Definition of indicators and action plan for setting baselines and targets

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The document has been prepared by the Joint Secretariat/Managing Authority of the Interreg Baltic Sea Region Programme in cooperation with Rambøll Management Consulting GmbH providing external input to establishment and plausibility check of the result indicator system (chapter 6).

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1. Introduction to the intervention logic of the Programme

This document provides definitions and justification for the indicator system and performance framework established for the Interreg Baltic Sea Region. Taking into account financial volume, territory covered and specificity of transnational cooperation the programme's intervention aims at developing a leverage effect on regional development by investing in the institutional capacities of the programme's target groups (as defined in the Cooperation Programme for each specific objective). The system of indicators to measure achievements of the programme is constructed to reflect this aim. In Programme priorities 1-3, it is based on a set of qualitative result indicators (defined for each specific objective) accompanied by respective output indicators (defined for each priority).

Priorities 1-3

The first pillar of the indicator system for priorities 1-3 is constituted by output indicators. The output indicators set by the Programme quantify products of the projects and relevant target groups addressing each of the expected results. The data on the achievement of the output indicators will be collected in the application forms and reporting forms of the projects and will be validated by the MA/JS. The MA/JS will install the data assurance systems to guarantee reliability of collected information.

The result indicators are the second element of the indicator system for the Programme. The major challenge for establishing of a plausible system relates to the availability of comparable data for all countries of the Programme including non-EU countries (Norway, Belarus, Russia).

The qualitative result indicators in priorities 1-3 depict changes of institutional capacity of the target groups defined for each specific objective. For instance, in case of specific objective 2.1 "Clear waters" the indicator is designed to capture development in capacity of public authorities/practitioners from water management, agricultural, forestry, fisheries etc. sectors. The result indicators do not refer to the direct Programme beneficiaries but cover the whole population of the target group in the area.

The improved institutional capacity in the Programme context is defined through five dimensions:

- Enhanced institutionalised knowledge and competence;
- Improved governance structures and organisational set-up;
- More efficient use of human and technical resources (databases, technical solutions, small infrastructure etc.);
- Better ability to attract new financial resources;
- Increased capability to work in transnational environment.

The descriptive baseline and targets will be established using two sources of information: outcome of the external evaluation of the projects' results finalised in 2014 and outcomes of an online survey with thematic experts (whose expertise corresponds to the thematic objectives of the Programme) validated through structured interviews with selected experts.

More specifically, this approach will contribute to: 1. definition of baseline (precise diagnosis of the gaps in capacity of the actors targeted by the priority covered by the indicator, definition of the pattern of change evident in the past five to ten years (trend)); 2. definition of target (expert diagnosis of the possible achievements beyond the organisations directly involved in the projects, specification of factors that can potentially influence reaching the desirable state of development).

The thematic experts will be also used for the review of the achievements in 2018, 2020 and 2023 against defined baselines and targets. In order to allow for aggregation of responses by experts the same evaluation tool will be applied at all four intervals. The tool will contain a questionnaire allowing for the assessment of capacity increase on a standardised scale. The detailed action plan for setting baselines and targets for result indicators in priorities 1-3 is presented in chapter 6.

Priority 4

Like in the case of priorities 1 – 3, the first pillar of the indicator system in priority 4 is constituted by output indicators. The output indicators set for the priority 4 demonstrates the core products as outcomes of the activities by the projects in order to achieve the expected results of the priority.

Quantitative result indicators are used in priority 4 to measure the leverage effect of the Programme support on the EU Strategy for the Baltic Sea Region implementation. This means for instance the leverage effect of seed money projects which will result in funds attracted to the EUSBSR implementation through main projects. Moreover, in case of specific objective 4.2 (Coordination of macro-regional cooperation) the result indicator is designed to capture the achievements in EUSBSR implementation. Further result indicators capture the involvement of partner countries (Norway, Russia and Belarus) in the EUSBSR implementation.

Priority 5

The result indicators for Priority 5 'Technical Assistance' measure three core functions provided by the Programme management structures, i.e. selection of projects ('Share of programme funding allocated to projects'), monitoring and payments to projects ('N+3 targets fulfilled') and Programme communication ('visitors on Programme website').

2. Definition of output indicators for priorities 1-3

The most significant impact of the Programme in the region is its contribution to the institutional capacity building. This was also demonstrated in *the Interim Report. Analysis of Projects In 2007-2013 and Contribution to EU2020 And EUSBSR Strategies*, prepared by Rambøll Management Consulting (RMC) that was contracted by the Managing Authority of the Baltic Sea Region Programme 2007-2013 to perform a strategic evaluation of the projects' outcomes. In the evaluation the main types of durable project outcomes for the target groups have been identified. These are utilisation of tools and

methods developed within projects; input for future legislation, policy and investments as well as affecting long-term strategies of private firms. Furthermore, the evaluation confirmed the importance of the target group involvement for sustaining of the project results inside and outside of the project partnership.

Based on the previous experience and the outcomes of the evaluation three horizontal output indicators are applied in priority axes 1-3 namely: "number of documented learning experiences" which corresponds to the Programme's ambition to advance the institutional capacity building in the Baltic Sea Region; "number of enterprises receiving support" and "number of enterprises receiving non-financial support" which measure the Programme's support to development of soft entrepreneurship skills for growth-orientated activities benefiting regional economies. Apart from the horizontal indicators, in the priority axis 1, the output indicators demonstrate the Programme's demand side approach to innovation. Namely, they quantify newly developed products and services that are responding to the market needs and depict the level of enterprises' involvement into innovation value chains. In priority axis 2 and 3 the specific indicators quantify the tangible investments into transport and environmental infrastructures triggered due the Programme's intervention. Moreover, they measure involvement of the target groups responsible for durable changes in the tackled areas i.e. local, regional and national authorities.

Altogether four common and five programme specific output indicators are used to demonstrate the immediate outcomes of the programme.

Use of common output indicators

Out of the list of common output indicators as defined in the annex to the regulation the following three common indicators were selected:

- CO01 No. of enterprises receiving support;
- CO04 No. of enterprises receiving non-financial support;
- CO26 No. of enterprises cooperating with research institutions;
- CO27 Private investments matching public support in innovation or R&D projects.

The chosen indicators reflect characteristics of actions to be supported by the Programme. However, it is expected that the enterprises will mostly benefit from non-financial support as a target group. The common output indicators CO41 "number of enterprises participating in cross-border, transnational and interregional research projects" and CO42 "number of research institutions participating in cross-border, transnational and interregional research projects" are not used as the Programme does not support pure research projects.

In the following table the defined output indicators and related targets are explained:

Table 1 Output indicators for Priority 1

Priority 1[1]					
84,425,811 Euro ERDF have been allocated to **Priority 1.** Based on the average ERDF funding in the previous Programme (ca. 2.3 million Euros) and an expected increase of costs due to inflation (+15%) it is assumed that projects of the new Programme will have an average ERDF funding of about 2.6 million Euros. This leads to an **expected number of 32 projects under Priority 1.** Based on an average number of project partners in the previous Programme (16) it is expected that there will be **512 project partners in Priority 1 projects**.					
Output indicator	**Definition of indicator**	**Target for investment priority 1a** (specific objectives: 1.1 research and innovation infrastructures)	**Target for investment priority 1b** (specific objectives 1.2 smart specialisation, 1.3 non-technological innovation)	**Total target (2023)**	**Explanation of the total target**
CO01 No. of enterprises receiving support	Number of enterprises receiving support in any form from ERDF	**63**	**207**	**270**	2% of project partners in the expected projects receiving grants plus the number of enterprises with non-financial support as defined under CO04
CO04 No. of enterprises receiving non-financial support	Number of enterprises with non-financial support benefitting from project activities/outputs, e.g. from trainings, coaching or business plan implemented by projects funded in this priority	**60**	**200**	**260**	80% of projects in the priority support at least 10 enterprise with non-financial support
CO26 No. of enterprises cooperating with research institutions	Number of enterprises (both, as beneficiaries receiving funds as well as with non-financial support) cooperating with research institution(s)	**50**	**170**	**230**	70% of projects in the priority support at least 10 enterprise to cooperate with research institution(s)

[1] Based on the ECOM observations received during inter-service consultation the common output indicators CO01 and CO 27 were added and the targets for indicators CO04, CO26, PSO02 were revised.

