

Evaluation study of the European Framework Programmes for Research and Innovation for a Resilient Europe –RTD/2021/SC/021

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Case Study on the Active and Assisted Living Programme – Learnings from the AAL2 Public-Public Partnership Approach

CONTENTS

Executive Summary	3
1. Introduction	5
Purpose of this Case Study	5
Scope	5
Methodological approach	5
2. Mapping of the AAL Partnership	6
Background	6
Membership	7
Governance structure	7
Strategy development	8
Financial processes	9
Project-level monitoring and reporting	10
Evolution of the Partnership	10
3. Analysis of the strengths and weaknesses of the AAL2 Partnership	13
‘Alliance of early movers’	13
Democratic governance structure	14
Decentralised management	14
EU value added	15
4. Conclusions and recommendations	16
Creating an ‘alliance of early movers’ to drive social innovation	16
Role of the EC in strategic decision-making	16
Re-balancing decentralization and centralisation	17
Strong strategic Programme leadership	17
Annex 1	18

Executive Summary

The Active and Assisted Living Programme (AAL2) is an **institutionalised public-public partnership under Article 185** of the Treaty on the Functioning of the European Union (TFEU) running from 2014 to 2021. The Programme is owned by its Participating States to which the EC contributes financially under Horizon 2020. The experience of AAL2 offers some insights into the strengths and weaknesses of this partnership arrangement, which are analysed in this case study to identify learnings that may be relevant to future partnerships.

The partnership of AAL2 **allows for selective participation** of Participating States (and later including regions) **and a democratic governance structure**. AAL2 is further characterised by a layered management approach relying on a central management component and a largely decentralised management via a network of National Contact Points (NCPs) responsible for checking the eligibility of applicants, managing grant agreements, transferring payments, and monitoring project progress.

The analysis of the AAL2 Partnership shows several strengths and weaknesses resulting from its specific features. Creating an ‘alliance of early movers’ **AAL2 builds on the momentum of activities in countries committed to promoting digital solutions for active and healthy ageing, helps kick-start developments** in countries not previously active in the field, and is well suited to integrate non-EU participants. While this is a suitable approach to foster innovation in an emerging field, it is not clear whether it continues to be appropriate once the field is more established.

The democratic governance structure of the partnership supports the integration of different national perspectives, but also requires careful management of potentially competing interests. **Strategic decision-making power lies mostly with Participating States** with the EC having an observer role, although it contributes about 50 % of public funding.

The **decentralised management creates strong links to national and regional stakeholders and (potential) participants** and lowers the barriers for entry to the Programme as a result. However, the two layers of administration involved in the management and supervision of projects also lead to additional administrative effort and to differing participant experiences often reflecting differences in satisfaction with national funding processes. The mechanism for matching projects with national funding has helped to maximise budget utilisation but requires additional administrative effort.

The heterogeneity of national interests and procedures has been productive in driving the strategic development of the AAL2 Programme and its implementation. **The role of the AALA and CMU was seen as essential for fostering the strategic momentum and finding solutions** to operational challenges faced by AAL2.

In light of this analysis the following recommendations can be made for future partnerships:

Recommendation 1: There is an opportunity to drive social innovation by creating an ‘alliance of early movers’ that future partnerships should consider. There is also a need to clarify under which circumstances this type of voluntary collaboration is the most appropriate option to foster collaboration between European and national research and innovation actions.

Recommendation 2: Future partnerships should ensure that the governance structure balances the interests of all major stakeholders involved in funding and steering the partnership.

Recommendation 3: Future partnerships should allow for a mix of structural and creative solutions to address challenges resulting from decentralisation. This could include the development of shared

mechanisms and standardised tools that help simplify the scientific, managerial and financial coordination of the partnership.

Recommendation 4: Future partnerships should support a strong strategic leadership role and create a flexible and enabling environment to facilitate agile and adaptive management without compromising accountability or reducing engagement of national actors.

1. Introduction

Purpose of this case study

This case study contributes to the Final Evaluation of the Active and Assisted Living Programme (AAL2). It provides specific insights into the structure, processes and tools underpinning the AAL2 Partnership, relevant to the Final Evaluation and to developing wider learnings about the implementation of Article 185 partnerships. The case study covers the implementation period of AAL2 (2014-2021). The case study is also part of a larger evaluation study entitled 'Resilient Europe'¹, feeding into the ex post evaluation of Horizon 2020².

Scope

This case study focuses on the Partnership approach underpinning AAL2 and its contribution to achieving Programme objectives through its specific characteristics and identifies possible learnings. As it has been decided to phase out AAL2 (similar to most other Article 185 partnerships under Horizon 2020), the case study maps the structures, processes and tools of the AAL2 Partnership and analyses its strengths and weaknesses. Its overall aim is to identify learnings from the experience of the AAL2 Partnership relevant to other (future) programmes. The study questions are:

- Which structures, processes and tools have been established to implement the partnership approach that provide key learnings to other programmes?
- What are the key learnings from the AAL Partnership relevant to other actions?

