

**COMPART PROJECT  
INTERACT PROGRAMME**



**BUILDING PARTNERSHIP IN ENPI AND  
IPA CROSS-BORDER COOPERATION**

**SYNTHESIS OF THE REGIONAL REPORTS ON THE  
STAKEHOLDER AND BENCHMARKING ANALYSIS**

**November 2006**

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**The complete regional reports** are downloadable by the web site of the Compart project [www.compartproject.org](http://www.compartproject.org).

The complete reports comprehend also the analysis carried out in **Western Macedonia region, Tangeri Teotuan region, Andalusia region.**

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## STAKEHOLDER AND BENCHMARKING ANALYSIS WITHIN THE FRAMEWORK OF THE OVERVIEW OF THE DECENTRALISATION PROCESS AND CROSS-BORDER COOPERATION IN THE TUSCANY REGION

*Andrea de Guttry in collaboration with Barbara Nicoletti (Scuola Superiore Sant'Anna, Pisa)*

Tuscany has traditionally been a region with an extremely high level of interest for the Mediterranean area. This is due to geographical and historical reasons (including its geographic location, the presence of important harbours, traditional economic interests and trade relations with the southern basin of the Mediterranean). It is also due to the more recent phenomena of the significant presence in Tuscany of migrants coming from Mediterranean countries, the interest and support shown by civil society in Tuscany for specific problems in the Mediterranean basin (the Palestinian issue in particular), the beginning of a phase of potential competition between Tuscany and other Mediterranean regions in specific areas such as tourism and SMEs and incentives offered by specific EU programmes, such as INTERREG.

This interest is manifested in the active involvement of more than eighty Tuscan actors (representing the public sector, NGOs, the private sector, civil society, education and research centres, etc.) in cooperation projects with other Mediterranean partners that range from development projects to humanitarian projects and international solidarity initiatives. From a geographical point of view, Palestine, Western Sahara, Morocco, Algeria and Israel are the countries and territories which mainly benefit from the activities of these Tuscan actors.

In recent years, cooperation with Mediterranean partners has been positively affected by the more strategic approach developed by many Tuscan actors towards international cooperation. While in the past most of the initiatives targeting Mediterranean countries were organised on a case-by-case basis and without looking for potentially more structured and coordinated approaches and/or synergies with pre-existing projects, today the "Tuscan system of cooperation" is increasing the quality and consistency of its cooperation projects with Mediterranean partners with a beneficial impact on the quality and long-term sustainability of the projects themselves.

As far as the **analysis of the Tuscan stakeholders** is concerned, the 21 identified institutions, who were selected on the basis of their current or potential interest in future development in various types of cooperation activities in the Mediterranean area, definitively represent a fair cross-section of Tuscan active involvement in INTERREG programmes and of those stakeholders potentially interested in becoming active partners in these or similar programmes.

Of the eleven interviewed public authorities, seven participate in the INTERREG programme, one in the Neighbourhood Programme CARDS, one in the Neighbourhood Programme TWINNING PHARE, one in the "City-to-City" decentralised cooperation programme of UNOPS/UNDP and one in the GOLD Maghreb decentralised cooperation programme. Among the seven institutions participating in the INTERREG programme, there is only one Province and one Municipality, while the others represent Regional offices or instrumental agencies. The two respondents participating in Neighbourhood Programmes are regional agencies and the two participating in decentralised cooperation programmes are a Municipality and a Provincial instrumental agency.

Of the eight respondents representing civil society, three participate in the INTERREG programme (two universities and one cultural association), two in the SEENET decentralised cooperation programme (NGOs), one in the Gold Maghreb decentralised cooperation programme (NGO) and two in two different programmes funded at national and regional level (universities).

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The two private actors participate in INTERREG and the Neighbourhood Programme MEDA respectively.

Interviews were conducted taking into account the nature of the responding stakeholders (public authorities, civil society and private actors) so as to identify converging/diverging attitudes and approaches to the different set of issues presented.

In relation to partnership in decision-making, one of the most interesting points worth highlighting is the difference in views between public authorities (PA) and civil society (CS) actors regarding the openness of the decision-making process. Indeed, CS actors declared that they had good access to official information on the decision-making process coupled with a good level of knowledge of the process. Similarly CS actors maintained that they had been involved in the planning phase and were able to have a significant impact on it. Interestingly, however, PAs presented a totally different picture when describing partnership with CS actors and the private sector. Indeed, PAs declared that the planning process was not open to the participation of all stakeholders, that CS and the PS had not been involved in the planning phase and that, in any case, the partnership with CS and the PS had not been significant in the planning process. This trend was also confirmed by the fact that only two out of eleven PAs mentioned NGOs as being influential actors in programming while four out of seven CS actors indicated CS associations and NGOs as being more influential.

As far as financial resources are concerned, PAs surprisingly did not report particular problems in coordinating within and among public institutions and mild problems with different and complicated procedures. Although the spending for Programmes/projects was perceived as having been results-oriented, unfortunately it seems that the Programmes/projects themselves did not end up mobilising additional resources.

In general terms, as far as Tuscan stakeholder respondent suggestions and proposals were concerned, there was an almost general consensus on the fact that external territorial cooperation has a great potential for boosting economic, cultural and social development especially at the local level and offers great opportunities for integration and dialogue, as well as providing a useful tool to diminish local conflict potential. However, external territorial cooperation was perceived as often being too dispersed and too heavily fragmented. In addition, overly complex bureaucratic procedures along with problems relating to different cultural, economic and social contexts such as language barriers and know-how and expertise differences were generally reported as negatively affecting the functioning of cooperation activities.

In terms of the necessary conditions for making partnership in territorial cooperation effective, it is interesting to highlight that besides the need for strategy and objective sharing, information flows and a results-oriented approach, both PAs and CS actors reported the need for ensuring that external partners have access to the management of financial resources in order to carry out project-related activities within their territory.

It is interesting to note that, almost without exception, Tuscan civil society actors shared a common view on what their successful experiences in cooperation planning had been. These corresponded to instances of progressive and systematic involvement of both sides' actors, the use of a planned and shared working methodology, the establishment of a long-term cooperation relationship and, more broadly, NGOs' methodology in establishing partnerships and cooperation planning that involves civil society actors.

On possible ways of improving the various aspects of planning, interviewed stakeholders highlighted the importance of training for both decision-makers and administrative personnel on the project proponents' side as well as of development of external partners' expertise and commitment

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on the “non-EU” side. The simplification of procedures and the reduction of administrative burdens was identified as equally significant, as was the necessity of increasing the involvement of representatives from civil society and ensuring a proper role for each partner within the partnership together with the opportunity for autonomous management of financial resources.

Suggestions by interviewed Tuscan stakeholders on the improvement of future cross-border and transnational cooperation in ENPI and IPA planning methodologies were few and varied. Respondents insisted mainly on the need for making planning methodologies easier, enhancing information and training, developing communication skills of staff and expertise within public institutions. CS actors specifically suggested improvements in dialogue with potential partners in order to better identify their needs and priorities. From a strategic point of view, respondents proposed developing intercultural projects around a possible shared Mediterranean identity as well as focussing more significantly on institution building activities in order to provide local and regional authorities with the needed instruments to effectively participate in cooperation programmes.

