



# **Annual report 2008**

## **ESPON 2006 INTERREG III Programme**

(Presented for the consideration of the Monitoring Committee for discussion and approval in view of its submission to the European Commission by 30 June 2009)

**Annual implementation report**  
**(In accordance to article 37 of Council Regulation (EC) No 1260/99)**  
**Approved by the ESPON Monitoring Committee on 2 June 2009**

## **Preface**

In accordance with article 37 of Council Regulation (EC) no. 1260/99 an annual implementation report has to be submitted by the Managing Authority of ESPON to the European Commission within six months of the end of each full calendar year of implementation.

The annual report shall include the progress in the implementation of priorities and measures, the financial implementation of the assistance, steps taken by the Managing Authority and by the Monitoring Committee to ensure the quality and effectiveness of implementation as well as steps taken to ensure compatibility with Community policies.

This annual report includes progress made with the ESPON 2006 programme during 2008.

# Table of content

1. THE PROGRAMME YEAR 2008 .....	4
2. CHANGES IN THE CONDITIONS RELEVANT TO THE IMPLEMENTATION OF THE ASSISTANCE .....	5
3. PROGRESS IN THE IMPLEMENTATION OF PRIORITIES .....	6
3.1 Priorities 1-3 .....	6
3.1.1 Approval of new projects .....	8
3.1.2 Progress on the implementation of approved projects .....	8
3.1.3 Changes in operations.....	8
3.1.4 Financial Reporting .....	9
3.1.5 Analysis of project performance .....	9
3.2 Priority 4 .....	13
3.2.1 Implementation of measure 4.1: Data navigator: preparatory surveys on data access .....	13
3.2.2 Implementation of measure 4.2: ESPON briefing and scientific co-ordination of ESPON Contact Points (ECP).....	13
3.2.3 Implementation of measure 4.3: ESPON briefing and scientific co-ordination of Transnational Project Groups .....	15
3.3 Technical Assistance.....	16
4. FINANCIAL IMPLEMENTATION OF THE ASSISTANCE .....	17
4.1 Priorities 1-4 .....	17
4.2 Technical Assistance.....	19
4.3 Certification of expenditure .....	19
4.4 Payments received from the European Commission .....	21
4.5 Interests .....	21
5. STEPS TAKEN BY THE MANAGING AUTHORITY AND THE MONITORING COMMITTEE TO ENSURE THE QUALITY AND EFFECTIVENESS OF IMPLEMENTATION.....	22
5.1 Monitoring and evaluation.....	22
5.2 Financial control (according to Article 13 of Regulation (EC) 438/2001).....	22
5.3 Summary of significant problems .....	24
5.4 Measure to ensure publicity of the assistance.....	24
5.5 Preparation of the new ESPON 2013 Programme.....	24
6. STEPS TAKEN TO ENSURE COMPATIBILITY WITH COMMUNITY POLICIES AND TO ENSURE COORDINATION OF ALL COMMUNITY STRUCTURAL ASSISTANCE	26

## ANNEXES

ANNEX I: FINANCIAL TABLES

ANNEX II: APPROVED ESPON WORK PROGRAMME 2008

ANNEX III: MINUTES OF MC MEETINGS 2008

ANNEX IV: MINUTES OF THE ESPON FINANCIAL CONTROL GROUP MEETING 2008

ANNEX V: PUBLICATIONS PUBLISHED IN 2008

## **1. THE PROGRAMME YEAR 2008**

The political recognition during 2007 of the ESPON 2006 Programme and its projects as a source of evidence and knowledge in relation to territorial development and cohesion is a fact and expected to continue with the ESPON 2013 Programme activities. The increasing recognition of ESPON was an important driver for capitalisation and communication activities in 2008. Until new results are available from actions under the ESPON 2013 Programme, the final results of the ESPON 2006 projects will act as the main knowledge base.

In 2008, the further discussion of future EU Cohesion Policy and the implementation of the Territorial Agenda implied ESPON presence at major European political events under each Presidency. In particular, a General Directors meeting in Slovenia and an Informal Council of Ministers under the French EU Presidency. ESPON 2006 results are in demand for the actions following up the Territorial Agenda for the EU and inspiring the drafting a Fifth Cohesion Report and a Green Paper on Territorial Cohesion.

The ESPON 2006 Work Programme for 2008 set three main strands of activities the process towards the closing of the ESPON 2006 programme.

(1) As all deliveries of content from the ESPON 2006 projects was accepted by the Monitoring Committee during 2007, the year 2008 includes the remaining financial management issues related the Progress Reports, including payment claims certified by the respective national first level financial controllers, and the subsequent payment of Lead Partners.

(2) Another important issue, and by far the most resource demanding strand of activities, was the preparation of the formal closure of the ESPON 2006 Programme. The auditing and second level financial control of a sample of projects took place in 2007, leading to a limited number of findings for clarification. The process of clarification of the findings with Member States started in 2007 and continued into 2008.

(3) The ESPON Monitoring Committee decided during 2007 to accept the publication of an additional ESPON Report at programme level based on a project under the ESPON 2006 Programme. The report entitled “Europe in the World” was ready for dissemination in 2008. The necessary communication and awareness raising was shared by members of the Monitoring Committee and the CU. No further seminars or other events were undertaken.

Finally it has to be underlined that the Programme has set the financial cut-off closing date at the 31 August 2008 and that the final statement of expenditure has been already established. The Programme, as indicated in section 5.2, is currently drafting the closure documents to proceed with its closure in the course of autumn 2009

## **2. CHANGES IN THE CONDITIONS RELEVANT TO THE IMPLEMENTATION OF THE ASSISTANCE**

No changes have been implemented in 2008 in the conditions relevant to the implementation of the assistance.

### 3. PROGRESS IN THE IMPLEMENTATION OF PRIORITIES

#### 3.1 Priorities 1-3

The core activities of the ESPON 2006 Programme - the applied research projects - were financed in the framework of Priorities 1, 2 and 3. Within the framework of these Priorities thirty-three projects have been approved during the lifetime of the CIP, of which fifteen under Priority 1, eleven under Priority 2 and six under Priority 3.