A full description of the case study questions can be found in Annex 1.

Methodological approach

The case study is built on the following inputs: desk research of Programme materials and websites, including previous evaluation reports and Programme impact studies and interviews with key informants including Programme officials, country representatives, Programme participants, and other stakeholders including individuals in an advisory function and involved in previous Programme reviews.

In total, 22 interviews were conducted between 1 March and 1 June 2022. In addition, three written statements were collected on specific questions. Interviews lasted about one hour each and were carried out via video link. A topic guide was developed to structure the interviews. Interview data were recorded in writing and a protocol was developed for each interview. The data generated from interviews were analysed thematically using the themes and questions of the Case Study and the main evaluation, respectively.

¹ Issued under call for tenders RTD/2021/SC/021, part of Multiple Framework Contract N° 2018/RTD/A2/OP/PP-07001-2018, Lot 3 "Studying, assessing and evaluating research and innovation programmes and policies (SARI)".

² Article 32 of the Regulation establishing Horizon 2020 <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02013R1291-20150704>

2. Mapping of the AAL Partnership

Background

The AAL2 Programme is a public-public partnership based on Article 185 of the Treaty on the Functioning of the European Union (TFEU). Article 185 initiatives represent **'long-term public-public partnerships established on a voluntary basis by EU Member States** with a financial contribution from the European Commission (on behalf of the EU)³. Article 185 initiatives are intended to address common challenges in specific research areas by creating economies of scale and synergies between national and EU research programmes and investments. They **aim at scientific, managerial and financial integration amongst national research programmes** in a given field. The first Article 185 partnership was launched in 2002/2003 under the EU multiannual Framework Programme FP6. Since then, a total of six Article 185 partnerships were established, one of which is AAL.

Partnerships under Article 185 enable the EC to participate in research programmes jointly undertaken by several Member States. The AAL2 Programme is therefore not an EU Programme but a **Programme owned by the Participating States to which the EC contributes financially** from the Research Framework Programme, i.e. co-funding from Horizon 2020 for AAL2⁴. Article 185 initiatives require a Co-Decision that is adopted through the EU legislative process. AAL2 was officially established in 2014 by decision No 554⁵. AAL2 as an Article 185 initiative (together with Article 187 initiatives and European Institute of Innovation and Technology Knowledge and Innovation Communities, EIT KICs)⁶ represents a so-called **institutionalised partnership**. These partnerships require a Dedicated Implementation Structure (DIS), i.e. a legal entity that is responsible for the implementation of the Programme and able to enter into a formal delegation agreement with the European Commission (EC)⁷. As per this agreement, the EC delegates both budget and management responsibility for the AAL2 Programme to the AAL Association (AALA) as its dedicated implementation structure.

As outlined in the Final Evaluation of AAL2 (chapter 4.1) **the topic addressed by AAL2 is highly relevant to the EC and societies in Europe**. With the share of older people in the population growing and a shift between the ratios of working age people and older people, the political and societal challenges posed by demographic change have been growing over the last decades. This has implications for delivering and financing formal and informal care and other forms of social support for older people. It is therefore essential that people are enabled to live more independently and actively for longer and that society uses available opportunities (including digital technologies) to support active and healthy living.

To address the need for a long-term programming initiative on the twin challenge of demographic change and digitalisation the AAL2 Programme was established as a public-public partnership. It is a **continuation of its predecessor AAL1** (2008-2013), which was already set up as an Article 185 partnership.

³ European Commission (2017): Meta-Evaluation of Article 185 Initiatives. Report of the Expert Group, p. 8.

⁴ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 29.

⁵ DECISION No 554/2014/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 May 2014 on the participation of the Union in the Active and Assisted Living Research and Development Programme jointly undertaken by several Member States.

⁶ <https://www.era-learn.eu/partnerships-in-a-nutshell/type-of-networks/institutionalised-european-partnerships>. Last access: 20 May 2022.

⁷ Regulation (EU) No 1291/2013 establishing Horizon 2020. Article 26.

Membership

As outlined above, Article 185 initiatives are public-public partnerships undertaken jointly by several Participating States on a voluntary basis with the participation of the EC (indirect management). This means that the AAL2 Partnership consists of **a layered approach**: The partnership between the EC and the group of Participating States, and the partnership between Participating States constituting the members of the Programme and being responsible for key aspects of the implementation of AAL2, in particular with regard to Programme beneficiaries.

This layered approach enabled AAL2 to drive the agenda for active and healthy ageing with flexible membership and differing levels of participation. **Since 2014, a total of 21 Participating States have been involved in AAL2.** Membership in the AALA and (financial) participation in project calls varied over time. In addition to interested EU Member States, the partnership approach also allowed Israel, Norway, and Switzerland (as countries associated to Horizon 2020) as well as Canada and Taiwan (as third countries) to participate in AAL2. Only the financial contributions of EU Member States and Horizon 2020 associated countries are matched by the EC contribution for AAL2. However, the **possibility to include non-EU Member States and countries not associated to Horizon 2020** meant that AAL2 could develop international relevance beyond the EU.