On the resources and co-financing side, there was a shared belief that complementary funds should be directly managed by non-EU partners for activities within their country and directly linked to cooperation projects. This was, in fact, perceived as stimulating partners’ sense of ownership of local development activities as well as enhancing their reliability.

The **benchmarking analysis** for the Tuscany Region was carried out on the basis of interviews conducted with fifteen institutions selected in close cooperation with the Tuscany Region.

The responding institutions were grouped into the same three categories used for the stakeholder analysis, namely, public authorities (6), civil society actors (7 including 5 non-governmental organisations and 2 universities) and private institutions (2).

All responding public authorities participated in INTERREG III B MEDOCC programme projects; three out of the four responding NGOs participated in decentralised cooperation projects and one in an INTERREG III B MEDOCC programme project. Both of the responding universities and the two responding private institutions participated in INTERREG III B MEDOCC programme projects. In particular, four main projects were identified in which responding institutions participated and upon which the analysis mainly focussed. The projects were: EUROMEDSYS - Systèmes économiques locaux de coopération transnationale; MEROPE – Telematic instruments for innovative services for mobility and logistics in urban and metropolitan areas; SEENET – South East Europe Net; MAEM - Master en affaires euro-méditerranéennes; and RURALMED II - Forum permanent et réseau de centres pour le développement rural en Méditerranée.

For each of the abovementioned projects, three areas were investigated, namely Political Commitment and Partnership Process; Democracy, Participation and Decentralisation; and Ownership. The outcomes were as follows.

As far as the **political framework** of the analysed projects is concerned, no distinct trend in connections between specific projects and general cooperation agreements could be identified. This is to say that the analysed projects were in some but not all cases connected to a general cooperation agreement. However, where such an agreement existed, it was generally recognised as having been highly significant in facilitating project identification and implementation.

For all the analysed projects, the impetus given by political representatives of Regions and/or Local Authorities was identified as high, with the exception of only one respondent participating in the RURALMED II project. All respondents also indicated that political representatives of Regions and/or Local Authorities participated in project activities and that their political involvement had

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been medium to high, with the exception of only one respondent participating in the RURALMED II project who indicated it as having been low. In almost all cases, the relevant project was judged as having contributed quite significantly to the continuation of political/institutional contacts after its completion and having led to the planning/implementation of new kinds of projects with the external partners (with the exception of the EUROMEDSYS project). Similarly, in almost all cases, the projects were reported as having created relationships with additional external partners with whom there had been no previous involvement and as having greatly improved partnership dialogue with external partners.

In terms of **coherence, coordination and complementarity** within the partnership, sectors and departments of participating institutions were judged as highly involved in the projects, with only a few cases where they were judged not to be (one respondent in MEROPE, one in MAEM and one in RURALMED II).

In all cases, the degree to which a project was truly consistent with the local territorial development strategy was judged as medium to high. The influence exerted by projects on the local territorial development strategy was indicated as intermediate.

In the EUROMEDSYS and MEROPE projects, institution/capacity building activities in the project were judged as being implemented to a low to medium degree by local and public authorities, civil society organisations and private actors and as medium to high by universities and research centres. On the contrary, in the SEENET, MAEM and RURALMED II projects, local and public authorities were judged as having implemented institution/capacity building activities to a medium to high degree. Within the same projects, universities and research centres were given scores ranging from very low to very high while civil society organisations and private actors from very low to medium. All categories of stakeholders were almost universally judged as having satisfactorily or even highly participated in the projects, with the exception of civil society organisations and private actors whose participation was judged on some occasions as having been unsatisfactory.

In all the projects but RURALMED II, the participation of local and public authorities in all phases of the project was judged as satisfactory to significant. In all projects, other actors' performance was rated as poor to satisfactory in all phases of the project with the exception of universities and research centres, whose participation in planning, implementation and monitoring and evaluation was judged in some cases as significant.

Almost all respondents indicated that the cross-border/trans-national networks, which had been envisaged as an expected result of the project, had been created and that the project had stimulated the creation of networks with mainly local and public authorities after its completion.

All respondents highlighted a low level of involvement by national government in project activities and a medium level of information on the part of the national government in relation to the project's results. Similarly, all respondents reported that the project had not improved the relationship with central government.

Respondents perceived their **ownership** of the project as high in all the three phases of identification of objectives, implementation and monitoring and evaluation, with the exception of two respondents in SEENET and one in RURALMED II, who indicated their ownership in the implementation and monitoring (SEENET) and in the identification of objectives (RURALMED II) phases as low.

All respondents reported that the projects had satisfactorily enhanced their capacities, especially in project management and network coordination. Different opinions were expressed on the degree to which the projects had enhanced the resources of the territory.

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## SUMMARY OF STAKEHOLDER AND BENCHMARKING ANALYSIS IN THE FRIULI-VENEZIA GIULIA AUTONOMOUS REGION

*Benoît Hamende and Paolo Panjek (ISDEE Trieste)*

In comparison with other Italian regions involved in the ComPart project, in Friuli-Venezia Giulia (hereafter referred to as FVG) the community of public institutions and private entities participating in EU programmes, though diversified, is less numerous. Bearing in mind this limitation, the selection of regional stakeholders was based as far as possible on the methodological criteria set out in the two stages of the ComPart project. In the first stage (Stakeholder Analysis), this led to the identification of 10 public institutions (of which 7 participate in the INTERREG III strands A-B programme and 3 in decentralised cooperation) and 20 private entities (of which 14 participate in the INTERREG strands A-B and 6 in decentralised cooperation). The public institutions interviewed consisted of several bodies of the regional administration, provincial and municipal entities, while private entities chosen included: chambers of commerce and industry associations (*local entrepreneurship*), banks and finance companies (*finance*), cultural and educational institutions (*civil society*), universities and research centres (*education and research*).

Generally, with rare exceptions, the interviewed stakeholders highlighted their scarce or non-participation in the different phases of project planning. Consequently, most of the stakeholders declared that they were not interested in participating in Focus Group activities as they believed themselves to be inadequately prepared for further in-depth analysis. As regards the level of participation of different stakeholders in the planning phase, it seems useful to point out that the FVG Region's administration plays an almost sole-actor role in planning and managing INTERREG projects. This results in one of the main characteristics of the stakeholder community: a clear-cut differentiation in planning participation between entities that are directly linked or are part of the regional administration and those outside that "system".

As far as the geographical aspect is concerned, most of the experience of FVG stakeholders in INTERREG international collaboration was acquired within cross-border projects with Slovenia, while projects developed with partners from South-eastern European countries, mostly Croatia and Bosnia Herzegovina, were few in number and, as well as INTERREG projects, included some decentralised cooperation programmes. Croatia and Bosnia and Herzegovina are considered countries of special interest both for their geographical proximity and for the longstanding relations of these countries with the Region's administration and other actors (both institutional and private) from FVG. Decentralised cooperation with these countries is mainly aimed at sharing the experience that the Region has gained in the management of territorial policies such as in the areas of welfare, training, economic development, institution building and good governance.

There have been no projects developed by FVG stakeholders within the Maghreb area. Two different reasons may explain this fact: firstly, the geographical distance from that area and the absence of a cross-border dimension that led other southern and western Italian regions to develop specific relations with North-African countries; and secondly, the proximity to countries (SEE) with a substantial development gap and reconstruction needs (social and economic reconstruction) which constitute fertile soil for cooperation plans. Another differentiating factor within the stakeholder community is that only a few actors have

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functioning specialised internal structures for external cooperation management and have therefore developed substantial international activities. The majority of other actors have only implemented actions in an unsystematic manner. In other words, most of their initiatives were organised on a case-by-case basis, without any form of cooperation or synergy with pre-existing projects.