**Table 1 – Overview of projects approved during the ESPON Programme**

Number	Title	Abbreviation	Content closure	Financial closure
Project 1.1.1	The role, specific situation and potentials of urban areas as nodes in a polycentric development	POLYCENTRISM	Final report in 2004	Closed
Project 1.1.2	Urban-rural relations in Europe	URBAN-RURAL	Final report in 2004	Closed
Project 1.1.3	Particular Effects of enlargement of the EU and beyond on a polycentric spatial tissue with special attention on discontinuities and barriers	ENLARGEMENT	Final report in 2005	Closed
Project 1.1.4	The spatial effects of demographic trends and migration	DEMOGRAPHY	Final report in 2005	Closed
Project 1.2.1	Transport services and networks: Territorial trends and basic supply of infrastructure for territorial cohesion	TRANSPORT TRENDS	Final report in 2004	Closed
Project 1.2.2	Telecommunication services and networks: Territorial trends and basic supply of infrastructure for territorial cohesion	TELECOM TRENDS	Final report in 2004	Closed
Project 1.2.3	Identification of spatially relevant aspects of the Information Society	INFORMATION SOCIETY	Final report in 2006	Closed
Project 1.3.1	Territorial effects and management of natural and technological hazards in general and in relation to climate change	NATURAL HAZARDS	Final report in 2005	Closed
Project 1.3.2	Territorial trends in the management of natural heritage	NATURAL HERITAGE	Final report in 2004	Closed
Project 1.3.3	Role and spatial effects of cultural heritage and identity	CULTURAL HERITAGE	Final report in 2006	Closed
Project 1.4.1	The role of small and medium size towns	SMALL AND MEDIUM SIZE TOWNS	Final report in 2006	Closed

<b>Number</b>	<b>Title</b>	<b>Abbreviation</b>	<b>Content closure</b>	<b>Financial closure</b>
Project 1.4.2	Preparatory Study on Social aspects of EU territorial development	SOCIAL DIMENSION	Final report in 2006	Closed
Project 1.4.3	Study on Urban Functions	URBAN FUNCTIONS	Final report in 2006	Closed
Project 1.4.4	Preparatory Study on Feasibility on Flows Analysis	FLOWS	Final report in 2006	Closed
Project 1.4.5	Preparatory study on spatially relevant aspects of tourism	TOURSIMS	Final report in 2006	Closed
Project 2.1.1	Territorial impact of EU transport and TEN Policies	TRANSPORT IMPACTS	Final report in 2004	Closed
Project 2.1.2	Territorial impact of EU research and development policy	R&D IMPACT	Final report in 2004 <sup>1</sup>	Closed
Project 2.1.3	The territorial impact of CAP and rural development policy	CAP IMPACT	Final report in 2004	Closed
Project 2.1.4	Territorial trends of energy services and networks and territorial impact of EU energy policy	ENERGY	Final report in 2005	Closed
Project 2.1.5	Territorial impacts of European fisheries policy	FISHERIES	Final report in 2006	Closed
Project 2.2.1	Territorial effects of EU Structural Funds	STRUCTURAL FUNDS IMPACTS	Final report in 2005	Closed
Project 2.2.2	Territorial effects of the “Aquis Communautaire”, Pre-accession Aid and Phare/Tacis/Meda Programmes	ACCESSION AID	Final report in 2005	Closed
Project 2.2.3 <sup>2</sup>	Territorial effects of Structural Funds in urban areas	STRUCTURAL FUNDS URBAN IMPACT	Final report in 2004	Closed
Project 2.3.1	Applications and effects of the ESDP in Member States	ESDP	Final report in 2006	Closed
Project 2.3.2	Governance of territorial and urban policies from EU to local level	GOVERNANCE	Final report in 2006	Closed
Project 2.4.1	Territorial trends and policy impacts in the field of EU Environment Policy	ENVIRONMENT	Final report in 2006	Closed

---

<sup>1</sup> The Final report of this project was not deemed acceptable by the Monitoring Committee and a revised Final report was requested and submitted by the project team in December 2005.

<sup>2</sup> This project was closed before the delivery of the Final report. Detailed information has been provided with the Annual report for 2004.

<b>Number</b>	<b>Title</b>	<b>Abbreviation</b>	<b>Content closure</b>	<b>Financial closure</b>
Project 2.4.2	Integrated analysis of transnational and national territories based on ESPON results	ZOOMING	Final report in 2005	Closed
Project 3.1	Integrated tools for European spatial development territorial	SPATIAL TOOLS	Final report in 2004, additional final delivery in 2006	Closed
Project 3.2	Spatial Scenarios and orientations towards ESDP and the Cohesion Policy	SCENARIO	Final report in 2006	Closed
Project 3.3	Territorial dimension of the Lisbon / Gothenburg process	LISBON	Final report in 2006	Closed
Project 3.4.1	Europe in the World	EUROPE IN THE WORLD	Final report in 2006	Closed
Project 3.4.2	Territorial impacts of EU economic policies and location of economic activities	ECONOMY	Final report in 2006	Closed
Project 3.4.3	The modifiable areas unit problem	MAUP	Final report in 2006	Closed

### ***3.1.1 Approval of new projects***

There were no new calls launched in the course of 2008, consequently no new projects were approved.

### ***3.1.2 Progress on the implementation of approved projects***

With regards to the content side, taking into account that the programme received all the Draft Final and Final Reports already by the end of 2006, and the requested clarifications on the already delivered Final Reports were submitted in 2007, all projects had been formally approved by the ESPON Monitoring Committee on the content side by the end of 2007. Therefore there was no progress on the implementation of approved projects in the course of 2008.

### ***3.1.3 Changes in operations***

In 2008, following the closure of the content implementation phase, before their financial closure some projects realised the necessity of the adjustment of their budget. Minor changes were managed directly by the Coordination Unit and - if the reallocation exceeded 20% of a certain budget line – the Managing Authority was involved (following a decision of the Monitoring Committee in 2005).

The reallocation requests are not surprising, as it is extremely difficult to foresee exact amount of financial resources needed for each budget category at the proposal moment. However it needs to be underlined, that no major changes were implemented.



### **3.1.4 Financial Reporting**

In the framework of the ESPON programme, projects have two different reporting deadlines. The first associated to the reporting of the content results of the applied research work, and therefore the submission of the projects' Interim and Final Reports. The second one related to financial reporting accompanied by an overview of the general activities undertaken within the partnership.

From the financial point of view, by 2008 all funds were already committed. Following the finalization of their content implementation in 2007, 10 projects were still in the closing phase of their financial activities in 2008. In total, 12 progress reports were submitted by the Lead Partners and assessed by the ESPON CU in 2008. Together with the financial claims submitted to progress reports as clarification documents, 18 reimbursements were released to the Lead Partners.

