Article 16 of Regulation (EC) No 1080/2006 have been set up in the respective Member States, as set out in § 1 (3) and § 5(2), and after the ultimate financial liability according to Article 17 of Regulation (EC) No 1080/2006 has been confirmed for the beneficiary by the respective Member State.

### **8.2.2 Partnership agreement**

Partner institutions/bodies in each TPG are required to sign a Partnership Agreement (in English language) laying down the division of mutual responsibilities and rights of partners and ensuring a smooth work mechanism. A template will be provided by the ESPON CU. The value added of having such an agreement is, on the one hand, to reinforce each partners commitment to cooperate on a contractual and legally binding basis, and to ensure compliance with decision-making procedures as well as with EU and national legislation. On the other hand, the Partnership Agreement lays the basis for an optimal understanding of duties and responsibilities by all signatories.

A template for the Partnership Agreement is available on the ESPON website ([www.espon.eu](http://www.espon.eu)). The template provides mandatory clauses (Part A) and leaves then space for the partnership to add more details in Part B).

Part A is **mandatory** and cannot be amended or changed.

Part B is to be implemented by the partnership, but can by no way limit any clauses in Part A.

The Partnership Agreement has to be signed by the Lead Partner and all the Project Partners.

A copy of the signed Partnership Agreement must be submitted together with the Inception Report to the Managing Authority within twelve weeks from the kick-off meeting organised by the ESPON Coordination Unit.

## **8.3 Partnership in a Transnational Project Group (TPG)**

### **8.3.1 General partnership requirements**

ESPON projects are generally conducted in a partnership of several public, public equivalent and/or private bodies from at least three EU Member and/or Partner States (from three different countries taking part in the ESPON 2013 Programme). However, this requirement does not apply to projects with a budget up to € 200.000 for which a partnership is not required and proposals can be submitted by a single eligible body. Ideally, partners are experienced in cooperating in a transnational project setting and are acquainted with conducting applied research on a transnational level.

In general, eligible bodies of all Member and Partner States of the ESPON 2013 Programme can take part in a TPG to conduct an ESPON project.

Bodies from Third Countries that are not Member or Partner States can only be included in a TPG as external experts/suppliers of services and goods in case their specific expertise is required by the project.

Participation as external experts/suppliers of services and goods is always possible, but in all cases, relevant public procurement rules shall be respected.

The maximum number of project partners is up to the TPG. In order to guarantee a sound and efficient management, though, TPGs might consider restricting themselves to a total number of five partners. However, a higher number of partners might be necessary as competences can be better covered that way and/or if partners are already experienced in cooperating with one another and have done so successfully. Outsourcing to external experts or suppliers of services and goods is an option for minor and clearly defined tasks related to the project.

Finally, the TPG consortium should provide proof of the presence of sound management skills and awareness of EU Regulations and associated reporting, control and audit procedures.

### **8.3.2 Partnership requirements for projects under Priority 1, Priority 2 and Priority 3**

The bodies making up a team should dispose of the required knowledge, analytical and research experience, resources and capacity to fulfil the task. The TPG undertaking an applied research project, targeted analysis and projects building the ESPON scientific platform should be well informed on the actual policy context of EU Cohesion Policy and territorial development (including in depth knowledge of relevant documents such as the ESDP, the CEMAT Guiding Principles for Sustainable Spatial Development, the Fourth Cohesion Report, the Green Paper on Territorial Cohesion as well as the Territorial Agenda of the EU and upcoming documents). In addition, staff members participating in the TPG should be familiar with all relevant Community policies and strategies (including the Lisbon/Gothenburg Strategy), and ideally with respective national policies, that are related to and/or have an impact on territorial development.

The TPG should accumulate expertise in such a way, that the entire ESPON territory can be analysed in terms of its geographical coverage, as well as its national and regional characteristics, development policies and languages. The project team should encompass a multidisciplinary competence to ensure that both territorial and socio-economic analysis can be carried out with sufficient levels of expertise. Preferably, partners taking part in a TPG should come from different countries participating in the ESPON 2013 Programme, which will help to meet the above mentioned requirements regarding geographical coverage, etc.

### **8.3.3 Partnership requirements for Transnational Networking Activities under Priority 4**

Calls for proposals for transnational activities will be opened to the confirmed members of the ECP Network. Proposals will have to be submitted by a grouping of at least 3 ECPs and be formulated in the form of a strategy with objectives and a package of compulsory actions and, eventually, additional activities as indicated in section 5.3.2 of this Programme Manual. The Lead Partner principle will apply to this type of actions.

#### **8.3.4 Role and responsibilities of Lead and Project partners**

Each project must follow the so-called *Lead Partner principle*, which means that among the number of partners who carry out the project, one is appointed to act as Lead Partner (LP) and thus to form the link between the project and the CU/MA.

The Lead Partner takes over the responsibility for management, communication, implementation and co-ordination of activities among the involved partners.

The Lead Partner Principle does not confer all project responsibilities to the LP. The latter is considered as the administrative link between the project and the programme, namely the project expert in charge at the Coordination Unit as well as the Sounding Board (if relevant) assisting the project. The LP is responsible for reporting progress to the ESPON 2013 Programme and transferring the programme fund to the project partners.

However, the project partners are responsible for the correctness of their own actions and related expenditure.

The following list gives an overview of the LP's responsibilities <sup>(26)</sup> in preparing, implementing and closing the project:

- Signs and submits the Application Form on behalf of the partnership;
- Should the project be approved, signs a Subsidy Contract with the Managing Authority for the total amount of the subsidy;
- Establishes a Partnership Agreement (mandatory) setting mutual rights, obligations and duties between project partners;
- Ensures the implementation of the entire ESPON project being responsible for the division of tasks among the partners involved in the project and ensures that these tasks are subsequently fulfilled in compliance with the Application Form and Subsidy Contract,
- Ensures an efficient internal management and control system;
- Makes sure that the project reports timely and correctly to the CU and that the expenditures presented by the beneficiaries participating in the project have been incurred for the purpose of implementing the project and correspond to the activities agreed between those beneficiaries;
- Verifies that the expenditures presented by the beneficiaries participating in the project have been validated by the controllers;
- Requests and receives payments of programme funding;
- Transfers programme funding to the partners without delays in compliance with the amounts reported in the Project Progress Report and approved by the Programme. Project Partners through their Lead Partners have to provide confirmation to the MA/CU on reception of the funds in the Partner Progress Reports.

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<sup>26</sup> According to Article 20.1 of the ERDF Regulation (EC) 1080/2006

All partners in a TPG should play an active role in developing and implementing the project. Key conclusions, changes to the project's strategy and other important decisions should be made jointly.

Every partner is responsible for:

- Carrying out those activities assigned to it in the approved proposal and further outlined in the inception report;
- Ensuring that expenditure has been certified by the approved controller.

Additionally, project partners are required to sign the Partnership Agreement. The draft is provided by the ESPON 2013 Programme (see above 8. 2.2)

The partners must provide adequate ancillary and support staff to back up the LP and the management team assigned to performing the service so as to ensure high-quality services and products. The Lead Partner is responsible for the overall project delivery of the results.

The LP must make sure at the beginning of the project that the duties and requirements for implementation of the project in terms of validation and/or certification of expenditure by project partners are clear and communicated to all project partners. Moreover, it is advisable for the LP to tailor the financial management structure according to these requirements and the individual project partner profiles (size of budget, types of expenditures involved, types of audits required etc.).

It is of greatest importance that the regular input to required Project Progress Reports is guaranteed and that the project partners transfer the information in time to the LP. In order to ensure this, project partners shall add a respective clause in the Partnership Agreement according to which they have to transmit to the LP the necessary documents (e.g. First level financial control documents, Partner(s) Progress Report) by at the latest two months before submitting the Project Progress Report.

In addition, the LP should inform all partners about the filing requirements and the storage of project accounting evidence. Lastly, it is important to adhere to project specific requirements.

The full administrative, financial and legal responsibility for the operation is with the Lead Partner. In order to ensure these tasks, the Lead Partner has to set up an efficient and reliable:

- Management and control system;
- Co-ordination system;
- Audit trail.

For this purpose each operation should appoint or sub-contract the following two positions for project management:

- A project coordinator

The coordinator is responsible for the organisation of the project's work. The coordinator should be qualified in management of transnational projects as well as in the thematic priority of the project. The coordinator should be able to act as a driving

force in the partnership and to mobilise the partners in order to achieve the objectives laid down in the application within the given time.

- A financial manager

The financial manager is responsible for the accounts, financial reporting, internal handling of Programme financing. The financial manager should work in close contact with the coordinator, the partners and the first level controllers in order to enable efficient financial management of the operation. The financial manager should be familiar with accounting rules, international transactions, EU and national legislation for the management of ERDF, public procurement and financial control. The financial manager of the Lead Partner as well as the financial managers of each project partner will have to attend the compulsory training organized by the CU upon financial matters. The travel expenditure incurred in relation to the training are eligible and can be included in the project budget.

Both the coordinator and financial manager should be fluent in English for all communication with the CU and other bodies involved in the programme management.

Additionally, in order to set up an audit trail within the TPG, the LP and the project partners can ask for the advice and support of the first level controllers, who are responsible for the validation of the expenditure respectively at LP's and at project partners' level. The procedure for selecting the first level controller is described in Chapter 8.6.

The LP of a project funded by ESPON can be either located in a Member or a Partner State. Lead Partners located in Partner States are not entitled to use ERDF funding for own expenditure. They may receive ERDF funding from the Certifying Authority only for the purpose of administering and transferring it to other partners participating in the respective project.

### **8.3.5 Partners from Partner States**

Upon invitation of the EU Member States, Norway, Switzerland, Iceland and Liechtenstein accepted to participate in ESPON 2013 as Partner States. As such, they will be considered full members of the programme and participate in decisions of the Monitoring Committee.

Agreements have been established between the Managing Authority and the Partner States (see also chapter 7 on Programme Management, c. Agreement with Member States and Partner States).

Eligible bodies from Partner States participate in the ESPON 2013 Programme under the same conditions as eligible bodies from EU Member States.

### **8.3.6 Bodies from Third Country Partners**

During the programme implementation it is the intention to consider involving further countries in the applied research and targeted analysis. EU Candidate Countries and

direct neighbours of the EU will be primarily taken into account. Such countries are considered as Third Country Partners.

Bodies located in these countries cannot take part in the activities as partners. Nevertheless, they can participate in a TPG as external experts on service contract base in case their specific expertise is needed by the project. Potential Lead Partners should contact the ESPON CU on this issue prior to including any individual or institution from a Third Country as external expert or supplier of services. The involvement of external experts or suppliers is subject to the respect of the relevant public procurement legislation.