This latter group complained of a lack of information which led their activity to be mainly based upon self-entrepreneurship. In particular, local authorities (mostly municipalities) which constitute the main group of stakeholders, would like to have an increased involvement in the planning phase, particularly with regards to the setting of priorities and strategic objectives for the international cooperation process. Yet they lack the necessary administrative capacity to assume a more active role in the planning phases.

To overcome these obstacles, several stakeholders have proposed the following suggestions which address various aspects:

- participation in the decision-making process: the majority of stakeholders expressed their desire for greater involvement on the part of the Ministry during the planning phase, that is to say more institutionalised relations during planning and closer connections both in the initial and operational phases;
- improving vertical and horizontal partnerships in planning: several stakeholders preferred to abstain from responding in relation to this point as they believe they are not sufficiently familiar with its mechanisms. Other stakeholders indicated that they would appreciate the establishment of executive agencies at an inter-ministerial level to facilitate the activity of operators, as well as the establishment of a permanent workgroup to facilitate dialogue between selected stakeholders at regular intervals (for example, every six months);
- improving partnerships in planning with external partners: apart from the commonly expressed need to overcome existing problems with financing (i.e. levels of funding and timing of co-funding), stakeholders also expressed the need, in general, for more information on similar organisations of external partners so as to identify beforehand the areas of intervention that are in line with strategic guidelines. In the case of regionally-directed Italo-Slovenian INTERREG projects, stakeholders stressed the need to establish operational workgroups to enable the development of direct relations between local institutions of the two countries, thereby involving in the selection process of cooperation areas those very actors who will later be called on to implement them;
- improving planning methods for INTERREG and Neighbourhood programmes: some stakeholders declared themselves insufficiently familiar with IPA and ENPI programmes for 2007-2013 and therefore did not respond in this regard. Others, on the other hand, in addition to indicating a need for swifter procedures and the elimination of bureaucratic barriers, once again expressed their support for direct involvement of State-promoted (at ministerial level) consultation groups to involve the institutions at ground level, as well as pivotal institutions that operate in direct connection with ministries, based on the positive example of DG Research of the European Commission which set up a Working Group on the specific issue of scientific research; and
- strategic priorities: stakeholders reported an absence of well-defined guidelines within which to develop their activities in the field of international cooperation. As regards the question of what the geographical scope of external territorial cooperation should be, in addition to strengthening existing cooperation plans with the Western Balkans area, stakeholders expressed their interest in widening the

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range of partners to include Eastern Mediterranean countries (Turkey and Israel in particular), the countries of the Black Sea and of the Maghreb region. Finally, as regards resources and co-funding, several stakeholders reported the existence of a paradox whereby, on the one hand, approved criteria require projects to be more and more structured with numerous partnerships, while on the other, different financing sources to which the parties resort turn out to have significantly different timeframes in the implementation phase, entailing problems in terms of consistency within the system. The complexity of funding management seems to have a detrimental impact on minor projects in particular. In order to overcome this problem, some stakeholders have proposed that part of the Community budget should be earmarked for small pilot projects for testing purposes with a more flexible, simplified management arrangement.

In relation to the following **Benchmarking Analysis**, the criteria set out in Annex 2 of the “Benchmarking methodology” were applied in selecting projects to be analysed and the analysis focused on 2 INTERREG III A projects, 1 INTERREG III B project and 1 decentralised cooperation project.

Aside from noting the general difficulty inherent in comparing the involvement of stakeholders in projects with such different aims and, consequently, very divergent perceptions of the opportunities and limitations presented by cooperation projects, it is important to underline that the same problems which arose during the previous stage of the ComPart project were also experienced here - in some cases to a larger degree. In particular, apart from a widespread resistance to answering numerous questions on the questionnaire, mostly because of a declared lack of knowledge on matters such as Community planning/programming mechanisms, the analysis showed (except in one case) a very low level of “awareness” regarding participation in wide-ranging territorial cooperation programmes which go beyond the scope of a single project. Consequently, the degree of involvement of interviewees in judging the opportunities and limitations offered by trans-national/decentralised cooperation was limited.

In general terms, all stakeholders stated that the outcomes of single projects were acceptable, but only in some cases did the individual project fall within a wider institutional agreement between Regions and/or local authorities of the involved countries. As a consequence, the project outcomes, even if acceptable, had remained an isolated result, leading to the development of few new forms of cooperation either with the external partners of the same project or with new external partners.

The commitment of the Regions and local authority political representatives was generally rated as medium-level, with variations dependent on the individual experiences of stakeholders. Generally speaking, it was higher in projects falling under INTERREG III A and B and lower in decentralised cooperation projects. On the other hand, the level of participation of political representatives in the various phases of the project (steering committees, workshops, upgrading seminars) was judged as medium-high. The role of institutions was seen as positive especially with regards to commitment to and creation of the conditions necessary to involve private partners.

As far as the contribution of individual projects in maintaining institutional political dialogue is concerned, answers differed from case-to-case. In projects that fell within the context of any framework-agreement between Regions and/or local authorities, the contribution was rated as medium-high.

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Judgements also differed according to the particular features of projects as regards the participation level of stakeholders in individual phases of the project cycle. For example, in the case of the project managed by a robust financial body and aimed at developing the credit and guarantee systems of the external partners, it was quite clear that participation of private actors was very high. On the contrary, the project aimed at generating musical events was supported mainly by small civil society organisations. The same considerations may be applied to the level of participation of the national government in the various project phases. In general, it was judged as medium-low, a rating which in any case was medium-high for projects falling within a general agreement between the Regions and local authorities.

In conclusion, as far as the degree of project *ownership* is concerned, the phases of priority setting, monitoring and evaluating scored medium-high levels, while the goals identification phase scored medium-low. In other words, the same considerations mentioned in the Stakeholder Analysis are applicable in this case: stakeholder involvement was very low during the planning phase.

While judgements differed according to the particular features of individual projects, in light of the problems and criticisms raised several FVG stakeholders indicated needs and suggestions for improving partnerships in future external territorial cooperation:

- The importance of cooperation framework-agreements and the development of a wider strategy to reduce project fragmentation and improve “awareness of participation in wide-ranging programmes”. These cooperation framework-agreements should not be too generic and institutional mechanisms should be more operational;
- The need to identify best practice projects/pilot projects for feeding back results and for political follow-up; and
- The scope for improving involvement of external partners in the different phases of a programme, including by increasing financial resources and technical assistance.

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### **SUMMARY OF STAKEHOLDER AND BENCHMARKING ANALYSIS IN THE CALABRIA REGION**

*Claudia Mularoni and Giulia Rigetti (Pragmata Institute)*

The Calabria Region, located in the south of the Italian peninsula, is a mountainous region with 2 million inhabitants spread over 15,080 sq. km. It is characterised by a high level of unemployment, a low level of industrialization and industry based on the services sector, employment in the latter being mainly concentrated in public services.

Business activities in Calabria are restricted to small-scale industry. Apart from a few large firms, industrial development is usually induced by governmental intervention. The main sectors are the building industry, food and textiles. Agriculture remains important in terms of employment: 23.7% of the working population is employed in the primary sector, 18.2% in manufacturing and 58.1% in services. Competitiveness of regional agriculture is inhibited by the small size of agricultural holdings.