CO27 Private investments matching public support in innovation or R&D projects	Total value of private contribution in supported innovation and R&D projects, including non-eligible parts of the project	**1.846.815**	**6.595.766**	**8.442.581**	10% of the ERDF funds (in MEUR) in the priority.
PSO01 No. of documented learning experiences	The term documented learning experience relates to the process of acquiring institutional knowledge in the transnational context through joint testing, piloting or any other type of demonstration activities related to newly developed, transferred or adapted services, products, structures, processes or strategic documents	**7**	**25**	**32**	It is expected that every project in the priority develops and documents at least one joint learning experience. It is expected that several project partners and, if relevant, also external organisations will be involved in the learning experience. The indicator will count the number of joint learning experiences and not the number of individual partners involved.
PSO02 No. of documented newly developed market products and services	Number of new products and services offered on the market developed and documented by projects supported in this priority. The projects will have to proof that the products and services are newly introduced or adopted to the Baltic Sea Region	**4**	**6**	**10**	50% of expected number of projects under specific objective 1.1 produce at least one market product or service 25% of expected number of projects under specific objectives 1.2 and 1.3 produce at least one market product or service

Source: Cooperation Programme Interreg Baltic Sea Region, JTS/MA

Table 2 Output indicators for Priority 2

Priority 2[2]					
84,425,811 Euro ERDF have been allocated to **Priority 2.** Based on the average ERDF funding in the previous Programme (ca. 2.3 million Euros) and an expected increase of costs due to inflation (+15%) it is assumed that projects of the new Programme will have an average ERDF funding of about 2.6 million Euros. This leads to an **expected number of 32 projects under Priority 2.** Based on an average number of project partners in the previous Programme (16) it is expected that there will be **512 project partners in Priority 2 projects**.					
Output indicator	**Definition of indicator**	**Target for investment priority 6b** (specific objectives: 2.1 clear waters)	**Target for investment priority 6g** (specific objectives 2.2 renewable energy, 2.3 energy efficiency, 2.4 resource efficient blue growth)	**Total target (2023)**	**Explanation of the total target**
CO01 No. of enterprises receiving support	Number of enterprises receiving support in any form from ERDF	**12**	**83**	**95**	1% of project partners in the expected projects receiving grants plus the number of enterprises with non-financial support as defined under CO04.
CO04 No. of enterprises receiving non-financial support	Number of enterprises with non-financial support benefitting from project activities/outputs, e.g. from trainings, coaching or business plan implemented by projects funded in this priority	**10**	**80**	**90**	40% of expected number of projects under specific objective 2.1 support at least two enterprises with non-financial support (benefitting from project activities/outputs). 80% of expected number of projects under specific objectives 2.2, 2.3 and 2.4 support at least five enterprises with non-financial support (benefitting from project activities/outputs).

[2] Based on the ECOM observations received during inter-service consultation the common output indicator CO01 was added and the targets for indicator CO04 were revised.

PSO01 No. of documented learning experiences	The term documented learning experience relates to the process of acquiring institutional knowledge in the transnational context through joint testing, piloting or any other type of demonstration activities related to newly developed, transferred or adapted services, products, structures, processes or strategic documents	**12**	**20**	**32**	It is expected that every project in the priority develops and documents at least one joint learning experience. It is expected that several project partners and, if relevant, also external organisations will be involved in the learning experience.
PSO03 Amount of documented planned investments to be realised with other than the Programme funding	Amount of investments defined in investment plans or equivalent documents produced by the projects in the priority. Investments could be implemented also after project closure.	**9,497,904**	**15,829,839**	**25,327,743**	30% of the ERDF funds (in MEUR) in the priority.
PS04 No. of local/regional public authorities/institutions involved	Number of local/regional public authorities/institutions involved as beneficiaries receiving grants from the programme	**48**	**80**	**128**	25% of expected number of partners in the priority
PS05 No. of national public authorities/institutions involved	Number of national public authorities/institutions involved as beneficiaries receiving grants from the programme	**19**	**32**	**51**	10% of expected number of partners in the priority

Source: Cooperation Programme Interreg Baltic Sea Region, JTS/MA

Table 3 Output indicators for Priority 3

Priority 3[3]					
65,957,665 Euro ERDF have been allocated to **Priority 3.** Based on the average ERDF funding in the previous Programme (ca. 2.3 million Euros) and an expected increase of costs due to inflation (+15%) it is assumed that projects of the new Programme will have an average ERDF funding of about 2.6 million Euros. This leads to an **expected number of 26 projects under Priority 3.** Based on an average number of project partners in the previous Programme (16) it is expected that there will be **416 project partners in Priority 3 projects**.					
Output indicator	**Definition of indicator**	**Target for investment priority 7b** (specific objectives: 3.1 interoperability of transport modes, 3.2 accessibility of remote areas and areas affected by demographic change)	**Target for investment priority 7c** (specific objectives 3.3 maritime safety, 3.4 environmentally friendly shipping, 3.5 environmentally friendly urban mobility)	**Total target (2023)**	**Explanation of the total target**
CO01 No. of enterprises receiving support	Number of enterprises receiving support in any form from ERDF	**42**	**42**	**84**	1% of project partners in the expected projects receiving grants plus the number of enterprises with non-financial support as defined under CO04
CO04 No. of enterprises receiving non-financial support	Number of enterprises with non-financial support benefitting from project activities/outputs, e.g. from trainings, coaching or business plan implemented by projects funded in this priority	**40**	**40**	**80**	60% of expected number of projects support at least five enterprise with non-financial support (benefitting from project activities/outputs)
PSO01 No. of documented learning experiences	The term documented learning experience relates to the process of acquiring institutional knowledge in the transnational context through joint testing, piloting or any other type of demonstration activities	**13**	**13**	**26**	It is expected that every project in the priority develops and documents at least one joint learning experience. It is expected that several project partners and, if relevant, also external

[3] Based on the ECOM observations received during inter-service consultation the common output indicator CO01 was added and the targets for indicator CO04 were revised.

	related to newly developed, transferred or adapted services, products, structures, processes or strategic documents				organisations will be involved in the learning experience.
PSO03 Amount of documented planned investments to be realised with other than the Programme funding	Amount of investments defined in investment plans or equivalent documents produced by the projects in the priority. Investments could be implemented also after project closure.	**9,893,650**	**9,893,650**	**19,787,299**	30% of the ERDF funds (in MEUR) in the priority.
PS04 No. of local/regional public authorities/institutions involved	Number of local/regional public authorities/institutions involved as beneficiaries receiving grants from the programme	**52**	**52**	**104**	25% of expected number of partners in the priority
PS05 No. of national public authorities/institutions involved	Number of national public authorities/institutions involved as beneficiaries receiving grants from the programme	**21**	**21**	**42**	10% of expected number of partners in the priority

Source: Cooperation Programme Interreg Baltic Sea Region, JTS/MA

The targets for each investment priority (covering one to three specific objectives) are based on the estimated number of contributing projects:

Table 4 Expected number of projects per specific objective

Specific sub-objective	Priority 1	Priority 2	Priority 3
Sub-objective 1	7	12	9
Sub-objective 2	13	6	4
Sub-objective 3	12	7	4
Sub-objective 4	-	7	4
Sub-objective 5	-	-	5
TOTAL	**32**	**32**	**26**

Source: JTS/MA

3. Definition of output indicators for priority 4

The output indicators applied in priority axis 4 reflect the nature of the supported activities and the programme's ambition to advance: 1) the preparation of new flagship project proposals; 2) capacity of key implementers of the EU Strategy for the Baltic Sea Region (e.g. National Coordinators/National Contact Points, Priority Area Coordinators and Horizontal Action Leaders) towards a more efficient management, coordination and monitoring of the specific Priority Areas/Horizontal Actions; 3) cooperation with partner countries on joint priorities. The output indicators quantify the tangible outcome of the activities e.g. number of main project applications resulting from the supported seed money projects; number of support measures implemented supporting the implementation of the EU Strategy for the Baltic Sea Region.