Governance structure

The AAL2 Programme builds on the structures of the previous Ambient Assisted Living Joint Programme (AAL1). The governance structure (see Figure 1) is overseen by the **AAL Association (AALA)** as an international not-for-profit association under Belgium law⁸. The supreme governing and decision-making body of the AALA is the **General Assembly**, which meets two times a year. The General Assembly comprises representatives from all Participating States who enjoy the same voting rights ('one country one vote')⁹. Members of the General Assembly are typically national funding authorities (ministries and/or funding agencies) of EU Member States, in addition to a few public authorities from countries not in the EU and a small number of regions. Participating States with more than one member organisation represented in the General Assembly nominate a single voting person. The EC has observer status in the General Assembly.

The **Management Unit** for the Programme **reflects the layered approach of AAL2** (see Figure 1): A **Central Management Unit (CMU)** was established for the operational management of AAL2. The CMU works in close relationship with a **network of National Contact Persons (NCPs)**, with at least one NCP designated for each Participating State, who act together as the **Management Unit**. The **management of AAL2 is decentralised to the national level** in several ways: The NCPs check the eligibility of applicants, manage the grant agreements, transfer the payments, and monitor project progress. They are also the most important point of contact for the national project consortia, which is especially relevant as national funding rules are applied within the structure of the Partnership¹⁰.

The General Assembly elects an **Executive Board** as the official legal representative of the AALA¹¹. The Executive Board is responsible for staffing, contracting and budget planning. It may take any measure required for the functioning of the AALA in the period between General Assembly meetings. The General Assembly also organises **working groups on specific topics**, for example, on the preparation

⁸ <https://www.aal-europe.eu/about/who-we-are/>. Last access: 18 May 2022.

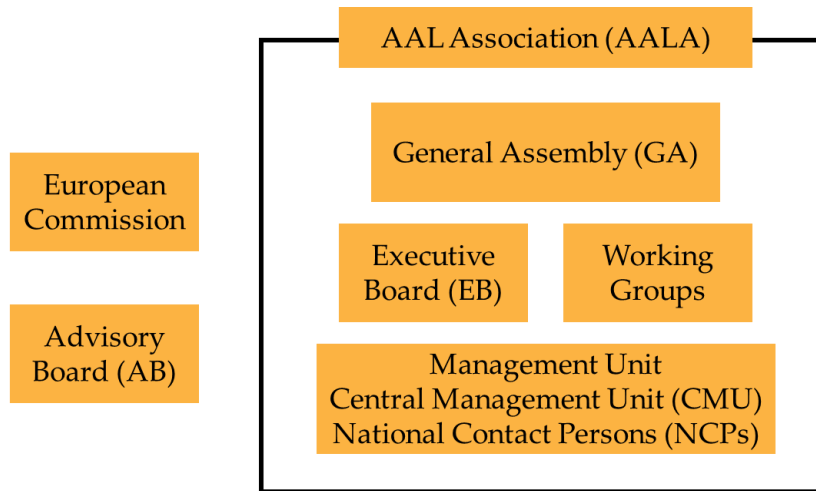
⁹ <https://www.aal-europe.eu/about/who-we-are/general-assembly/>. Last access: 18 May 2022.

¹⁰ European Commission (2017): Meta-Evaluation of Article 185 Initiatives. Report of the Expert Group, p. 9-10.

¹¹ <https://www.aal-europe.eu/about/who-we-are/executive-board/>. Last access: 18 May 2022.

of the working Programme or the preparation of calls. An **Advisory Board** of experts from business, innovative technology, research and politics provides senior technical advice to the AALA¹². The formal governance structure of AAL2 has remained stable over time with no substantive changes in roles or responsibilities.¹³

FIGURE 1. GOVERNANCE STRUCTURE OF THE AAL2 PROGRAMME



Source: Prognos AG 2022, adapted from European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 9 and p. 39.

In addition to the formal governance structure, interviews with NCPs and stakeholders emphasised the informal aspects of the Partnership. They particularly highlighted the close and supportive nature of the collaboration between the CMU and the NCPs which they saw as a strength of AAL2. **Good working relationships were mentioned both regarding the Partnership between the AALA and the EC and between the CMU, NCPs and beneficiaries.** One international stakeholder explicitly appreciated the smooth workflow and the collaborative spirit within the General Assembly and its working groups. The effective collaboration between the Participating States and the EC in the Assembly, with the CMU as a driver, facilitator, and coordinator, was described as crucial for the ability of the AALA to develop the strategy of the Programme and shape its implementation.