## 8.4 Project budget

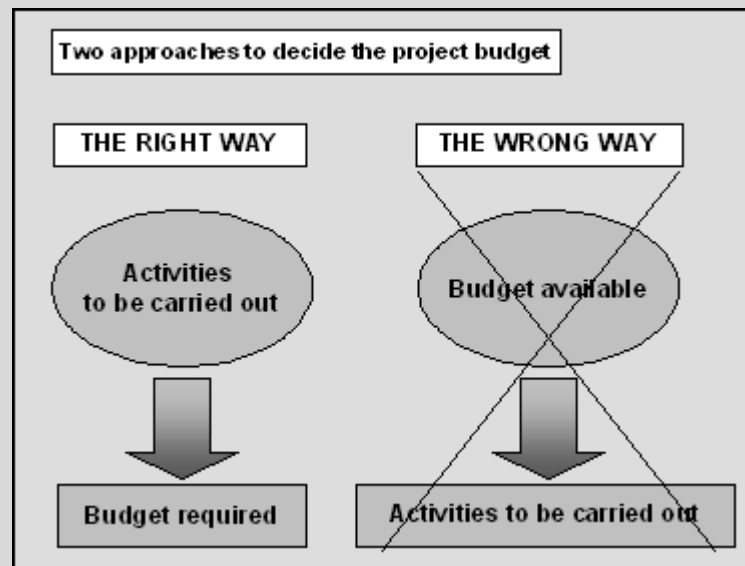
It is important that projects consider financial issues from the very beginning. This approach requires the involvement of all partners in the preparatory work and planning meetings during the development of the project application. Time invested prior to the submission of the application results in strong partnerships with clear responsibilities and well-justified budget allocations. Good preparation is one of the main factors to ensure a quick start of project activities after approval and smooth project implementation.

The detailed budget should always be prepared on the basis of the activities needed to meet the projects' objectives and the resources required to carry out these activities within the time allowed.

The Application Form requires a budget:

- With a breakdown per budget line (BL);
- With a breakdown per Work Package (WP): there will be three work packages, WP1 for Coordination, WP2 for Activities and WP3 for Dissemination;
- With a breakdown per reporting period (*payment forecast*);
- With a breakdown per partner (PP).

The CU strongly advises every project to develop a budget breakdown on Work Packages for each partner on a six-month period basis. This would ease the duty of the Lead Partner to build the budget for the whole partnership in the application phase and to monitor the partners' performance in the implementation phase.

**Figure 1 - Cost budgeting**

(Source: Interact Point Qualification and Transfer: “Financial Management Handbook”; 2006; p. 80)

1. After having filled in the project time plan, the Lead Partner has an overview of the main activities by work package, the start date and end date of a project activity and the outputs.
2. The Lead Partner should precisely identify the partners which will be involved in carrying out the activities mentioned in the time plan.
3. It is advised to identify then
  - a) the resources needed by each partner to complete the activities by work package;
  - b) to approximate the related cost and to forecast the payment date;
  - c) to reorganise these figures by budget line.
4. This leads to the detailed budget by partner, work package, budget line and six-month period.
5. By aggregating the partners’ detailed budgets, the Lead Partner gets the total estimated amount per budget line, work package and six-month period for the whole partnership for the Application Form.

#### **8.4.1 Eligibility period**

With the exception of Preparation Costs (see hereunder), costs for the operations are eligible from the date of approval by the Monitoring Committee<sup>27</sup> to the end date of the

<sup>27</sup> If a project is approved under conditions, the costs can still be eligible from the decision date of the Monitoring Committee (MC) provided that the project is finally approved later on. The implementation of

project. The Monitoring Committee is expected to select and approve the preferred proposal within 5 months after the end date of each call. Projects should normally be ready to start implementation at the latest within 2 months following the date of approval by the Monitoring Committee.

### **End date of the project**

The project will have two official end dates which will be specified in the Subsidy Contract:

- End date for content related activities (WP 2 *Activities* and WP3 *Dissemination*) and
- End date for financial management duties (WP1 *Coordination*).

In the application form the project will be asked to determine the end date of the content related activities. The application form will determine automatically the end date of the project by adding three months to the end date for content-related activities. This second date will have to be used by the project to close all administrative duties related to the financial management of the project closure (e.g. preparation of the Final Project Progress Report, payments of invoices, first level control of the expenditure, payment of the first level controller, etc.)<sup>28</sup>.

All payments of the TPG have to be made before this second date in order to be eligible, otherwise the non-declared expenditure will be de-committed due to the fact that the programme as such is subject to an n+2 and n+3 automatic de-commitment rules.

The last call for proposals will be launched on time to close all projects activities by 31 December 2014, as according to Regulation (EC) 1083/2006 Article 56, the programme has to end on 31 December 2015.

### **Preparation costs**

Successful projects approved by the Monitoring Committee can receive programme funding for their costs related to the preparation of a project. Preparation Costs have to show a direct and demonstrable link to the development of the project.

Typical activities during the preparation phase of a project are the following:

- Development of the project idea and partner search in the Programme web site,
- Meetings with the project partners,
- Completion of the Application Form,
- Participation in events organized in relation to the call and to the preparation of the proposal, individual consultation with members of the CU.

These costs can be reported only under the budget lines (BL) *Staff, Administration, Travel and accommodation, External Expertise and services*

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the project activities in the period between MC approval and fulfilment of the conditions is thus undertaken at the project's own risk because it could theoretically happen that the project does not fulfil the conditions and thus is finally not approved.

<sup>28</sup> Considering that the first level control of the last progress report can be undertaken only after the project closure, the related first level control costs can be paid after the eligibility period of the project.



The preparation costs must be further described in the Application Form and broken down into the same budget lines as the other components of the project. The activities must have taken place in the period between the publication of the pre-announcement of the call and the date on which the Application Form has been submitted to the programme. These costs must be paid out before they are reported in the first Project Progress Report. The eligible preparation costs cannot exceed the **5% of the total project costs as stated in the Subsidy Contract**.

#### 8.4.2 Budget lines

The budget table in the Application Form foresees a sub-division into the following budget lines (BL):

- Staff
  - Administration
  - Travel and accommodation
  - Equipment
  - External expertise and services
- } For the personnel **employed** by the partner institutions officially listed in the Application Form

For details please refer to section here below.

#### Staff<sup>29</sup>

The staff budget line involves personnel costs for the time that the partner organisations' staff spends on carrying out the project activities in accordance with the Application Form (full-time or a certain percentage of total working time).

The persons whose staff costs are budgeted and later on reported must be directly employed by the partner organisations officially listed in the Application Form (e.g. internal project coordinator, financial manager, and financial controller) in compliance with country specific control requirements.

It is not possible to report any staff costs of personnel external to the official partner organisations in this budget category. If the operation uses an external project coordinator, financial manager or external independent controller, the costs have to be specified, budgeted and reported under the budget line "External expertise and services".

#### Reporting staff costs

While for budgeting purposes it is possible to use average rates and estimates, the reporting of staff costs has to follow the following principles:

<sup>29</sup> This section (and relevant examples) refers to standard cases and does not cover specific situations such as self-employed owners/partners of companies. In these non standard cases, staff costs (or their equivalent) shall be calculated according to a transparent, fair and equitable method. The audit trail needed will be specific to the equivalent solution adopted. Beneficiaries are advised to consult with the competent First Level Controller/Central Approbation Body about the proposed calculation method and/or find an agreement with them.

- The calculation has to be based on the actual salary rate (employee's gross salary + compulsory employer's charges in accordance with the national legislation) of the individual employee who is actually involved in the project activities. The calculation excludes any administration overheads.
- If the staff is working less than 100% of its actual working time for the operation, the calculation must be based on the hourly rate resulting from the actual salary rate divided by the total number of hours **workable** by the staff member (on a yearly basis) for the partner institution. This hourly rate is then multiplied by the number of hours actually worked on project activities (as registered in the time sheets of the staff member).
- Staff costs must be supported by documents that permit the identification of the employment relationship with the partner organisation (working contract), the real costs by employee (pay slips, payment proofs, calculation evidence for the determination of the hourly rate), the overall workable time (according to national legislation) and the worked hours, spent on carrying out activities in the context of the operation (record of tasks, project specific time sheets). First level controllers must be provided with all these documents and must check their compliance before validating the expenditure.

Staff costs are considered as a cash contribution as they are actually paid by the partner institution.

### Example

The project coordinator is employed by the Lead Partner from January 2009 to December 2010 (two year contract). She will be working 100% of her time in the project only.

The gross salary and compulsory charges for the employee amount to 45.000 euro/year. Since the Lead Partner is located in Germany, the national legislation allows a maximum amount of workable hours of 1760 per year.

The hourly rate for the coordinator will thus be:

45.000 euro : 1760 hours= **25,57 euro**

This amount will have to be multiplied by the number of worked hours reported each month in the time sheet, in order to report the eligible cost.

January: from the time sheet the total worked hours are 120 hours. Total cost per January is 25,57x 120=3068,4 euro.

May: from the time sheet total worked hours are 19 hours. Total costs per May are 25,57x 19=485,83 euro.

In November 2009 the project coordinator has her salary revised by the Management Board. The total charges for the employer increase from 45.000 to 50.000 euro per year.

The hourly rate will have to be recalculated on a yearly basis, in order to account correctly the costs of November 2009 and December 2009.

The hourly rate for the coordinator will thus be:

50.000 euro : 1760 hours= **28,41 euro**

November: from the time sheet the worked hours are 122. Total costs per November are 28,41 x 122=3466,02 euro.

December: from the time sheet the worked hours are 90. Total costs per December are 28,41 x 90=2556,90 euro.

### Administration costs

Administration Costs may include cost items such as

- Stationary;
- Photocopying;
- Mailing, postage;
- Telephone, fax and Internet;
- Heating, electricity;
- Maintenance of the premises where staff working on the project is located<sup>30</sup>;
- Office rent.

These costs may be:

- Direct general costs or
- Indirect general costs.

While **direct** general costs can be identified as belonging directly to the project, **indirect** general costs (overheads related to the project activities) are calculated on a pro-rata basis. Please see the grey box here below for “Calculation of indirect general costs”.

Administration costs linked to services provided by external experts must be included in the budget line “External expertise and services”.

The following two thresholds must be taken into consideration both in the application phase and in the reporting phase:

- Administration costs (the sum of **direct** general costs and **indirect** general costs) cannot exceed **25% of the total staff costs**.
- Indirect costs, declared on a flat-rate basis cannot exceed 20% of the direct costs of the operation.

These thresholds apply both at partner level and project level.

### Reporting administration costs (direct and indirect)

<sup>30</sup> Examples of maintenance costs: cleaning services, services provided by caretakers, housekeepers, IT maintenance etc.

Administration costs have to fulfil the following criteria:

- They have to be eligible according to national rules and European regulations (in particular Regulations (EC) no. 1083/2006 Art. 56; no. 1080/2006 Art. 7; no. 1828/2006 Art. 48 to 53; (EC) no. 397/2009 – amending regulation (EC) no 1080/2006 Art. 1);
- They must be calculated on the basis of actual costs and capable of verification, i.e. based on factual elements in the accounting system which can be verified by an auditor. No lump sums, overall estimations or arbitrary keys are allowed!
- They must show a direct link to the operation's activities;
- They mustn't have already been financed from other EU-funds;
- They mustn't have already been included in other budget lines or cost items.

**When it comes to reporting these costs, it has to be demonstrated that the administration costs reflect only costs which**

- **Were really borne by the organisation, and**
- **Were necessary for project implementation.**

If there have been problems with the reporting of administration costs in the past, it often resulted from partners trying to stretch the above-mentioned principles into grey areas. The reported administration costs have been artificially inflated through the inclusion of overhead cost categories which lacked a clear project link. In case of doubt, it can only be advised to exclude the cost categories in question from the calculation to avoid problems later on.