Table 5 Output indicators for Priority 4

Priority 4			
Output indicator	**Definition of indicator**	**Target**	**Explanation of the target**
PSO06 No of project plans for a main project including information on possible financial sources	Number of project plans that have been prepared in the seed money projects in order to apply for funding for a main project in any possible financing source	50	The target value is based on the assumption that 50 seed money projects will be implemented, taking into account the allocation of the Programme funds and the average amount of co-financing requested by the seed money project

PSO07 No of project plans contributing to joint priorities with the partner countries	Number of project plans for a main project that include joint priorities and activities with Belarus, Norway and Russia	10	20% of the total number of project plans
PSO08 No of transnational meetings held to facilitate implementation of the EUSBSR targets	Number of transnational meetings (e.g., workshops, conferences etc.) held by PACs/HALs to support the implementation of the EUSBSR and specific Priority Area and Horizontal Action targets	60	The target value is calculated based on the assumption that 10 PAC/HAC will organise on average 1 transnational meeting in a year.
PSO09 No of transnational meetings held to facilitate joint work on common priorities with the partner countries	Number of transnational meetings held to facilitate joint work on common priorities with Belarus, Norway and Russia	12	20% of the total number of meetings held
PSO10 No of strategic policy documents supporting the implementation of the EUSBSR targets and/or common priorities with the partner countries.	Number of policy papers (e.g. guidelines, policy recommendations, joint policy vision, ministerial declarations etc.) prepared by the PACs/HALs supporting the implementation of the EUSBSR targets and/or common priorities with Belarus, Norway and Russia	10	The target value is calculated based on the assumption that 2/3 of the supported PAC/HAL will produce a strategic policy document
PSO11 No of support measures provided to the EUSBSR	Number of implemented activities (e.g., events, Strategy Forums, data compilation, analysis, implementation reports etc.) to support the implementation of the EUSBSR	14	Number of measures carried out (measures can be events, Strategy Forums, data compilation, analysis, implementation reports, etc.)

Source: Cooperation Programme Interreg Baltic Sea Region, JTS/MA

4. Definition of output indicators for priority 5

The output indicators for priority 5 measure core activities financed from the Technical Assistance (TA) budget. They relate to the following fields of activities carried out by the programme's MA/JS:

- Project generation
- Project assessment and selection
- Project monitoring
- Programme communication

In addition an output indicator has been added responding to one of the Commission observation after inter-service consultation of the Cooperation Programme. It measures the human resources financed from TA budget to carry out the programme management.

Targets values for the priority 5 indicators are based on data from the previous programme period, yet taking into account the increased programme budget as well as additional activities deriving from new types of intervention under priority 4.

Table 6 Output indicators for Priority 5

Priority 5[4]			
Output indicator	**Definition of indicator**	**Target**	**Explanation of the target**
TA01 Number of (potential) applicants advised	Indicators quantify the support provided by the Joint Secretariat to (potential) applicants under priorities 1-4, a core tasks of the Programme management at an early stage of Programme implementation	415	Expected number of potential applicants: 300 applicants for regular and extension stage projects, 80 applicants for seed-money projects, 25 applicants for PAC/HAL/NCP support, 10 cluster applicants
TA02 Number of applications received and assessed	Indicators quantify the assessment of applications by the Joint Secretariat to (potential) under priorities 1-4 as well as the efforts for delegations in the Monitoring Committee for taking strategic funding decisions	260	Expected number of applications: 170 regular and extension stage applications, 60 seed-money applications, 22 PAC/HAL/NCP support applications, 8 cluster applications

[4] Based on the ECOM observations received during inter-service consultation the output indicator TA08 was added.

TA03 Number of reports checked and paid out	Indicator quantifies the amount of reports checked by the Joint Secretariat, a core tasks of the Programme management during the advanced state of programme implementation	630	Expected number of reports: 90 regular and extension stage projects*5 reports, 50 seed-money projects*1 report, 15 PAC/HAL/NCP support*6 report, 5 cluster*8 reports
TA04 Number of news items published on the programme's website	Indicators quantify efforts invested and the reach of Programme marketing and communication	168	Expected number of news items: 2 per month * 12 months * 7 years
TA05 Number of own events carried out		14	Expected number of events and participants: 2 programme conferences (on average 400 participants), 6 seminars for applicants (on average 80 participants), 6 seminars for approved projects (e.g. lead partner, financial, communication, project closure)(on average 50 participants)
TA06 Number of participants at programme events		1580	
TA07 Number of other events attended by MA/JS staff		700	Estimation of participation in other events: 25 MA/JS staff with travel duties * 4 events per year (on average)*7 years
TA08 Number of employees (full-time equivalents) whose salaries are co-financed by technical assistance	Indicator quantifies the human resources financed from technical assistance budget	186	Number of person years accumulated until the end of programme

Source: Cooperation Programme Interreg Baltic Sea Region, JTS/MA

5. Performance framework

The Interreg BSR performance framework defines for each priority, except for the Priority 5 'Technical Assistance', a sub-set of key indicators for which milestones and final targets are set. The performance framework consists of financial indicators, programme specific output indicators and key implementation steps. Milestones are intermediate targets set for indicators for end of 2018. The final targets are to be achieved by the end of programme implementation on 31 December 2023. For all four priorities one financial and one output indicator have been selected. For priorities 1-3 in addition key implementation steps have been defined.

Financial indicators

The financial indicators included in the performance framework, namely ERDF certified to EC for the respective priority axis, are directly linked to the information included in the CP Section 3 (Financing Plan). The values for milestones of 2018 and targets in 2023 are based on the experience of the certified expenditure in the previous programme period 2007-2013. The values are split per priority axis through applying the distribution key of the funds described in the justification of the financial allocation in the CP section 1.2. The financial indicator is thus entirely capturing the financial progress per priority axis. It is verifiable and transparent as it is extracted from the regular monitoring of the project implementation progress. The reporting of this indicator therefore does also not generate additional administrative burden on beneficiaries.

Output indicators and key implementation steps in priorities 1-3

The programme specific output indicator common for all priorities 1-3 "number of documented learning experiences" is used for the performance framework as it clearly indicates projects' contribution towards an increase of institutional capacities as aimed by the programme.

The quantification of the targets for the output indicator is based on the following:

- It is expected that every project under the priorities 1-3 develops and documents at least one joint learning experience. This will be included as a requirement in the application form.
- The number of projects per priority is based on the allocation of the programme ERDF funding to the priorities and the estimated average size of a project. Based on the average ERDF funding per project in the previous Baltic Sea Region Programme (ca. 2.3 million Euros) and an expected increase of costs due to inflation (+15%), it is assumed that projects of the Interreg BSR will have an average ERDF funding of about 2.6 million Euros.

