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Ireland Wales Territorial Cooperation Programme 2014-2020: Mid-Term Evaluation Report

Summary

1. Research objectives and methodology

- 1.1 This paper reports on the Mid-Term Evaluation of the Ireland Wales Territorial Cooperation Programme 2014-2020 (hereafter 'the Programme'). The Programme is delivered by the Welsh European Funding Office (WEFO)—the Managing Authority—in partnership with the Southern Regional Assembly (SRA) and the Government of Ireland's Department of Public Expenditure and Reform (DPER). The Programme focuses on connecting organisations, businesses and communities in the Irish Sea region that face shared economic, environmental and social challenges.
- 1.2 The evaluation aimed to investigate: whether the cross-border nature of the Programme is delivering any added value and if so, to identify the nature of this added value; progress against the result indicators and any further benefits of the Programme not captured by the result indicators; whether the projects and schemes provide sufficient coverage of the objectives of the Programme, and whether the balance of interventions is appropriate; what has worked well and what has not worked well with regards to Cross Cutting Themes; and identify whether improvements can be made in the implementation processes put in place by WEFO for managing the Programme.
- 1.3 A range of methods were used including interviews with stakeholders, interviews with lead project delivery partners, case studies of six active projects and surveys of enterprises and communities in the Programme areas.

2. Key findings

Programme-level effects

- 2.1 There is widespread acknowledgement of the difficulties of assessing the impact of Interreg programmes, given the relatively diverse interventions areas, the breadth of themes and Priority Axes within programmes and the relatively modest scale of funds and associated projects in the context of wide geographical coverage of the programme area. Notwithstanding these broad

challenges, each of the Ireland Wales Programme's Specific Objectives was necessarily assigned a result indicator at the outset of the Programme. These indicators were drawn up by the Managing Authority in consultation with the European Commission. Once the indicators were agreed, the Managing Authority commissioned surveys and conducted analysis to determine the baseline figures, against which target figures were determined.

- 2.2 As is discussed in more detail below, it is clear that each of the Programme's result indicators (and the baseline and, consequently, midterm data relating to them) are imperfect and problematic for a variety of reasons. This fact is acknowledged by internal Programme stakeholders, including the Managing Authority, but, at this stage in the Programme, the indicators are fixed and must be addressed regardless. The analysis that follows should thus be read in the context of these weaknesses with the result indicators.

Table 2.1 Programme result indicators, baseline figure, target figure and progress against targets: by Specific Objective, June 2019

Specific Objective	Result Indicator	Baseline	Target	Progress
1	Levels of investment in R&D and innovation arising from cross-border collaboration in shared priorities as specified in the smart specialisation strategies	Investment of €1,493,498,502 Overall BERD of €2,451,253,000	Additional €21,645,000 by 2023 0.2% by 2023 (Additional €21.65m)	Reduction in investment recorded
2	Levels of knowledge of adaptation to climate change amongst communities and businesses	64%	Increase in levels of knowledge	Reduction in levels of knowledge from baseline
3	Total number of overseas visitors to the coastal communities of the Programme area	2012 baseline of 6,902,000	7,040,040 by 2023	9,972,657 achieved by 2017

Source: Evaluation analysis of primary and secondary data

- 2.3 **Specific Objective 1** comprises two measurable sub-indicators of the percentage increase in levels of investment arising (R101A) and percentage increase in overall business spend on research and development (R&D; R101B). Regarding R101A, analysis of a survey of business decision-makers commissioned by the evaluation suggests that Irish and particularly Welsh businesses have invested less in collaborative research and development since 2014. Modelling of this survey data suggests that total investment in collaborative R&D in the Programme area has fallen from €1,493 million in the time period assessed at the baseline (2011-2016) to €120 million in the time period assessed at the mid-term (2014-2019). This decrease in spending on collaborative R&D suggests that, whilst there has been an increase in overall Business Enterprise Research and Development (BERD; sub-indicator R101B) between the baseline and mid-term, the contribution of collaborative research towards this is likely to be minimal. Feedback from Programme stakeholders suggests that the decrease in levels of collaborative investment in R&D by businesses in the Programme area may have been affected by uncertainty surrounding Britain's exit from the European Union, and therefore the actions of the Programme can be considered mitigation against the wider context. At the same time, however, the extent of the decrease in the investment levels between the baseline and mid-term may call into question the robustness of the survey data, particularly given the relatively small sample sizes and the fact that only a small proportion of SMEs (across all sectors) would be expected to invest in R&D and innovation.