Costs that **cannot be** reported under administration costs: office furniture, clothing, chauffeurs, maintenance cost for cars belonging to the institution (non exhaustive list).

#### **Calculation of indirect general costs**

In the case of indirect general costs (overheads related to the operation's activities) this means that the calculation is done pro-rata on the basis of the actual costs according to a duly justified, fair and equitable method that should remain the same during the whole implementation period. This means that the costs are charged to the operation to the extent that they represent a fair apportionment of the organisation's actual administration costs and have been necessary for the successful completion of the operation.

The allocation of the organisation's eligible administration costs to the operation can be done for example on the basis of the following ratio: the ratio "total number of people employed for the operation / total number of people employed by the organisation". This ratio should be properly documented and periodically reviewed.

**Travel and accommodation**

This cost category refers to travel and accommodation costs for employees of the partners incurred due to their participation in meetings, seminars, conferences taking place on the territory of the Member and Partner States.

Any trip must be clearly motivated by the project activities and necessary for the successful project implementation.

Travel and accommodation costs for EU partners for travelling outside the Member and Partner territory can be eligible if they:

- Are for the benefit of the operation,
- Are explicitly mentioned and justified in the approved application.

Travel and accommodation costs for non partner organizations travelling to the EU can also be co-financed in the context of the project if the costs are budgeted, paid and definitely borne by one of the partners located in a Member or Partner State.

Travels from and outside the Member and Partner States are subject to prior approval of the CU/MA. Please note that approval will be given only in exceptional and duly justified cases.

Travel and accommodation costs should be budgeted taking account of the national and/or internal rules of the respective partner organisation for reporting these costs later on. As a general rule the most economic way of transport and accommodation has to be chosen. Daily allowances for travel and accommodation are possible as long as the allowance is actually paid by the partner body to the employee and this is in line with the national or institutional conditions set for this partner body.

Similarly to the “Staff” and “Administration” budget lines, the travel and accommodation budget is also reserved to the personnel employed by the partner organisations officially listed in the Application Form. The travel costs of any external experts participating in project activities and to be financed by the project have to be budgeted under “External expertise and services”.

**Reporting of the travel costs**

When it comes to reporting of the travel costs, it is necessary to keep proper documentation that provides justification for the travel:

- Agenda of the meeting/conference/seminar;
- Invitation to the meeting/conference/seminar;
- List of participants;
- Travel report related to the meeting/conference/seminar.

For the accounting of the costs, it is necessary to keep proof of the:

- Per diems, daily allowances;
- Travel costs (e.g. boarding cards, tickets);

- Invoices, receipts;
- Records of the payments.

### **Equipment**

This budget line refers to the depreciation of equipment necessary for the successful implementation of the project. This category usually refers to IT equipment such as a computer or a printer necessary for project activities and management.

As project partners should already have the necessary equipment to implement the activities described in the application form, the purchase of equipment should remain exceptional.

The breakdown for this BL will have to be specified in the application phase: the nature of the equipment to be depreciated, the partner responsible for it and the budget envisaged.

The same level of detail will be monitored in the reporting phase.

#### **Reporting equipment costs**

Equipment items that have been initially planned in the Application Form must be reported by depreciating the cost of the equipment, by applying national accounting regulations.

It has to be ensured that the items:

- Have not already been financed by other subsidies (e.g. EU, national or regional), and
- Have not already been fully depreciated;
- Are not already included as indirect costs in another category such as the administration budget line.

The amount for equipment has to reflect the actual use of these items in the context of the project. If it is not exclusively used for project purposes, only a share of the depreciation quota can be allocated to the project. This share has to be calculated according to a fair, justified and equitable method.

An inventory of the purchased items as well as the documentation of the method for reporting them (depreciation method according to national legislation) has to be kept for accounting, control and audit purposes.

### **External expertise and services**

The term “external expertise and services” is applied to expenses paid by the partners on the basis of

- Contracts/agreement and
- Invoices/request for reimbursement

to external service providers who carry out certain tasks for the operation because the partners lack the resources to carry them out themselves. These might include, for example:

- External project coordination or financial management,
- External independent financial control (in compliance with country specific control requirements),
- Website design and hosting,
- Writing, lay out, printing of promotion material,
- External event organisation,
- Meeting room rental and catering,
- Interpretation/translation,
- Studies and surveys,
- Data-sets,
- External speakers and external participants in project meetings and events if the added-value of their participation and taking over the costs can be clearly demonstrated and the cost will be definitely paid and borne by partners officially listed in the Application Form.

There are no fixed rates or ceilings established by the programme for budgeting and reporting external expertise and service costs. Normal market rates must be taken into consideration.

The contracting of experts and service suppliers must comply with the public procurement rules applicable to the project partner (see Chapter 8.4.4).

The external expertise or service has to be specified in the Application Form. In particular, the following elements should be described: the nature of the expertise or service, the partner responsible for contracting, the budget.

### **8.4.3 Eligibility of expenditure**

In order to be considered eligible, the costs must comply with the legal framework set by the following documents:

- The Community rules at large (e.g. on public procurement, equal opportunities, environmental protection, competition on the common market etc.), and in particular the European Community Structural Funds regulatory framework i.e. Council regulation (EC) No 1083/2006, Commission Regulation (EC) No 1828/2006, Regulation (EC) No 1080/2006.
- The national rules applicable in the countries where the project partners are located<sup>31</sup>.

<sup>31</sup> In case of doubt on national applicable eligibility rules Lead and project partners should contact their appointed first level financial controller.

- The Programme Manual and programme rules at large, included guidelines and any provision originating from the Authorities of the programme.
- The Project Specification for the respective call.
- The approved and contracted Application Form.
- The provisions of the Subsidy Contract.
- The content of the Partnership Agreement.

In case of discrepancies, the stricter rule applies.

#### 8.4.4 Public procurement

The procurement rules aim at securing transparent and fair conditions for competition on the common market.

At the European Union level, a call for tender procedure is compulsory for contracts over a certain amount awarded by a public sector body (public supply, works or service contracts).

At the level of each member state, other rules may exist, and may be more binding, notably with regard to the amount of the contract which requires the issuing of a call for tender. In any event, in the case of a project implemented with financial assistance from the ESPON 2013 Programme, the European regulations must apply to all such contracts awarded within the framework of the project (<sup>32</sup>).

The purchase of goods and of services, as well as the order for public works, by public services or other public bodies is subject to Community and international/national rules. Thus all project partners and lead partners must comply with public tender/procurement regulations whenever they intend to contract an external organisation. **Only costs based on public procurement procedures will be considered eligible** for funding. These rules must also be applied by all the organizations listed as project partners in the application, if they are going to claim the costs in their Partner Progress Reports and want to receive funding from ESPON 2013 Programme on these costs.

In practice this means that all project partners must apply the European regulations to all such contracts awarded within the framework of the project (<sup>33</sup>). In case national/regional rules set stricter requirements, then the stricter rules must be applied.

For amounts below the thresholds set by the stricter rules, the CU advises projects to request at least three offers from three different providers before selecting the supplier.

The European Commission has issued a Guidance Document determining the financial corrections that will be applied to expenditure co-financed by the Structural Funds for

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<sup>32</sup> Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004.

<sup>33</sup> Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004.



non compliance with the rules on public procurement. The document specifies the types of irregularities both in case of contracts regulated by EC public procurement directives and contracts outside the scope of EC public procurement directives. Lead and Project Partners are advised to take careful note of this document which is available on the ESPON 2013 Website under the section “*Legal Framework*”.

### **Call for tender procedure on a European level**

The levels that trigger the obligation to issue a call for tender procedure are the following:

- **Call for tender on a European level**

A call at European level is necessary whenever the amount of a public service contract is equal to or greater than the relevant threshold. Note that the rules differ depending on the kind of goods and/or services that are purchased as well as the value of the purchase. There are various thresholds set up based on the value of the purchase, and consequently various procedures to apply depending on these thresholds.

Further information on the European rules concerning public procurement can be found in the “*Guides to the Community rules in the area of public procurement (supply contracts, public works, services)*”, which can be downloaded from the following link: [http://ec.europa.eu/internal\\_market/publicprocurement/docs/guidelines/services\\_en.pdf](http://ec.europa.eu/internal_market/publicprocurement/docs/guidelines/services_en.pdf).

In addition, please refer to Commission interpretative communication on the Community law applicable to contract awards not or not fully subject to the provisions of the Public Procurement Directives which can be downloaded from the following link: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2006:179:0002:0007:EN:PDF>

- **Call for tender procedure on a regional/national level**

Please consult your first level controller, the Internal market web site (see link below) and/or your **national public procurement** authority for further information. [http://ec.europa.eu/internal\\_market/publicprocurement/index\\_en.htm](http://ec.europa.eu/internal_market/publicprocurement/index_en.htm)

A detailed list of the **applicable national rules** related to public procurement will be provided by the Member and Partner States of the Programme on the web site of the Programme [www.espon.eu](http://www.espon.eu)

### **8.4.5 Other eligibility considerations**

When projects prepare their budget, it is important to take into account the eligibility rules for ERDF funded expenditure defined in

- Regulation (EC) No 1083/2006, Art. 56,
- Regulation (EC) No 1080/2006, Art. 7;
- Regulation (EC) No 1828/2006 Articles 48 to 53 and
- The rules laid out in the Programme Manual.

In this context, the following points should be highlighted:

**a) VAT**

VAT does not constitute eligible expenditure unless it is genuinely and definitely borne by the partner. VAT which is recoverable by whatever means cannot be considered as eligible even if it is not actually recovered by the partner. In the application phase partners will be asked to provide a confirmation about their VAT status. In reporting, first level controllers will have to confirm if the VAT has been really borne by the controlled project partner.

**b) Financial Charges**

Charges for transnational financial transactions are eligible but charges for national transactions, interest on debt are not. Bank charges for opening and administering the project account are also eligible. Fines, financial penalties foreign exchange losses are not eligible. Eligible costs can be reported under the budget line *Administration costs*.

**c) Revenue generation**

ESPON Projects in principle are not supposed to lead to any revenue generating activities. However, projects which total costs exceeds €1.000.000,00 generates revenue for example through services, conference participation fees, sales of brochures or books, it must be deducted from eligible costs in full or pro-rata depending on whether it was generated entirely or only partly by the co-financed operation. The ERDF funding is calculated on the basis of the total cost after deduction of the revenue.<sup>34</sup>

**d) Expenditure already supported by other EU or other national or regional subsidies**

Expenditure which is already co-financed from another EU-funding source is not considered an eligible cost for this Programme. If an expenditure item is already fully supported by another national or regional subsidy, it is not considered eligible, as it would result in double-financing.

**e) Fees for auditing**

Legal consultancy fees, notaries fees, costs of technical and financial experts, and accountancy and audit costs are eligible, provided that they are directly linked to the co-financed operation and are necessary for its preparation or implementation or, in the case of accounting and audit costs, if they relate to requirements imposed by the MA/CU. These costs can be reported under the budget line *External experts and services*.

**f) Guarantees**

The costs of guarantees provided by a bank or other financial institution are eligible to the extent to which the guarantees are required by national or Community legislation. These costs can be reported under the budget line *Administration costs*.