The milestone set for the indicator in 2018 is zero as it is expected that none of the operations will be fully implemented by the end of 2018. This expectation is based on the assumption that the first projects will be operational in 2016 and on the experience of the previous Baltic Sea Region Programme that the projects will make use of the maximum duration of 36 months. Therefore the first projects in priorities 1-3 are

expected to be fully implemented only during the year 2019. The final target for 2023 is based on the number of projects fully implemented in the priority by 2023.

The data on the achievement of the output indicator will be collected in the reporting forms of the projects and will be validated by the MA/JS. The MA/JS will install the data assurance systems to guarantee reliability of collected information.

As no outputs of fully implemented operations are expected by the end of 2018 key implementation steps have been defined for the priorities 1-3. These are "number of documented learning experiences" planned in the approved operations. The information will be collected in the approved applications. The targets are based on the assumption that all regular projects under the priorities 1-3 are approved by the end of 2018.

Output indicator in priority 4

The output indicator used in priority 4 "number of transnational meetings held to facilitate implementation of the EUSBSR targets" measures core outputs related to the priority area coordinators' (PAC) and horizontal action leaders' (HAL) work towards reaching the aims set in the Action Plan of the EU Strategy for the Baltic Sea Region. It is a core element of the expected programme result in this priority, namely building capacity of public administrations, pan-Baltic organisations and transnational working groups to implement and follow up targets of the EUSBSR and to realise common priorities with the partner countries.

The quantification of the targets for the output indicator is based on the following:

- 20 PACs/HALs' support operations will be funded.
- In each operation at least one transnational meeting per year will be held.

The milestone set for 2018 is based on the assumption that half of the PACs/HALs' support operations will be fully implemented by end of 2018. The final target for 2023 is based on the number of PACs/HALs' support operations fully implemented by 2023.

Table 7 Performance framework

Priority	Type of indicator	Indicator	Measure-ment unit	Milestone for 2018	Target for 2023	Explanation of indicator[5]
1	Financial indicator	Certified expenditure	Euros	20,591,661	102,958,307	target for 2018: 20% of total eligible expenditure in the priority target for 2023: 100% of total eligible expenditure in the priority

[5] Based on the ECOM observations received during inter-service consultation the targets for2023 for financial indicators were changed to 100%.

Priority	Type of indicator	Indicator	Measure-ment unit	Milestone for 2018	Target for 2023	Explanation of indicator[5]
1	Output indicator	No. of documented learning experiences of fully implemented operations (actual achievement)	Number	0	32	Definition of the indicator and 2023 target => see output indicator table above. Indicator will be measured based on final reports of projects. The output indicator relates to 100% of the financial allocation to the priority as every project in the priority is expected to develop and documents at least one joint learning experience.
1	Key implementation step	No. of documented learning experiences of selected operations (forecast provided by beneficiaries)	Number	32	32	Definition of the indicator and 2023 target => see output indicator table above. Key implementation step will be measured based on approved applications
2	Financial indicator	Certified expenditure	Euros	20,591,661	102,958,307	target for 2018: 20% of total eligible expenditure in the priority target for 2023: 100% of total eligible expenditure in the priority
2	Output indicator	No. of documented learning experiences of fully implemented operations (actual achievement)	Number	0	32	Definition of the indicator and 2023 target => see output indicator table above. Indicator will be measured based on final reports of projects. The output indicator relates to 100% of the financial allocation to the priority as every project in the priority is expected to develop and documents at least

Priority	Type of indicator	Indicator	Measure-ment unit	Milestone for 2018	Target for 2023	Explanation of indicator[5]
						one joint learning experience.
2	Key implementation step	No. of documented learning experiences of selected operations (forecast provided by beneficiaries)	Number	32	32	Definition of the indicator and 2023 target => see output indicator table above. Key implementation step will be measured based on approved applications
3	Financial indicator	Certified expenditure	Euros	16,087,235	80,436,178	target for 2018: 20% of total eligible expenditure in the priority target for 2023: 100% of total eligible expenditure in the priority
3	Output indicator	No. of documented learning experiences of fully implemented operations (actual achievement)	Number	0	26	Definition of the indicator and 2023 target => see output indicator table above. Indicator will be measured based on final reports of projects. The output indicator relates to 100% of the financial allocation to the priority as every project in the priority is expected to develop and documents at least one joint learning experience.
3	Key implementation step	No. of documented learning experiences of selected operations (forecast provided by beneficiaries)	Number	26	26	Definition of the indicator and 2023 target => see output indicator table above. Key implementation step will be measured based on approved applications

Priority	Type of indicator	Indicator	Measure-ment unit	Milestone for 2018	Target for 2023	Explanation of indicator[5]
4	Financial indicator	Certified expenditure	Euros	3,103,890	15,519,446	target for 2018: 20% of total eligible expenditure in the priority target for 2023: 100% of total eligible expenditure in the priority
4	Output indicator	No of transnational meetings held to facilitate implementation of the EUSBSR targets	Number	30	60	Definition of the indicator and 2023 target => see output indicator table above. It is expected that half of the PAC/HAL/NCP support operations are finalised by end of 2018. The output indicator relates to about 61% of the financial allocation to the priority as it relates to the support of Priority Area Coordinators and Horizontal Action Leaders for which 8 million Euros of 13.2 million Euros are allocated.

Source: Cooperation Programme Interreg Baltic Sea Region, JTS/MA

6. Definition of result indicators for priorities 1-3 including action plan for setting baselines and targets for result indicators in priorities 1-3

6.1 Purpose of using result indicators in the Cooperation Programme

For the programming period 2014-2020 the EU Commission proposes a stronger result orientation in the field of Structural Policy. Among others, one requirement in this context is to define a result indicator for each specific objective of a Cooperation Programme. The indicator should show the intended change in the region within a specific area or thematic field (e.g. research and innovation, SMEs, energy efficiency) and thereby should focus on the intervention's main effects. Compared to output indicators, which solely capture the actual operation supported with the funding, result indicators should relate to the target group in the programme region as a whole. It therefore should include all potential beneficiaries of the interventions under one specific objective. By including all potential beneficiaries as the reference for result indicators, they would not only capture effects that can be directly linked to the programme intervention but also effects that are dependent on other factors outside the programme's influence. Examples of such indicators could either be quantitative measures like the CO2-emissions or the share of GDP spent on research and development in the programme area, or more qualitative indicators, such as increased capacity within public administration or enhanced transnational cooperation.

At the beginning of the funding period, the EU Commission expects a baseline (usually referring to 2013 or 2014), a milestone for 2018, 2020 and a final target for 2023 to be set for each result indicator. They should serve as benchmarks for the region's development during the funding period. The changes captured by the result indicators will be evaluated mid-term in 2018 and 2020 as well as after the funding period in 2023. Due to the fact that they display a region's development in a broader context and not only relate to operations funded by the programme, result indicators cannot be captured by a programme's monitoring system. Instead, dependent on the nature of the indicators, either an evaluation should be carried out or secondary data from external sources should be used in order to illustrate the region's development.

For Transnational Cooperation Programmes, such as the Interreg Baltic Sea Region, the new guidelines on result indicators imply that the result indicators have to capture effects in diverse thematic fields of the programme area and illustrate them in a comprehensive way as the average for the region as a whole. The definition of both baseline and targets is a challenging task for the programme authorities and requires a thorough understanding of the situation in the programme region and its future potentials.

