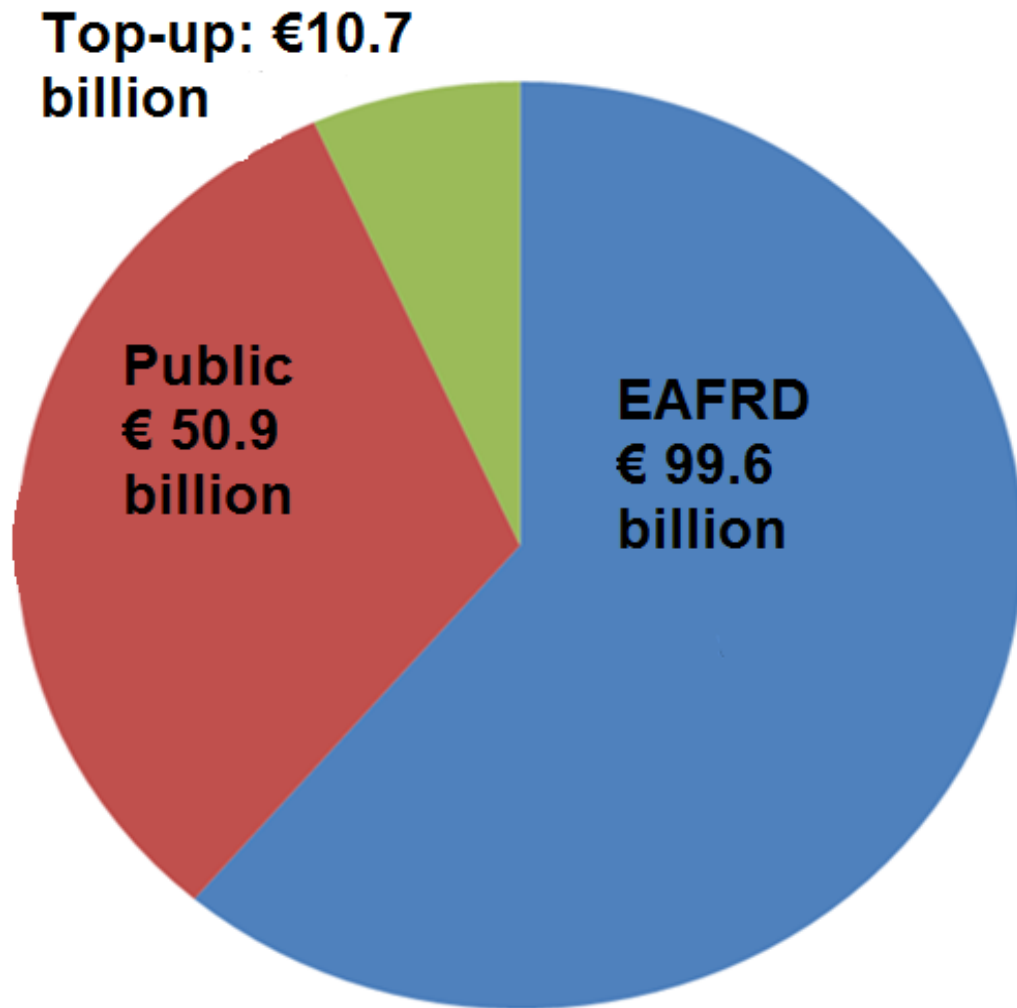




State of Play Rural Development Programmes 2014 – 2020, Bottlenecks and Performance Review