With these reimbursements, all projects of Priority 1-3 has been closed from the financial point of view in 2008.

### **3.1.5 Analysis of project performance**

The Programme Complement agreed by the MC in February 2006 and approved by the Commission in January 2007 provides quantified performance indicators for priority and measures level for the period 2002 – 2006 showing generally higher expectations than those defined for 2002-2004. The projects have been required to provide a list of outputs corresponding to these performance indicators for their final reports, as most of them are only fully quantifiable at the final stage of project groups' work. Taking into account that all projects were closed in content terms in 2007, the performance indicators of the ESPON 2006 Programme reached by the end of 2008 are the same than the ones presented in the Annual Implementation Report of 2007.

As such, the tables presented in the Annual Implementation Report of 2007 represented the final overall results for the ESPON 2006 Programme for Priorities 1-3.

**Table 2 - Indicators achieved for measure 1.1**

<b>Indicators 2002-2006</b>	<b>1.1.1</b>	<b>1.1.2</b>	<b>1.1.3</b>	<b>1.1.4</b>	<b>Total achieved</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	43	6	9	3	61	15
Number of spatial concepts defined	4	12	13	10	39	4
Number of spatial typologies tested	3	4	6	13	26	10
Number of maps produced	35	60	26	101	222	10
Number of ESDP policy options addressed	7	28	3	11	49	20

**Table 3 - Indicators achieved for measure 1.2**

<b>Indicators 2002-2006</b>	<b>1.2.1</b>	<b>1.2.2</b>	<b>1.2.3</b>	<b>Total achieved</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	n.a.	41	2	43	15
Number of spatial concepts defined	n.a.	6	1	7	7
Number of spatial typologies tested	n.a.	18	1	19	10
Number of maps produced	n.a.	78	5	83	12
Number of ESDP policy options addressed	n.a.	4	5	9	15

**Table 4 - Indicators achieved for measure 1.3**

<b>Indicators 2002-2006</b>	<b>1.3.1</b>	<b>1.3.2 *</b>	<b>1.3.3</b>	<b>Total achieved</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	32	n.a.	30	62	10
Number of spatial concepts defined	2	n.a.	3	5	5
Number of spatial typologies tested	2	n.a.	3	5	10
Number of maps produced	33	n.a.	52	85	10
Number of ESDP policy options addressed	5	n.a.	5	10	17

\* This project's report was not considered sufficiently reflecting the specification of the project therefore a reduction of payment has been decided.

**Table 5 - Indicators achieved for measure 1.4**

<b>Indicators 2004-2006</b>	<b>1.4.1</b>	<b>1.4.2</b>	<b>1.4.3</b>	<b>1.4.4</b>	<b>1.4.5</b>	<b>Total achieved</b>	<b>Total envisaged (2004-2006)</b>
Number of spatial indicators being developed	1	n.a.	n.a.	26	n.a.	27	5
Number of spatial concepts defined	2	n.a.	n.a.	n.a.	n.a.	2	3
Number of spatial typologies tested	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3
Number of maps produced	5	15	n.a.	18	n.a.	38	5
Number of ESDP policy options addressed	6	2	n.a.	35	n.a.	43	5

**Table 6 - Indicators achieved for measure 2.1**

<b>Indicators 2002-2006</b>	<b>2.1.1</b>	<b>2.1.2</b>	<b>2.1.3</b>	<b>2.1.4</b>	<b>2.1.5</b>	<b>Total achieved</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	9	8	80	57	n.a.	149	10
Number of sectoral policies fully addressed	1	n.a.	1	n.a.	n.a.	6	5
Number of charts on the institutional structure of sector	n.a.	n.a.	2	n.a.	n.a.	2	3
Number of maps produced	56	12	27	44	n.a.	113	20
Number of ESDP policy options addressed	5	8	All	4	n.a.	All	All

**Table 7 - Indicators achieved for measure 2.2**

<b>Indicators 2002-2006</b>	<b>2.2.1</b>	<b>2.2.2</b>	<b>2.2.3</b>	<b>Total achieved</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	2	51	n.a.	n.a.	7
Number of funds fully addressed	6	4	n.a.	n.a.	6
Number of charts on the institutional structure of sector policies	14	n.a.	n.a.	n.a.	6
Number of maps produced	9	29	n.a.	n.a.	10
Number of ESDP policy options addressed	10	4	n.a.	n.a.	All

**Table 8 - Indicators achieved for measure 2.3**

<b>Indicators 2002-2006</b>	<b>2.3.1</b>	<b>2.3.2</b>	<b>Total achieved</b>	<b>Total envisaged (2002-2006)</b>
Number of countries investigated	29 (25 Member states + BU-RO-NO-CH)	29 (25 Member states + BU-RO-NO-CH)	n.a.	15
Number of funds fully addressed	n.a.	4	4	n.a.
Number of charts on the institutional structure of special planning, both in urban and territorial policies	n.a.	93 figures 37 tables	n.a.	3
Number of maps produced	18	31	49	n.a.
Number of ESDP policy options addressed	13	4	All	All aims

**Table 9 - Indicators achieved for measure 2.4**

<b>Indicators 2002-2006</b>	<b>2.4.1</b>	<b>2.4.2</b>	<b>Total achieved</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being employed	32	47	79	12
Number of typologies tested	5	7	12	n.a.
Number of maps produced	38	57	95	20
Number of ESDP policy options addressed in that field	4	23	27	n.a.

**Table 10 - Indicators achieved for measure 3.1**

<b>Indicators 2002-2006</b>	<b>3.1</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	89	40
Number of maps produced	89	10
Number of ESDP policy options addressed in that field	15	n.a.

**Table 11 - Indicators achieved for measure 3.2**

<b>Indicators 2002-2006</b>	<b>3.2</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	241	45
Number of spatial concepts defined	0	3
Number of maps produced	217	10
Number of ESDP policy options addressed in that field	All	all

**Table 12 - Indicators achieved for measure 3.3**

<b>Indicators 2002-2006</b>	<b>3.3</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators being developed	116	n.a
Number of spatial concepts defined	20	n.a
Number of maps produced	133	n.a
Number of ESDP policy options addressed in that field	49	n.a

**Table 13 - Indicators achieved for measure 3.4**

<b>Indicators 2002-2006</b>	<b>3.4.1</b>	<b>3.4.2</b>	<b>3.4.3</b>	<b>Total envisaged (2002-2006)</b>
Number of spatial indicators used / developed	24	8	n.a	n.a
Number of spatial typologies applied	14	8	n.a	n.a
Number of maps produced	228	67	86	n.a
Number of ESDP policy options addressed in that field	15	n.a	n.a.	n.a

## 3.2 Priority 4

The measures specified under priority 4 are performed by a mix of project activities and CU led initiatives.

