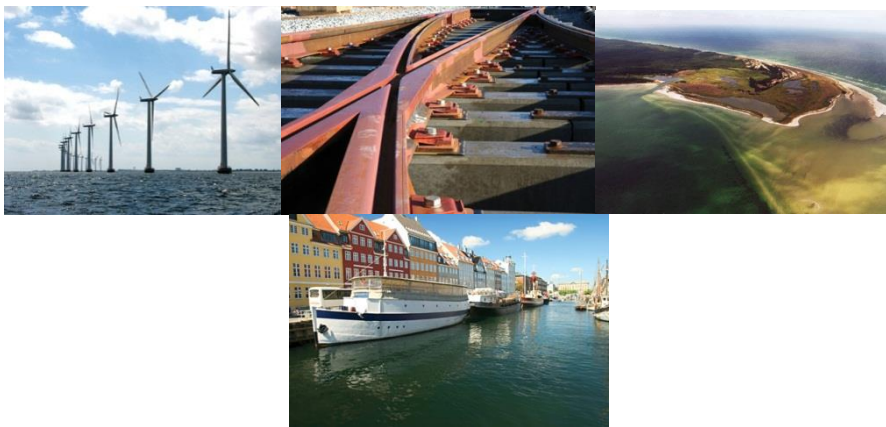




**EXECUTIVE SUMMARY* OF THE
ANNUAL IMPLEMENTATION REPORT**

2012

BALTIC SEA REGION PROGRAMME 2007-2013



**Operational Programme of European Territorial Co-operation
financed by the European Regional Development Fund, European
Neighbourhood and Partnership Instrument and the Government of
Norway**

* The full Annual Implementation Report 2012 can be obtained from the Joint Technical Secretariat upon request and after approval by the European Commission (expected by September 2013).

Executive summary

In 2012 the Baltic Sea Region Programme 2007-2013 continued to be at its implementation peak with 88 projects approved in five regular and two extension stage calls. Of these, some 25 projects finalised their activities in 2012 and submitted their final reports. The finalised projects contributed to the achievement of the Programme targets and produced a high number of good quality and innovative outputs.

The **5th and final regular call for applications** was opened on 9 January 2012 and closed on 29 March 2012. This call was restricted to priority 4 "Promoting attractive and competitive cities and regions" and was focused on projects implementing specific horizontal actions of the EU Strategy for the Baltic Sea Region's Action Plan. Moreover, a **2nd call for extension stage (ES) projects** in priorities 1, 3, and 4 was opened from 27 February to 12 September 2012. In total, 13 applications were submitted in the two calls (six regular and seven extension stage), which were decided upon in two Monitoring Committee meetings in June and November 2012. In total, eight projects (three regular and five ES projects) were approved.

A **3rd call for extension stage projects** directed at priority 2 was opened on 3 September 2012 and closed on 8 April 2013.

The involvement of partners **from Belarus** did not increase following the project approval in 2012 as project applications did not contain any Belarusian partners. Therefore, the number as reported in 2011 remained the same, i.e. 44 Belarusian partners were involved in 23 projects.

The **monitoring of approved projects** again increased substantially in 2012. In total 374 progress reports were received by the end of 2012; thereof 128 during 2012. Consequently, the **spending on Programme level** further increased. More than EUR 38 million of ERDF were requested from the European Commission during 2012. The Programme cumulatively requested around EUR 94 million of ERDF by the end of 2012, supplemented by an advance payment from the Commission amounting to EUR 18.7 million. Out of EUR 195.6 million ERDF available for projects, 46% (EUR 90.6 million) were spent by approved projects. Furthermore, out of EUR 5.6 million of Norwegian funds available for projects, 32% (EUR 1.8 million) were paid out until the end of 2012, while almost 38% of the available ENPI funds for projects (EUR 2.7 million out of EUR 7.2 million) were paid. For the year 2012 there was **no risk of de-commitment** and the spending target had been fulfilled in the first half of 2012 already. Nevertheless, the year 2013 will be a challenge as the N+2 rule will be applied to the Programme so that the spending target will be approximately twice as high as in 2012.

The **fulfilment of the Programme level indicators** continued well throughout 2012, as did the achievement of common and priority specific results. Of 13 Programme level indicators with set targets, eight were fully achieved or even significantly over fulfilled.

The development of further **cluster initiatives** progressed in 2012. These initiatives aim to capitalise the knowledge and results produced in on-going and finalized projects and to increase the visibility of the Programme. A call for new clusters was closed in January 2012 and resulted in the three new clusters "Baltic cluster for sustainable, multimodal and green transport corridor", "Saving the Baltic Sea Waters", and "Innovation in SMEs". The clusters were launched at the Programme conference in Lillestrøm/Norway in September 2012. At the same time, the pilot cluster on "Energy efficiency and renewable energy sources" held its final event and presented results and recommendations for future actions.

The **EU Strategy for the Baltic Sea Region** continued to play an important role in the Programme implementation in 2012. The fifth call for applications had a special focus on projects contributing to two horizontal actions of the EU Strategy's Action Plan. By the end of 2012, the Programme supported some 46 projects closely linked to the EU Strategy. The ERDF funding committed to these projects amounted to EUR 116 million ERDF, which equals 59% of the ERDF funds for projects available in the Programme. Similar to previous years, the Programme continued supporting the EU Strategy with contributions to coordination activities and information events.

Two meetings of the Monitoring Committee were held in 2012. Major topics of the meetings were, inter alia, the approval of 5th regular and 2nd extension stage call applications, the Annual Implementation Report 2011, the EU Strategy for the Baltic Sea Region, and the financial correction mechanism for the Programme.

The **Database for Efficient European Programmes (DEEP)** of the Programme was maintained and further adjusted. In 2012, two new tools were developed to increase the usability of DEEP. The tenth User Group Meeting was facilitated by the JTS and helped the ETC programmes working with DEEP to exchange knowledge and to create synergy effects.

As in the previous year, the Programme carried out an **internal evaluation of operational nature**. This operational evaluation is directly linked to the monitoring of the Programme implementation. Based on a yearly self-evaluation, the Programme delivery, the financial performance, and the management structures were assessed. This also included a JTS-internal analysis of **finalized projects' outcomes and transnational investments in projects**. Moreover, the JTS carried out a series of **three online surveys** directed at stakeholders and practitioners. These focussed on financial reporting and first level control, JTS support and activity reporting, and on the Project Management Toolkit.

The **spending rate of the Technical Assistance budget** increased to 79% compared to 76% of the previous year. The total amount spent for the Baltic Sea Region Programme in 2012 amounts to EUR 2,166,980.

As in previous years, the Programme bodies continued to put special emphasis on **communication and information activities**. In particular, potential project applicants for the 5th call for project applications were addressed. An event highlight in 2012 was the **Programme conference in Lillestrøm**, Norway, on 19-20 September 2012. The conference focussed on the future European Territorial Cooperation and on the relationship between the EU Strategy and the Programme. Furthermore, the four cluster initiatives of the Programme were presented.

Finally, the **programming process** for the Baltic Sea Region Programme 2014-2020 was launched in 2012. Three meetings of the Joint Programming Committee as well as one meeting of the Programming Task Force were convened. The ex-ante evaluator (COWI) was contracted and launched its activities. Further steps taken in 2012 included a survey addressed to the Reference Group of the Programme, the analysis of reference documents for the programming, the review of the thematic coverage of the current Programme, and the agreement on the thematic focus of the Programme 2014-2020.