The economic strengths of Calabria lie in the potential of the agro-food industry to restructure agricultural activities, the development of IT activities over the past decade, the establishment of a container port in Gioia Tauro and, last but not the least, the potential of the tourism sector. With 800 km of coastline and beaches, Calabria is one of Italy's best-suited regions for tourism. However, despite improvements in recent years, the regional infrastructure still needs to achieve higher standards.

The regional university system comprises the University of Calabria in Rende, the University of Reggio Calabria and the Faculty of Medicine in Catanzaro. The Science and Technology Park of Calabria (Calpark SpA) hosts around 60 organisations. Other innovation support organisations include several research centres mainly promoted by the National Research Council and universities, the information technology and telecommunications research group, the network of chambers of commerce, the BIC Calabria and the InnovaReggio consortium.

As a whole, innovation remains scarce since the regional system presents marginal and lowly-specialised enterprises, being the main consequence of a predominantly local market economy. However, it becomes clear from this introduction how dominant the role of public entities is in all sectors, as well as for local and international development. International and external cooperation has been based on the willingness of public actors, mainly the regional administration, to improve the openness of the Region towards partners from around Europe.

The main consequence of this has been the interest expressed by the Region and some municipalities in the INTERREG initiative. Implementation and utilisation of Structural Funds has been quite low in Calabria, while the opportunities provided by INTERREG, financed by the Structural Funds, have been greatly exploited during the last programming period.

The stakeholder community in the Calabria Region is characterised by a variety of actors operating in different sectors, from public entities (municipalities, provinces, universities, chambers of commerce, etc.) to civil society actors (foundations, research centres, associations, etc.)

Public entities particularly are involved in cooperation projects with Mediterranean countries and this is due more to geopolitical conditions and programme requirements than to any defined strategy of intervention.

In this context, it is important to note that cooperation projects over the last few years, corresponding to the EU Structural Funds programming period 2000-2006, have been developed by local administrations only under the INTERREG III initiative.

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However, the Calabria Region's local administration strove to improve cooperation and cross-border cooperation with Mediterranean countries, in line with the Barcelona Process and overall EU priorities. The main **opportunities** for creating partnerships in the Mediterranean area identified by stakeholders are:

- the strategic geopolitical position of the Region in the Mediterranean area;
- the strategic role of the Region within the INTERREG III initiative, due to its eligibility in both the ARCHIMED and MEDOC strands;
- the high level of relationships created within the Mediterranean area within universities and research centres, in particular in relation to the cross-cutting issue of environmental safeguards;
- the high level of interest of local stakeholders in the infrastructure sector and basic needs of the region as instruments for further development in other economic sectors; and
- the regional administration's support for participation in INTERREG projects in all six phases of project cycle management, particularly in the difficult phase of partnership development.

On the other hand, the main **constraints** indicated by stakeholders are:

- difficulties exist in guaranteeing sustainability and follow-up for some projects;
- the lack of communication regarding other EU programmes and opportunities aside from INTERREG in order to enable the continuation of implemented activities;
- territorial constraints due to the nature of the territorial principle of INTERREG;
- financial constraints due to INTERREG rules; and
- the weakness of the network between stakeholders at the local level and the need to improve communication among partners including at the local level.

Europe and the Mediterranean are linked both by geography and shared history. The Mediterranean Sea has always linked the peoples of these areas. An increasing number of residents and citizens of the EU have origins in the Mediterranean, further developing these links at the most basic and personal level. Geographic proximity is a longstanding reality underpinning the growing interdependence between the EU and the Mediterranean countries. The EU, as far as national and local policies in future years are concerned, must reflect these realities and seek to ensure that they continue to develop positively.

The Mediterranean countries are important neighbours and a source of wider collaboration, particularly for southern Italian regions, such as Calabria.

Partnership between territories is a local stakeholder priority. Universities and other research centres are the main actors supporting a deeply-rooted network based on long-lasting relationships. The regional administration also has sound experience of collaboration with Mediterranean partners, leading to a reinforcement of the partnership principle and the fostering of collaboration from the planning phase of a project through to the implementation of activities.

### **The participatory partnership process within international cooperation in the Calabria Region. The stakeholder analysis.**

Since INTERREG, financed by the ERDF, allows the participation of public authorities or public-equivalent bodies, the main cooperation experiences have been within this initiative for most of the stakeholders, who in some cases are partners and in other cases implementing bodies appointed directly by the Region pursuant to a regional law. In the first case, they gain experience, mostly positive even if difficult, of partnership development during the planning phase. In the second case, they have contact with partners only for the planning of defined and technical activities.

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However, it is crucial to understand the role of Calabria Region stakeholders. They are not involved in the planning of the overall INTERREG initiative within one of its strands. Rather, they participate in the planning of each single intervention by proposing different kinds of projects.

Due to a wide range of factors, international cooperation is open to EU countries of the Mediterranean area (eligible for ERDF funds to INTERREG and EQUAL). But thanks to the E.U.'s New Neighbourhood policy, participation in INTERREG is also open to MEDA countries. Calabria is located in a strategic position between Europe and the Maghreb countries and all stakeholders, including civil society which lacks substantial experience, are open to the prospect of enhancing and fostering collaboration with Mediterranean partners.

International cooperation also requires technical assistance, exchange of best practices and, last but not the least, political support. Civil society actors and some very well-organised public actors have been the first to perceive the gap between the opportunities offered by different donors and implemented projects.

In future, it will be important to listen to the needs identified by local actors, create a network between those actors with strong political clout and support project generation with project management support, partnership management, networking events, awareness campaigns and all support necessary to exploit the Calabria Region's potential.

Calabria Region stakeholders showed interest in, and put forward many proposals to improve, effective participation and the role of the Region in the international cooperation sector.

Most public administration stakeholders underlined the importance of receiving more technical assistance from the Region or from external experts in order to more easily deal with problems arising from partnership management. They recommended improvement of vertical and horizontal planning through new bodies/entities/working tables which involve all local stakeholders.

The establishment of new actors or the reinforcement of existing ones was a common proposal of almost all stakeholders interviewed during the project as they felt there was a lack of a local network bringing together different experiences, competencies and knowledge from different fields. Feedback analysis and a process of learning from previous experiences was considered of utmost importance by research stakeholders as a starting point in improving and enhancing local projects. Research institutes were the main actors who made this proposal with the aim of improving future INTERREG planning and the definition of proposals for regulations for ENPI, IPA and Obj. 3 of the Cohesion Policy. They suggested an analysis based on previous experience and the definition of follow-up measures for projects in progress.

Other stakeholders did not provide clear suggestions on how to improve INTERREG planning, the definition of strategic priorities, geographical objectives and resource management.

Regarding the improvement of relationships and the participation process with partners during the planning phase, public entities outlined the importance of holding meetings during this phase, so as to provide an opportunity to discuss project objectives and activities in more detail. Partnership management was perceived as more difficult for public partners, as they often encounter problems of communication and language barriers.

Private sector stakeholders pointed out the necessity of strengthening external territorial cooperation through joint actions based on local strategies and networks. Participatory planning, it was felt, should be fostered not only by individual actors but by groups of stakeholders willing to share experiences and knowledge and to invest in local development by means of international cooperation. They stressed the importance of increased involvement of public authorities, not only within INTERREG but also under other financing instruments.