Strategy development

AAL2 implemented a joint-programming process to develop its implementation strategy. **Annual Work Programmes (AWP) were developed to align the goals and objectives for the Programme among AAL2 members.** An AALA working group drafted the Joint AWP and it was agreed upon each year by the Participating States together with the EC. The AWP also provided the basis for the AAL2 calls that were launched each year and invited proposals for joint projects with participants from at least three Participating States¹⁴. The AWP approval process represented a mechanism for the EC to influence the strategic direction of the Programme and determined the boundaries for the EC’s financial contribution.

Strategic decision-making has led to several adjustments and improvements to the Programme. For example, by moving from thematically narrow to broader, challenge-led calls, the AALA enabled the

¹² European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 8/9, p. 38.

¹³ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 17.

¹⁴ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 38.

Programme to attract a wider range of applications focused on core themes. The AALA also created new instruments such as the Small Collaborative Projects to enable consortia to apply for smaller amounts of funding to explore novel and perhaps riskier topics at a smaller scale. The AALA, with support of the CMU, also developed a strong focus on providing market development support and strengthening the capacities of project beneficiaries and the wider community through a portfolio of Support Actions (see also case study on AAL2 Support Actions).

In the interviews, stakeholders noted that **AAL2 benefited from the energetic and strategic leadership provided by the CMU**, especially during the second half of AAL2. Some interviewees stressed the responsive culture of the CMU and its ability to listen and learn that helped to improve the strategic development of AAL2 as well as its implementation.

Financial processes

AAL2 is funded through contributions from the EC and through national budgets of Participating States, in addition to contributions from project teams selected for funding. The EC transfers its contribution to the AALA, which distributes the EU funds to the national funding authorities that manage the funding agreements with the project partners (indirect management)¹⁵. **The EC contribution matches the national public contributions provided by the individual Participating States in the AWP** (ca. 50:50), with an EC funding ceiling of EUR 175 million in total over the 7 years of the Horizon 2020 period. **The financial contributions of Participating States can vary by year and call.** National contributions to AAL2 are in cash (i.e. not in-kind), which is different from many other co-funding partnerships. National budget commitments may also differ from the actual contributions allocated after the projects have been selected as **it is possible that the initial committed budget is not fully used**, for example, if there is an insufficient number of quality applications in a given Participating State. Likewise, the number of quality applications for funding can exceed the national budget. In such cases, NCPs can decide to increase the national budget to allow for a higher number of projects to be funded or opt for project reconfiguration.

For each call, the CMU centrally coordinates a **ranking of project applications based on excellence criteria** to determine which projects are selected. As the financial rules and processes of AAL2 require co-funding for each project partner from the national budget available from the respective Participating State **a financial matching process is applied to optimise national and EC budget utilisation**. If a national budget is exceeded, project applicants have the option to reconfigure their consortium and replace project partners by partners from Participating States that still have sufficient budget.

While the call management and evaluation process are managed by the CMU, the funding of selected projects is managed by the NCPs. The Article 185 partnership allows NCPs to integrate AAL2 into national funding procedures and manage operations following their national funding rules¹⁶. Therefore, **the commitment and administration of funding is well embedded in their respective national context**. Funding rates are determined according to national rules, eligibility checks are performed according to national criteria and payments are handled and reimbursed according to national procedures.

Several of the interviewed stakeholders stressed that the **application of national funding rules and the administration through the NCPs had lowered the barriers for participation**, especially for SMEs. Yet some NCPs and Programme beneficiaries also reported that they had **struggled with the financial matching process** of AAL2 and especially with the requirement to reconfigure project teams. Some

¹⁵ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 31.

¹⁶ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 4.

consortia members found it difficult to find new partners that could take over the exact work packages of the applicant that had to be replaced or alternatively redistribute tasks within the consortium. Stakeholders interviewed found that the financial matching process created an extra burden although this was judged as manageable. Analysis showed that the reconfiguration process increased the use of the allocated budget by over 10 % (see Final Evaluation, section 4.3). One stakeholder mentioned that some projects that had qualified as excellent could not be realised because the relevant national budgets were oversubscribed, and the relevant partners could not be successfully replaced. In their view, it was possible that less-innovative projects received funding in consequence. Another interviewee expressed frustration that the national budget in the respective Participating State provided funding for one project only even though there were usually several high-quality proposals that would deserve funding.

Project-level monitoring and reporting

AAL2 projects are required to comply with **monitoring and reporting requirements both vis-à-vis the EU and the NCP**. There are standard reporting requirements at EU level on Programme level. In addition, national funding agencies also add their own monitoring and reporting requirements for the beneficiaries at national level. These **procedures are not always aligned between the European and the national level**, and in practice differ considerably between Participating States depending on national funding rules and requirements. For example, timeframes for reporting at EU level are determined by the starting date of a project, while at national level, many Participating States require annual project reports covering the calendar year.