### *3.2.1 Implementation of measure 4.1: Data navigator: preparatory surveys on data access*

Taking into account that all projects under Priority 4.1 were closed in 2007 in content terms there is nothing to report in that respect for the year of 2008. The performance indicators reached by the end of 2008 therefore are the same than the ones presented in the Annual Implementation Report of 2007.

**Table 14 – Indicators achieved for measure 4.1**

<b>Indicators 2003 - 2005</b>	<b>Achieved 2003</b>	<b>Achieved 2004</b>	<b>Achieved 2005</b>	<b>Achieved 2006</b>	<b>Total envisaged (2002 – 2006)</b>	<b>Total achieved</b>
Number of national data access surveys	18	n.a.	10	n.a.	27	28

**Table 15 – Indicators achieved for measure 4.1.3**

<b>Indicators 2006 - 2007</b>	<b>Achieved 2006</b>	<b>Achieved 2007</b>	<b>Total achieved</b>	<b>Total envisaged (2006 – 2007)</b>
Number of national data access surveys	n.a.	n.a.	n.a.	n.a.

### *3.2.2 Implementation of measure 4.2: ESPON briefing and scientific co-ordination of ESPON Contact Points (ECP)*

Measure 4.2 is not a project activity, but an action carried through including ECP co-ordination and meetings. Basically, ECPs undertake a multitude of tasks.

At national level, ECPs contribute to the programme implementation in Member States, in particular by providing support to Transnational Project Groups in the project development process in cooperation with the ESPON Coordination Unit (tendering procedures, access to data

and information). They also play an important role in the promotion and dissemination of ESPON results towards national stakeholders and manage a national network of researchers.

As a network, they also support Transnational Project Groups by fostering exchanges with other projects and with the Coordination Unit, and finally, by commenting on the Interim and Final reports, bringing national perspectives to the results achieved at EU level.

Taking into account that all projects under Priority 4.2 were implemented and closed in 2006 in content terms, there is nothing to report in that respect for the year of 2008. The performance indicators reached by the end of 2008 therefore are the same than the ones presented in the Annual Implementation Report of 2007.

**Table 16 – Indicators achieved for measure 4.2**

Indicators 2003 - 2006	Achieved 2003	Achieved 2004	Achieved 2005	Achieved 2006	Total envisaged (2002 – 2006)	Total achieved
Number of ESPON Contact Point briefings	3	4	5	4*	6	16

\* Including 1 ECP closing event in 2007

### 3.2.2.1 Implementation of the ECP financial mechanism

The ECP financial mechanism has been set up by the programme to support ECPs in developing further their networking activities at transnational level. The last round of transnational networking activities were implemented in 2006. New rounds have not been launched in 2008.

#### ***ECP Transnational activities contracted under the ESPON 2006 Programme:***

The following 10 ECP Transnational ECP Networking Activities via three rounds of calls have been contracted during the lifetime of the ESPON 2006 Programme:

- COMPILING 1: to structure and consolidate the process of ECP commenting in each national context; providing a coherent scientific overview on results of the first 10 ESPON projects' Final reports
- YOUNGSTARS 1: making ESPON results known among the young European scientific community, students and young professionals; providing a platform for new innovative ideas related to ESPON research; develop a scientific debate on the progress and results achieved by ESPON
- SEEP, a follow-up activity of the SEEP seminar aiming at disseminating widely SEEP results over South Eastern Europe, submitted by ECP Greece
- GOING REGIONAL: to disseminate ESPON findings to research and policy communities and to foster greater understanding of the trans-scalar aspects of spatial planning; focus on North Western Europe as macro-region, but include ECPs from outside this region so as to ensure that there is a discourse that looks beyond the region
- YOUNGSTARS II: transnational seminar directed towards young academics and professionals in the fields of geography, regional development, spatial planning, submitted by ECP Hungary.
- COBALT: Organisation of a transnational seminar on Territorial Cohesion and Coordination in the Baltic Sea Region to discuss how best to achieve territorial cohesion, balanced polycentric development and increased competitiveness of the region and within

individual national country strategies, in particular with regards to the recent enlargement process.

- WESTERNBALKANS: The collection of minimum set of data (statistical data and hard core indicators) and combination layers between selected data/indicators and map production in the study area to cover the Knowledge gap of important aspects in the field of spatial development concerning the “white hole” of Western Balkans.
- REVEUROPE: Organisation of an International Conference on an international level, to debate around the results of ESPON on cities, networks and polycentric development issues and to confront them with other works from the European scientific community.
- SSE: Organisation of a transnational seminar covering Southern Europe, focusing on specific issues related to Southern Europe territorial context and situations, in the scope of reflection around sustainability and sustainable development in Southern Europe Confronting different European perspectives on the issue of sustainability, focusing in particular on critical aspects of territorial sustainable management addressing demography, tourism, migration, land use, rural/urban development, forestry.
- MONTESPON: proposal for a transnational seminar focused on mountainous regions and addressing ESPON results from this perspective, submitted by ECP Switzerland.

### ***Progress with the implementation of the activities previously contracted***

As it has already been expressed above, all the ECP transnational networking activities have been finalized from the content side in 2006, there is nothing to report in that respect for the year of 2008.

With regards to the financial reporting of these activities, it needs to be mentioned that the last payment for the ECP Transnational Activity - Compiling 1 was released in 2008 taking into account the serious delays in the submissions of the clarifications to the financial claims. With this final reimbursement all ECP Transnational Activities were closed from the financial point of view in 2008.

### ***3.2.3 Implementation of measure 4.3: ESPON briefing and scientific co-ordination of Transnational Project Groups***

Measure 4.3 is being handled in a similar way to measure 4.2 and carried out through ESPON seminars and Lead Partners meetings, both held usually twice each year. However, taking into account that the projects have been finalized by 2007, there were no Lead Partner seminars organized in 2008.