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NGOs and local associations were the main stakeholders already applying a participatory approach and working to create networks at local level, due to their very nature of being representative of local needs and applying a bottom-up approach.

The Regional Government is undergoing a restructuring phase and is striving to foster regional internationalisation starting with consultation with local stakeholders. Future strategies are envisaged as being defined through new instruments and methodologies.

### **The benchmarking analysis**

The benchmarking analysis represents the second stage of the COMPART project. It aims to analyse and compare (using a benchmark approach) different applications of the partnership concept in external territorial cooperation projects (project partnerships) while taking different political and institutional contexts into account.

This stage permitted the verification of the strengths and weaknesses of the system, at various levels, namely : project, programme and political institutional levels.

The project *strengths*, in terms of the issues analysed, were mainly linked to good management from a technical point of view of the projects analysed. Each of the projects analysed presented a close collaboration between the partners, a positive respect of the principles of efficacy and effectiveness and focussed intervention. Out of the five projects considered, one started from a previous agreement and two gave rise to new projects, even if still under the INTERREG initiative. However, the role played by *implementing bodies* in the Calabria Region is one of the main elements to be taken into consideration. In effect, the implementing body is the technical representative of the Region and it is the main body in charge of ensuring the efficacy of the technical aspects of the action and its effective impact on the territory. In Calabria, project implementation from a partnership/technical perspective is carried out through implementing bodies that are conscious of their role and of the opportunities provided by the international cooperation system. On the other hand, political/institutional aspects are dealt with by the regional administration which is responsible for coordination with all partners, the definition of new initiatives and the involvement of external political and institutional actors, thereby ensuring horizontal and vertical subsidiarity, focussed intervention and a new system of governance for local development.

But each strength must be examined carefully as some have not been fully realised and have sometimes represented a potential *weakness* or threat to a project's achievement of positive outcomes. Relationships with local stakeholders in some activities have been weak, involvement of all partners in each phase of projects has in some cases been poor and, in all projects, partnership with national actors and political actors has been nonexistent.

The impact at local level has been high during the projects' implementation, however it has been very difficult to guarantee a long-lasting impact and the feeding of previous outcomes into future activities at local level. New methodologies devised through the projects, for example an innovative ICT system applicable to urban management, have scarcely been taken into consideration by local decision-makers as long-term project results.

This is not so much due to the project themselves but rather mainly to the local situation. Another important problem linked to the local situation is the high turnover of representatives in charge of specific sectors within the political area.

In the last few years, the Calabria Region has fostered the participation and active role of territorial stakeholders, however the lack of political support and of knowledge of aspects of project management linked to international programme management have still hindered growth in

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participation levels. It is, however, important to reiterate how scant the knowledge and interest of actors in the Region is in relation to other types of international cooperation programmes other than the INTERREG initiative.

The Calabria Region, particularly the International Affairs Department which is also in charge of the international cooperation, is striving to enhance participation in other programmes (MEDA, CARDS or thematic programmes) and to promote its role as coordinator of the different issues arising from the territory. It has also organised periodical meetings with interested stakeholders but the response has been poor, probably due to the lack of political support and high political turnover. The interviews conducted as part of the analysis also revealed the different perceptions and roles of stakeholders within partnerships, since they are different kinds of organisations acting in different capacities within projects.

The Department for International Affairs of the Calabrian regional administration is usually the official partner or lead partner of the projects, while the stakeholders assume the role of *implementing body*, as provided by a regional law. Depending on the specificities and technical issues to be dealt with in a project, the regional administration assigns the task of implementing project activities to a specific local entity (for example, CERERE for cultural issues, ARSSA for food and agricultural issues, etc.)

Since they have different roles in projects, their perceptions relating to certain issues are quite different. Implementing bodies are involved after project approval, so they do not have an overall perspective of project planning, partnership building, the definition of objectives, the devising of activities and budgeting of the project. Moreover, they are sometimes unaware of previous agreements underlying the definition of a project from a political as well as technical point of view. On the hand, the Calabrian regional administration is less deeply involved in the technical implementation of projects and does not have a clear overview of the implementation process, the impact on local development or the achievement of project results. However, the two types of actors do have similar views regarding follow-up, sustainability and, in some cases, relationships with partners.

The divergence between these different perceptions leads to a situation where within a project there is an administrative and financial body involved in the planning and partnership-building process in the initial stages of the project management process, while there is a second body involved in the implementation stage. They converge during the monitoring and evaluation stage. The process has the beneficial effect of clearly defining tasks and roles according to the capacities and competencies of the respective bodies and allows them to collaborate during all stages when the process restarts, such as for example in devising a follow-up project.

The following areas would thus need to be considered in order to improve the international dimension of cooperation for the Calabria Region:

- Technical and administrative bodies should collaborate in all phases of project cycle management (programming, identification, planning, financing, implementation, monitoring and evaluation);
- Collaboration should ensure clear, achievable objectives linked to the real needs and constraints of the territory and of the project's target group;
- Improvement is needed in the relationship with the political level; and
- Improvement is needed in collaboration within partnerships.

As stated above, a new partnership model is essential for further development of the Calabria Region's international cooperation with the Mediterranean area. Since the territory has a direct link with the countries of the Mediterranean basin and wide opportunities for cooperation which are also

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in line with EU priorities, it is extremely important to increase the participation of all local stakeholders in international projects. However, their participation would not only be useful as implementing bodies, which is a useful starting experience, but also as direct partners.

Adopting a bottom-up approach, where the needs and constraints of the territory underpin project planning, is a way of ensuring an efficient and effective partnership model and project implementation. As long as a top-down approach continues to be used, territorial development and the involvement of local stakeholders and political decision-makers will be weak points of the partnership model.

The organisation of working tables, conferences and seminars and the provision of support to local actors to assist them in playing a major role in the new partnership model will be crucial.

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## SUMMARY OF STAKEHOLDER AND BENCHMARKING ANALYSIS IN BOSNIA AND HERZEGOVINA

*Stojanov Dragoljub and Osmankovic Jasmina*

### Short presentation on the political situation in BiH and particularly on the decentralisation process

Bosnia and Herzegovina is bounded by Croatia to the West and North and Serbia and Montenegro to the East. A narrow, undeveloped outlet to the Adriatic along the Neretva River in the Southwest is its only direct outlet to the sea. The country is commonly referred to as Bosnia. Sarajevo is its capital.

#### Economic overview

GDP: Purchasing power parity - \$26.21 billion (2004 est.)

GDP - real growth rate: 5% (2004 est.)

GDP - per capita: Purchasing power parity - \$6,500 (2004 est.)

GDP - composition by sector:	agriculture:	14.2%
	industry:	30.8%
	services:	55% (2002)

Labour force: 1.026 million (2001)

Labour force - by occupation: agriculture NA, industry NA, services NA

Unemployment rate: 44% officially; however, grey economy may reduce actual unemployment to near 20% (2004 est.)

Population below poverty line: 25% (2004 est.)

See: [www.answers.com](http://www.answers.com)

The Sarajevo Economic Region consists of 32 municipalities. The total surface area of the region is 8,699.9 km<sup>2</sup> where, according to estimates, 703,912 inhabitants live. There is no historical or recent macroeconomic data available for the Sarajevo region. The Sarajevo Economic Region Development Agency (SERDA) has existed since May 2003.