- 2.4 **Specific Objective 2** has an overall result indicator of levels of knowledge of adaptation to climate change amongst communities and businesses. Analysis of a survey of residents (households) and SMEs in the Programme area suggests that the proportion of both businesses and communities (households) aware of initiatives aimed at adapting to the effects of climate change decreased from 64 per cent at the baseline to 58 per cent at the mid-term. There is no obvious explanation for this decrease, although external factors such as increasing unconscious familiarity with measures of adaptation to climate change may be a contributing factor. Again, however, the results may suggest that the indicator (or more specifically the data used to measure it) is problematic.
- 2.5 **Specific Objective 3** has an overall result indicator of total number of overseas visitors to the coastal communities of the Programme area. Analysis of statistics from Fáilte Ireland and Welsh Government suggests an increase in the number of overseas visitors from 6.9 million in 2012 to 9.97 million in 2017 against a target figure of 7.04 million. Whilst this result exceeds the target by 2.9 million visitors, it would be unreasonable to assign causality to the Programme, given its relatively early maturity and the small number of projects under SO3. There are also a number of potential problems with this indicator and the data that underpin it: firstly, the visitor statistics used for the baseline (and therefore for the mid-term) are based on overseas visitors to the whole Programme area (not just the 'coastal communities' it specifies); secondly, these figures are likely to include double-counting, as it is highly likely that at least some of the overseas visitors visited more than one region in the area and therefore would be counted twice.

Emerging impact

- 2.6 The lack of recorded progress against the result indicators and the problems inherent in them suggest that it may be more effective to carry out a contribution analysis of the programme in order to understand impact. The contribution analysis approach is useful in situations where attribution is difficult to assess and where there are no opportunities for experimental approaches to construct a control group. In this case, the rapidly changing baseline driven by uncertainties over Brexit, for example (which, it should be remembered, was not widely forecast when the Programme was designed) render it difficult to ascertain what would have happened in the absence of the Programme.
- 2.7 Contribution analysis takes a different approach, based on developing a narrative using a combination of data and case studies to describe how the programme has driven change within the context of the overall impact objectives. This approach allows relatively low-level interventions to be assessed within the context of substantial external pressures.

Cross-border collaboration

- 2.8 The Ireland Wales Programme is facilitating cross-border collaboration at multiple levels, including between delivery partners (Programme beneficiaries), between delivery partners and collaborating enterprises or other stakeholders, and between the collaborating enterprises or other stakeholders themselves.
- 2.9 At all levels, cross-border collaboration is providing benefits including knowledge-sharing (through informal and formal mechanisms) and the transfer of best-practice, relationships that are deeper than those created by larger programmes such as Erasmus, and the leveraging of complementary skills and expertise, for example through the More Than A Club project, which brought together the Football Association of Ireland's programme development skills and Viability's social enterprise development skills. The collaborations are also beginning to deliver context-specific benefits such as, for example, the development of joint Welsh-Irish standards for the monitoring of coastal heritage impacts of climate change through the CHERISH project.

- 2.10 The emerging effect of these cross-border collaborations on end-beneficiaries – the communities of the Ireland Wales programme area – should be qualitatively explored in the project-level summative evaluations and further analysed in the final evaluation of the Programme.

Cross-Cutting Themes contribution

- 2.11 The Ireland Wales Programme appears to be making a significant contribution towards the Sustainable Development CCT. This is most clear with Priority Axis 2, Adaptation of the Irish Sea and Coastal Communities to Climate Change, as the projects funded under this Axis have the principles of sustainable development at their core. For example, the Ecostructure project is working to develop eco-engineering solutions that provide coastal defences against the effects of climate change, but to do this it is adopting an interdisciplinary approach and along with the environmental impacts it is also considering the social dimension of these defences. As such, it is supporting the sustainable development principle of simultaneously working to address social, economic and environmental objectives. Projects funded through the other Priority Axes are also contributing to the Sustainable Development CCT, most often by taking actions as set out in the guidance provided by the CCT Matrix, such as the development and promotion of an Eco-code and appointment of a Sustainable Development Champion.
- 2.12 The Programme is also contributing towards the Equal Opportunities and Gender Mainstreaming CCT. There does not appear to be a significant difference in how this Theme is being addressed by projects funded through the different Priority Axes. Some projects have set a target for the gender balance of research teams, boards and committees, and these are largely being met. Projects have also appointed Equality Officers and signed up for the Athena SWAN Charter recognising advancement of gender equality. Some of the projects have also launched trilingual (English, Welsh and Irish) websites, which they believe to be unusual, particularly in the scientific community.