This requirement, as well as other differences in content and format, meant that project beneficiaries typically needed to report on the same project twice as often as they would if they received funding from either the EC or a national funding agency only. However, it was also argued that the central reporting was kept deliberately light to avoid overburdening project beneficiaries. In the interviews several beneficiaries mentioned the dual reporting requirement as an additional administrative burden. However, they were willing to accept these requirements as a condition of funding.

Evolution of the Partnership

Over the duration of the Programme, the governance structure of the Partnership underpinning AAL2 remained largely unaltered, but there were **some notable changes to the membership of the Partnership**. Although AAL2 was a continuation of AAL1, for legal reasons new bilateral agreements between the AALA and the Participating States were needed at the beginning of AAL2. These agreements included **new conditions regarding financial guarantees and related liabilities** imposed by the Horizon 2020 provisions. A few Participating States of AAL1 did not accept the financial risks associated with the financial guarantees and discontinued their contribution.¹⁷ This resonates with the views of stakeholders of Article 185 initiatives in general who described liability rules as a factor that made Article 185 partnerships less attractive and created a barrier to participation.¹⁸

At the end of AAL1, some larger countries left the Programme (e.g. Germany and France). Some stakeholders commented that this may have allowed other, often **smaller Participating States, to become more visible and engaged** in AAL2. The composition of Participating States varied over the duration of the Programme but has remained relatively stable during AAL2. Some Participating States left, some became dormant (i.e. they remained as members but did not contribute financially to calls);

¹⁷ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 18-19.

¹⁸ European Commission (2017): Meta-Evaluation of Article 185 Initiatives. Report of the Expert Group, p. 28; 31.

but in other instances, new or previous members joined or re-joined respectively. As a consequence, the number of countries participating in calls expressed as the **number of Participating States providing funding to projects varied between years during AAL2** as Table 1 shows.

TABLE 1. PARTICIPATION IN CALLS BY YEAR

CALL YEAR	NUMBER OF PARTICIPATING STATES	DIFFERENCE IN PARTICIPATING STATES COMPARED TO PREVIOUS YEAR
Call 2014/15	19	-
Call 2015/16	14	-5
Call 2016/17	15	1
Call 2017/18	14	-1
Call 2018/19	15	1
Call 2019/20	15	0
Call 2020/21	18	3
Call 2021/22 *	13	-5

*Additional call not foreseen in the initial strategic plan. Not all Participating States were able to contribute to this extra call.

Source: Prognos, based on AAL Phase II Administrative Data on funded projects.

The **development potential arising from integrating the (sub-national) regions as members of AAL2** has been already highlighted in the Interim Evaluation of AAL2¹⁹. Several regions were successively integrated in the Programme and its governance arrangements. As an Article 185 partnership, the inclusion of regions as official members of AAL2 required them to be mandated by their national governments. The possibility for regions to become members and be more actively involved in steering the Programme was seen as an important development by NCPs and other stakeholders interviewed. Interviewees acknowledged that in many Participating States, regions were responsible for governing health and care systems and involving them was therefore key to unlocking their potential for active and healthy living. This point was particularly strongly made by advocates of an ecosystem approach that recognises that the potential of digital solutions for active and healthy living can only be developed in conjunction with relevant actors within health and care systems, typically involving local, regional and national levels of governance. In total, four regions were members of AAL2 and provided NCPs, including Friuli Venezia Giulia in Italy, Basque Country in Spain, as well as Flanders and Brussels in Belgium²⁰. In addition, the region of Central Denmark was an indirect AAL2 member based on a (time limited) co-funding arrangement with the Danish NCP.

When AAL1 was created in 2008 as one of a few Article 185 initiatives these 'had a clear position as the only large-scale joint programming instrument that was available to EU Member States'²¹ at the beginning of Framework Programme 7. Over time, **other options for public-public partnerships emerged** (e.g. Joint Programming Initiatives, ERA-NET) that provided alternatives to the Article 185 partnership. With more options available, some stakeholders noted that the view at the EC on

¹⁹ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 24/25.

²⁰ <http://www.aal-europe.eu/contacts/national-contact-persons-list/>. Last access: 20 May 2022.

²¹ European Commission (2017): Meta-Evaluation of Article 185 Initiatives. Report of the Expert Group, p. 8.

Article 185 partnerships became increasingly sceptical. In 2017, a Meta-Evaluation of Article 185 initiatives identified a number of challenges such as a lack of a coherent process for selecting Article 185 initiatives, an absence of a strategy for applying Article 185 partnerships, and the need for an exit strategy defined at the beginning of an initiative. The Meta-Evaluation was also critical of the requirement to create a Dedicated Implementation Structure that was seen as a bulky overhead structure, and the decision of Participating States to fund only their respective national project participants which exposed the Partnership to the risk of not allocating available funding efficiently²².