The political structure of Bosnia and Herzegovina is divided into several levels, all subject to a federal government. The most important of these levels is the division of the country into two entities: the Republika Srpska (or Serb Republic) and the Federation of Bosnia and Herzegovina. The Federation of Bosnia and Herzegovina covers some 51% of Bosnia and Herzegovina's total area, while the Republika Srpska covers around 49%. The entities were officially established by the Dayton Peace Agreement in 1995 due to tremendous changes in Bosnia and Herzegovina's ethnic structure. In the Republika Srpska, these changes were caused by the ethnic cleansing of the local Bosnian and Croat population and, in parts of the Federation of Bosnia and Herzegovina, of the local Serb population.

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Since 1996, the power of the entities compared to that of the federal government has decreased significantly. Nonetheless, the entities still retain numerous powers. The Brčko federal district in the North of the country was created in 2000 out of land from both entities. It officially belongs to both but is governed by neither and functions under a decentralised system of local government. With a level of prosperity far above national averages and a multiethnic population, the Brčko district is widely considered a model for future restructuring of Bosnia and Herzegovina's political subdivisions.

The third level of Bosnia and Herzegovina's political subdivision, after the entities and federal government, is represented by the cantons. The Federation of Bosnia and Herzegovina entity consists of ten, all of which have their own cantonal government subject to the law of the Federation as a whole. Some cantons are ethnically mixed and have special rules to ensure the equality of all constituent peoples.

The fourth level of political division in Bosnia and Herzegovina is constituted by the municipalities. The country consists of 137 municipalities, of which 74 are in the Federation of Bosnia and Herzegovina and 63 in the Republika Srpska. Municipalities also have their own local government and are typically based around the most significant city or place in the region. Each canton consists of several municipalities. The municipalities themselves are further divided into local communities. Besides entities, cantons, and municipalities, Bosnia and Herzegovina also has four "official" cities. These are: Banja Luka, Mostar, Sarajevo, and East Sarajevo. The territory and government of the cities of Banja Luka and Mostar corresponds to the municipalities of the same name, while the cities of Sarajevo and East Sarajevo officially consist of several municipalities. Cities have their own city government whose power is in between that of the municipalities and cantons (or entity, in the case of the Republika Srpska).

### **Brief observations on the participation of BiH stakeholders in EU cooperation and particularly in cross-border cooperation. The stakeholder analysis.**

The selection of Bosnian stakeholders to be interviewed was carried out carefully. Initially, a preliminary list of potential actors to be interviewed was drawn up. The criteria chosen to identify the stakeholders were based, mainly, on the real or potential interest of the stakeholders in past and future involvement in various types of cooperation activities in the Mediterranean area.

At first, there were 30 stakeholders' names on the list. The list was then reviewed and updated during the process. At the end of this preliminary phase, 49 institutions/persons were identified (see the list in the attachment). All of them were contacted several times. The net result was 31 responses were received, divided into 4 negative responses and 27 duly completed forms (listed in the attachment). In many cases, personal interviews were conducted and forms were filled in on the spot. In other cases, a preference was expressed to receive the form via e-mail in order to fill it in later.

The responses covered stakeholders in all categories: local authorities; local entrepreneurship (which, in turn, includes entrepreneur associations, co-operatives and chambers of commerce); finance (banks and non-banking financial institutions); civil society (solidarity organisations, co-operatives favouring social inclusion, single-issue groups, pro-environment movements and cultural organisations); and education and research (universities, research and study institutions and centres for technical and professional training).

We sent questionnaires for benchmarking analysis to the following: Ekonomski Institute Banjaluka (project: European Union Regional Economic Development Project in Bosnia and Herzegovina), IPSA (CARDS), Faculty of Economics Tuzla (INTERREG IIIa), Direction for European

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Integration B&H (INTERREG IIIa and INTERREG IIIb), MAP Office for B&H (UNEP MAP), LESPnet (INTERREG), Municipality of Pale (EURED), Chamber of Economy of Sarajevo (European Academy for Chamber Staff in the Western Balkans), TALDi, City of Sarajevo (INTERREG IIIa), SERDA, Municipality of Centar, Kanton Sarajevo. Five completed questionnaires were received for analysis.

From the analysis of the answers to the questions in Section A, one of the most interesting points worth highlighting is the difference in views between the PAs (public authorities) and the PS (private sector, including civil society) regarding openness in the decision-making process. Public institutions claimed to have the best access to official information on the decision-making process with a good level of knowledge of the process. Similarly, public institutions maintained that they have been involved in the planning phase and have been able to have a significant impact on it. Interestingly, however, the private sector presented a totally different picture as regards participation in the planning process. In fact, the private sector stated that planning was not open to the participation of all stakeholders, that the private sector has not been involved in the planning phase and that the PS has not had a significant impact on planning.

As far as financial resources are concerned, the private sector reported that coordination inside public institutions and among public institutions was poor and there were problems with different and complicated procedures. The private sector perceived that spending for Programmes/projects had been results-oriented and that the Programmes/projects did end up mobilising additional resources. An opinion common to all categories of respondents was that external/foreign partners should be significantly involved in planning, that their participation in this stage improved the needs assessment phase and that solidarity motivations were the most important. Limited access to financial resources, slowness of participatory planning, poor information/communication and insufficiently broad involvement of partners were perceived as the main problems regarding partnership in planning. All stakeholders thought that the introduction of innovations and the concentration of resources on strategic priorities could improve the capacity of partnerships to establish priorities in planning. Knowledge flows, cultural dialogue, institution building and investment were felt to be priorities in foreign/external territorial cooperation. Investment was considered most important by the private sector.

As far as the main perceived problems and obstacles to EU-Mediterranean cooperation are concerned, all stakeholders reported both bureaucratic and context-related (mainly economic and cultural) problems. In relation to the conditions considered necessary for making partnership in territorial cooperation effective, it is interesting to note that besides the need for strategy and objective sharing, access to information and a results-oriented approach, day-to-day management and better cooperation within the country were also felt to be prerequisites. The responses received from the Association for Gender Equality, for the Support of Women in Development, the Association of Business Consulting, the DELUSA private consulting company, the Brock Development Centre, the Foundation for Local Democracy, the Citizens' Association for Local Development Initiatives and the Chamber of Economy of the Sarajevo canton demonstrated greater awareness and reflection than those of other stakeholders. The President of the regional assembly and some entrepreneurs did not take part in this analysis. In relation to possible ways of improving planning, interviewed stakeholders highlighted the importance of training for both decision-makers and administrative personnel.

Thus, for Bosnian stakeholders, great importance is placed on increasing the economic role of Mediterranean Regions (including the Western Balkans) in joint planning and cross-border and transnational territorial development projects, more effective partnerships through the promotion of

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policy dialogue between local, city, regional and central governments and the European Commission, and the improvement of future territorial cooperation in Structural Funds programming for the period 2007-2013.

The main obstacles to be overcome, according to Bosnian stakeholders, are language barriers and lack of knowledge. Trust, openness, respect and readiness to listen in order to acquire better knowledge and learn more about comprehensive development together with partner commitment, are perceived as the main prerequisites for effective new partnerships in external territorial cooperation.