#### **3.2.3.2 ESPON seminars**

The tenth ESPON Seminar took place in Bonn, Germany on the 12-13 June 2007 is considered the last Seminar organized in the framework of the ESPON 2006 Programme. Therefore there is nothing to report in this respect for the year of 2008.

The performance indicators reached by the end of 2008 therefore are the same than the ones presented in the Annual Implementation Report of 2007.

**Table 17 – indicators achieved for measure 4.3**

<b>Indicators 2002 - 2006</b>	<b>Achieved 2003</b>	<b>Achieved 2004</b>	<b>Achieved 2005</b>	<b>Achieved 2006</b>	<b>Total achieved</b>	<b>Total envisaged (2002 – 2006)</b>
Number of conferences with Transnational Project Groups	4	4	4	4	16	12

### **3.3 Technical Assistance**

The technical assistance activities focused on implementing and monitoring the operations and promoting the programme and its results. These tasks were mainly implemented by the Coordination Unit in its role of support to the Managing Authority.

The ESPON Coordination Unit focused its work on the following elements:

- Organisation and running of programme Monitoring Committee meetings
- Assess compliance and closing activities under measure 4.2
- Implementing activities under measures 5.1 on Technical Assistance
- Finalisation and submission of Annual Control Report for 2007 for the ESPON 2006 Programme to the European Commission (following Art. 13 of the Commission Regulation (EC) No 438/2001 of 2 March 2001)
- Implementing the decisions of the Monitoring Committee
- Provide projects with further assistance, in particular in relation to the financial closure and the elaboration of reimbursement claim
- Coordination activities with the Managing and Paying authorities

In total €4.765,55 were committed and spent for the implementation of Priority 5 in 2008. These amounts correspond to both measures 5.1 and 5.2. It needs to be underlined that all financial commitments have been closed in August 2008.



## **4. FINANCIAL IMPLEMENTATION OF THE ASSISTANCE**

In 2008 the Programme committed additional €7.020 giving a final total programme commitment level of more than 95%.

In addition, during 2008 the Programme spent a total amount of €1.140.202,26 of which €01.168,18 have been certified to the European Commission on the 13 August 2008. This payment application was the only one submitted in 2008 and included expenditure incurred until the 30 June 2008.

The programme has set the financial cut-off closing date at the 31 August 2008. The final statement of expenditure has been already established but has not yet been submitted to the European Commission. The total final statement of expenditure indicated for the programme a final absorption level of 95% and a final total level of programme expenditure of €6.890.768,87.

### **4.1 Priorities 1-4**

The total level of expenditure in 2008 for Priorities 1-4 amounted at €1.036.956,89.

The following table provides detailed indication of the level of commitments and expenditures during 2008 and reached by the end of the year.

Priority / Measure	Available in CIP (A)	Commitments (B)	% of Commitments (B/A)	Payments in 2008	Final cumulative payment (E)
1.1. - Polycentric development and urban-rural relations	€1 602 000,00	€1 533 400,11	95,72%	€6 881,52	€1 533 400,11
1.2. Access to infrastructure and knowledge	€1 027 000,00	€1 003 081,90	97,67%	€582,41	€1 003 081,90
1.3. Natural and cultural heritage	€1 196 000,00	€1 130 726,11	94,54%	€85 519,32	€1 130 726,11
1.4. Natural and cultural heritage	€425 000,00	€399 393,13	93,97%	€89 775,00	€399 393,13
<b>P.1 Thematic projects on important spatial developments</b>	<b>€4 250 000,00</b>	<b>€4 066 601,25</b>	<b>95,68%</b>	<b>€182 758,25</b>	<b>€4 066 601,25</b>
Total 2.1. The territorial effects of sector policies	€1 495 500,00	€1 440 732,87	96,34%	€352 226,79	€1 440 732,87
Total 2.2. Structural Funds and related Funds	€1 011 824,00	€969 923,63	95,86%	€191 325,00	€969 923,63
Total 2.3. Institutions and instruments of spatial policies	€762 000,00	€756 769,76	99,31%	€0,00	€756 769,76
Total 2.4. Filling gaps and new projects	€450 000,00	€444 017,38	98,67%	€0,00	€444 017,38
<b>TOTAL P. 2 Policy impact projects</b>	<b>€3 719 324,00</b>	<b>€3 611 443,64</b>	<b>97,10%</b>	<b>€543 551,79</b>	<b>€3 611 443,64</b>
Measure 3.1. Integrated tools for European spatial development territorial	€1 140 000,00	€1 117 510,51	98,03%	€0,00	€1 117 510,51
Measure 3.2. Spatial Scenarios	€1 521 502,00	€1 435 194,76	94,33%	€630 081,98	€1 435 194,76
Measure 3.3. Lisbon	€431 000,00	€336 976,26	78,18%	€0,00	€336 976,26
Total 3.4. Filling gaps and new projects	€649 000,00	€583 710,01	89,94%	€583 710,01	€583 710,01
<b>TOTAL P. 3 Co-ordinating cross-thematic projects</b>	<b>€3 741 502,00</b>	<b>€3 473 391,54</b>	<b>92,83%</b>	<b>€1 213 791,99</b>	<b>€3 473 391,54</b>
Measure 4.1 Datanavigator preparatory surveys on data access	€350 000,00	€312 095,70	89,17%	€85 371,36	€312 095,70
Measure 4.2 Briefing and scientific coordination: ECPs	€446 500,00	€391 630,40	87,71%	€46 565,55	€391 630,40
Measure 4.3 Briefing and scientific coordination: LPs	€194 500,00	€168 175,38	86,47%	€1 874,84	€168 175,38
<b>TOTAL P. 4 Research briefing and scientific networking</b>	<b>€991 000,00</b>	<b>€871 901,48</b>	<b>87,98%</b>	<b>€133 811,75</b>	<b>€871 901,48</b>
Measure 5.1	€1 270 494,00	€1 266 792,44	99,71%	€183 224,95	€1 266 792,44
Measure 5.2	€492 368,00	€491 407,39	99,80%	€23 265,79	€491 407,39
<b>TOTAL P. 5 Technical Assistance and Communication</b>	<b>€1 762 862,00</b>	<b>€1 758 199,83</b>	<b>99,74%</b>	<b>€206 490,74</b>	<b>€1 758 199,83</b>
<b>TOTAL</b>	<b>€14 464 688,00</b>	<b>€13 781 537,74</b>	<b>95,28%</b>	<b>€2 280 404,52</b>	<b>€13 781 537,74</b>

## 4.2 Technical Assistance

At the beginning of the year the Monitoring Committee approved an additional commitment of €7.020,00 for Technical Assistance for 2008. By the end of August 2008 the total expenditures incurred in relation to the TA amounted at €183.224,95.

