CRITIQUE OF THE TRADITIONAL CROSS-BORDER COOPERATION PROJECT COMMUNICATION LIFECYCLE MODEL

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Abstract

Cross-border cooperation projects constitute an excellent opportunity for the provision of funds required to start up the cooperation of project partners from neighbouring countries. The programmes are intended to establish the grounds for sustainable cooperation in the future. Experiences indicate that the programmes support single projects that do not provide for sustainability but end dismally after co-financing has been completed. Experiences and examination of past cross-border projects have served as the basis for developing a model that would provide for a sustainable lifecycle of cross-border cooperation projects. This model is based on the drawing up of an action plan that would provide for the continuity of project results and for the active involvement of project target groups during the project idea generation stage.

1 Introduction

A constantly growing number of organisations seek sources of co-financing by attempting to be awarded EU funds by participating in calls for tenders. Cross-border programmes that form part of the European Territorial Cooperation constitute an excellent opportunity for grants. The co-financing rate in these programmes amounts to maximum 95% of the total eligible costs. Slovenian organisations are eligible to participate in 5 cross-border cooperation programmes (Slovenia-Austria, Slovenia-Croatia, Slovenia-Hungary, Slovenia-Italy and the Adriatic Initiative). Practice so far has shown that projects co-financed from these programmes are not of a sustainable nature, resulting in dissatisfaction of all structures involved in their implementation, both of contractors and of co-financiers. Sustainability constitutes one of the most important criteria as early as during the project evaluation stage, but is, unfortunately, not verified after the projects are completed, resulting in an unaltered cross-border project implementation model that ends after co-financing has been completed. Cross-border projects cannot be deemed a success by merely drawing the authorised allocation from the cross-border programme and by completing the project, but it

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is of relevance that sustainable projects, that possess the ability to survive on their own after co-financing has been completed, which is in the interest of both applicants and project partners as well as the taxpayers that contribute the funds in particular, are selected. Practice has, however, unfortunately shown the failure to achieve sustainability even by good projects. The co-financed facilities are not maintained or are used for different purposes than the foreseen ones. The results of project activity (e.g. workshops, programmes, websites, etc.) begin to fade and are not maintained.

Based on experience resulting from monitoring cross-border projects, the fundamental premise for the development of a new model has been set: “Co-financed cross-border projects do not provide for sustainability.” This has resulted in the creation of an original and innovative model for providing for a sustainable lifecycle of cross-border cooperation projects.

2 Fundamental properties of cross-border cooperation projects

A project signifies a time-limited intention with fixed objectives with limited resources (budget and staff). All stages of the project life cycle are assessed on the basis of whether the outcomes justify the resources used and whether the activities carried out really contribute to the objectives. The main task of project management is to plan and steer the project group to achieve objectives with the resources supplied /1/.

Territorial Cooperation projects possess the following properties:
- they bring together partners from two or more neighbouring countries and consequently from different cultures and languages,
- they involve partners from different types of organisations (from the public and private sectors) with different fields of expertise and organisational cultures that have different expectations and working methods,
- all partners must actively participate in the achievement of the planned outputs and results,
- they establish a joint method of working in the project subject to meeting minimum two of the conditions listed below:
  - joint development (all partners must contribute to the development of the project and jointly outline the course thereof; this is characterised by a joint development of objectives, outputs and results, a financial plan, schedule, responsibilities and distribution of objective-meeting-oriented tasks; this also includes an outline of know-how contributed by individual partners as well as what each project partner expects to receive from the project),
  - joint implementation (the lead partner is in charge of the implementation of the project as a whole, every single partner takes responsibility for the implementation of their part of the project; all project partners are in charge of the tasks foreseen for meeting the objectives and must ensure that all the required activities are in fact carried out, that milestones are reached and that any unexpected challenges during the implementation process are handled appropriately),
  - joint staff (all project partners play an outlined role in the project and assign staff that will fulfil that role; staff members coordinate their activities with all other people involved therein and exchange information on a regular basis; there should be no unnecessary duplication of functions among the partners),
  - joint financing (the project has a joint budget with funds, allocated to the partners in view of the activities they carry out; the budget includes annual objectives of use) /2/,
- work within large partnerships is also coordinated remotely and thus requires extremely good planning and organisation, commitment of all partners to the project and efficient and timely communication,
- project monitoring constitutes a complex task, including monitoring of activity implementation, achievement of results and indicators as well as the financial plan among a larger number of partners from minimum two countries,
- projects are co-financed by European funds, namely by the European Regional Development Fund (ERDF) and the Instrument of Pre-Accession Assistance (IPA) and must
thus comply with the approved application form, instructions and publicity,
- project costs are reimbursed on the basis of applications submitted, which means that the project partners need to have sufficient financial capacity to pre-finance their costs until they are reimbursed from the cross-border programme. Payments are usually made every six months on the basis of semi-annual reports submitted /3/.