### **Main results of the Benchmarking analysis**

The benchmarking analysis was carried out on the following projects/institutions:

- the Business Development Centres in Podrinje aimed at promoting business development in the partner municipalities of Rogatica, Višegrad, Rudo, Novo Goražde, Prača-Pale, Foča-Ustikolina, Foča, Čajniče, Kalinovik. The lead partner is the European Union (the EU Delegation in Bosnia and Herzegovina) (CARDS);
- the project of the Association of Business Consultants in Bosnia and Herzegovina LESPnet entitled SAFETYSAUSAGE – Safety of traditional fermented sausages: research on protective cultures and bacterocin (INTERREG);
- the programme of the Municipality of Centar entitled: Establishment of Agricultural Cooperatives, Tourism: Archaeological Park Debelo brdo, Skakavac Nature Park, Sarajevo viewing places. The lead partner was the Municipality of Centar, and the partner was Kanton Sarajevo with potential partners being SERDA, EU RED, USAID and SEENET (CARDS);
- the IPSA Institute highlighted the project entitled Road and motorway management in the PHARE Countries. The lead partner is NEI AND DRD, with sub-consultants from various countries (CARDS); and
- the United Nations Human Settlements programme Urban Indicator Guidelines project of the Sarajevo City Council (financed under INTERREG IIIa)

The Sarajevo region in Bosnia and Herzegovina borders with two Balkan countries, namely Serbia and Montenegro, which do not have much experience in dealing with European issues. They have a common history, as well as sharing often common cultural reference points and a common environment. Improving trust between them is a necessary precondition for substantial cross-border collaboration. The experience in the NGO project was positive and received a fairly high-rating evaluation. The collaboration was also very efficient. However, the project's low budget did not support the achievement of additional positive results. Concerning the Public Actors (municipalities, cities and regions), all evaluations indicated similar problems. Some of these problems lie in the lack of experts to draw up European programme studies, poor coordination of the actors involved and low participation or, in the most cases, non-participation in the planning phase. The main conclusion is that personal involvement needs to be substantial for programmes to be successful. A future cross-border programme concerning this particular region should focus on three sectors, namely culture, education and the environment. Specifically, new technologies, telecommunications and energy/power are fields for cooperation which could yield such results.

Bosnia and Herzegovina will have new opportunities for participation in local and regional development in the context of the new instruments for cooperation with neighbouring countries – the Instrument for Pre-Accession (IPA) and the European Neighbourhood Policy Instrument

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(ENPI), as well as the new Objective 3 of the Cohesion Policy on territorial cooperation in the European Union. These five projects and cooperation within the framework of the COMPART project provide very useful experiences from which to draw valuable lessons for the period 2007-2013.

### **Conclusions**

For the next programming period, we recommend a new Euroregion project (as a form of cross-border cooperation) in the West Balkans. In European politics, a Euroregion is a form of transnational cooperation structure between two (or more) territories located in different European countries. Euroregions usually do not correspond to any legislative or governmental institution, do not have political power and their sphere of work is limited to the competences of the local and regional authorities which constitute them. They are usually organized to promote common interests across the relevant borders and cooperate for the common good of the border populations. This structure should not be confused with the European Union-sponsored term “regions in Europe” even though the Council of Europe sponsored term "Euroregion" has a similar meaning. Bosnia and Herzegovina participates in three Euroregions: Dunava-Sava-Drava (since 1998), Drina-Sava-Majejica (since 2003) and Adriatic (since 2006). Around 20% of BiH's territory and around 30% of the Bosnian population come within Euroregions.

But new CBC programmes can only work if they create and strengthen real partnerships. There is a need, in future, for there to be clear and specific cooperation objectives.

Regions have a major role to play in supporting partnerships and in providing territorial relationships with stability. Stability and continuity depend also on the implementation of coordination instruments (regular planning and follow-up meetings, drafting of a cooperation manual, enhancing the role of development agents and the central role of agencies in promoting coordination with a “proactive” strategy). This also includes, for example, the integration of CBC projects within regional and local development plans in addition to coordination between the different departments of regions and local authorities; the establishment of good relationships with central government and coordination between development strategies at different levels of government; the enhancement of the quality of leaders and of institutions; the participation of stakeholders (especially from external partners) in the identification and monitoring and evaluation of projects, not just their implementation phase; and feeding project results into future strategies.

In the new CBC programmes, strategic priorities should be established. There is also a need to meet the identified preconditions necessary for ensuring effective new and existing partnerships for external and internal territorial cooperation.

Political support from central governments for cross-border cooperation should also be encouraged by strengthening the link between territorial cooperation and local/regional and national development plan

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## SUMMARY OF THE STAKEHOLDER AND BENCHMARKING ANALYSIS IN THE ISTRIAN REGION/CROATIA

*Patrizia Bosich (Local Democracy Agency Verteneglio)*

### **The decentralization process in Croatia**

The decentralisation process in Croatia is still an ongoing process that has not reached a satisfactory level in terms of self-sustainability for a wide number of local self-governing units as a consequence of a low level of fiscal decentralisation. Public consensus is that the level of decentralisation achieved, considering that regional and local development is a national priority, is unsatisfactory.

Croatia is a small country with a high number of local self-governing units that have serious issues to resolve relating to an oversized, slow and, in many cases, inefficient administration at all levels. According to the Law on Local and Territorial (Regional) Self-governing Units (Official Gazette 33/01), units of local self-government in Croatia are municipalities and cities, and units of regional self-government are counties (or regions). There are now about 122 cities and 425 municipalities, with a total of 547 local units, and 21 counties (including the city of Zagreb), while there is continuing trend towards the creation of new ones.

A municipality is a unit of local self-government that is established for a territory that comprises several populated areas that represent a natural, economic and social entity, while a city is a unit of local self-government that is the seat of a county or any place having more than 10,000 inhabitants. It represents an urban, historic, economic and social entity. A county is a unit of territorial (regional) self-government whose territory represents a natural, historic, economic, traffic infrastructure, social and self-governed entity and is constituted in order to respond to regional interests.

The areas of services that come within the responsibility of the municipalities relate to affairs of local interest, address citizens' needs and fall outside those granted by the Constitution or other laws to state administrative bodies: namely, organisation of localities and housing, spatial and urban planning, public utilities (water supply, electricity, gas, sewage, other), child care, social welfare, primary health services, education and elementary schools, culture, physical education and sports, consumer protection, environmental protection and enhancement, fire protection and civil defence.

Counties administer affairs of regional significance relating to: education, health services, spatial and urban planning, economic development, traffic and traffic infrastructure, planning and development of networks of educational, health, social and cultural institutions.

The extension of the competencies of self-governing structures gives rise to many challenges as local officials need to acquire new knowledge and skills in order to deal with issues that emerge. There is a corollary need to establish a continuing and structured education and training programme for employees at all administrative levels.

### **External territorial cooperation**

Croatia, with a great number of its counties, borders with five other states: Bosnia and Herzegovina, F.R. of Yugoslavia, Hungary, Slovenia and Italy (by sea). It has 2,372 kilometres of continental borders and 972 kilometres of maritime border. For this reason, in border areas cooperation and communication with the population of the border country is necessary and constitutes a priority for regional development.

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The real and direct actors in this process of cross-border cooperation and European integration need to be local and regional players such as citizens, enterprises and local or regional governments. Local and regional authorities in Croatia have a strong political will to cooperate with various partners abroad and view such initiatives very positively. The reasons for the existing cooperation actions of Croatian counties are many and varied, ranging from networking with other nations and cultures to economic cooperation and exchange of experience.