Measure 5.1. Management, monitoring and implementation	Allocations 2008	Budget implementation 2008	
		Commitments	Payments
CU Travel			€8,801.65
MC EU Member travel			€4,614.44
Project Expert			€56,104.01
Financial and administrative support expert 6 months			€29,065.47
Trainee			
Training of CU staff			
Office rent and other related costs (taxes, heating, cleaning, etc.)			€29,958.29
Miscellaneous	€3,520.00	€3,520.00	€11,564.55
Site costs for FCG meetings	€3,500.00	€3,500.00	€1,250.50
Costs for 2nd level control and winding			€40,913.01
External experts (legal advice, project evaluations, etc.)			
Staff selection interviews and installation costs			
Other meetings (1st level FC, New MS, etc.)			€953.03
VAT			
Sending of Promotion Material			
<b>TOTAL</b>	<b>€ 7,020.00</b>	<b>€ 7,020.00</b>	<b>€ 183,224.95</b>

In relation to measure 5.2 a total of €23.265,79 were incurred in the year of 2008 corresponding to the final payment related to the Media Bureau contract.

Measure 5.2.	TOTAL BUDGET	TOTAL COMMITMENTS 2008	TOTAL EXPENDITURE 2008
Website and Intranet		€0.00	€0.00
Datanavigator		€0.00	€0.00
Mid-term evaluation		€0.00	€0.00
Mid-term evaluation update		€0.00	€0.00
ESPON Publications		€0.00	€0.00
Graphic identity for ESPON		€0.00	€0.00
Communication Strategy & Media Bureau		€0.00	€23,265.79
Scientific Conference		€0.00	€0.00
Website and Intranet 2007		€0.00	€0.00
Promotion material		€0.00	€0.00
<b>TOTAL</b>	<b>€492,368.00</b>	<b>€0.00</b>	<b>€23,265.79</b>

## 4.3 Certification of expenditure

One statement of expenditure/applications for payment was submitted to the European Commission during 2008 on the 13<sup>th</sup> of August 2008 including expenditures that were already assessed and recommended for payment to the Paying Authority of the ESPON Programme until 30 June 2008.

# Statement of expenditure by 30 June 2008

Priority/Measure								
	2002	2003	2004	2005	2006	2007	2008	Total
	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure
<b>Priority 1</b>	- €	328,538.60 €	674,918.75 €	957,346.24 €	921,025.65 €	1,002,013.75 €	182,758.25 €	4,066,601.25 €
Measure 1.1.	- €	80,017.45 €	407,780.10 €	283,530.43 €	435,410.07 €	319,780.54 €	6,881.52 €	1,533,400.11 €
Measure 1.2.	- €	205,613.52 €	62,011.70 €	592,084.42 €	52,369.25 €	90,420.60 €	582.41 €	1,003,081.90 €
Measure 1.3.	- €	42,907.63 €	205,126.95 €	81,731.39 €	384,711.79 €	330,729.02 €	85,519.32 €	1,130,726.11 €
Measure 1.4.	- €	- €	- €	- €	48,534.54 €	261,083.59 €	89,775.00 €	399,393.13 €
<b>Priority 2</b>	- €	215,361.64 €	369,491.04 €	1,085,265.96 €	792,829.99 €	604,943.22 €	543,551.79 €	3,611,443.64 €
Measure 2.1.	- €	147,280.28 €	181,607.57 €	620,073.75 €	139,544.48 €	- €	352,226.79 €	1,440,732.87 €
Measure 2.2.	- €	68,081.36 €	187,883.47 €	406,754.15 €	77,635.76 €	38,243.89 €	191,325.00 €	969,923.63 €
Measure 2.3.	- €	- €	- €	32,115.69 €	328,837.70 €	395,816.37 €	- €	756,769.76 €
Measure 2.4.	- €	- €	- €	26,322.37 €	246,812.05 €	170,882.96 €	- €	444,017.38 €
<b>Priority 3</b>	- €	358,373.39 €	- €	617,851.64 €	762,241.67 €	521,132.85 €	815,911.58 €	3,075,511.13 €
Measure 3.1.	- €	358,373.39 €	- €	537,420.80 €	104,080.63 €	117,635.69 €	- €	1,117,510.51 €
Measure 3.2.	- €	- €	- €	80,430.84 €	508,796.49 €	215,885.45 €	232,201.57 €	1,037,314.35 €
Measure 3.3.	- €	- €	- €	- €	149,364.55 €	187,611.71 €	- €	336,976.26 €
Measure 3.4	- €	- €	- €	- €	- €	- €	583,710.01 €	583,710.01 €
<b>Priority 4</b>	61.13 €	126,328.85 €	68,113.56 €	132,275.78 €	97,231.08 €	314,079.33 €	133,811.75 €	871,901.48 €
Measure 4.1.	- €	84,763.08 €	28,109.87 €	59,633.54 €	20,773.61 €	33,444.24 €	85,371.36 €	312,095.70 €
Measure 4.2.	- €	12,713.90 €	16,105.86 €	33,911.43 €	37,820.39 €	244,513.27 €	46,565.55 €	391,630.40 €
Measure 4.3.	61.13 €	28,851.87 €	23,897.83 €	38,730.81 €	38,637.08 €	36,121.82 €	1,874.84 €	168,175.38 €
<b>Priority 5</b>	41,289.56 €	98,329.27 €	357,679.30 €	249,695.85 €	510,162.88 €	294,552.23 €	126,302.99 €	1,678,012.08 €
Measure 5.1. (TA)	41,289.56 €	53,346.82 €	236,132.18 €	171,576.20 €	352,046.72 €	229,176.01 €	103,037.20 €	1,186,604.69 €
Measure 5.2.	- €	44,982.45 €	121,547.12 €	78,119.65 €	158,116.16 €	65,376.22 €	23,265.79 €	491,407.39 €
<b>Total</b>	41,350.69 €	1,126,931.75 €	1,470,202.65 €	3,042,435.47 €	3,083,491.27 €	2,736,721.38 €	1,802,336.36 €	13,303,469.58 €
<b>Total ERDF Related</b>	20,675.35 €	563,465.88 €	735,101.33 €	1,521,217.73 €	1,541,745.64 €	1,368,360.69 €	901,168.18 €	6,651,734.79 €

#### **4.4 Payments received from the European Commission**

In 2008 the Paying Authority received €1.354.622,04 from the European Commission. These amounts consist of the following two payments:

- €654.461,85 received on 29 February 2008 corresponding to the request dated 20 December 2007.
- €700.160,19 received on 18 November 2008 corresponding to the request dated 13 August 2008.