3 Lifecycle stages of cross-border cooperation projects

All projects have specific stages outlined as the project lifestyle stages. A clear understanding thereof by all project partners facilitates control over the resources used to attain the objectives set by the project manager and operators.

The traditional cross-border project implementation model, drawn up on the basis of practical experience in monitoring the implementation of co-financed projects, encompasses the following lifecycle stages:
1. Project idea (the project idea is developed, project partners are sought, needs are analysed).
2. Project proposal (the project is developed, partnership is confirmed, project contents and budget are coordinated with the call for tenders and partners, an application to the call for tenders is submitted, the project is evaluated by evaluators).
3. Funding (following evaluation, the project is approved, a co-financing agreement for European and national funds is signed, a partnership agreement is signed, the project starts up).
4. Implementation (project activities are managed, coordinated and implemented, reports and applications are drawn up, a project implementation quality control system is put in place, publicity and information regarding the project implementation are carried out).
5. Evaluation (activities carried out in compliance with the approved project are evaluated).
6. Closure (all foreseen project activities are completed, a final report is drawn up and submitted).

Parallel activity:
- Monitoring (the implementation of activities, financial plan, objectives, indicators and results are monitored, modifications are drawn up in case of deviations from the application form).

Figure 1: Lifecycle stages of cross-border cooperation projects.
The existing model pertaining to the traditional cross-border cooperation project lifecycle includes the lead beneficiary with partners and the programme management structure. Target groups are forgotten on all levels of a project lifecycle (except for the implementation stage). Target groups should be included in the project as early as during the project idea conceptualisation stage so as to ensure the sustainability of the project after co-financing has been completed. As early as during the generation of the project idea, plans should be put in place for the project to survive and facilitate self-financing after the cross-border programme co-financing has been completed.

4 Sustainability of cross-border projects

Continuity of project results must be guaranteed in compliance with cross-border cooperation operational programmes. Slovenia-Hungary cross-border projects for the Financial Perspective 2007-2013 were also evaluated with regard to the following sustainability areas /4/:

- Is it foreseen (suggested) how the results of the project will be financially maintained after project closure?
- Is it foreseen (suggested) how the results of the project will be institutionally preserved after project closure?
- Is it suggested how project results will be directly or indirectly used outside the project area as well and also transferred to other target groups in the future?

Despite the fact that the sustainability of cross-border projects or their results is subject to evaluation as early as during the application process, practice has, unfortunately, shown that sustainability is not followed up after co-financing has been completed. Cross-border projects are thus not sustainable. As projects are not sustainable from the project idea generation stage onwards, they come to a halt after co-financing is completed. Project partners do not provide for funds required to continue
project activities. Target groups also do not experience any loyalty towards the project and its activities begin to fade.

5 Cross-border project lifecycle sustainability provision model

Project management starts as early as the project idea is generated and potential project partners are sought. The project idea then serves as the basis for a project proposal coordinated with all the involved entities: project partners, management structures and target groups. As early as during the process pertaining to planning and generating a project idea, consideration should be given to the sustainability of project results after co-financing has been completed, making it vital to involve all responsible entities from the idea generation stage onwards. As early as during the initial stage, an action and financial plan to provide for the sustainability of the project must be drawn up.