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<sup>34</sup> Guidance note on Art. 55 of Council Regulation (EC) No. 1083/2006: Revenue-Generating Projects; Council Regulation (EC) No 1341/2008: amending Regulation (EC) No 1083/2006

#### 8.4.6. Publicity and information requirements

All operations must comply with the publicity and information requirements laid down in the **Commission Regulation (EC) No 1828/2006 (Articles 8 and 9) and its Annex I**. The Regulation can be downloaded from the ESPON Web site.

All communication materials and tools produced within the framework of the project (e.g. articles, reports, seminars and workshop programmes, Power Points, attendance lists, promotional items etc.) must carry the following:

1. Emblem of the EU (the flag) **AND**
2. Reference to the European Union **AND**
3. Reference to the contribution of the European Regional Development Fund **AND**
4. “Investing in your future” statement, which has been chosen by the Managing Authority to highlight the added value of the intervention of the European funds

The following box shall be inserted centred at the bottom of the first page only of the document:



In addition to the requirements set by the Regulations, projects must also implement the ESPON publicity requirements:

5. ESPON 2013 Logo **AND**
6. The wording “ESPON 2013 Programme” **AND**
7. The disclaimer sentence quoted in Chapter 8 of the Subsidy Contract

The ESPON logo shall be placed in centre position at the top of the first page and on this page only. None of the two (ESPON logo or EU publicity measures) may ever be used alone.

For small promotional items only points 1, 2 and 5 apply. Project-related websites must contain, in addition to the above mentioned measures, hyperlinks to other related Commission websites and websites of the ESPON 2013 Programme and related projects.

Use of the EU logo is also obligatory when using any other emblem. The EU emblem should be at least the same size as the other emblems being used.

The EU and the ESPON 2013 logos are available for download on the ESPON website. A link to the official website of the European Union where different versions of the EU emblem can be downloaded is also provided here.

Should any of the above conditions not be met by any of the project partners, this would imply a **recovery** of the funds unduly paid. The recovery will be applied in percentage to the aid given, according to the table reported in the “Guidelines for determining financial

corrections to be made to expenditure co-financed by the Structural Funds or the Cohesion Fund for non-compliance with the rules on public procurement”, available on the web site of the Programme.

It is strongly advised that each operation designs an internal plan for information and publicity activities in order to ensure proper dissemination of information. In this context, the objectives and actions of Priority 4 of the ESPON 2013 Programme “Capitalisation, ownership and participation: Capacity building, dialogue and networking”, make use of these facilities and opt for complementarity.

Finally, all selected Lead Partners will at the project start be provided with further guidance on additional elements of the corporate identity of the ESPON 2013 Programme and on how to implement these elements at projects level.

#### 8.4.7 Payment forecast

Programmes need to know **how much** will be claimed and **when** for two purposes:

1. Every year on 30 April, the CU has to provide the European Commission with a spending forecast.
2. The programme financial tables indicate the ERDF allocations per year, which have to be spent within a certain time frame or will otherwise be lost (de-commitment rule). The projects' payment forecasts give information on the contribution each project will make towards meeting the financial targets each year. If sufficient ERDF commitments are made already at an early stage of the programme and the projects report as forecast, the programme should not have any major problems in meeting these targets.

##### **The Decommitment Rule (n+3/n+2)**

At the beginning of every year the Commission allocates a certain ERDF amount to the ESPON 2013 programme. The allocation of 2007 is spread equally among 2008-2013 and added respectively to those allocations. For the allocations of the years 2008, 2009, the ERDF amounts have to be spent within four years of the year when it is committed (n+3, where 'n' is the year of commitment)

For the allocations of the years 2010, 2011, 2012, 2013, the ERDF amounts have to be spent within three years of the year when it is committed (n+2).

Any of these allocations which at the end of 3/2 years are not covered by programme expenditure will be lost. If this loss results from certain projects lagging behind their spending targets, the programme will be obliged to reduce the budget of these projects. Therefore, the payment forecast becomes part of the Subsidy Contract, which also foresees that any amounts which are not reported in time and in full may be lost.

The spending forecasts should take into consideration the following elements:

- The reporting periods are contracted with the projects and might vary from project to project;

- The spending forecast should be an estimation of the actual payments to be done in a certain period. Therefore, it only partly reflects the activities taking place in a certain period. Indeed, if an activity is carried out close to the end of a reporting period, the related payment risks to be done only in the following period and the costs should thus be budgeted only for the following reporting period.

Projects will be monitored on the basis of the payment forecast. If the programme does not meet its annual spending target because some projects are lagging behind their spending forecast or do not report in full and in time, it is likely that these projects will lose funds. It is therefore important that projects:

- Carefully prepare a realistic spending forecast,
- Are ready to start project implementation very quickly after project approval,
- Monitor this effectively during implementation and
- Ensure regular, timely and full reporting.

## 8.5 Reporting

As a basic rule, only costs incurred by organizations listed in the Application Form as “partners” are eligible for funding.

The period of project implementation is subdivided into six-month periods. The six-month periods’ schedule is defined in the Subsidy Contract.

For each six-month period, a Project Progress Report related both to activities and to finances has to be submitted by the LP to the CU.

For this purpose the CU sends out partly pre-filled forms to the Lead Partner. The Project Progress Report has to be returned to the CU both electronically as well as in paper form **within four months after the end of the reporting period.**

### 8.5.1 Procedure

The Project Progress Report consists of an activity part and a financial part. It has to be also accompanied by the following documents issued by the first level controllers:

- Control Certificate-Lead Partner
- Control Certificate(s)-Project Partner
- Control checklist(s)
- Control report(s)

For those Lead and Project Partners located in Member/Partner States implementing a decentralised First Level Control system, the Designation Checklist and Certificate(s) used for the approval of the First Level Financial Controller have also to be attached to the Project Progress Report. For further details on the above documents please consult Chapter 8.6.3.

The Project Progress Report has to be provided both in digital and paper version to the CU. The paper version has to carry the signature and stamp of the Lead Partner and Lead Partner's first level controller.

The reporting procedure can be summarised as follows:

- a) Each partner sends its Partner Progress Report to the Lead Partner within the deadlines agreed with the Lead Partner (by at the latest two months before submitting the Project Progress Report) and ensures that its part of the reported activities and expenditure has been independently validated by a first level controller in compliance with the country specific requirements. For the full list of the documents that project partners have to send to the Lead Partner, please refer to Chapter 8.6.3.
- b) On the basis of the individual Partner Progress Report, the Lead Partner compiles the Project Progress Report for the whole partnership.
- c) The Lead Partner's first level controller performs the checks on Lead Partner's activities and expenditure.
- d) Taking into account that the Lead Partner should ensure that both the expenditure presented by each of the beneficiaries participating in the operation has been incurred for the purpose of implementing the operation and corresponds to the activities agreed between those beneficiaries, and that the expenditure presented by each of the beneficiaries participating in the operation has been validated by the controllers, the controller of the LP therefore include a verification of how the lead beneficiary has complied with these obligations<sup>35</sup>.
- e) The Lead Partner's first level controller verifies that the partners' information has been accurately reflected in the Project Progress Report.
- f) For the audit trail the Lead Partner retains copies of the inputs to the Partner Progress Report received from the partners.
- g) The Lead Partner submits the Project Progress Report to the CU, who checks it and if necessary sends requests for clarification to the Lead Partner (<sup>36</sup>).
- h) Once all points have been clarified, the Project Progress Report is approved by the CU and sent to the Managing Authority.
- i) The Managing authority sends it to the Certifying Authority.
- j) The Certifying Authority executes payment to the Lead Partner.
- k) The Lead Partner transfers the funds to the partners.

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<sup>35</sup> As indicated in the European Commission "Guidance document on management verifications to be carried out by Member States on projects co-financed by the SF and CF for the 2000-2013 programming period".

<sup>36</sup> Please note that as a general rule, LP should always keep copy of what has been sent to the CU.

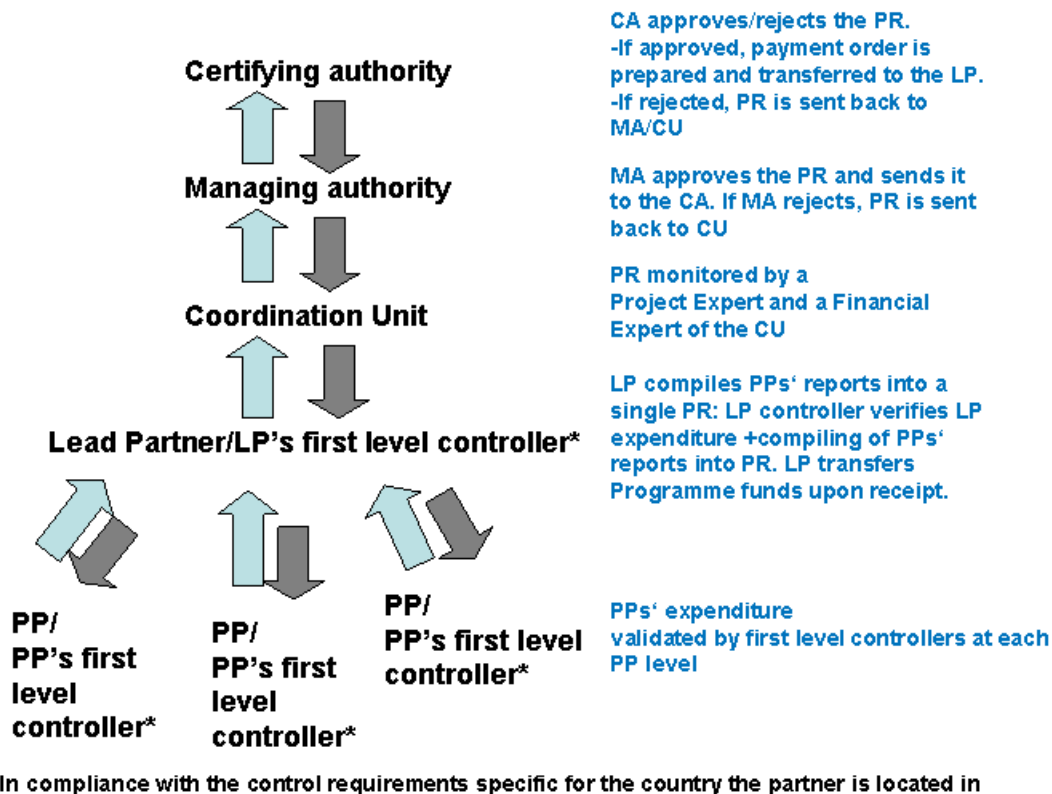


Figure 2 – Reporting Procedure

### 8.5.2 Use of the Euro

Project accounting of the Lead Partner must be held in EURO, also in states not belonging to the EURO-zone.

Financial reporting of the project from the Lead Partner to the CU will have to be made in EURO.

In case of expenditure incurred in currency other than EURO:

- The amounts of expenditure must be directly converted into EURO. Partners located outside the EURO-zone cannot convert the expenditure to their own currency and then again into EURO.
- Invoices reporting amounts in EURO must be reported in the Project/Partner Progress Reports as such (no conversion into national currency and back to EURO).

The amount must be converted into EURO using the monthly accounting exchange rate of the European Commission in the month during which the expenditure was registered in the accounts of the project partner <sup>(37)</sup>.