*DG Agriculture and Rural
Development
European Commission*

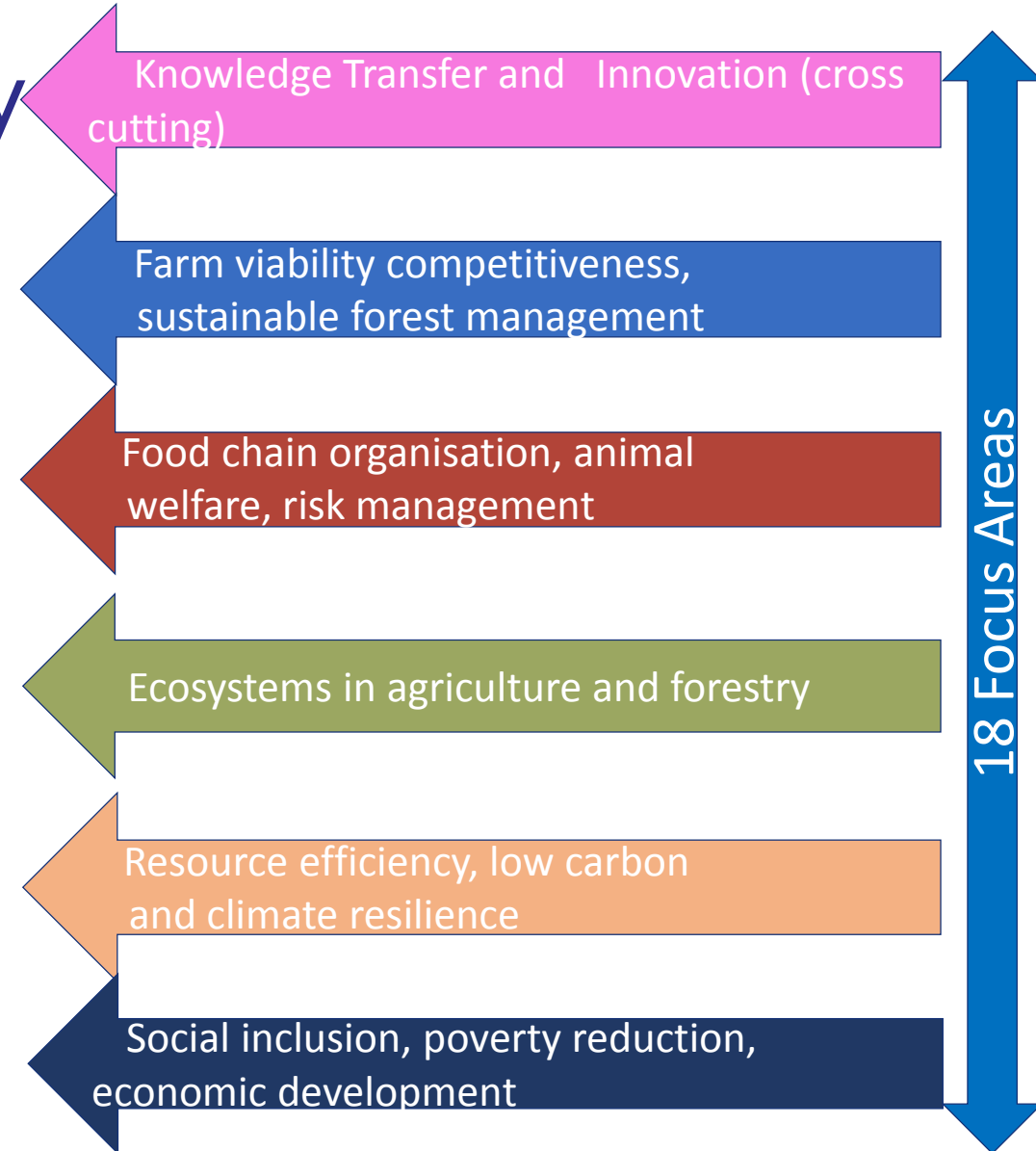
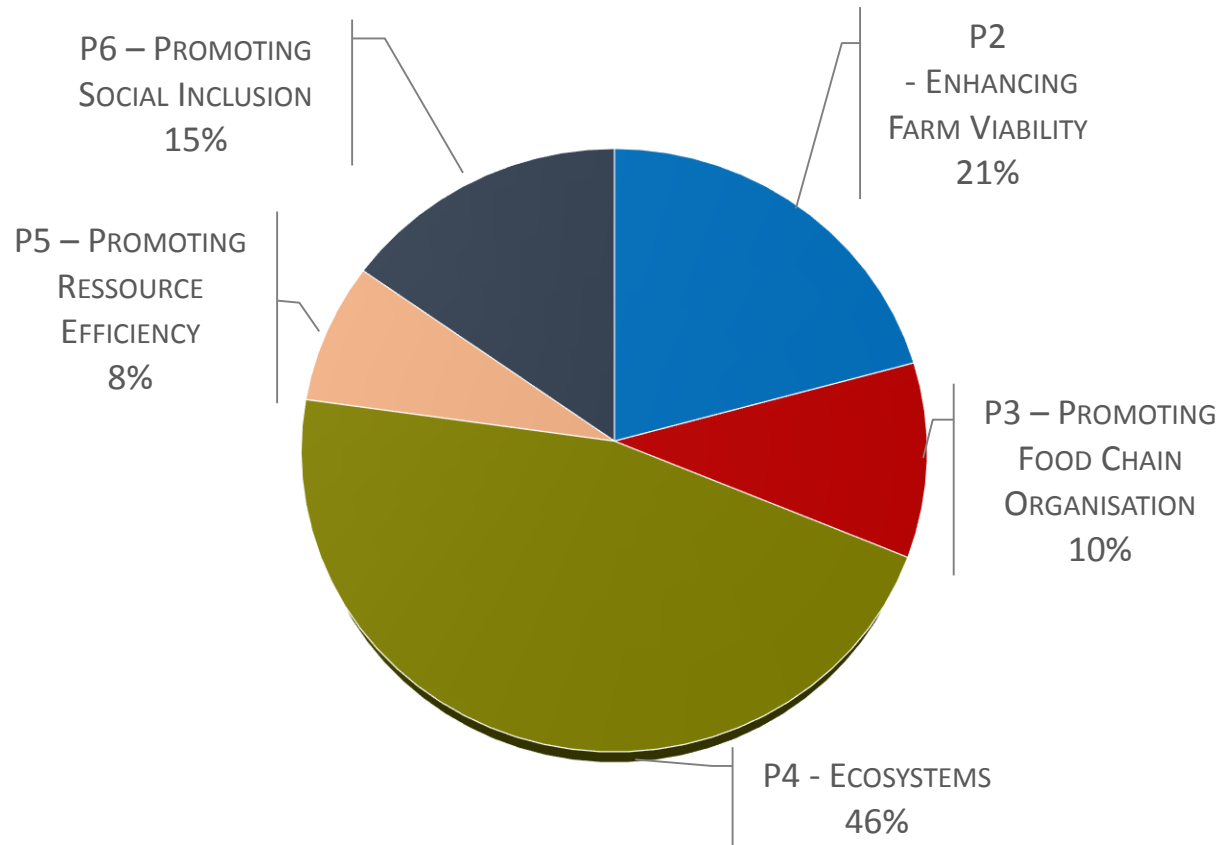
Total RD budget 2014-2020