6.2 Purpose of using result indicators in the Cooperation Programme

The Cooperation Programme of the Interreg Baltic Sea Region builds upon the requirements and the purpose of using result indicators in the field of Structural Policy. Hence result indicators have to be defined in the Programme in order to capture the main changes in the region related to the intervention. Given the wide geographical coverage and range of topics covered by the programme, funds that can be invested in one individual project are limited. Therefore, in the Cooperation Programme it is intended to invest primarily in the institutional capacities of the programme's target groups. This would enable it to create a leverage effect for regional development and transnational cooperation, thus maximising the effectiveness of invested resources. Following these considerations, result indicators that focus on capacity-building among the programme's target groups have been defined by the programming bodies (the JPC supported by the MA/JTS).

In an analysis, carried out by Rambøll Management Consulting (RMC), on the contribution of the 90 projects from the 2007-2013 funding period to capacity-building, the importance and relevance of this approach has been verified.

In order to practically analyse the potential contribution of the future Interreg Baltic Sea Region Cooperation Programme on capacity-building, the concept of institutional capacity has been further specified. Five dimensions of capacity-building have been identified by the MA/ JTS, based on the potential influence of the Cooperation Programme and based on an understanding of central elements needed to improve institutional capacity. These five dimensions haven been further explored and described by RMC. A general understanding of each dimension is listed in the figure below.

Figure 1 The five dimensions of capacity-building

Source: Cooperation Programme Interreg Baltic Sea Region; Rambøll Management Consulting

The analysis shows that all 90 projects from the Operational Programme 2007-2013 have contributed at least to one of the five dimensions of capacity-building. The contributions are classified as either main or secondary effects, depending on their strengths. The majority of projects contribute to at least two of these five dimensions and one third of the projects even contribute to all five dimensions of capacity-building. The analysis also shows that not all five dimensions are equally relevant regarding the contributions by the 90 projects. As can be seen in Table 1, the main contribution is achieved in the dimension "Enhanced institutionalised knowledge and competence", while the lowest contribution is identified for the dimension "Improved governance structures and organisational set-up".

Table 8 Main and secondary effects of projects on the five capacity-building dimensions

Number of projects	Enhanced institutionalised knowledge and competence	Improved governance structures and organisational set-up	More efficient use of human and technical resources	Better ability to attract new financial resources	Increased capability to work in transnational environment
Main effect	90	26	46	47	52
Secondary effect	17	19	25	36	14

Source: Rambøll Management Consulting

Overall it can be concluded that the results underscore the relevance of these five dimensions. The analysis also shows that all five dimensions are important throughout the themes funded in the Operational Programme. This supports the approach of the Cooperation Programme 2014-2020 to focus on capacity-building, characterized by these five dimensions.

Based on this approach, result indicators for the specific objectives of the Cooperation Programme 2014-2020 have been defined by the programming bodies (the JPC supported by the MA/JTS), as shown in Table 9. The specific objectives of priority axes one to three have been included in this exercise, as only these focus on institutional capacity-building.

Table 9 - Specific objectives and their respective result indicators

Priority Axis	Specific Objectives	Result Indicators
1. Capacity for innovation	**1.1 Research and innovation infrastructures** To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users	**1.1** Capacity of research and innovation infrastructures in the Programme area to implement measures to increase the market uptake of innovation
	1.2 Smart specialisation To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach	**1.2** Capacity of innovation actors (innovation intermediaries, authorities, research institutions, enterprises) in the Programme area to implement smart

Priority Axis	Specific Objectives	Result Indicators
	1.3 Non-technological innovation To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors	**1.3** Capacity of innovation actors (innovation intermediaries, authorities, research institutions, enterprises) in the Programme area to implement measures to increase uptake of non-technological innovation
2. Efficient management of natural resources	**2.1 Clear Waters** To increase efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances to the Baltic Sea and the regional waters based on enhanced capacity of public and private actors dealing with water quality issues	**2.1** Capacity of public authorities / practitioners (from water management, agricultural, forestry, fisheries etc. sectors) in the Programme area to implement measures to reduce nutrient inflows and decrease discharges of hazardous substances
	2.2 Renewable energy To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply	**2.2** Capacity of public and private actors involved in energy planning and supply (public authorities, energy agencies, waste management, forestry, agricultural advisories, enterprises, NGOs) in the Programme area to implement measures to increase the use of sustainable renewable energy
	2.3 Energy efficiency To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning	**2.3** Capacity of public and private actors involved in energy planning (public authorities, energy agencies, enterprises, NGOs) in the Programme area to implement measures to increase energy efficiency
	2.4 Resource-efficient blue growth To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors	**2.4** Capacity of public authorities, enterprises, and NGOs in the Programme area to implement measures to advance sustainable business opportunities for blue growth
3. Sustainable transport	**3.1 Interoperability of transport modes** To increase interoperability in transporting goods and persons in north-south and east-west connections based on increased capacity of transport actors	**3.1** Capacity of public and private transport actors (public authorities, logistic and transport operators, ports, intergovernmental and research org.) in the Programme area to implement measures increasing interoperability between transport modes and systems
	3.2 Accessibility of remote areas and areas affected by demographic change To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change based on increased capacity of transport actors	**3.2** Capacity of public / private transport actors (public authorities, logistic and transport operators) in the Programme area to implement economically efficient solutions to improve the accessibility of remote regions/regions affected by demographic change
	3.3 Maritime safety To increase maritime safety and security based on advanced capacity of maritime actors	**3.3** Capacity of maritime actors (maritime admin., rescue services, authorities, shipping operators, ports, research and intergovernmental org.) in the Programme area to implement measures to increase maritime safety and security

Priority Axis	Specific Objectives	Result Indicators
	3.4 Environmentally friendly shipping To enhance clean shipping based on increased capacity of maritime actors	**3.4** Capacity of maritime actors (maritime admin., rescue services, authorities, shipping operators, ports, research and intergovernmental org.) in the Programme area to implement measures to reduce negative effects of shipping on the marine environment
	3.5 Environmentally friendly urban transport To enhance environmentally friendly transport systems in urban areas based on increased capacity of urban transport actors	**3.5** Capacity of urban transport actors (public authorities, ports, infrastructure providers and operators) in the Programme area to implement environmentally friendly transport solutions in urban areas

Source: Cooperation Programme Interreg Baltic Sea Region

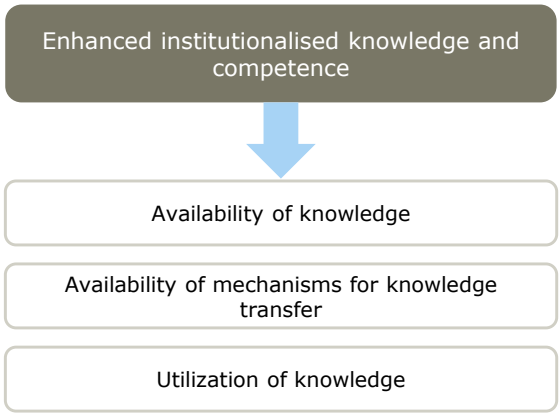
6.3 Characterization of indicators

The aim of characterizing the indicators is to be able to describe the target group's situation at different points in time in a short and comprehensive way. Because capacity-building is usually difficult to capture using quantitative measures, all respective result indicators in the priorities 1, 2 and 3 are qualitative in nature.

In order to be able to describe the institutional capacity of the target groups and thus comply with the EU requirements, the result indicators have been underpinned with five dimensions. Following the analysis on the contribution of the 90 projects from the 2007-2013 funding period on capacity-building, interviews have been conducted by RMC with project partners and end-users. The interviews once more confirmed the understanding of institutional capacity in the five dimensions. By including these actors in the process, it has been ensured that the dimensions focus on the intended main effects of capacity-building.