The cross-border project lifecycle sustainability provision model stages are:
1. project idea,
2. project proposal,
3. funding,
4. implementation,
5. upgrading,
6. sustainability-oriented funding.

Parallel stages:
- monitoring,
- evaluation,
- sustainability.

The upgrade and sustainability-oriented funding as well as the parallel sustainability stage signify new stages not included in the traditional cross-border project lifecycle but are of key importance for the sustainability thereof.

Figure 3: Cross-border project lifecycle sustainability provision model

5.1 Project idea

The project idea development begins by analysing needs or opportunities on both sides of the frontier. On the basis of detected needs and opportunities, a project idea draft presented to potential (cross-border) project partners is drawn up by the lead beneficiary/project partner/target group representative. As early as during the idea generation stage, the lead beneficiary initiates communication with management structures and coordinates the project idea with cross-border programme rules. After coordinating the contents with all entities involved, a final cross-border project idea is generated. Activities that will provide for the continuity of the foreseen project results need to be
planned as early as during the project idea generation stage. Such activities are not included in the traditional model.

Sub-stages of the project idea generation stage are:

a. Analysis of target group needs on both sides of the frontier.
b. Analysis of opportunities on both sides of the frontier.
c. Drawing up the first project idea draft.
d. Seeking potential partners and presenting the project idea to potential cross-border partners.
e. Coordinating with target groups.
f. Coordinating with management structures of the cross-border programme.
g. Generating the cross-border project idea including an action plan draft that will provide for the continuity of project results.

5.2 Project proposal

After a call for cross-border cooperation tenders is open, the contents of the project idea are coordinated with the final terms of the call for tenders and national and European strategic documents, involving both the lead beneficiary, project partners, management structures of the programme as well as target groups. Not only contents, but also costs, play a very important role in the drawing up of an application form. Similarly to producing undertakings where “cost is an important performance parameter driving the selection of machine configuration for a particular operation” /5/, efficient planning of all costs is of importance for cross-border projects as well. After the contents and financial plan are coordinated with all project partners and target groups, an application form to be submitted to the cross-border cooperation call for tenders is drawn up, followed by the submission of an application to the call for tenders and evaluation thereof by the evaluation committee. Approved programmes are confirmed by the joint supervising board of the programme.

As early as during the application submission stage, the lead beneficiary must draw up an action plan that will provide for the continuity of project results with project partners and target groups that will be appended to the call for tenders application, thus providing for the basis for continuous project results after co-financing has been completed as well.

Only projects able to self-finance after the completion of co-financing shall be approved. By seeking project sustainability, the mentality of both project partners and the management structure must be changed, making them aware of the fact that a project is not only alive during the co-financing period but that its results remain continuous after the project has experienced formal closure as part of the cross-border programme.

Sub-stages of the project proposal generation stage:

a. Coordinating project contents (with the terms and conditions of the call for tenders and national and European strategic documents) by submitting an application to the call for tenders.
b. Confirming the partner structure.
c. Coordinating project contents and financial plan with project partners.
d. Coordinating project contents with target groups.
e. Drawing up an application form to be submitted to the call for tenders and an action plan that will provide for the continuity of project results.
f. Submitting an application to the call for tenders.
g. Evaluating the application.

5.3 Funding

During the funding stage, the lead beneficiary receives a decision of the management authority /structure) to conditionally grant a project. After terms are coordinated, they are provided with a final decision to grant co-financing of a cross-border project. The final beneficiary concludes an ERDF fund co-financing contract with the management authority. All project partners conclude a national co-financing contract with their respective national authorities in their own respective countries. This is followed by the conclusion of a partnership
agreement among cross-border project partners and project start-up.

Project funding sub-stages:
- Approving the project under the call for tenders.
- Signing a co-financing contract (ERDF and national funds).
- Signing a partnership agreement.
- Project start-up.

The funding stage is identical in both models.