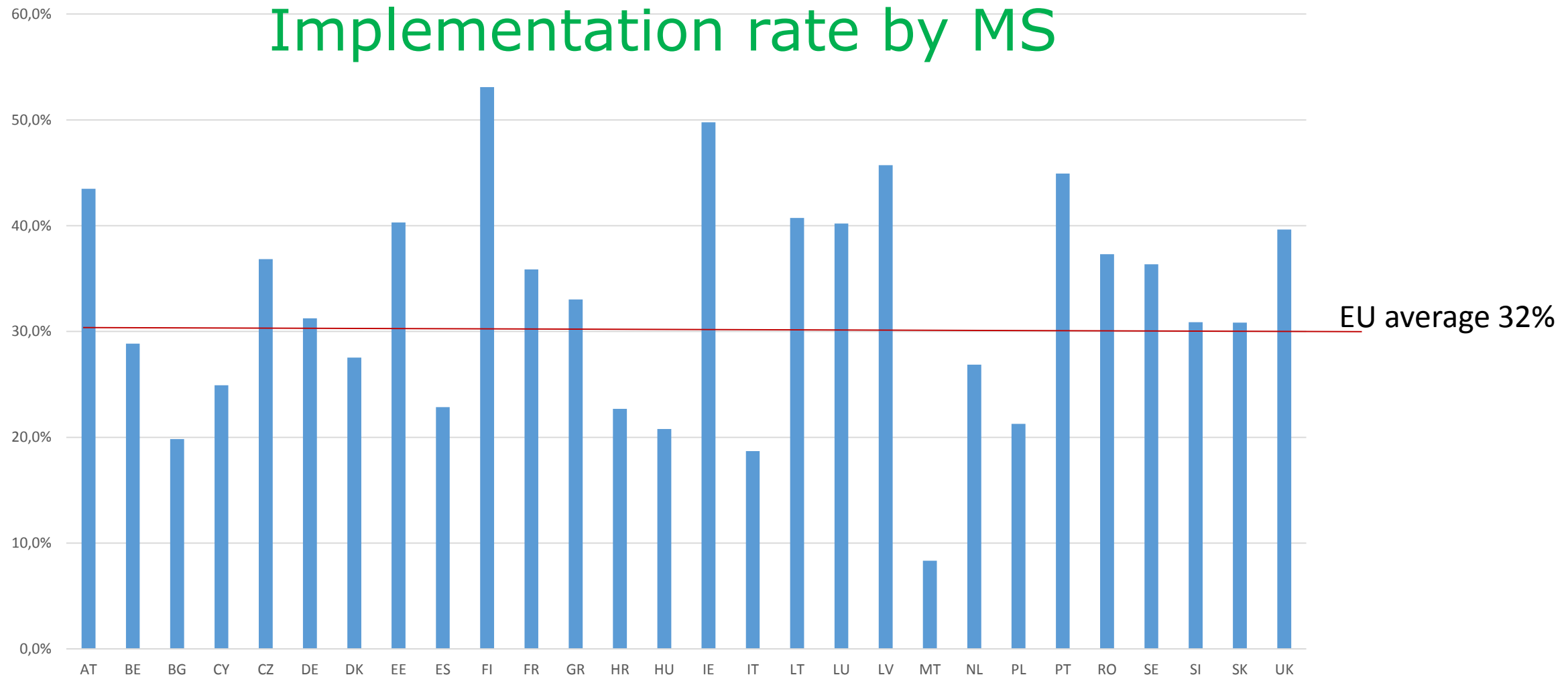
**In total, around €
161 billion of total
public funding for
the period 2014 -
2020**