#### **4.5 Interests**

The account used to manage the advance payment received on the EU funds, do not produce any interest.

## **5. STEPS TAKEN BY THE MANAGING AUTHORITY AND THE MONITORING COMMITTEE TO ENSURE THE QUALITY AND EFFECTIVENESS OF IMPLEMENTATION**

### **5.1 Monitoring and evaluation**

The ESPON Monitoring Committee had two meetings during 2008. However, it needs to be underlined, that the organized events were combined meetings of both the ESPON 2006 and the ESPON 2013 Programmes. In addition, several decisions were also taken in a written procedure. The meetings of the Monitoring Committee were chaired in the first half of 2008 by Slovenia and in the second half of 2008 by France, as according to Article 4 of the MC Rules of Procedure, the chair person is a representative of the Member State holding the EU Presidency. The co-chair is a representative of the Managing Authority.

During 2008, the Monitoring Committee was involved in both the closure of the ESPON 2006 Programme and the implementation of the ESPON 2013 Programme.

Following the approval of the Operational Programme on 7 November 2007 the preliminary Monitoring Committee of the ESPON 2013 Programme has released several documentations related to the new programming period in the course of 2008.

Besides the drafting and approval of documents, the Monitoring Committee played an active role with their decisions on procedural issues in relation to the second level financial control as well.

### **5.2 Financial control (according to Article 13 of Regulation (EC) 438/2001)**

On the fourth FCG meeting of 7 February 2008, E&Y informed the FCG about the results of the System Audit and the check of the Technical Assistance undertaken at the end of 2006 as well as about the on-the-spot checks undertaken in 2007. With regards to the System Audit it has been highlighted that on the basis of the follow up forms and the relevant supporting documents submitted by the MA, all outstanding issues had been solved and clarified. In relation to the on-the-spot checks it was presented that as agreed in June 2006, a total of 11 audits were implemented in May and June 2007 including 5 Lead Partners and 6 Project Partners of 7 operations from 9 Member States and 2 Partner States from the following countries: Belgium, Cyprus, Germany, Italy, the Netherlands, Slovenia, Spain, Sweden, United Kingdom, Switzerland and Norway.

A total amount of € 995.673,02 of the Programme budget has been checked. Following the results of the contradictory procedure and the follow up procedure € 11.498,87 of ineligible ERDF has been detected of which € 9.530,20 was still to be recovered at that stage.

E&Y has briefed the FCG about the main findings detected during the implementation of the on-the-spot checks. The majority of the irregularities related to staff costs and the corresponding overheads, which has been calculated on estimates and lump sums in some cases.

Some audit findings detected were also in relation with the First Level Financial Control, which was considered insufficient in two countries, while in another the independency of the controller was questioned.

Besides the above mentioned irregularities, some other findings were listed with marginal or no financial effects such as using incorrect exchange rates, submitting progress reports with slight delays.

On the basis of the detected findings E&Y presented its recommendations for the follow up procedure. The main advices were addressed to the MA and the CU and related to the importance of informing the Lead and as well Project Partners and First Level Controllers about eligibility rules, applicable calculation methods, and the requirements in relation to the independence and qualifications of the first level financial controllers.

More detailed information was given by E&Y on the follow up procedure of the on-the-spot-check of the project ESPON Coordination 1 where a total of six irregularities were detected. The majority of the findings were in relation to the calculation of staff costs, independency and quality of the first level financial control and the insufficient audit trail. The initial financial effects prior the contradictory procedure amounted at €261.973,14 euro. Due to lack of documentation at the moment of on-the-spot-check Ernst & Young could not define the final financial impact of the findings. The contradictory procedure was as followed by the German representative of the FCG and by the ESPON CU. Thanks to the additional checks and documentation provided it was possible for E&Y to finalise the results and calculate the final financial effects.

The CU has informed the FCG that with the exception of the Project Coordination 1, most of the findings detected during the on-the-spot checks had already been cleared. With the cooperation of the FCG member the amounts of the final financial corrections had been finally calculated and the needed recovery procedures implemented.

With the agreement of the concerned MC members the recovery of one operation for €126,90 had already been finalized while in an other case the repayment was in process. In case there was no need for recovery the MC members were asked to accept to cut the ineligible amount from the final payment claim of the operations.

It has to be mentioned that besides the findings with financial effects some other irregularities without financial effects had also been detected. In order to clear these findings, official communications had been sent to the concerned Lead and Project partners and as well to the First Level Controllers according to the recommendations given by E&Y.

E&Y presented also the strategy and timetable for the closure of the ESPON 2006 Programme. E&Y will draft the Winding-Up declaration according to Chap. 5 of Reg. (EC) No 438/2001 and based on their examination of the management and control systems, of the findings of the checks and the results of the follow up, further-more, based on the last statement of expenditure for each programme as provided by the Paying Authority. E&Y will as well prepare the Draft Final Control Report which will generally follow the structure of the Annual Control Reports. The Follow Up forms and the Audit Finding Matrix will be part of the Draft Final Report and secondary documentation to the Winding-Up Declaration. The MA, PA and CU will be required to provide the necessary documentation and information on some of the issues. Concerning the timetable, a Draft Final Report and Draft Winding-Up declaration was foreseen to be submitted by the 3<sup>rd</sup> March 2008 and circulated to the FCG members for comments and amendments, but due to exceptional workload at the ESPON CU it was not implemented by the set deadline.

In the framework of a written procedure of 13 June 2008 the FCG was informed that all findings remained open after the 4<sup>th</sup> FCG meeting have been cleared and the Annual Audit Report for 2007 has been forwarded for consideration. In relation to the closure documents such as the draft final audit report and the winding-up declaration it was stressed that the ESPON Coordination Unit needs first to process the very last payment for the Technical Assistance. During the month of August 2008 the final statement of expenditure has been prepared. This will allow for the finalization of the closure documents during 2009.