The legal bases for cross-border or interregional cooperation in Croatia are provided in the Constitution and in the Act on Local and Territorial (Regional) Self-governing Units, which regulates cooperation of municipalities, cities and counties with units of local and regional self-government from other countries.

Municipalities, cities and counties may cooperate with their counterparts abroad. The decision to establish a relationship of cooperation, i.e. the signature of the relevant establishing agreement (contract, convention or memorandum) is the responsibility of the representative body of the local or regional unit. After signature of the agreement, prepared in both languages, a copy must be delivered to the central state administration unit responsible for regional and local self-government, which is required to check its legality or recommend its annulment to the Government.

### **Istrian stakeholders in interregional and cross-border cooperation**

The Istrian region is situated on the westernmost border of Croatia and it borders with Slovenia and (by sea) with Italy. Cooperation with institutions of the Italian regions such as Friuli-Venezia Giulia, Veneto and other Italian regions of the Adriatic, as well as with Slovenia, particularly with coastal municipalities, is the result of a natural process of gravitation towards territories that have a shared historical, cultural and linguistic (namely, Italian) ties.

It is a border region that has specific development needs and problems that need to be resolved in agreement with its two neighbouring countries. Consequently, cross-border cooperation is of great relevance for this territory. Indeed, Istria is one of the most internationally active of the Croatian regions.

The stakeholder community in the Istrian Region is varied. Territorial cooperation is mostly carried out by the regional and local self-governing units, regional and local public institutions (i.e. Chambers of Commerce, the Istrian Development Agency and universities) and NGOs. EU Regional policy instruments, initiatives and EU programmes in general are the centre of attention of all interested stakeholders who have expressed a strong will to be included in the programming phase of the upcoming IPA instrument for Croatia.

The majority of the stakeholders of the region active in international territorial cooperation were included in the INTERREG initiative, IIIA Neighbourhood Programme Slovenia – Hungary - Croatia 2004-2006, Adriatic New Neighbourhood Programme or IIIB CADSES and in decentralised cooperation programmes.

The Istrian region has a long history of involvement in cooperation with foreign regions and has been very successful in achieving inclusion in EU initiatives and programmes. The region has signed cooperation agreements with 11 European regions and 1 Chinese region and is a member of a number of international institutions, including the Assembly of European Regions, the Conference of Peripheral Maritime Regions of Europe, the Institute of the Regions of Europe, the Assembly of Wine-Producing European Regions and the Association of European Border Regions in planning.

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## **Main results of the stakeholder and benchmarking analysis for the Istrian region**

For the stakeholder analysis, 28 interviews were conducted with public institutions at national, regional and local level within the following categories: Ministry, regional and local self-governing units, the tertiary sector, NGOs, cultural institutions and universities. 12 stakeholders were involved in projects in the INTERREG III A - Adriatic New Neighbourhood Programme, 3 in INTERREG IIIB - CADSES and 1 in INTERREG IIIC. The other stakeholders have not had direct experience in INTERREG, but expressed a willingness to participate in territorial cooperation.

Due to Croatia's brief experience with EU programmes and initiatives, none of the interviewed stakeholders at local and regional level have been included in the programming phase of the INTERREG programmes opened to Croatia and thus, apart from some regional officials, there is a general lack of even basic information or personal knowledge on the official procedures of INTERREG planning processes and principles. The interviewed stakeholders also have no experience in the programming phase of other decentralised cooperation programmes. Among the interviewed institutions, only the Ministry of Foreign Affairs and European Integration participated in the planning phase of the INTERREG programme. The level of information or knowledge of INTERREG methodologies is in general low and is dependent on personal interests or motivations. Accordingly, one of the most immediate needs is institutional capacity building in the general framework of territorial and decentralised cooperation.

For the purposes of benchmarking analysis for the Istrian Region, a total of 3 projects were selected: ADRI.FISH – INTERREG III B CADSES, CONSPACE – INTERREG III B CADSES and the SEENET programme – decentralised cooperation. For effective, equal and long-lasting partnership in external territorial cooperation, the following emerged as necessary conditions from the three analysed projects in the Istrian Region:

- for active and efficient partnership, a good knowledge among partners of the territory with which they are establishing the cooperation relationship for the implementation of specific activities;
- an active and equal role for partners, in particular of non-EU parties, beginning from the identification of objectives and project definition phases. If not included in the initial phases, the degree of perceived ownership of the project is very low and consequently the results and the visibility of the project are very low for the territory in question;
- the degree of involvement, at least in the planning phase of the project, should be high. In those cases where an Istrian partner had not been included in the planning or objectives identification phase, the project frequently did not relate to the territory's strategic objectives;
- involvement of political representatives is an element that gives better visibility to a project and greater institutional commitment to the achievement of the project's objectives;
- previous actively developed relationships, or at least previous contact, and lasting relations with the foreign territories or institutions in question;
- previous cooperation agreements of the Istrian Region with EU regions, in particular with regions that have lived through common historical events with those territories (such as Veneto and FVG) resulting in many shared cultural, linguistic and traditional aspects that facilitate dialogue between partners and the cooperation process in general;
- for local and regional authorities, political acceptance and willingness are of fundamental importance, firstly for participation in a project and, secondly, for active implementation; and
- involvement of high-level professionals trained in the management of shared projects, both inside a specific local or regional authority and with external foreign partners.

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The main perceived constraints in partnership management and development were:

- a lack of identification of common priorities and strategies;
- limited access to financial resources for non-EU members;
- different structural, economic and legislative frameworks;
- a lack of external and decentralised cooperation in strategic development plans or policies and a lack of defined offices inside an institution for external cooperation (in particular in local authority administrations);
- a lack of resources available, in particular, to NGOs;
- Istrian/Croatian/SEE partner-specific problems, including a lack of capacity and resources, a lack of experts in project cycle management and a lack of technical assistance that should be provided by the Regional or State level; and
- low participation in the monitoring and evaluation phase.

### **Conclusion**

Territorial cooperation is seen by all categories of interviewed stakeholders in both analyses as a tool for development and very beneficial form of support which generally opens up new perspectives for regional development. It provides a different vision and various innovative mechanisms for social and economic development of the territory. It is seen as an excellent opportunity to reduce development disparities among regions, particularly Croatian ones.

Strategic for all the stakeholders is the establishment of cooperation with regions or institutions coming from more developed countries, usually from the EU and, in second place, with other third countries particularly in South-eastern Europe. NGOs, in contrast with local and regional public institutions, are more included in projects and are more open to launching common projects with third countries.

INTERREG cooperation is considered an excellent training ground for the pre-accession instruments, Structural Funds and EU regional policies, as well as providing a basis for future cooperation within the EU. This benefits drawn from this preparation depend, however, on active inclusion in the implementation of projects and in the programming phase. For Croatian partners, INTERREG cooperation offers a greater possibility for engaging in a process of collaboration with neighbouring and other regions, which would not otherwise be possible where there is a lack of proper or national financial resources. It is considered a tool for the acquisition of new know-how and for exchanges of best practices and positive experiences for the strengthening of existing partnerships and the establishment of new networks. Finally, it is also seen as facilitating development and the resolution of common needs and problems of shared border territories.