### 5.4 Implementation

During the project implementation stage, all project activities that contribute to the realisation of project objectives, indicators and results and that are coordinated with the financial plan are carried out. This stage involves the lead beneficiary, project partners, management structure and target groups. The lead beneficiary and project partners are in charge of drawing up interim project progress reports reviewed and confirmed by the management structure. Target groups are actively involved in the implementation of project activities. During the project implementation project, the action plan to provide for the continuity of project results after co-financing has been completed is monitored and coordinated by the lead beneficiary, project partners and target groups.

Project implementation sub-stages:
- Drawing up a concrete project activity implementation action plan.
- Managing, coordinating and implementing project activities among the partners, including target groups.
- Coordinating with the programme management contract custodian.
- Drawing up applications and interim project progress reports.
- **Monitoring and coordinating the action plan to provide for the continuity of project results** (outlining activities after the co-financing has been completed, time schedule, sources of financing and responsible entities).

### 5.5 Upgrading

The provision of a sustainable project requires a project activity upgrade plan that will motivate project partners and target groups towards sustainably carried out activities. Such an upgrade forms part of the action plan to provide for the continuity of project results.

Example of a cross-border cooperation project according to the traditional model: A cross-border cycling route is subject to project co-financing. After the project is completed, the route is opened with a cross-border cycling marathon. During the event, local wine producers, farm tourism providers and farmers, craftsmen and other stakeholders active in the cycling route area are presented. After co-financing has been completed, routes carried out under the project are poorly maintained, their surroundings are not taken care of, promotion is only carried out on the website that is not updated and via flyers printed during the project co-financing period.

Example of an action plan to provide for sustainable project activities (summary of foreseen activities): as the target groups (target producers, farm tourism providers, farmers, craftsmen and other stakeholders active in the cycling route area) are actively involved in the preparation of the active plan to provide for continuous project results in the form of monthly meetings, they feel committed to the project and also participate in the implementation of the action plan that will provide for sustainability. The applicant and project partners organise annual cycling marathons after co-financing has been completed. The organisation thereof also involves all local actors (target groups) that are involved in joint promotional activities, thus motivating target groups to participate therein and simultaneously rewarding them in the form of joint promotional activities that are carried out (flyer, TV, radio, website, etc. advertisements). Jobs are preserved in the local environment. After co-financing has been completed, promotional activities not only increase the number of visitors of the cycling route when the cycling marathon is held but throughout the entire year as well. Visitors
become familiar with local producers, catering establishments, tourism facilities (accommodation, wellness service providers, etc.) and also return to the well-kept area. By adding new providers to the cycling route area, maintaining sign boards, setting up trails, mowing the grass located alongside the trails, picking up waste, etc., the cycling route becomes more attractive thus facilitating a sustainable implementation of project activities.

As the number of visitors rises, a broader positive effect is achieved for catering establishments, tourism, craft and sports activities, consequently contributing to a rise in income of the cross-border population.

By adding new contents and expanding project partners, the applicant can, in cooperation with all involved entities (existing and new project partners, target groups), draw up a new project proposal that is submitted to a new call for co-financing grant tenders, thus expanding opportunities for the development of the cross-border area, enhancing the welfare of the local population and its involvement in social activities, that results in a sustainable approach towards improving the quality of life in the cross-border area.

Project upgrade sub-stages:

a. Drawing up bases for a new project proposal on the basis of the starting points of the action plan to provide for the continuity of project results and by upgrading contents with innovative elements.

b. Seeking new project partners.

c. Continuous seeking of market operation opportunities.

5.6 Sustainability-oriented funding

The sustainability-oriented funding is the key stage of this model in addition to the upgrade stage. During the sustainability-oriented funding stage, the actual sources of (co-)financing that will facilitate continuity of project results are defined.

Under the traditional model, projects are limited to the implementation period in compliance with the application form approved. The project must live on after cross-border cooperation co-financing has been completed. It must ensure that jobs created during the project are preserved, facilitate funds for the maintenance of facilities set up under the project, provide for funds for further publicity on the implementation of activities, etc.