### **5.3 Summary of significant problems**

Since the start of the programme, the Managing Authority, the Paying Authority and the Coordination Unit have been aware of the possible financial implications of the de-commitment risk. Therefore strong efforts were focused on the reduction of the de-commitment risk without lowering the quality requirements and putting the good functioning of the ESPON 2006 Programme management and control system at risk. In this perspective, the correct implementation of the reporting requirements by all involved actors has been the most important challenge for the programme during this year.

Specific measures were taken toward assisting projects in reporting costs on time and in full (e.g. through consultation meetings, email, phone assistance). In addition, special attention was given to the quality assessment of the 1<sup>st</sup> level financial control certifications. The Managing Authority has the opinion that the quality level of the 1<sup>st</sup> level financial control can be considerably improved and has asked the ESPON Coordination Unit to carefully check and assess the certification provided so not to risk the reimbursement of expenditures based on wrong or misleading certification.

In line with this requirement, the Paying Authority has proceeded with the release of payments to the final beneficiaries only upon positive assessment of the ESPON CU of the financial reports and certifications provided and only of the amount that were considered fully in line with the regulation, as recommended by the ESPON CU.

Withheld amounts, were released only upon submission of the requested clarifications and/or submission of a revised certification from the 1<sup>st</sup> level financial control. In some cases, following the clarification process, the amount were not accepted as eligible and therefore not reimbursed to the beneficiaries. It has to be underlined that none of the Lead Partners or 1<sup>st</sup> level financial controllers have questioned the remarks made by the ESPON Coordination Unit.

### **5.4 Measure to ensure publicity of the assistance**

The Media Bureau contracted by the ESPON Programme for the support of the publicity activities of the ESPON 2006 Programme submitted its Final Report in December 2007 and their contract was closed. Therefore no activities were undertaken in 2008 by the Media Bureau.

Nonetheless, the ESPON Coordination Unit and Managing Authority were involved in the dissemination of ESPON results in a series of events during 2008. The communication of ESPON 2006 results were complemented by the first new results from the ESPON 2013 Programme.

An additional ESPON report was published addressing Europe in the World. The communication strategy involved direct sending to key stakeholders at European level, presentation at conferences and other events, a sequence of the “Map of the Month” on the ESPON Website as well as a wide physical dissemination of the report by members of the Monitoring Committee and via the European Commission documentation service.

The continued capitalisation of ESPON 2006 evidence and results hereafter have to be ensured by the ESPON 2013 Programme.

No more printed publications are possible within the ESPON 2006 Programme.

### **5.5 Preparation of the new ESPON 2013 Programme**

During 2008, the Managing Authority and Monitoring Committee of the ESPON 2006 programme have been deeply involved in the preparation of the new ESPON programme for the



programming period 2007-2013. After the approval of the ESPON 2013 Programme (CCI 2007 CB 163 PO 022) by the European Commission with its decision of 7 November 2007 the work on the implementation continued. The Work Programme 2008 is a further development of the planning discussed and decided at MC meetings in September and November 2007 and includes the following main avenues of activities:

- Completing the Management system and Implementation provisions: The setting up and documentation of a system for programme and project management is a major requirement at the beginning of the programme implementation. This work includes the drafting and decision making by the MC of several key documents;
- The first round of projects was launched in January 2008. The Call for Proposal expired in March 2008 and the proposals received were evaluated;
- The Knowledge Support System was launched in January 2008 as a Call for Interest. The deadline for expressing willingness to perform as experts in sounding boards expired in March 2008, after which the pool of eligible and qualified experts was systematised in a database. The first experts were selected in April 2008 by the MC for the Sounding boards related to the first round of Priority 1 projects;
- Under Priority 2 – Targeted Analysis, the Call for Interest from stakeholders for this new type of ESPON projects was launched in January 2008, at the same event as mentioned above. The Call for Interest was open until March 2008 followed by an evaluation process, synchronic to Priority 1, and led to the decision of the MC in April 2008 on the best ideas for targeted analysis in partnership with the stakeholders;
- Under Priority 3 - Scientific Platform, a first project on the ESPON 2013 Database was launched in January 2008. It followed the same procedure and timing as the first round of Priority 1 projects;
- The first actions under Priority 4 - Capitalisation, publications and analysis includes the setting up of a preliminary ESPON 2013 website, capable of providing the information necessary for potential beneficiaries interested in ESPON projects. The necessary actions for establishing a smooth operation related to capitalisation were undertaken in spring 2008;
- The setting up and development of a computerised management system;
- The first meeting of the Group of Auditor on the 18 March 2008 took place. During this meeting the GoA approved the Rules of Procedure, took a decision on the externalisation of the implementation of the on-the-spot checks, discussed and approved the Terms of Reference for the selection and contracting of the external independent auditor and debate on the main elements of the audit strategy, in particular the sampling methodology;
- The Audit Strategy and the Risk Analysis were elaborated by the AA with the support of the ESPON CU and submitted to the EC;
- The tendering and selection procedure of the independent external auditor;
- A second meeting of the Group of Auditors in 28 November 2008 to approve the audit methodology.

## **6. STEPS TAKEN TO ENSURE COMPATIBILITY WITH COMMUNITY POLICIES AND TO ENSURE COORDINATION OF ALL COMMUNITY STRUCTURAL ASSISTANCE**

The following measures are in place in the framework of the ESPON 2006 Programme to ensure the compatibility of activities financed with Community policy:

During the first level financial control carried out for each operation in principle for every six months period, or at least every time a progress report is submitted to the ESPON Coordination Unit, the independent auditor of the Lead Partner sign a statement confirming the compliance of the implementation of all relevant EU and national legislation and policies.

In addition to the above, and taking into account the nature of the activities financed under the ESPON Programme, the Coordination Unit has issued specific guidance on the respect of the publicity requirements that have to be respected by financed operations. The CU perform additional checks to the one implemented by the 1<sup>st</sup> level financial controller in relation to the compliance with the publicity requirements.

### **Annexes:**

**Annex I: Financial tables**

**Annex II: Approved ESPON work programme 2008**

**Annex III: Minutes of MC meetings 2008**

**Annex IV: Minutes of the ESPON Financial Control Group meeting 2008**

**Annex V: Publications published in 2008**