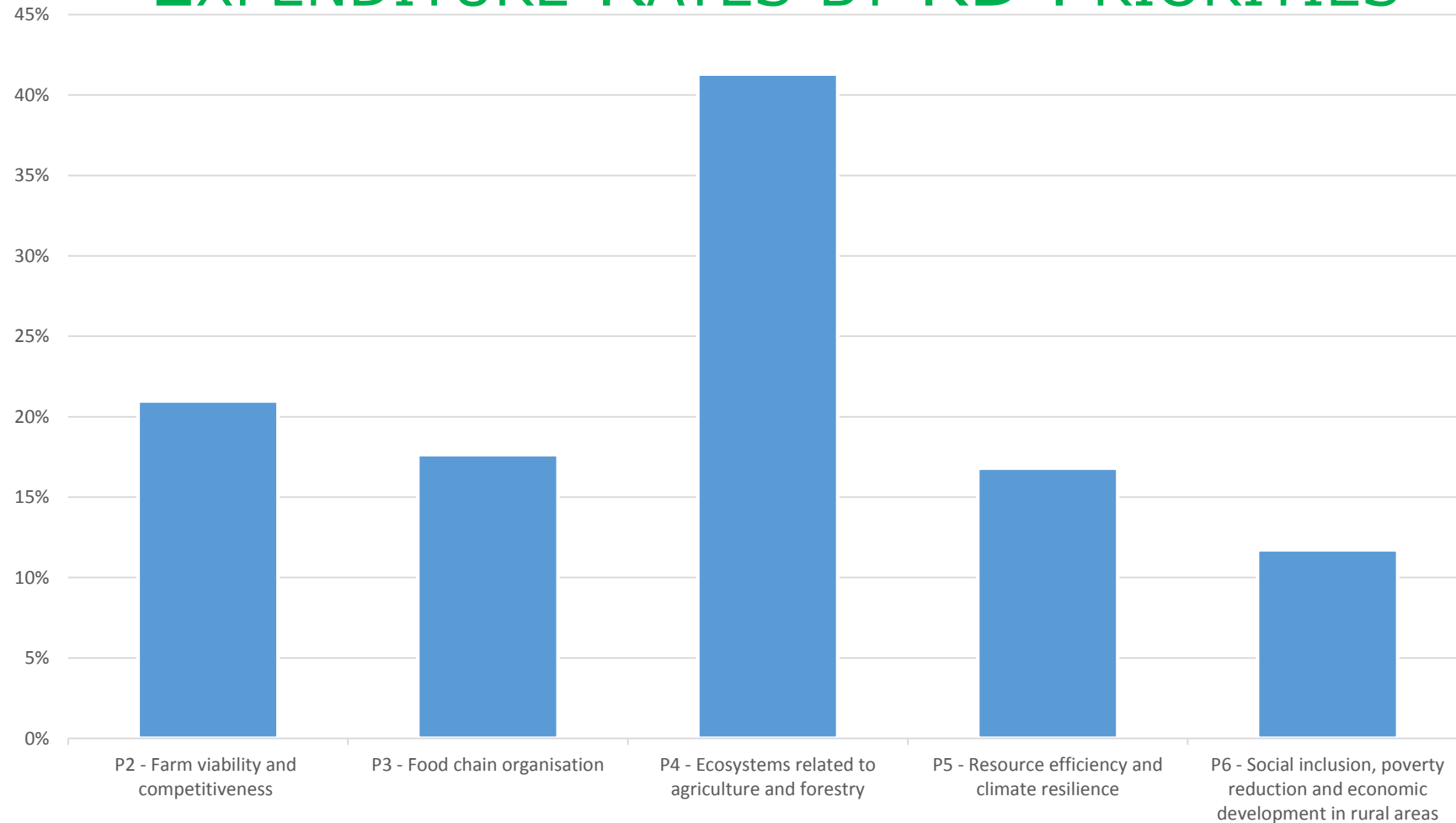
Share of budget per RD priority



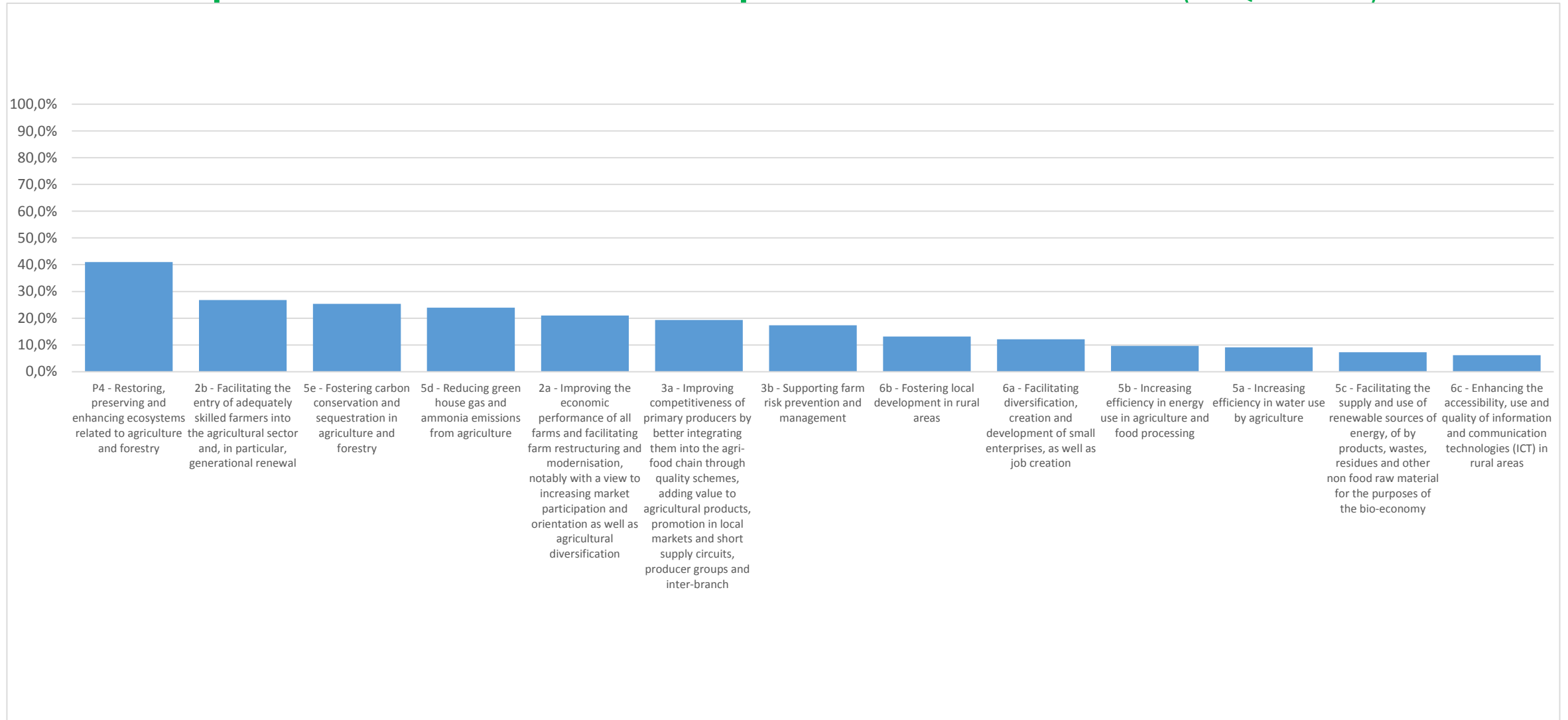