This rate is published electronically by the European Commission each month under:  
<http://ec.europa.eu/budget/inforeuro/index.cfm?Language=en>

### **8.5.3 Accounting and filing reporting documents**

The partners must ensure that all accounting documentation related to the project is available and filed separately, even if this leads to a dual treatment of accounts (for example if it is necessary to file accounting documents centrally).

It is the Lead Partner's responsibility to ensure an adequate audit trail which implies that the Lead Partner has an overview of:

- Who paid,
- What was paid,
- When was it paid,
- Who verified,
- Where the related documents are stored.

The Lead Partner must ensure that all partners store the documents related to the project in a safe and orderly manner at least until 2020, if not longer, in case there are national rules that require a longer archiving period. The documents are archived either as originals or as certified copies on commonly used data media (in compliance with national regulations). If deemed appropriate, the Lead Partner may ask for copies of accountancy documents from the partners.

#### **Accounting documents**

The following list gives an overview of the documents that should be available for financial control and audit purposes and retained at least until 2020:

- Approved Application Form;
- Subsidy Contract;
- Partnership Agreements;
- Relevant project correspondence (financial and contractual) ;
- Project/Partner Progress Reports;
- First level control documents (Control certificates, control checklists and control reports, designation checklist and certificates);

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<sup>37</sup> In compliance with Council Regulation (EC) No 1083/2006, Art.81



- List of declared expenditure;
- Bank account statements proving the reception and the transfer of Programme funds;
- Invoices/receipts;
- Bank account statements / proof of payment for each invoice;
- Staff costs: calculation of hourly rates, information on actual annual working hours, labour contracts, payroll documents and time sheets of personnel working for the project;
- List of subcontracts and copies of all contracts with external experts and/or service providers;
- Calculation of administrative costs, proof and records of costs included in overheads;
- Documents relating to public procurement, information and publicity;
- Public procurement note, terms of reference, offers/quotes, order form, contract;
- Proof for delivery of services and goods: studies, brochures, newsletters, minutes of meetings, translated letters, participants' lists, travel tickets, etc.;
- Records of assets, physical availability of equipment purchased in the context of the project;
- For travels: boarding cards, travel tickets and all documents reported under 8.4.2 in the description of the budget line *Travel and accommodation*.

It must be possible to clearly identify which expenditure has been allocated and reported in the context of the project and to exclude that expenditure is reported twice (in two different budget lines, reporting periods, projects/funding schemes). This clear identification must be ensured by complying to the following compulsory requirements:

- The opening of a specific bank account or subaccount or unique codification for the project payments.
- The introduction of project specific cost-accounting codes to record project costs by budget line, component and payment date/reporting period in the accounting system.
- Recording costs in expenditure lists by budget line, component and reporting period.
- Noting the allocation (project title and project number) directly on the invoices/equivalent documents.

Expenditure can only be reported if the following principles are fulfilled:

- The calculation is based on actual costs.
- The costs are definitely borne by the partner and would not have arisen without the project.

- The expenditure has actually been paid out. Expenditure is considered to be paid when amount is debited from the partner institution's bank account. The payment is usually proven by the bank statements. The date when the invoice was issued, recorded or booked in the accounting system does **not** count as payment date.
- The expenditure is directly linked to the project. Costs related to activities that are not described in the Application Form are generally ineligible.

## 8.6 First level financial control

In the programming period of 2007 - 2013, the terms “audit” and “control” (and thus auditor and controller) are not interchangeable since they refer to two different categories of controls.

The word **control** refers to the check performed by the first level controller (FLC) in compliance with Art.16 of Regulation of the European Parliament and Council (EC) No. 1080/2006 (ERDF Regulation). The main duty of the first level controllers designated by the Member and Partner states is to validate the expenditure declared by each beneficiary participating in the operation <sup>(38)</sup>.

The word **audit** (or second level auditing (SLA)) refers to the checks performed in compliance with Art. 62, (1), a and b of Council Regulation (EC) No 1083/2006. The duty of the second level auditors is to carry out the audits on operations on the basis of an appropriate sample to verify the expenditure declared.

The word **controlled beneficiary** refers to the terminology used by Art. 16(1) of Regulation of the European Parliament and Council (EC) No. 1080/2006 (ERDF Regulation). The term *beneficiary* thus addresses both LP and project partners.

### 8.6.1 First level controls established by Member and Partner States

Member/Partner States participating in the programme have set up their systems for the first level controls: A description of their national systems is available in the web site of the programme ([www.espon.eu](http://www.espon.eu)). Please consult these pages and verify the nature, features and costs of the first level control system established in each Member/Partner State.

Please consult these pages also for the instructions given for the designation of the first level controllers for the project: The first level controllers at the PP and LP level must be chosen according to the rules that have been set by the countries where the PP and LP are located respectively, otherwise the validation provided is considered inadmissible.

There are two different first level control system applied by the countries that participate in the ESPON 2013:

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<sup>38</sup> The term **operation** stands for project. The two terms, operation and project, are by all way equivalent.

- Centralized system;
- Decentralized system.

### **Centralized system**

In centralized systems a central body is appointed by the Member/Partner State to carry out the first level controls in accordance with Art. 16 Regulation (EC) No 1080/2006. This body can be designated at a federal, national, or both federal and national level and acts under the supervision of a governmental body (e.g.: ministry).

First level controllers are civil servants working within the designated organization or might also be external controllers appointed for this specific mission by the Member/Partner State. Only the designated controllers working for the designated organization can certify the expenditure and sign the first level control documents for the validation of the expenditure required in each project/partner progress report.

First level controllers hold the qualifications required by the Member/Partner State and in the performance of their duties are obliged to fulfil the requirements for the first level controls laid down in the Structural Funds regulatory framework and in the national legal framework.

Lead/Project partners must submit their Project/Partner Progress Report to the designated organization in order to have their expenditure validated.

The list of the Member/Partner states participating in the programme that have decided to implement a centralized control system is available on the Programme web site [www.espon.eu](http://www.espon.eu)

### **Decentralized system**

In decentralized systems, the partners are free to select their controller and to propose the name to the Central Approbation Body, which is established at the central level by the Member/Partner State. The Central Approbation Body has the duty to check if the controller fulfils the requirements set by the Member/Partner States for being designated as such. If the controller proposed matches the requirements, the Central Approbation Body designates it and delivers the designation to the controller and to the project that has proposed him/her.

The Central Approbation Body holds a list of the first level controllers designated in accordance with Art. 16 Regulation (EC) No 1080/2006. The list is available for public consultation and is regularly submitted to the CU and the Audit Authority (AA).

The controller must in all cases fulfil the following conditions:

- He/she must be independent from the controlled beneficiary;
- He/she must hold the qualifications and fulfil the requirements set by the Central Approbation Body;

- He/she must perform the first level control in compliance with the requirements set by the Central Approbation Body, by the Programme and the legal framework mentioned in chapter 8.4.3.

In this system it is the Central Approbation Body of the Member/Partner State that monitors and controls the performance of the first level controllers in its territory and thus guarantees that the first level controllers are acting in compliance with the Structural Funds regulatory framework and in the national legal framework for the validation of the expenditure and activities of the controlled beneficiary.

The list of the Member/Partner states participating in the programme that have decided to implement a decentralized control system is available on the Programme web site [www.espon.eu](http://www.espon.eu)

### **8.6.2 Qualifications of first level controllers**

The first level controller validates the expenditure incurred at the beneficiary's. Controllers can be either internal (e.g. employed by the project partner) or external (e.g. not employed by the project partner, but hired according to an external contract) to the organization subject to control.

In order to check and validate the expenditure, the first level controller must be properly qualified.

More specifically:

- He/she must hold professional skills and experience in international and national auditing standards and accountancy in general.
- He/she must hold professional skills and experience in the field of control of projects co-financed by EU-funds (Structural Funds and ERDF in particular).
- He/she must hold knowledge of the ESPON 2013 programme manual, operational programme, control guidelines and any document that the Programme might consider binding for the projects.
- He/she must hold sufficient knowledge of the English language, in order to read and understand all relevant documents.
- He/she must be professionally independent from the unit dealing with the activities and finances (accounting, salary calculations and payment orders). This implies that the controller must not be involved in project approval, project activities (incl. signing the project report as project partner), project finances (project accounting and payment orders).
- He/she must ensure that his/her work is properly documented and accessible to ensure an efficient review of the work in a way that any other controller/auditor can perform again the control with the only use of the control file.
- He/she must ensure that the work will be carried out within 2 months after receipt of the documents from the controlled partner (<sup>39</sup>).

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<sup>39</sup> Three months are requested by the regulation 1080/2006, but the Lead Partner will also need two months after reception of the certification from the Project Partners to establish its own certification. This will

**In addition** to the above requirements, there are some requirements that vary depending on if the controller is external or internal.

**If the controller is external:**

- He/she can be either a private or a public controller.
- He/she must be registered as a member of a professional organisation (this requirement is mandatory for private external auditors).
- He/she must perform his/her tasks according to a professional code of conduct or other rules defining his/her function and independence.
- There must be a basis for the controller to carry out the control (e.g. a service contract, a mandate, or contracting document).
- All experts working as tax *advisors* or financial/accounting *advisors* (or similar categories of advisors) cannot be considered qualified controllers, since the same term that is defining their status, “advisors”, is not providing assurance of their independence from the controlled organization.

**If the controller is internal:**

He/She must be independent both from the unit involved in the project management and from the unit involved in activities implementation. This requirement must be absolutely ensured in the terms of reference indicated by the European Commission <sup>(40)</sup>. Please note that an organizational chart must be provided to give evidence of compliance with the above requirements.

Additionally:

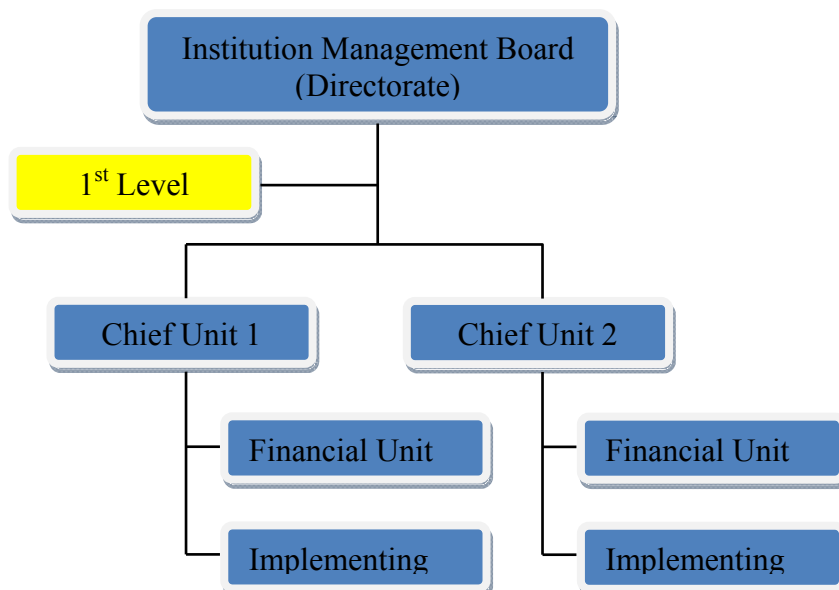
- The controller’s independence must be regulated by law or local or internal rules in the country where the controlled partner is located (e.g. rules regarding internal controller’s function, code of conduct).
- An organisational chart must be provided where it is shown that the controller is absolutely independent from the units where the activities and finances are managed, where the payments are ordered and where the control is carried out.
- There are no relationships by blood or marriage between the controller and employees/managers of the unit in charge of project activities and finance.
- The controller must be *independent of mind*, meaning that he/she doesn’t feel dependent on the entity/unit to be controlled.