Each of the five dimensions has further been operationalised by RMC in cooperation with the MA/ JTS with a different set of characteristics. The aim of these characteristics is to specify what is understood by each of the five dimensions in the context of the Interreg Baltic Sea Region Programme. The characteristics have been developed based on an understanding of each dimension in the academic literature and based on the kind of activities planned in the context of the Cooperation Programme. Based on these two sources of reference, the most relevant and adequate characteristics for operationalising the progress in capacity-building in the Cooperation Programme 2014-2020 have been identified. It has further been considered that information needed to capture the status of the characteristics can be retrieved with a reasonable effort. In Figure 2 the three characteristics underpinning the dimension "Enhanced institutionalised knowledge and competence" are shown as an example for the chosen approach .

Figure 2 Characteristics of the dimension "Enhanced institutionalised knowledge and competence" in the Cooperation Programme 2014-2020



Source: Rambøll Management Consulting in cooperation with MA/JTS

6.4 Approach for setting baselines and targets for indicators in 2014-2020

In order to use the result indicators as an instrument to monitor changes in the programme region, the situation on institutional capacity needs to be captured at the beginning, twice during the programme implementation and at its end. For the Cooperation Programme of the Interreg Baltic Sea Region this implies capturing the situations in the years 2014, 2018, 2020 and 2023. The status quo at the beginning of the programme (2014) serves as baseline, i.e. as reference point for the assessment of changes in the coming years.

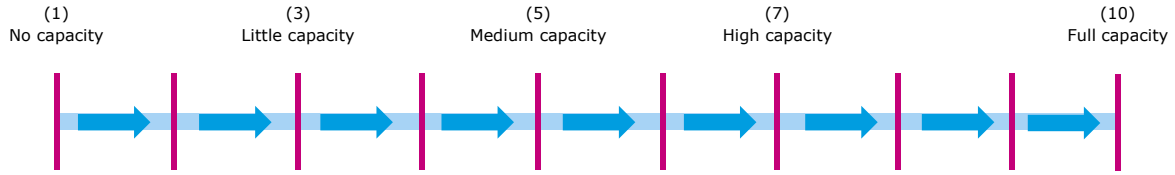
For the purpose of setting a baseline for 2014 and comparing it with the situation in 2018, 2020 and 2023, a method needs to be chosen which allows for a repeatable and comparable procedure and analysis of the situations at different points in time. Furthermore, the method needs to be implementable with a reasonable amount of financial and human resources. The procedure further needs to be documented in a clear and comprehensible way for third parties.

To evaluate whether the monitored changes are in line with the desired developments, targets need to be defined for each specific objective and thus for each result indicator. The targets depend on the one hand on the baseline of each specific objective and on the other hand on the estimated improvement potential within the target group that can be influenced by the Cooperation Programme 2014-2020.

Given this context and these requirements, an approach for setting baselines and targets is proposed based on the characterization of indicators. The definition of capacity-building in terms of the five dimensions and the further description of these in characteristics are used as a starting point.

The characteristics are assessed on a standardised scale. For each characteristic, the scale ranges from "no capacity" to the ideal situation of "full capacity".

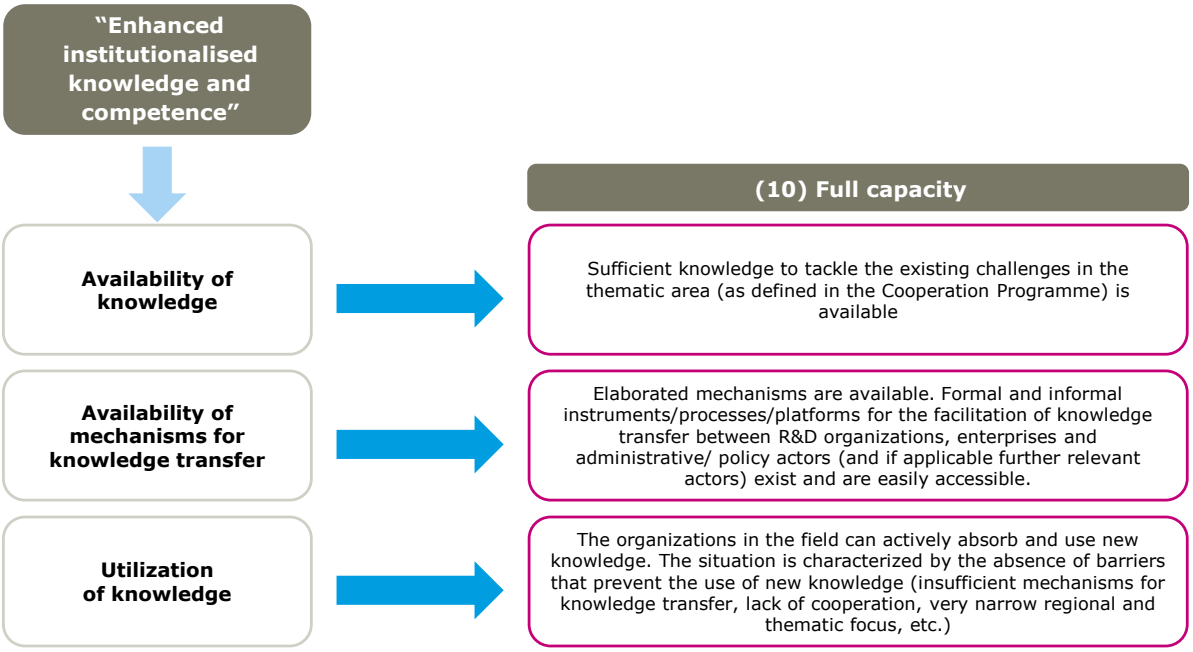
Figure 3 Scale to assess characteristics of capacity-building



Source: Rambøll Management Consulting

In order to facilitate the assessment of each characteristic, a short description of the ideal situation is provided for as shown in Figure 4 for the dimension "Enhanced institutionalised knowledge and competence".

Figure 4: Description of full capacity in the characteristics of the dimension "Enhanced institutionalised knowledge and competence"



Source: Rambøll Management Consulting in cooperation with MA/ JTS

By offering a scale from 1 to 10 for each characteristic, a high degree of detail can be established. It allows for an informative illustration of the changes that occurred in the programme region between the starting, mid-term and ending situation of the Cooperation Programme.

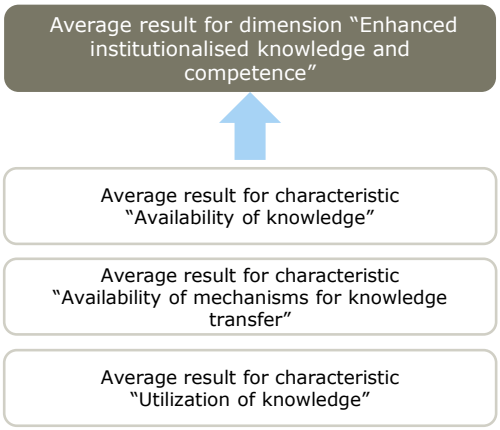
In order to measure the situations at different points in time and to define targets, a wide range of thematic experts of the Baltic Sea Region will be addressed. Involved experts will represent the thematic fields that are covered by the specific objectives and represent the eight EU-Member States as well as the three partner countries Belarus, Norway and (parts of) Russia of the Cooperation Programme 2014-2020. The thematic experts should preferably be very familiar with the target group within their country and

their thematic field but should not be directly involved in funded projects. It is foreseen to address approximately 130 experts.