Implementation rate by MS



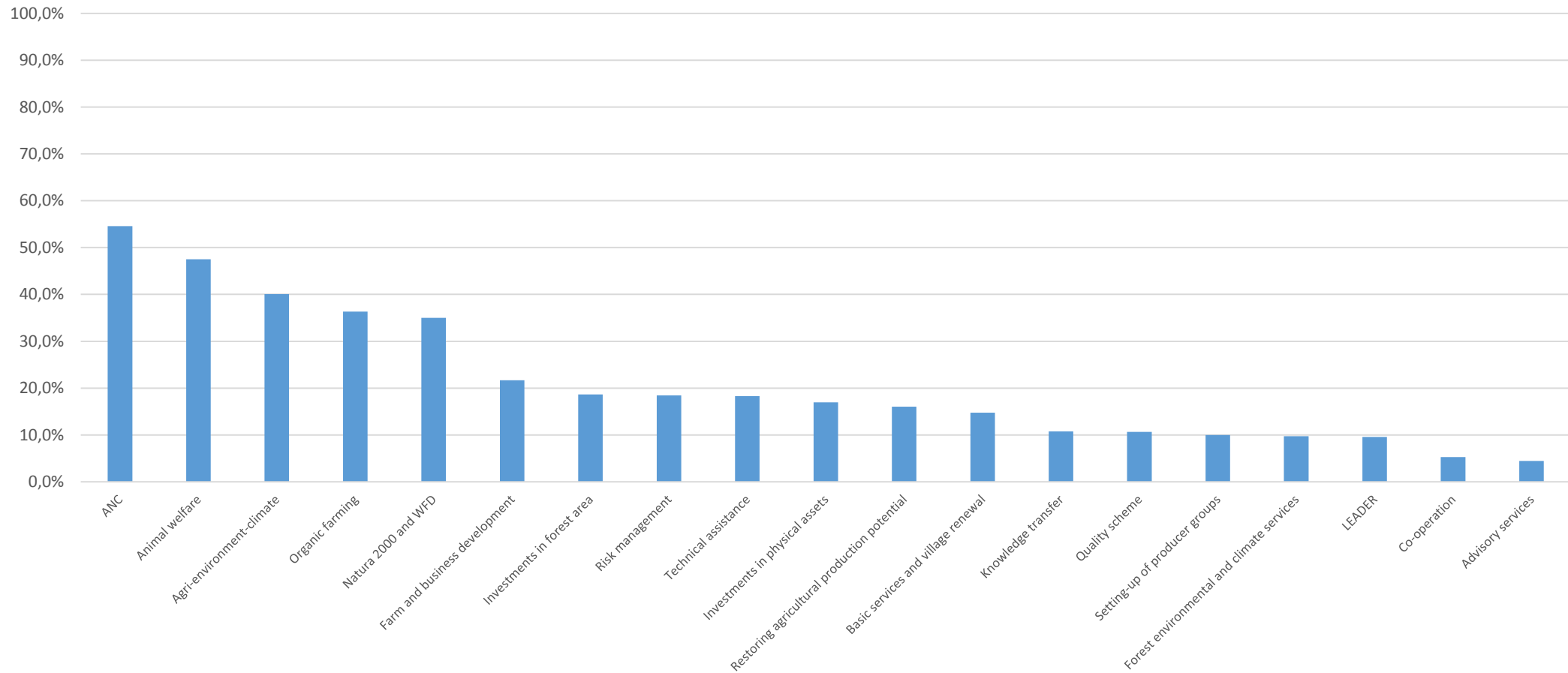
EXPENDITURE RATES BY RD PRIORITIES