Programme delivery processes

- 2.13 The processes and systems used for managing the Programme appear to be comprehensive and robust, but their rigidity has caused some issues when trying to take into account differences in practice between Wales and Ireland around, for example, public procurement. The Programme governance processes are highly reliant on the voluntary input of resource by stakeholders, and this has presented challenges, particularly around organising quorate Programme Monitoring Committee meetings.

3. Conclusions and Recommendations

- 3.1 With its focus on innovation, climate change and cultural and natural resources, the Ireland Wales Territorial Cooperation Programme 2014-2020 remains strongly aligned with strategy and policy in both Ireland and Wales and the European Union's Atlantic Strategy and Europe 2020 Strategy.
- 3.2 As of June 2019, the Programme had committed 65 per cent of its total budget. The levels of commitment were highest for Priority Axes 1 and 2 but significantly lower for Priority Axis 3, something that the Joint Secretariat and the Managing Authority have sought to address. Total Programme expenditure to the end of March 2019, however, stood at only 14 per cent of forecast expenditure.
- 3.3 The projects approved under Priority Axes 1, 2 and 3 appear to be closely aligned with the objectives of the Priority Axes and the Programme as a whole. One of the reasons for this is the robust project development process, which is resource-intensive for both Programme management and applicants but provides opportunity for the Programme to work with applicants to maximise alignment.

- 3.4 The projects currently active are making good progress and expect to meet their output indicator targets. Some projects are behind profile on expenditure due to delays in delivery, such as recruitment of staff. The projects are being well supported by the Programme's Operations Officers and are broadly happy with the management of the Programme, although there is scope for improvement in the communication between the Managing Authority and projects.
- 3.5 The Programme has integrated processes for addressing and monitoring the Cross-Cutting Themes of Sustainable Development and Equal Opportunities and Gender Mainstreaming to a lesser extent than other European programmes delivered by the Managing Authority.
- 3.6 The result indicators present a complex picture due to the problematic nature of the indicators and the data used at the baseline and mid-term stages to measures progress towards them. The final evaluation of the Programme should look to adopt another approach to assessing the impact of the Operation, such as Contribution Analysis, alongside the quantitative assessment.
- 3.7 More positively, evidence is emerging of the Programme facilitating cross-border collaboration at multiple levels and delivering benefits to beneficiaries and wider stakeholders. Feedback suggests that this collaboration would not have occurred without the Ireland Wales Programme, and may be scaled-back or disrupted in the future if similar sources of funding are not available. The Programme's projects are contributing to the Cross-Cutting Themes through their delivery approach and day-to-day activity, but it is too early to assess the extent to which the projects' effects are also contributing to the Themes of Sustainable Development and Equal Opportunities and Gender Mainstreaming.

Recommendations

- **Recommendation 1:** The Managing Authority should continue with the open/rolling call process for project applications but seek to increase communication with applicants around the expected time taken for delays in applications and provide deadlines by which time applicants can expect feedback.
- **Recommendation 2:** In recognition of the importance of having high levels of attendance at Programme Monitoring Committee meetings, the Managing Authority should explore the possibility of drawing up Memoranda of Understanding or using other mechanisms to ensure that stakeholders' resource commitment is recognised by the organisation they are representing.
- **Recommendation 3:** The Programme's Joint Secretariat should further explore ways to improve attendance at Programme Monitoring Committee meetings, including the use of robust videoconferencing solutions, if required.
- **Recommendation 4:** The Managing Authority should work with projects to draw up a charter that clearly sets out what a project can expect when engaging with the Programme's management, particularly in terms of response times to queries and timescales for decision-making.
- **Recommendation 5:** The Programme should develop a plan for the communication of the benefits/emerging impacts of the Programme and its projects to the general public. One mechanism for doing this would be to reorganise the Programme website so that it focuses on the benefits of the Programme's projects.
- **Recommendation 6:** In light of the problematic nature of the Programme's result indicators, the Managing Authority should specify that the Final Evaluation should adopt a Contribution Analysis approach to assessing the impact of the Programme, in addition to the required quantitative approach.

- **Recommendation 7:** The Managing Authority should provide guidance to projects to ensure that they and/or their project-level evaluations collect qualitative and quantitative data on their effects that can be used by the Programme's final evaluation to explore the impact as a whole.
- **Recommendation 8:** The Managing Authority should also provide guidance to projects to ensure that they and/or their project-level evaluations collect evidence of the project's contribution towards the Cross-Cutting Themes.
- **Recommendation 9:** The final evaluation of the Programme should explore the rationale for the Programme's approach to Cross-Cutting Themes and analyse the extent to which it has been successful.

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Available at: <https://gov.wales/ireland-wales-territorial-cooperation-programme-2014-2020-mid-term-evaluation>

Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government

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