The involvement of thematic experts will be carried out in two steps. First, all experts will be asked to take part in an online-survey. The survey is developed along the scaling method for each characteristic and each dimension. The thematic experts will be asked to estimate the situation and a possible target on each scale. The experts are asked to shortly describe their estimation on the scale. As part of this explanation, the experts are specifically asked to refer to perceived gaps in capacity-building and the transnational cooperation potential.

The results of the survey will be aggregated to obtain an average estimation on the baseline situation and on the target for each specific objective for the entire Baltic Sea Region. To obtain this estimate, the average of each characteristic within a dimension will be taken, as illustrated in the following figure.

Figure 5: Aggregation of results for the characteristics within the dimension "Enhanced institutionalised knowledge and competence"



Source: Rambøll Management Consulting in cooperation with MA/ JTS

Secondly, the results of the questionnaire, filled out by all thematic experts involved, will be reflected on together with selected experts during ensuing structured interviews. The experts will be selected in a way so as to obtain one representative of each participating country of the Cooperation Programme. Therefore, 11 structured interviews are planned at this point in time. These interviews will not modify the results of the online-survey, but complement them with an additional qualitative analysis of the results.

As a result of these two steps the baseline of capacity-building and the target for all specific objectives are elaborated and revised based on a wide involvement of experts.

6.5 Complete overview of the operationalised capacity dimensions

The charts below present the outcome of the operationalization of all five dimensions of the capacity

Table 10 Dimension of capacity no. 1

Dimension of capacity development	ENHANCED INSTITUTIONALIZED KNOWLEDGE AND COMPETENCE
	ASSESSMENT
Characteristic I	**AVAILABILITY OF KNOWLEDGE** Scale 1-10 1=no knowledge available, 10=profound knowledge available Exemplary description of a situation assessed as a '10' on the scale: Availability of profound knowledge means that there is sufficient knowledge to tackle the existing challenges in the thematic area (as defined in the Cooperation Programme).
Characteristic II	**AVAILABILITY OF MECHANISMS FOR KNOWLEDGE TRANSFER** Scale 1-10 1=no mechanisms for knowledge transfer available, 10=advanced mechanisms for knowledge transfer available Exemplary description of a situation assessed as a '10' on the scale: Advanced mechanisms for knowledge transfer are available. Formal and informal instruments/processes/platforms for the facilitation of knowledge transfer between R&D infrastructures, enterprises and administrative/ policy actors exist and are easily accessible.
Characteristic III	**UTLIZATION OF KNOWLEDGE** Scale 1-10 1= knowledge is hardly used, 10= knowledge is frequently used Exemplary description of a situation assessed as a '10' on the scale: Utilization of knowledge means that the organizations in the field can actively absorb and use new knowledge. The situation is characterized by the absence of barriers that prevent the use of new knowledge (insufficient mechanisms for knowledge transfer, lack of cooperation, very narrow regional and thematic focus, etc.)

Table 11 Dimension of capacity no. 2

Dimension of capacity development	IMPROVED GOVERNANCE STRUCTURES AND ORGANISATIONAL SET-UP
	ASSESSMENT
Characteristic I	**AVAILABILITY OF ORGANIZATIONAL STRUCTURES** Scale 1-10 1=no structures available, 10=advanced structures available Exemplary description of a situation assessed as a '10' on the scale: Elaborated organizational structures are available to secure a well-organized and efficient work routine in the target group`s institutions and organizations. For example, this includes that regular encounters have been institutionalized by the forming of committees or positions which are responsible for issues of work organization have been established. Advanced organizational structures also include meetings, networks and platforms for knowledge exchange between different actors.
Characteristic II	**UTILIZATION OF ORGANIZATIONAL STRUCTURES** Scale 1-10 1=structures are hardly used, 10=structures are frequently used Exemplary description of a situation assessed as a '10' on the scale: The organizational structures are perceived to be useful in order to fulfil the targets group's goals. They fit the target groups needs regarding an organizational set-up. The structures are used by a large number of actors on a regular basis. No barriers for using the structures exist.

Table 12 Dimension of capacity no. 3

Dimension of capacity development	MORE EFFICIENT USE OF HUMAN AND TECHNICAL RESOURCES
	ASSESSMENT
Characteristic I	**UTILIZATION OF RESOURCES** Scale 1-10 1=insufficient use of existing resources, 10=resources are frequently used Exemplary description of a situation assessed as a '10' on the scale: The human and technical resources available are utilized to a great extent. The resources are easily detectable and accessible for those who need them. For example, formal structures such as forums and platforms or informal structures such as personal networks exist.

Characteristic II	**APPLICATION OF TIME- AND/OR RESOURCE-SAVING MEASURES** Scale 1-10 1=no time- and/or resource-saving measures are applied, 10=advanced time- and/or resource-saving measures are applied Exemplary description of a situation assessed as a '10' on the scale: An advanced set of time- and/ or resource-saving measures is applied in order to maximize the efficiency of human and technical resources. An increase in efficiency is characterized by a better output/input ratio. This can be achieved for example by the development of new processes/tools/methods that enables time saving in the work routine, establishment of new ways of communication in order to spread relevant information, new ways of cooperation between relevant actors in order to use available resources, joint use/ exchange of staff and common use of infrastructure and other resources.

Table 13 Dimension of capacity no. 4

Dimension of capacity development	**BETTER ABILITY TO ATTRACT NEW FINANCIAL RESOURCES**
	ASSESSMENT
Characteristic I	**ABILITY TO ATTRACT EXTERNAL PRIVATE FINANCIAL RESOURCES** Scale 1-10 1=low ability to attract private financial resources, 10=very high ability to attract private financial resources Exemplary description of a situation assessed as a '10' on the scale: The target group is highly able to attract private financial resources. The activities carried out are of interest for private actors in the field, thus they are willing to support the activities financially. The target group is aware of available funding sources, application processes and meets the formal requirements. Applications for funding are usually successful.
Characteristic II	**ABILITY TO ATTRACT EXTERNAL PUBLIC FINANCIAL RESOURCES** Scale 1-10 1=low ability to attract public financial resources, 10=very high ability to attract public financial resources Exemplary description of a situation assessed as a '10' on the scale: The target group is highly able to attract public financial resources. The activities carried out are of interest for policy makers and other public actors in the field, thus they are willing to support the activities financially. The target group is aware of available funding sources, application processes and meets the formal requirements. Applications for funding are usually successful.

Table 14 Dimension of capacity no. 4

Dimension of capacity development	INCREASED CAPABILITY TO WORK IN TRANSNATIONAL ENVIRONMENT
	ASSESSMENT
Characteristic I	**AVAILABLE COMPETENCES TO WORK TRANSNATIONALLY** Scale 1-10 1=low competences to work transnationally, 10=advanced competences to work transnationally Exemplary description of a situation assessed as a '10' on the scale: The actors in the target group possess the knowledge and competences in order to work together with transnational partners. They are able to communicate in a common language, are geographically mobile and have a profound knowledge of the institutional landscape in and cultural characteristics of other countries.
Characteristic II	Scale 1-10 1=no transnational contacts, 10=very frequent transnational contacts Exemplary description of a situation assessed as a '10' on the scale: Common networks and other formal and informal structures have been established in order to work transnationally. The target group's actors maintain frequent contacts with persons and institutions in other countries. Relevant contact persons are known and can easily be approached.
Characteristic III	**INTENSITY OF TRANSNATIONAL COLLABORATION** Scale 1-10 1=no transnational collaboration, 10=high intensity in transnational collaboration Exemplary description of a situation assessed as a '10' on the scale: The target group's actors intensively collaborate with transnational partners. The actors are involved in transnational activities such as common projects, knowledge and staff exchange. In some cases, common organisational structures exist.