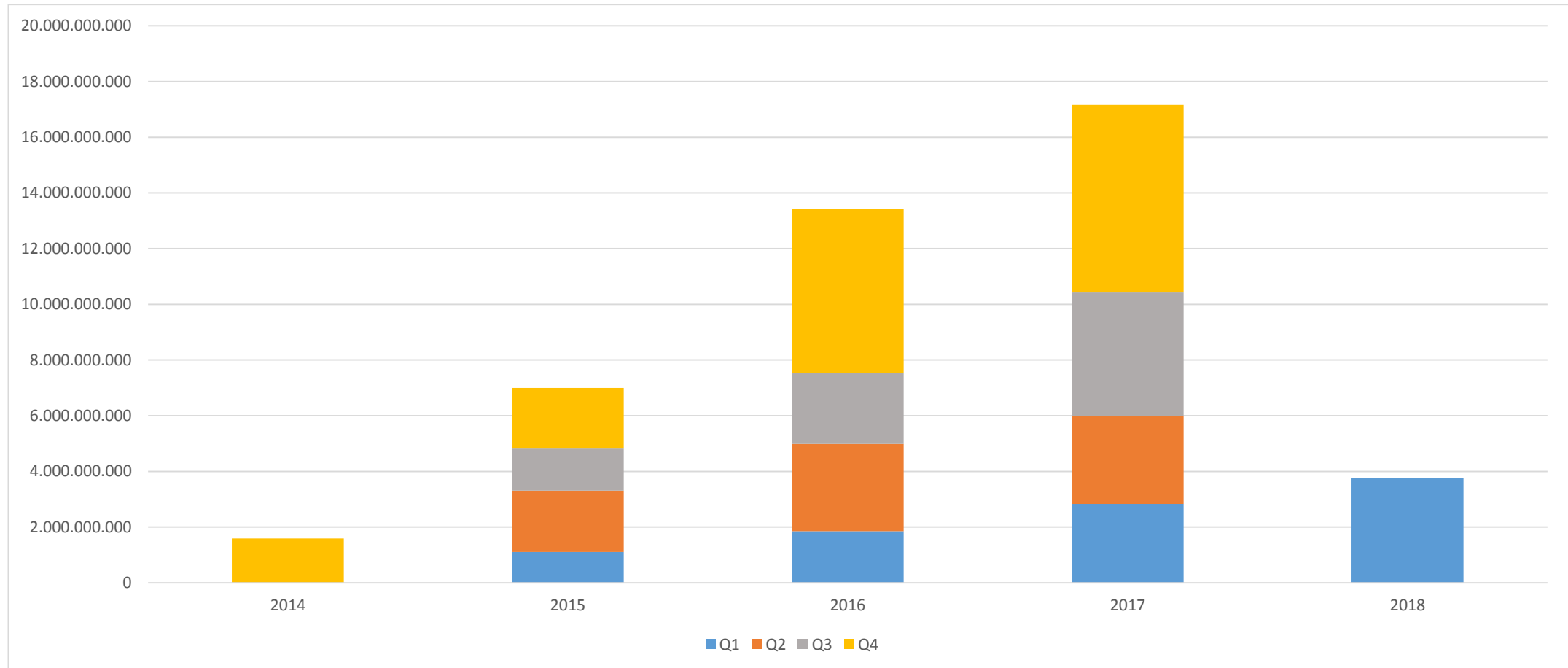
Implementation rate per Focus Area (> Q1 2018)