It has been decided that there will be **no Article 185 successor of AAL2 under the first strategic plan (2021-2024) of the new Horizon Europe Programme (2021-2027)**. In this respect AAL2 shares the same fate as most Article 185 initiatives, with the exception of the European Metrology Programme for Innovation and Research (EMPIR). It is anticipated that the topics of former Article 185 partnerships will be integrated into other parts of Horizon Europe for the 2021-2027 period.

²² European Commission (2017): Meta-Evaluation of Article 185 Initiatives. Report of the Expert Group, p. 12, 17.

3. Analysis of the strengths and weaknesses of the AAL2 Partnership

The following sections present the results of the analysis of the structures, processes, and tools of the AAL2 Partnership. They discuss the strengths and weaknesses of the Partnership as an ‘alliance of early movers’, its democratic governance structure and the partly decentralised management of the Programme. The analysis shows that the design of the Partnership brings both strengths and weaknesses. The chapter finishes with an analysis of the EU value added arising from the construct of the AAL2 Partnership.

‘Alliance of early movers’

A specific feature of the Partnership under Article 185 is its design as an ‘alliance of early movers’ that enables selective participation in line with national interests. AAL2 membership is voluntary for EU Member States and open to interested countries from outside the EU. The Partnership also allows for varying degrees of engagement and financial commitment. A key strength of this feature is that it allowed AAL2 to capitalise on the momentum for action among the interested Participating States. Thus, the **Partnership promoted the topic of active and healthy ageing among the group of Participating States that were prepared to devote resources and energy to this topic**. It also provided a ‘kick-start’ to Participating States that were willing to engage but did not yet have the resources and/or experience to develop an agenda of their own. Creating an ‘alliance of early movers’ meant that it was not necessary to wait until all EU Member States supported an initiative to promote active and healthy ageing. Stakeholders interviewed saw **advantages in an ‘alliance of early movers’ especially during the early years of the Programme** when the potential for digital solutions was yet to be established.

Another strength identified is the **possibility to integrate non-EU Member States in the Partnership**. International partners like Taiwan and Canada found the Programme sufficiently attractive to pay a membership fee for their participation, although they did not benefit from EC matching funds. This demonstrates that AAL2 holds value for countries beyond leveraging financial resources, for example, through access to partners from European networks and increased market knowledge.

However, the **possibility of countries to opt in and out also has its disadvantages and poses challenges to the efficient management of the Programme**. The Interim Evaluation concluded that, financially, the ‘variable geometry’ makes AAL2 ‘very vulnerable to national circumstances beyond its control, as decisions [taken by Participating States] regarding participation and budget commitments have shown’²³. In 2015/16 fluctuations in financial resources committed by Participating States led to a reduced budget for the Programme, as reduced national commitments had decreased the available resources to a point that made it difficult to cover the management costs (set at a maximum of 6 % of the total budget)²⁴.

A related effect of the ‘alliance of early movers’ is **the unequal geographical distribution of activities which in consequence led to an unequal distribution of Programme impacts**. The Interim Evaluation of AAL2 noted that ‘participating countries have a strong say in strategy and implementation’ and that ‘those that invest most into the AAL Programme get the most out of it’²⁵. In addition, NCPs, as indicated

²³ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 18.

²⁴ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 12.

²⁵ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 18.

in interviews, differed in their capacity to support the Programme. Some faced limitations regarding the availability of financial resources and staffing that could be dedicated to AAL2. One NCP official reflected that more could have been achieved in the respective country if the responsible institution had been able to contribute more to the Programme. From this perspective, **the ability to compare with and learn from other countries provided a valuable lesson** for participation in future programmes.

In addition, interviews suggested that the **choice of some EU Member States not to participate had an effect on the remaining Participating States**. With some members opting out of the Programme, the opportunities for transnational collaboration of the remaining participants were reduced. It was noted in interviews that this was particularly disappointing for participants from Participating States with small domestic markets as this limited their opportunities to access larger foreign markets.

Democratic governance structure

Another feature of the AAL2 Partnership is the participatory, some say democratic approach (one country – one vote) to decision-making in the General Assembly. The democratic approach ensures that all voices are heard equally and therefore **allows for better addressing the needs and interests of the national or regional bodies** that are members of the General Assembly, irrespective of the size of their country or ability to contribute financially.

In principle, equal voting rights should help to **integrate different perspectives and priorities**. Some interviewees believed that the democratic approach increased the commitment of Participating States, which they suspected had a beneficial effect on the alignment of national and regional policies related to active and healthy living and enhanced the coordination of research activities and the involvement of national funding. However, it has also to be noted that the participatory approach made it **necessary to reconcile competing national interests over the entire AAL2 period requiring strategic leadership** within the AALA.²⁶ Some stakeholders interviewed considered it a challenge to keep the Participating States unified behind a common agenda and reconcile the different interests.