Example of a correct positioning of the first level controller (yellow box).

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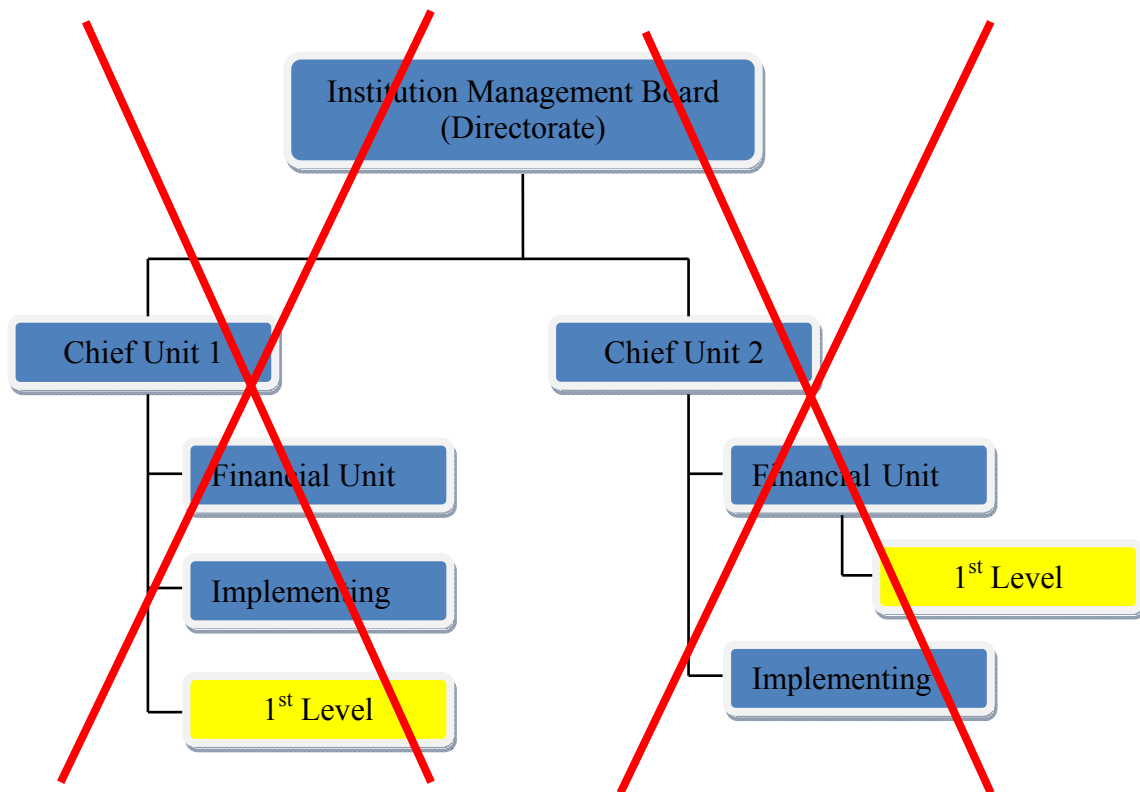
allow the project to present a reimbursement claim four months after the completion of the six months reporting period).

<sup>40</sup> European Commission recommendation on statutory auditors’ independence in the EU: a set of fundamental principles according to 2002/590/EC; International standard on quality control N°1 (IFAC); Code of ethics of the INTOSAI, Chapter II-2.2. Standards with Ethical significance.

**CORRECT!**

Any other situation of the following type must be considered not acceptable.

**WRONG!**



*Figure 3 – Position of the first level controller*

The first level controller must maintain a close contact with the CU in order to ask for assistance whenever there are doubts linked to the above points. Special additional requirements on qualification of first level controllers designated in each Member/Partner State are published at the programme's website.

### **8.6.3 Validation of the expenditure by first level controllers**

Despite the control system chosen by the Member/Partner State, it is the first level controller's duty to validate the expenditure declared by each beneficiary participating in the operation and its activities.

The validation by the FLC follows a two-step approach:

- Validation of expenditure declared by the project partners in the respective reports at the project partner level (validation at PP level);
- Validation of the expenditure declared by the project in the respective report at the lead partner level (validation at LP level).

Validation must be based on a control of the total reported expenditure and it must be based on on-the-spot checks whenever necessary.

The detailed procedure for the validation of the expenditure is listed below. Each project/partner progress report is made up of two parts: the activity part and the financial part. The controller validates both parts of the report with its certificate.

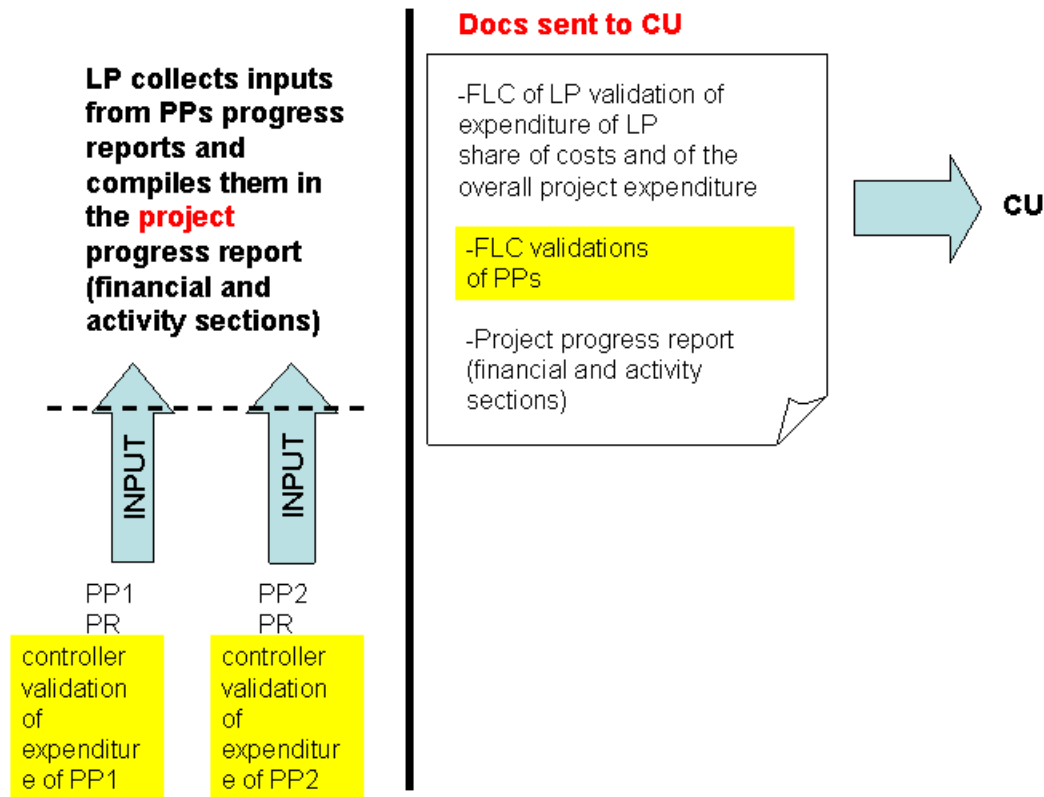


Figure 4 – Validation of the FLC at the PP and LP level

### Validation at the PP level

All expenditure and activities must be validated at a project partners' level by **national** first level controllers.

First level controllers of the project partners will be appointed according to the provision set by the Member/ Partner State where the partners are located and must perform their controls on the basis of the first level controlling system established in that particular Member/ Partner State.

First level controllers at the project partner level are required to:

- Validate the expenditure incurred by the controlled project partner.
- Validate the contents of both the activity and financial component of the Partner Progress Report.



- Draft a report and a checklist on the control performed (*Control Checklist and Control Report*).
- Sign the declaration of the validation of the expenditure (*Control Certificate-Project Partner*).
- Provide the Project Partner with the following documentation in order to be able to submit it to the Lead Partner: the declaration of the validation (*Control Certificate-Project Partner*), the *Control Checklist*, the *Control Report*, the signed and stamped *Partner Progress Report* (financial and activity reports).

As a general rule, a copy of the documents sent to the LP should also be archived at the PPs' premises.

### **Validation at the LP level**

The first level controller of the LP must perform a control on the LP share of expenditure and of the LP activities according to the provisions set by the Member/Partner State where the Lead partner is located.

Taking into account that the Lead Partner should ensure that both the expenditure presented by each of the beneficiaries participating in the operation has been incurred for the purpose of implementing the operation and corresponds to the activities agreed between those beneficiaries, and that the expenditure presented by each of the beneficiaries participating in the operation has been validated by the controllers, the scope of the work of the controller responsible for the lead beneficiary should therefore include a verification of how the lead beneficiary has complied with these obligations.

Once the first level controller finalizes its control, the LP has to submit to the CU the following documentation:

- The overall *Project Progress Report* which is composed of a *financial report's* sections (excel sheets: Checklist for Submission to the ESPON CU, **A, B, C, D**) and an *Activity Report*;
- *The individual Partner Progress Reports with the bookkeeping list* of expenses of the LP and of the PPs with entries in English (excel sheets: Checklist for Submission to the Lead Partner, Partner Financial Claim, **D1, E, F, G, H, I**, of the Partner Progress Report's financial part);
- The *declaration of validation* of the LP expenditure (*Control Certificate-Lead Partner*);
- The *declarations of the validation* of the PPs (*Control Certificate-Project Partner*);
- *Control checklists* of LP and PPs;
- *Control reports* of LP and PPs;
- Any other document the CU might request for in depth checks.

In case the first level control system is decentralized in any of the participating partners' states in a way that the control is undertaken through internal or external controller who is proposed by the project partner and approved at national level the following document is also necessary to be submitted by the LP to the CU together with the Project Progress Report:

- *Designation Checklist and Certificate for designation of the FLC of each PP;*
- *Designation Checklist and Certificate for designation of the FLC of the LP;*

#### **8.6.4 Tools**

The Member/Partner States in cooperation with the CU have developed tools for the financial management and for the validation of the expenditure by the first level controllers:

- Template for partner and project progress reports (financial report's sections and activity report);
- Template for *declaration of the validation* of the expenditure (control certificate)
- Template for *control checklist*.
- Template for *control report*.
- Template for designation of the FLC (*designation checklist and certificate*)

In addition, the detailed procedure for the validation is explained in the "Guidelines for Certification According to Art . 16 of Reg. 1080/2006".

These documents cannot be modified. All templates and the guidelines are available on the Programme web site [www.espon.eu](http://www.espon.eu)

### **8.7 Monitoring**

#### **Monitoring of the Project Progress Report**

Each project progress report is monitored by a project expert and a financial expert within the CU.

The project and financial experts of the CU monitor the project progress reports submitted by the LP in all its components (e.g. control certificates, control reports and checklists, description of the activities, listing of the expenditure) by cross checking the coherence of the activity report and the financial report (plausibility checks) and that what the first level controller has validated complies with the provisions of the Subsidy Contract, the Programme documents and the contracted application form.