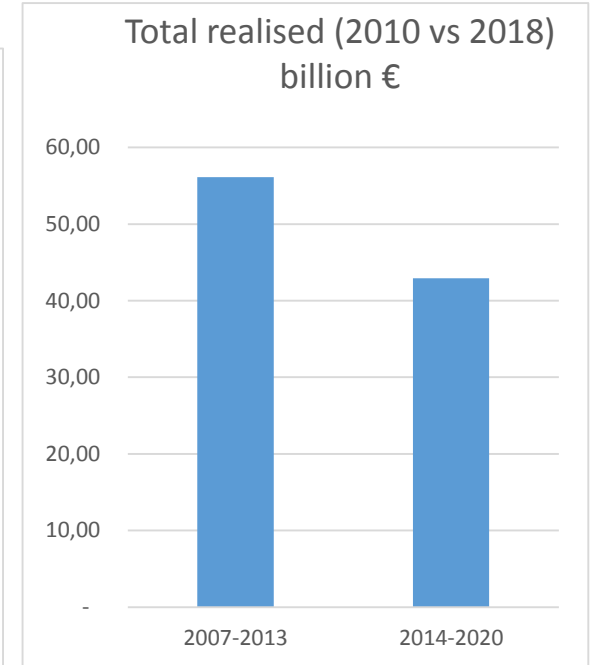
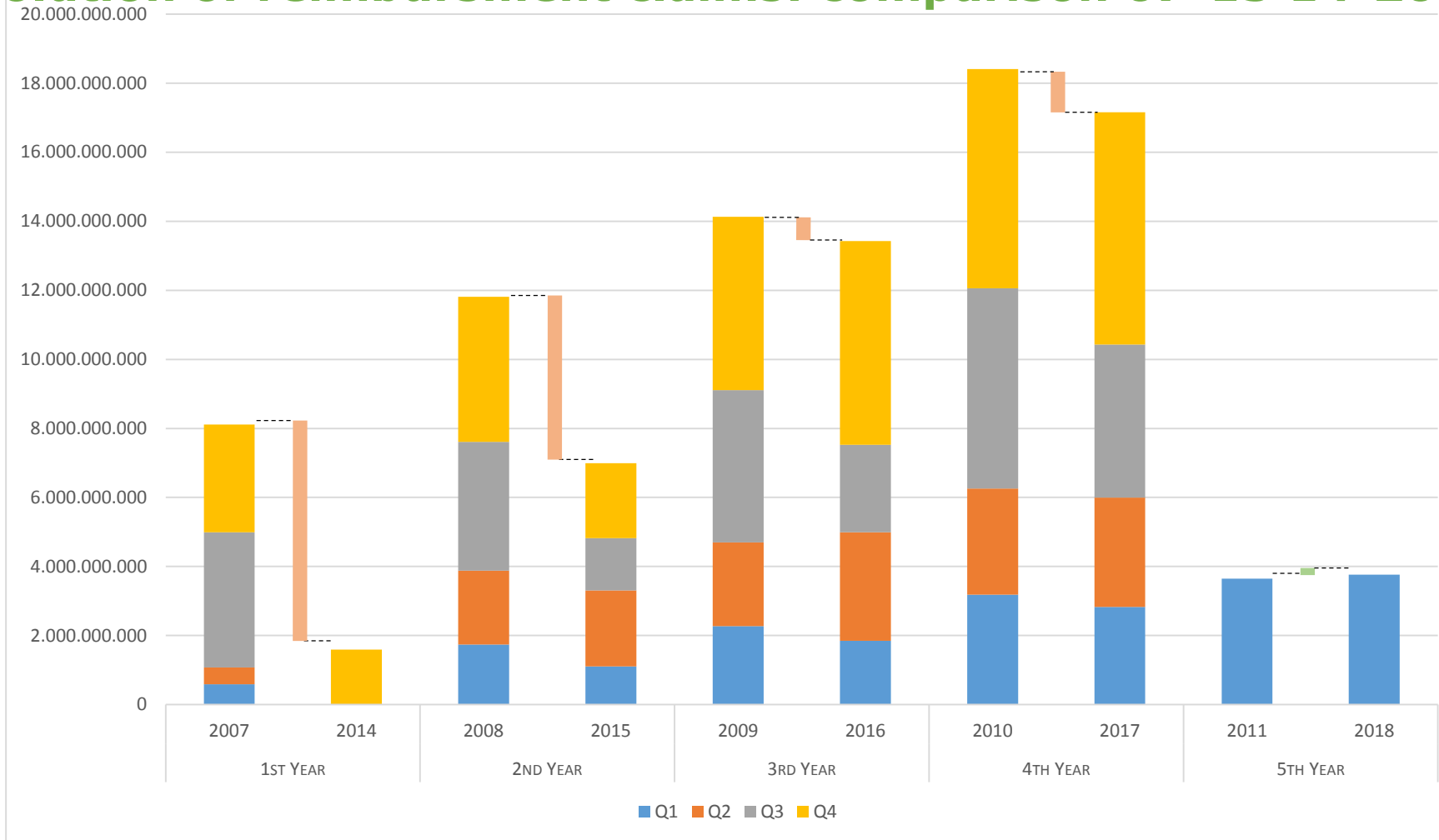
Implementation rate by Measures (> Q1 2018)