While the governance structure strengthens the role of the Participating States in strategic decision-making the fact that the EC has no voting rights puts the EC at a disadvantage relative to its financial contribution to the Programme. In the General Assembly the EC has observer status only with the process of approving the AWP being the only (structural) lever to influence strategy and implementation. There is therefore a tension between the democratic approach embedded in the Partnership that gives weight to Participating States and the financial contribution of the EC over which it has relatively little strategic control.

Decentralised management

The importance of the network of NCPs for implementing AAL2 is a key characteristic of the Partnership. The Interim Evaluation of AAL2 highlighted that the network of NCPs ‘has ensured strong links to national authorities and close contact with (potential) participants and other stakeholders’ and that the accessibility provided by the NCPs at the national level ‘has also stimulated the inclusion of new players, especially SMEs, and facilitated the emergence of new communities’²⁷. Several NCPs saw **beneficial effects of managing the funding process according to national rules**. They noted that beneficiaries were more likely to be familiar with national funding rules which **lowered the barriers for entry, especially for SMEs**. The interaction between the CMU and NCPs in the management and

²⁶ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 26.

²⁷ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, pp. 17-18.

supervision of projects was perceived to be cooperative and mutually supportive. One stakeholder noted that the level of engagement of the CMU served as a role model for many NCPs and their energy and enthusiasm helped bring the various perspectives of members together and provide the momentum for driving the strategic development of AAL2.

Another consequence of the decentralised structure is that the **experiences of beneficiaries of the Programme's procedures varied substantially between Participating States** reflecting different levels of engagement of NCPs as well as different rules and procedures. In the extreme, this could result in slowing down processes within a consortium and cause frustration among partners, as some stakeholders noted. The Interim Evaluation also observes that differing national rules regarding contracts and payments were responsible for delays in the launch of projects²⁸. In addition, the **two layers of administration involved in the management and monitoring of projects required additional administrative effort** as project beneficiaries had to comply with the requirements from the European and national level.

Another challenge was the process of matching applications rated as excellent and selected for funding with the budgets available for the Participating States' beneficiaries involved in the application. The combination of national financial contributions to calls supporting only participants from the respective Participating State and a project selection based on excellence criteria resulted in the **complex financial matching process** outlined in the mapping chapter. This process is necessary to increase the efficiency of budget utilisation and minimise underspend of EU and national budgets. Nevertheless, it also **creates an additional administrative burden as an unwanted side effect**. This was widely acknowledged in interviews although it was generally seen as manageable. As outlined in chapter 4.3 of the Final Evaluation on AAL2 the financial matching process successfully improved the budget utilisation, while also requiring additional administrative effort.

EU value added

Some **features of the AAL2 Partnership strengthened the EU added value** of the Programme. The main contributions of the Partnership lie in creating momentum for driving transnational activities in the field of active and healthy ageing, providing a long-term focus on the role of digital solutions in this field and in integrating diverse national contexts, starting points and priorities.

National markets for digital solutions for active and healthy living are still highly fragmented and market conditions, including demand for solutions, vary substantially. However, all countries in Europe face the challenge of ageing populations and of having to transform their health and care systems to ensure their sustainability. It is therefore important to coordinate national research and innovation activities and to facilitate learnings and exchange of experiences across the EU Member States. **The Partnership has been able to create substantial momentum for the topic of active and healthy living in a digital world and has provided a strategic vision that goes beyond individual domestic markets and systems.**

The strong national grounding of AAL2, which is a distinct feature of the **Partnership, takes into account the highly heterogeneous contexts in Participating States** that have shaped Programme implementation. The network of NCPs that is at the core of its governance structure, provides the national expertise and awareness of circumstances that have helped to support project beneficiaries navigating some of these challenges. However, the EU value added that is created by AAL2 is distributed unevenly due to the varying levels of engagement between countries as noted above.

²⁸ European Commission (2017): Interim Evaluation of the Active & Assisted Living Programme, p. 18.

4. Conclusions and recommendations

This case study aims to develop learnings from the experience of the AAL2 Partnership with a view to informing future actions and partnerships. These learnings also take into account the recommendations from the Meta-Evaluation on Article 185 initiatives by the EC²⁹. The strengths and weaknesses of the AAL2 Partnership analysed in the previous chapter allow conclusions relating to several key aspects relevant to future actions including creating an ‘alliance of early movers’, the role of the EC in strategic decision-making, the need to balance aspects of centralisation and decentralisation, and the importance of strategic leadership.

Creating an ‘alliance of early movers’ to drive social innovation

As an Article 185 partnership, AAL2 was able to bring together Participating States willing to promote digital solutions for active and healthy ageing and embark on a journey of fostering innovation in a market that had yet to be developed. Countries that participated in AAL2 and committed resources benefited from the Programme accordingly. However, this also meant that activities and benefits resulting from the Programme were distributed only in those countries that chose to participate. This approach was judged as appropriate by some stakeholders, as it allowed Participating States to promote innovation in a novel field without relying on a consensus from all EU Member States. It also enabled AAL2 to tap into the energy of those willing to invest in innovation and to form a community of stakeholders dedicated to active and healthy ageing. However, it is less clear whether this approach continues to be appropriate if an initiative and the respective policy field or market are further developed. The Meta-Evaluation of Article 185 partnerships recommended to use this form of partnership only on topics of strategic priority shared between the EC and the Member States. However, this raises the question under which circumstances an ‘alliance of early movers’ is appropriate to address common priorities.