The involvement of target groups in the drawing up of a sustainability plan is of vital importance. Target groups must namely exhibit an interest in the continuation of activities. Employees hired for the jobs created during the cross-border project must initiate the seeking of further sources of (co-)financing via the implementation of project activities after the project has been completed. Target groups, potential new project partners and other entities that may contribute to the sustainability of the project must be informed and notified thereof.

Sustainable activities can be financed in various manners. If the action plan to provide for the continuity of project results is set in an efficient manner, then the continuation of the project is financed by project activities themselves.

Example: Target groups (local providers) organise monthly week-long events, such as the pork meat and sausage week, apple week, ice cream week, swimming week, Nordic walking week, etc., in the cycling route area. Providers from the area where the cycling route takes its course join forces in promotional activities and also in increasing the number of visitors and the visibility of the area. A greater number of visitors results in a greater number of visitors of tourist farms, catering establishments, local shops, etc., which increases the income of the local population and facilitates the preservation of jobs, consequently providing for the funds required for financing sustainability of the project.

During this stage, in order to provide for additional resources, project partners can review open calls for tenders and analyse their options to be granted (co-)financing so as to upgrade project activities from European funds.
Sustainability-oriented funding stage sub-stages:

a. Implementation of self-financing project activities (by involving target groups).
b. If an appropriate call for tenders is open, also the drawing up of an application to be submitted to a new cross-partner cooperation call for tenders for a new and upgraded project idea contents in an expanded partner structure which must not, however, constitute a condition that will provide for sustainability but merely signify a facility for sustainable implementation of project activities in an innovative form.
c. Survival in the market

5.7 Parallel stages

During all stages of a sustainable cross-border project lifecycle, the implementation of the project is monitored, the project is evaluated and activities to provide for continuous project results are carried out in parallel.

5.7.1 Monitoring and evaluation

The lead beneficiary and project partners must, throughout the entire project lifecycle, monitor the implementation of activities, the meeting of set goals, results, indicators and financial plan.

In case of deviations from the action and financial plan, the application form must be updated and an application for project modification drawn up. Modified activities are then carried out after the modification has been approved by the programme management contract custodian.

Monitoring and evaluation sub-stages:

a. Monitoring the implementation of activities.
b. Monitoring the use of funds.
c. Monitoring the meeting of objectives, results and indicators set.
d. Comparing activities, objectives, results, indicators, funds with the planned ones.
e. Seeking grounds and solutions for any deviations or drawing up project modifications.

5.7.2 Provision of sustainability

An action plan to provide for the sustainability of the project after programme co-financing has been completed must be in place from the project idea generation stage onwards. The plan must be drawn up in cooperation among the lead beneficiary, project partner and target groups to be directly involved in sustainable activities. The inclusion of responsible entities by project lifecycle stage is illustrated on Figure 4.
6 Conclusion

In order to efficiently manage funds intended for cross-border cooperation, activities to provide for continuous project results must be planned as early as during the project idea generation stage. A sustainability plan must be drawn up by involving all responsible subjects (the lead beneficiary, project partners, target groups and management structures).

Cross-border financing is not merely intended to co-finance projects but provides aid in establishing partnerships and starting up project activities, whereas beneficiaries and target groups must ensure that projects continue after co-financing has been completed as well.

Project ideas must be drawn up and project applications submitted to a call for tenders with a long-term vision in mind. The purpose of cross-border projects is to establish long-term cooperation that will contribute to a better quality of life in the cross-border area, to a reduced unemployment rate, greater visibility, etc. The objective of the Operational Programme Slovenia-Hungary is to “put the cross-border area on the European map as a valuable living and working area in terms of culture, health and nature.”/6/ To facilitate the meeting of this objective in all cross-border programmes which the Republic of Slovenia forms part of, the selection of projects must be subject to a long-term vision that will provide for continuous project results and self-financing after co-financing from the cross-border programme has been completed.

Notes


Literature