The CU reserves its right to ask the LP and the first level controllers to provide more in-depth documentation (e.g. the detailed list of all the expenditure incurred, copies of the invoices and bank transfers etc.).

After the closing of the clarifications, a second financial manager is checking again the whole report in order to validate it. The validated report is then sent to the Managing Authority.

## 8.8 Project changes

According to the Subsidy Contract, the Lead Partner is obliged to request approval from the Managing Authority if any change in the set up of the project occurs.

Changes related to **contact details** such as address, phone number, e-mail and to the **bank account** must be communicated timely to the CU (by simply submitting the modified Application Form – Part A in an electronic version).

Changes that affect **activities, outputs, partnership** (partners dropping out or joining the TPG) are subject to a formal request to the MA and must be negotiated with the MA and the Monitoring Committee and are subject to the approval of the MA or MC, depending on the content of the change. When approved, an addendum to the Subsidy Contract will be released and will have to be signed by the LP and the MA.

Changes that might concern the **extension of the period needed for the financial closure of the project**, or that are related to **budgetary issues**, or might affect the spending schedule (payment forecast) require a formal request to the MA and are subject to the approval of the MA. It is important to note that modifications in the payment forecast might affect the programme target and expose the project to decommitment of funds. Thus asking for a delay in the spending schedule is at project's own risk.

The CU is responsible for the practical administration of changes within the running operations. As a general rule, Lead Partners should inform the CU **timely** about the possibility to request a change in written.

Form for the request for budget reallocation is available in the programme web site [www.espon.eu](http://www.espon.eu)

### Changes concerning budgetary issues

The budget in the Application Form should be as precise as possible. However, as projects are not static entities, changes may become necessary during project implementation. It is therefore important to know that the ESPON 2013 Programme provides the following rules for budget reallocations and thus gives some budget flexibility. Shift of budgets between different budget lines, between different work packages and between different partners are allowed as long as the following conditions are all fulfilled:

- The maximum amount of funding awarded remains the same;
- No budget line, work package or partner budget drops down to zero;
- Overall projects' and individual partners' budget line "Administration" stays

within the threshold of 25% of the total staff costs.

**a. Changes without prior request to MA/CU (flexibility rule)**

During the implementation of the activities, the Lead Partner is entitled to reallocate between:

- a) The project budget lines,
- b) The work package budgets,
- c) The project partners' budgets

The excess in spending must be **limited to a maximum of 20,000 EUR, or up to 10 % of the budget line/work package/partner budget respectively contracted amount, whichever is the higher. The limits are calculated on the basis of the latest approved budget.** If changes stay within these limits they do not have to be notified to MA/CU but will be just reported in the project progress reports indicating all components of the changed budget.

**Flexibility rule: 20 000 € /10 % overspending**

Budget line	Original amount in the approved application form	Maximum possible overspending on this line	Explanation
Administration costs	€ 50,000	€ 20,000	<p>As 10 % of the original amount (i.e. 10% of 50,000 euro is 5,000 euro) is smaller than 20,000 this budget line can be exceeded by a maximum of € 20,000.</p> <p>The project can thus report up to 50,000+20,000=70,000 euro in its project progress report. No request to the MA/CU will be necessary.</p> <p>The increase of this BL must stay within the threshold of 25% of total staff costs</p>

Staff costs	€ 500,000	€ 50,000	<p>As 10 % of the original budget (i.e. 10% of 500,000 euro is 50,000 euro) is higher than 20,000, this budget line can be exceeded by 50,000 euros</p> <p>The project can thus report up to <math>500,000 + 50,000 = 550,000</math> euro in its project progress report. No request to the MA/CU will be necessary.</p>
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If the changes exceed the limits reported above, a request for approval has to be submitted to the MA/CU. The procedure is described in the paragraph here below.

Be aware that in case your spending is going to exceed the 20,000/10% threshold, it is the duty of the Lead Partner to submit a formal request to the CU for a budget reallocation, following the procedure listed in the next paragraph. The request will be evaluated by the CU and only in case of positive assessment the overspending can be allowed.

#### **b. Changes with prior request to MA/CU**

The LP is entitled to reallocate the budget between:

1. Work packages
2. Partners
3. Budget lines

As explained in the above paragraph, if the changes exceed the 20,000/10% threshold, the Lead Partner has to submit a formal request to the MA/CU for a budget reallocation before the changes are implemented. The request will be evaluated by the MA/CU and only in case of positive assessment the reallocation can be allowed.

#### **Reallocation up to 20% of the total costs is accepted.**

Please note that a project can ask for this kind of changes only **twice** in its lifetime, **adding up to a maximum of 20%** of the total cost stated in the Subsidy Contract.

Here you find three examples of shifts among work packages (example 1), partners (example 2) and budget lines (example 3).

**20 % budget reallocation**

If the operation needs to deviate from the original budget by more than what is allowed by the € 20 000 /10% flexibility rule, then the Lead Partner should ask for a budget reallocation.

In the case of a budget reallocation, the shifts allowed to increase work packages, budget lines and partners budgets (using the under-spending of other budget lines/workpackages/partners) are of a maximum of **20 %** of the **total costs** as stated in the Subsidy Contract.

**Example 1: Shifting budget from one work package to another**

During the project implementation the partnership realizes that in WP2 there is a strong under spending while in WP1 and WP3 there is need for more funds.

The partnership would be interested in reallocating the 20% of the total budget between WPs, within the limit given by the rule of the 20%. In this case, since 800,000 euro is the total budget, the 20% is **160,000 euro**.

The solution adopted in the case here below is the following: WP2 is decreased of 160,000 euro and this amount is redistributed to WP1 and WP3 by adding 100,000 euro to WP1 and 60,000 to WP2.

Work packages	Original amount in the approved application form	Spending situation	How to apply the 20% rule	New budget
WP 1	€ 250,000	Spending higher than expected, need of more budget	This component can be increased by a maximum of € 160,000.	250,000+100,000= 350,000
WP 2	€ 500,000	Under spending	This component can be decreased by a maximum of € 160,000 in order to allocate more budget to the other WPs	500,000-160,000= 340,000
WP 3	€ 50,000	Spending higher than expected, need of more budget	This component can be increased by a maximum of € 160,000.	50,000+60,000= 110,000

Total	€ 800,000		<b>The total shifted amount cannot be higher than 160.000 euro</b>	€ 800,000
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The reallocated budget can again be subject to deviations within the limits of the flexibility rule.

### Example 2: Shifting budget from one PP to another PP

The total budget of the project is 2 million euro. Originally the budget was divided as follows:

- PP1: € 1,000,000
- PP2: € 500,000
- PP3: € 500,000

But PP1 is not able to spend its whole budget, while PP2 and PP3 are in need of more budget than expected. The partnership decides to reallocate 20% of the total budget of the project (20% of 2 million euro= 400,000 euro) by decreasing the budget of PP1 of 400,000 and by increasing the PP2 and PP3 budget of 200,000 euro each.

PP	Original budget in the approved application form	Spending situation	How to apply the 20% rule	New budget
1	€ 1,000,000	Under spending	This partner budget can be decreased by a maximum of € 400,000 in order to allocate more budget to the other partners	1,000,000-400,000= 600,000
2	€ 500,000	Spending higher than expected, need of more budget	This partner budget can be increased by a maximum of € 400,000	500,000+200,000= 700,000

3	€ 500,000	Spending higher than expected, need of more budget	This partner budget can be increased by a maximum of € 400,000	500,000+200,000= 700,000
Total	€ 2,000,000		<b>The total shifted amount cannot be higher than 400,000 euro</b>	€ 2,000,000

In this case a new addendum to the Subsidy Contract will have to be signed by MA and LP.

### Example 3: shifting budget from one Budget Line to another Budget Line

The partnership realizes that there is need for more budget in BL5 “External expertise” and that there are some savings in BL4 “Travel and accommodation”.

Considering that the **total budget of the project is 2 million euro**, there is the possibility to reallocate from BL4 to BL5 a maximum of 400,000 euro (i.e. 20% of 2 million euro).

BL	Original budget in the approved application form	Spending situation	How to apply the 20% rule	New budget
4	€ 600,000	Under spending	This budget line can be decreased by a maximum of € 400,000 in order to allocate more budget to the other budget line	600,000-400,000= 200,000
5	€ 500,000	Spending higher than expected, need of more budget	This budget line can be increased by a maximum of € 400,000	500,000+400,000= 900,000

The reallocated budget can again be subject to deviations within the limits of the flexibility rule.

Documents to be submitted to the MA/CU for requesting a reallocation:



- Form for the request, signed and stamped by the LP.
- Cover letter with the justification of the changes
- Full digital version of the Application Form.
- Print-outs of the changed Application Form, signed and stamped by the LP.
- Whichever document the CU might request to prepare an assessment of the request.

Depending on the extent of the changes, a decision will be taken by the MA or in written procedure by the ESPON Monitoring Committee. After the approval, the Lead Partner will receive a notification. The change will enter into force from the date of the request and will be attached to the Subsidy Contract as an addendum.

## 8.9 Project closure

With regards to project closure, it is important to be aware of the following points:

- End date for the eligibility of expenditure: all activities must be finalised and the related expenditure paid out (including payment for the financial control of the final project progress report) before the end of the month stated as finalisation month in the Application Form in order to be eligible.
- Final Project Progress Report: as for all other reporting periods, projects also have to submit a certified project progress report for the last reporting period. This last project progress report has to be submitted within four months following the end date of the activities.
- Information and publicity requirements (see also section 4.4): the rules laid down in Regulation (EC) 1828/2006 Articles 8 and 9 on information and publicity must be respected for all products produced with the assistance from ESPON 2013, also after closure of the operation.
- Archiving of documents: The Lead Partner is at all times obliged to retain for audit purposes all files, documents and data about the operation on customary data storage media in a safe and orderly manner at least until 31 December 2020. Other possibly longer statutory retention periods, as might be stated by national law, remain unaffected.

### 8.9.1 Specific requirements

#### Ownership

Any substantial modification of the project within **five years** from the project completion must be avoided (<sup>41</sup>). More in details, the project must not undergo any substantial change:

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<sup>41</sup> Council Regulation (EC) No 1083/2006 Article 57 (1)

- Affecting its nature or its implementation conditions **or** giving to a firm or a public body an undue advantage; **and**
- Resulting either from a change in the nature of ownership of an item of infrastructure or the cessation of a productive activity.

The partnership agreement must clearly state the ownership of outputs. Conditions set by these documents must be kept for five years from the project completion.

With the last Project Progress Report, the Lead Partner will be asked to submit to the CU a declaration where he/she will guarantee the fulfilment of the above conditions by the whole partnership for a period of five years after the project closure. The text for this declaration can be downloaded from the web site of the programme [www.espon.eu](http://www.espon.eu)

Should any of the above conditions be met by any of the project partners, this would imply a recovery of the funds unduly paid <sup>(42)</sup>.

### Revenue generation

ESPON projects should, in principle, not generate revenues as all results are public. However, revenues might be generated from any activity (e.g. sales, rent or any other provision of services against payment). A project can be revenue-generating, though the generated revenues must be deducted from the total expenditure before submitting the reimbursement claim. The Programme financing will be thus calculated on the total expenditure cleared from any revenue created during the reporting period <sup>(43)</sup>.