Source: Rambøll Management Consulting in cooperation with MA/JTS

6.6 Advantages of this approach with regard to the purpose of using result indicators

This approach builds upon the intention of using result indicators as an indication for changes that occur in the Baltic Sea Region and that are linked to the main durable effects of the Cooperation Programme 2014-2020 on the target group.

It allows for communicating the changes in a comprehensive manner. For each specific objective of the Cooperation Programme, the result indicators capture the changes in the region which can be communicated accordingly. Further, the focus on capacity-building throughout the result indicators and the common approach of operationalizing the indicators in five dimensions enable the aggregation of the results in the region.

The structured operationalization of capacity-building at the proposed level of detail makes it possible to capture the situation in the Baltic Sea Region regarding capacity-building at different points in time, i.e. as a baseline in 2014, as a mid-term situation in 2018 and 2020 and as an end situation in 2023. Given the repeatable and transparent methodology, the captured situations at these different points in time can be easily compared and conclusions drawn with regard to the possible changes in the programme region. At the same time the proposed system allows to collect comparable information for all programme countries including non-EU countries.

The large involvement of thematic experts, covering both the thematic fields and Member States of the Cooperation Programme, ensures a transparent and validated assessment of the situation for the Baltic Sea Region. Further, their involvement could activate a multiplier effect in the sense of encouraging them to think about the necessity of capacity-building within their respective work domains and their organisations.

The two-step approach of involving a large expert group via an online survey and a smaller, selected group via structured interviews ensures a feasible implementation of the approach with a reasonable amount of financial and human resources.

6.7 Time-plan

The process of establishing indicators (including qualitative baselines and targets for the result indictors) for the Interreg Baltic Sea Region was combined with the strategic evaluation of the predecessor Programme. The data from 2007-2013 was used to verify plausibility of the assumptions on the main notions of the projects' contributions to the development of the BSR. The table below shows the steps taken so far and the activities in progress.

Table 15 Main steps in establishing the result indicator system

	2014											2015			
	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4
Elaboration of the terms of reference															
Call for tenders															
Evaluation of the tenders and awarding of the contract															
Analysis of the feasibility of the capacity building approach															

Elaboration of indicator definitions and detailing of the approach															
Development of questionnaires															
Online survey with thematic experts															
Structured interviews with thematic experts															
Compilation of outcomes, defining baseline values and targets															

	Finalised activities
	Activities in progress

Source: MA/JTS

7. Definition of result indicators for priority 4

Similarly to the priority 1 – 3, the result indicators proposed for priority 4 not only capture effects that can be directly linked to the programme intervention but also further effects that are dependent also on other factors outside the programme's influence. A set of quantitative result indicators is introduced.

Specific objective 4.1 (Seed Money)

The aim of the quantitative result indicators of the specific objective 4.1 is to measure the leverage effect of the programme support on the EU Strategy for the Baltic Sea Region (EUSBSR) implementation. The EUSBSR is implemented mainly through flagship projects. However, the experience of the implementation of the EUSBSR has shown that the mobilisation of funding sources and preparation and governance of complex projects in a transnational environment is challenging. The seed money support is designed to overcome these challenges. Hence the result indicator "amount of funding for projects implementing the EUSBSR resulting from seed money projects" captures the leverage effect of seed money resulting in funds attracted to the EUSBSR implementation through flagship projects developed with the support of seed money.

Furthermore, the projects receiving seed money support are called to enlarge the partnership and strive for involvement of partner countries (Belarus, Norway and Russia). The direct result of these activities is measured under the proposed indicator "Number of organisations from the partner countries working on joint projects resulting from seed money projects".

In order to use the result indicators as an instrument to monitor changes in the programme region, the situation on the leverage effect of the seed money will be captured at the beginning, in 2018, in 2020 and at the end in 2023. The status quo at the beginning of the programme (2014) serves as the baseline, i.e. as reference point for the assessment of changes in the coming years.

Due to the reason that EU Structural and investment funds have not been used for providing direct support to the EUSBSR in a form of seed money before, the baseline for both result indicators is zero. The target values for 2023 are calculated considering the financial volume of the instrument (number of seed money projects that can be supported), the success ratio and the average size of the flagship project and the scope of the partnerships.

Specific objective 4.2 (Coordination of macro-regional cooperation)

The Programme support under the specific objective 4.2 aims at enabling key implementers of the EU Strategy for the Baltic Sea Region (e.g. National Coordinators/National Contact Points, Priority Area Coordinators and Horizontal Action Leaders) to achieve a more efficient management, coordination and monitoring of the specific priority Areas/horizontal Actions. The increased capacity of the key implementers is measured through the overall success of the EUSBSR implementation i.e. evaluating whether the targets set in the Action Plan to the Strategy for each priority area and horizontal action are fulfilled. A further result indicator of the specific objective 4.2 captures the involvement of partner countries in the EUSBSR implementation.

The situation on the leverage effect of the Programme support provided to the key implementers (Priority Area Coordinators/ Horizontal Action Leaders in this respect) of the EUSBSR will be captured at different points in time, i.e. as a baseline in 2014, as a mid-term situation in 2018 and 2020, as well in 2023 (as an end situation). Due to the reason that the targets set in the Action Plan of the EUSBSR are aimed to be achieved only in 2020, the baseline for the result indicator "Percentage of EUSBSR priority areas and horizontal actions reaching the identified targets" is set to zero.

The information on the achievement of the targets will be collected mainly through the monitoring and evaluations commissioned by the EU Commission. The system of evaluation of the EUSBSR implementation is currently still under development. In addition, a self-evaluation will be carried out by the Priority Area Coordinators and Horizontal Action Leaders receiving programme funds. Outcomes of the evaluations will be collected through progress reports and will be validated through the National Contact Points of the Strategy.

The baseline value for the indicator "Percentage of EUSBSR priority areas and horizontal actions facilitating the implementation of joint priorities with the partner countries" is based on the percentage of the priority areas and horizontal actions having established cooperation with partner countries. Data for the baseline value will be obtained from the questionnaire currently circulated to the Priority Area Coordinators and Horizontal Action Leaders by the EU Commission. Later on similar questionnaires will be circulated to the

Priority Area Coordinators and Horizontal Action Leaders in order to collect the information in 2018, 2020 and 2023.

Table 16 Programme specific result indicators for priority 4

Specific objective 4.1 'Seed money'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
4.1.1	Amount of funding for projects implementing the EUSBSR resulting from seed money projects	Million Euro	0	2014	108	PACs and HALs	Assessment at programme mid-term in 2018 and 2020 as well as after programme closure in 2023
4.1.2	Number of organisations from the partner countries working on joint projects resulting from seed money projects	Number of organisations	0	2014	9	PACs and HALs	Assessment at programme mid-term in 2018 and 2020 as well as after programme closure in 2023

Specific objective 4.2 'Coordination of macro-regional cooperation'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
4.2.1	Percentage of EUSBSR priority areas and horizontal actions reaching the identified targets	Number of EUSBSR PA and HA in relation to their total number	0	2014	80%	Questionnaire to the PACs and HALs Evaluation reports of the EUSBSR	Assessment at programme mid-term in 2018 and 2020 as well as after programme closure in 2023
4.2.2	Percentage of EUSBSR priority areas and horizontal actions facilitating the implementation of joint priorities with the partner countries	Number of EUSBSR PA and HA in relation to their total number	0	2014	60%	Questionnaire to the PACs and HALs Evaluation reports of the EUSBSR	Assessment at programme mid-term in 2018 and 2020 as well as after programme closure in 2023

Source: Cooperation Programme Interreg Baltic Sea Region