Recommendation 1: There is an opportunity to drive social innovation by creating an ‘alliance of early movers’ that future partnerships should consider. There is also a need to clarify under which circumstances this type of voluntary collaboration is the most appropriate option to foster collaboration between European and national research and innovation actions.

Role of the EC in strategic decision-making

The governance structure of AAL2 gives weight to the role of Participating States in strategic decision-making. This structure and the resulting processes were judged as beneficial for the strategic development and implementation of AAL2. It also helped some NCPs to align their national agendas for active and healthy ageing with the aims and objectives of the Programme.

However, it also put the EC at a disadvantage as its influence was mostly limited to the approval process of the Annual Work Programme and monitoring of the implementation of the Programme. This contrasts with the scale of its financial support of AAL2 relative to national contributions. It is therefore important to clarify the distribution of decision-making power and influence in future partnerships and to find an appropriate balance between the EC and the Participating States that works for both sides.

²⁹ European Commission (2017): Meta-Evaluation of Article 185 Initiatives. Report of the Expert Group, pp. 5-6.

Recommendation 2: Future partnerships should ensure that the governance structure balances the interests of all major stakeholders involved in funding and steering the partnership.

Re-balancing decentralisation and centralisation

The Meta-Evaluation recommended substantial improvements to the efficiency of the Article 185 partnerships. The analysis of the strengths and weaknesses of AAL2 shows that AAL2 was characterised by a high degree of decentralised management and substantial reliance on national rules and procedures. The strong role of NCPs in implementing AAL2 was beneficial for attracting and supporting project beneficiaries, especially SMEs. However, there was also significant national variation in practices and standards, a substantial need to coordinate between national partners, and a degree of additional administration required from beneficiaries, NCPs and the CMU.

Although the complexities were regarded as well managed within AAL2 they also resulted in additional administrative effort. The financial matching process developed to improve national and EC budget utilisation worked well but required additional effort and resources. These specific challenges could have been avoided if the Partnership had required its members to commit financial resources to a ‘common pot’ that would fund successful applications from any Participating State irrespective of national budget being available. Such pooled financial resources could also have been used to jointly fund additional activities in support of the Programme such as Support Actions for networking and capacity building.

Recommendation 3: Future actions should allow for a mix of structural and creative approaches to address challenges resulting from decentralisation. This could include the development of shared mechanisms and standardised tools that help simplify the scientific, managerial and financial coordination of the Partnership.

Strong strategic programme leadership

The Interim Evaluation of AAL2 expresses concern about a lack of strategic leadership for the Programme. It has also been argued that the participatory approach to governance through the General Assembly and AALA required leadership to bring together the diverse perspectives and capabilities of Participating States and provide a degree of direction.

Given the decentralised operations and variation in national procedures, inputs from the AALA and the CMU were central for developing the strategic direction for the Programme and for driving its implementation. The CMU has emerged as a central coordinator, facilitator, and promoter of the Programme, guiding and encouraging NCPs to engage in strategy development. The CMU has also excelled in finding creative solutions to the operational challenges facing the Partnership, suggesting a productive degree of operational flexibility. Interviewees noted that the leadership role was strengthened during the second half and considerably improved, thus addressing the concerns of the Interim Evaluation. Responses also suggested that this made a substantial difference to the development and management of the Programme and to its ability to achieve its objectives.

Recommendation 4: Future partnerships should support a strong strategic leadership role and create a flexible and enabling environment to facilitate agile and adaptive management without compromising accountability or reducing engagement of national actors.

Annex 1

What are the key learnings from the Partnership approach of the AAL Programme, relevant to other programmes?

CASE STUDY QUESTIONS	CRITERIA
Which structures, processes and tools have been established to implement the Partnership approach that provide key learnings to other programmes?	Key characteristics of the Partnership e.g. governance structure, mechanisms for aligning goals and objectives, financial rules, monitoring and reporting; evolution
How effective and efficient are these Partnership structures, processes, and tools in achieving the Programme objectives? Are measures aimed at improving the Partnership and sustaining its effects appropriate?	Analysis of strengths and weaknesses of the Partnership, e.g. <ul style="list-style-type: none"> • Flexibility of adjusting to changing markets and needs • Openness to new participants • EU value added as opposed to national activities
What are the key learnings relevant to other programmes at the end of their lifecycle in view of creating lasting impacts?	Conclusions and recommendations for future actions