Additionally, projects are requested to give evidence of the revenue that might be generated within five years from the closure of the project. The revenue generated within **five years** from the completion of the project must be communicated to the CU. The revenue generated will have to be deducted from the total expenditure declared by the project and the correspondent amount of funding will have to be timely repaid to the CA via the CU <sup>(44)</sup>.

With the Final Project Progress Report, the Lead Partner will be asked to submit to the CU a declaration where he/she will guarantee the fulfilment of the above conditions by the whole partnership for a period of five years after the project closure. The text for this declaration can be downloaded from the web site of the programme [www.espon.eu](http://www.espon.eu)

### Keeping records

All accounting documents (book-keeping) and supporting documents (e.g. Subsidy Contract, application form, service contracts, public procurement documentation, rental

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<sup>42</sup> Council Regulation (EC) No 1083/2006, Articles 98 to 102.

<sup>43</sup> Council Regulation (EC) No 1083/2006, Art.55 (1) to (2).; According to Council Regulation (EC) No 1341/2008: amending Regulation (EC) No 1083/2006 only projects with a total budget exceeding €1.000.000,00 will have to report and deduct generated revenues.

<sup>44</sup> Council Regulation (EC) No 1083/2006, Art.55 (3).

agreements/contracts, important communication with CU/MA), documents related to the expenditure, controls, audits, and audit trail have to be identified and must be retrievable and accessible.

These documents must be grouped together, archived and preserved at the LP premises until 31st December 2020 for Programme purposes. The accounting and supporting documents related to the PPs must be kept at the PPs' premises for an equal period of time. The LP must also preserve copies of all supporting documents which have been submitted by PPs so that they can be shown in the case of controls or audits.

The documents can be kept either in the form of originals or in versions certified to be in conformity with the original on commonly accepted data carriers <sup>(45)</sup>. The procedure for the certification of the conformity of these documents held on data carriers with the original documents must be in line with the provisions set by the national authorities and must ensure that the versions held comply with the national legal requirements and can be relied on for audit and control purposes.

In case of retaining the documents electronically internationally accepted security standards must be met <sup>(46)</sup>.

Representatives of the MA, CU, CA, AA, GoA, intermediate bodies, auditing bodies of the Member states, authorized officials of the Community and their authorized representatives, European Commission and the European Court of Auditors <sup>(47)</sup> are entitled to examine the project and to access all relevant documentation and accounts of the project.

### **Expenditure already supported by other EU or other national or regional subsidies**

During the period running from the 1<sup>st</sup> January 2007 and the 31<sup>st</sup> December 2015 the project *may receive funding under only one operational programme at a time* and more extensively project *must not receive any financial assistance from any other Community financial instrument* (e.g. Framework Programme for Research and Development, other INTERREG funding, other Structural Funds funding...)<sup>(48)</sup>.

In this sense, projects will be asked to declare to the CU:

- In the application form, other sources of funding they are going to apply for (should this apply).
- In each Project Progress Report, other sources of funding that have been received to cover the total expenditure of the project.

### **Donations and sponsoring**

<sup>45</sup> As defined in Commission Regulation (EC) No 1828/2006 Article 19(4).

<sup>46</sup> Commission Regulation (EC) No 1828/2006 Article 19(6).

<sup>47</sup> Commission Regulation (EC) No 1828/2006 Article 19(2).

<sup>48</sup> Council Regulation (EC) No 1083/2006, Art.54 (3) and (5).

In case the project receives donations from sponsors or donors and this does not correspond in an increase of the activities at the project level, the amount of the donation will have to be deducted from the total eligible costs. Funding will be thus decreased proportionally.

## **8.10 Other controls**

### **8.10.1 Coordination Unit on-the-spot checks**

The CU is also entitled to perform quality checks on behalf of the MA at the project level to ensure that a sound management and control system has been implemented. These quality checks will be done on-the-spot, on the basis of a risk analysis.

The selected project/lead partners are obliged to give full cooperation to the CU in the performance of its duties, to give access to premises and documentation and to provide requested documentation.

The aim of the check is to ensure that the implementation is in accordance with the criteria applicable to the ESPON 2013 Programme and that the project complies with the applicable Community and national rules for the entire implementation period.

More specifically, checks will be performed in order to check compliance with Commission Regulation (EC) No 1083/2006, Art.60 a), b), c), d), e), f), j) and to verify that a proper management and control system and an audit trail is in place.

Additionally, the CU might also be involved by the Member States in quality checks in order to verify the efficiency of the management and control system set-up at Member State level. This implies that some quality checks might be performed by the CU and the MS representatives jointly on projects.

### **8.10.2 Other controls**

In the programming period 2007-2013 new auditing bodies have been introduced in the management and control system of Structural Funds' programmes: the Audit Authority (AA) and the Group of Auditors (GoA).

In compliance with the Art.62 of Council Regulation (EC) No 1083/2006, the AA of this Programme is responsible for:

- Ensuring the effective functioning of the management and control system in the Programme, by performing audits on the MA, CA, CU and on the first level controllers and
- Ensuring that audits are carried out on the operations on the basis of a sample, in order to verify the expenditure that has been declared.

In these tasks, the AA is supported by the Group of Auditors, a group comprising the representatives of each Member and Partner State participating in the programme and carrying out the duties of the second level auditing (<sup>49</sup>).

According to the Structural Funds regulatory framework, the auditors must be independent of the first level control system implemented in compliance with Art. 16 of Regulation (EC) No 1080 (<sup>50</sup>).

### **Second level auditing**

The provisions of the Art. 62 of Council Regulation (EC) No 1083/2006 imply that the operations might undergo a second level auditing in case they are sampled. Every year between 2008 and 2015, sample checks on operations will be carried out to verify if the projects correctly declared expenditure in the Project Progress Reports.

In case a project is sampled, the project will be checked both at the LP and PP level by the national competent auditors.

The national auditor of the country where the LP is located (lead auditor) will be in charge of leading the audit and organizing the schedule of the audits at the PPs level: Each national auditor will be responsible for auditing the partners located in its territory, unless agreed differently by the GoA.

The audit starts when the lead auditor launches the audit and informs the Lead Partner about the aim and schedule of the checks. The national auditors involved will get in contact with the project partners and schedule audits accordingly. The audits implies both desk checks and on the spot checks.

It is the duty of the LP and of all the PPs involved in the sampled project to facilitate the audit activities and to provide requested documentation and accesses to locations and premises.

Auditors will check:

- Compliance of the implementation with the approved conditions;
- Compliance with rules of the regulatory framework of the Structural Funds, of the national legislation and of programme rules;
- Soundness of the management and control system implemented at a project level;
- Soundness of the first level controls performed.

After closing of the desk checks and on the spot checks each audited partner will receive a report from its national auditor and will have a limited period of time to debate upon the

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<sup>49</sup> Art. 14 (2) Regulation (EC) No 1080/2006 of the European Parliament and of the Council.

<sup>50</sup> Art. 14 (2) Regulation (EC) No 1080/2006 of the European Parliament and of the Council.

auditors' findings. This procedure is named "the contradictory procedure", its length might vary in time according to the rules set by the GoA.

Comments from the audited partner will be reported in the auditors' reports. Once all the contradictory procedures have been closed, the lead auditor will compile the *lead auditor report* and inform the AA, the GoA and the CU/MA/CA about the outcomes and suggest follow up actions, if needed.

The CU/MA will address the Monitoring Committee (MC) of the programme for the approval of necessary follow up actions. The follow up actions approved by the members of the MC will be implemented by the CU/MA/CA. The CU/MA will relate directly to the LP in the follow up process and also channel the proper data to the CA.

Costs incurred during the second level auditing by the LP and PP might be reported to the CU and considered eligible for funding, within the thresholds set by the budget of the project and if complying with the eligibility rules set in this Programme Manual.

Other checks might also be performed on projects by other auditing bodies of the European Commission services, the European Court of Auditors, other auditing bodies of the participating Member and Partner States or other national public auditing bodies.

The Managing and Certifying Authority of this Programme are also entitled to perform checks at the project level to ensure that a sound management and control system has been implemented.

The projects are obliged to give full cooperation to these bodies in the performance of their duties and to offer accessibility to premises and documentation.

## **8.11 Irregularities and follow-up actions**

If during the first level controls, the second level audits, the CU on-the-spot checks or other controls an irregular use of granted funds is detected, the following actions could be adopted with respect to the project:

- Cancelling the whole subsidy,
- Cancelling part of the subsidy,
- Recovering of subsidy.

In case there is a suspicion of an irregularity, fraud or bankruptcy, or detection of a systemic error in reporting, the MA and CA are entitled to withhold the payment of the funding.

According to the Subsidy Contract, the Lead Partner is financially responsible for the management of the project and liable for any infringements pursued by the partnership.

In case of confirmed irregularities, the Member States where the liable project partners are located will have to decide upon a cancelling of the subsidy or a recovery. The MA

and the CA, supported by the CU, will undertake the necessary follow-up actions with respect to the Lead Partner to pursue the Member States' decision.

Recovery of funding will be done in accordance with the provisions laid down in Art.27-36 of the Commission Regulation (EC) No 1828/2006. Cancelling of whole or part of the subsidy will have to be pursued according to the Art.98 to 102 Commission Regulation (EC) No 1803/2006.

In the case Member States decide to release the Lead Partner from any repayment of the subsidy, the losses will be borne by the Member States. It will be then up to the Member States to seek to recover the losses from the negligent partners located in their territories.

## **8.12 Appeal procedure**

In case an application is considered not eligible or it is not approved, the Lead Applicant will get an official letter informing about the results of the eligibility check and/or the evaluation process (the letter is advanced by fax and sent as well by registered mail). The Lead Applicant, in case it is not satisfied with the decision of the Programme Authorities, has the possibility to appeal the decision of the Monitoring Committee by asking an assessment of the rejection of the project application (whether is due to non eligibility or to unsuccessful evaluation). The right to appeal is limited to the formal procedure established for the eligibility, evaluation and decision making processes as described in the application pack provided for the call in question.

An appeal should be lodged by the Lead Applicant by addressing a communication in writing to the MA (by fax and registered mail, faxing as well a copy to the Coordination Unit) within 5 working days counting from the day following the receipt of the faxed copy of the rejection letter. The appeal shall include an argumentation about where the Lead Applicant sees a violation of which procedure.

Following an appeal lodged within the given deadline, the Coordination Unit (CU) will reassess the relevant procedure which regularity has been questioned by the Lead Applicant. The reassessment will be done within 7 working days starting from the day following the receipt of the appeal by fax.

The MA and CU will forward the reassessment to the Monitoring Committee and ask the Committee for a formal decision through a short written procedure of 7 working days.

The MA will inform by fax and registered mail the Lead Applicant about the decision of the MC within 21 working days after the submission of the appeal by fax by the Lead Applicant.

In case that the MC finds that a procedural error occurred, the MC will re-open the relevant procedure which regularity has been questioned by the Lead Applicant.

An appeal is possible only once per application per call.

The decision of the MC following a request for appeal and the relevant follow-up will be published on the web site of the Programme at [www.espon.eu](http://www.espon.eu).