Evolution of reimbursement claims

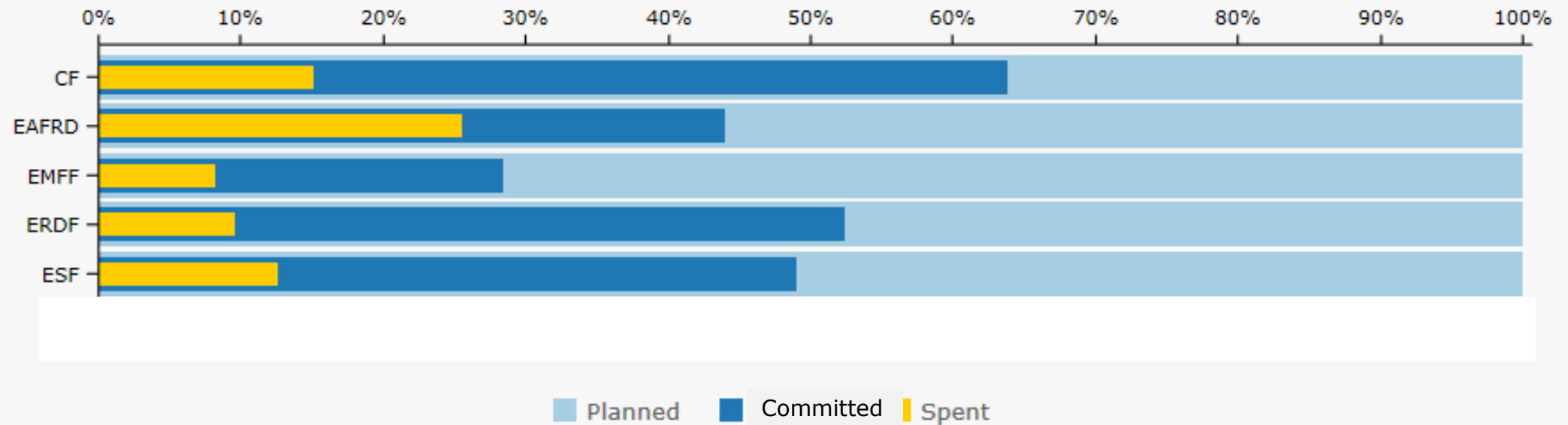


Evolution of reimbursement claims: comparison 07-13 14-20



Implementation by Fund for EU Overview, (Total Cost) % of Planned

Explore and Share this Data [↗](#)



Period Covered:

EAFRD: 31/12/2017, EMFF: 31/12/2017, CF, ERDF, ESF - 31/12/2017

Refresh Date: 20/6/2018

Target Setting and Implementation: State of Play end of 2016



Selected EAFRD Target indicators (implementation in brackets)

- 3.8 million training places (6.8%)
- 333 000 agricultural holdings with RDP support for investments in restructuring or modernisation (11%)
- 17.7% of agricultural land under management contracts supporting biodiversity and/or landscape (74.6%)
- 7.7% of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (43.7%)
- € 2.9 billion total investment in energy efficiency (3.3%)
- 18 million rural citizens benefiting from improved access to ICT services/infrastructures (8%)

Summary



- Late start, similar spending pattern than in previous period, quicker spending (merits of the Performance Reserve?)
- EAFRD performs well compared to other Structural and Investment Funds (area-related payments?)
- long-term investment measures, energy efficiency, LEADER, soft measures (knowledge transfer, cooperation...): low spending levels
- Focus Areas / Priorities 5, 6, 3 are lagging behind
- Need to further accelerate spending to avoid re-programming of performance reserve in 2019



Bottlenecks in the implementation

Examples:

- Delays in implementation in knowledge transfer or advisory services, in particular related to public procurement
- Time needed to estimate the real needs for infrastructure (e.g., irrigation), capacity of beneficiaries to implement
- No interest from the beneficiaries
- Financial instruments not ready by the performance review
- Delays in the broadband measure, scope/timing to be coordinated with other ESI Funds
- LEADER selection of strategies, coordination of multi-fund approach



Performance review

Legal provisions:

- Articles 20-22 of R.1303/2013
 - Reserve of 6% set aside, 5%-7% per Union priority for EAFRD
 - Targets, milestones to be established for each priority
 - Review in 2019 of the state of play by 31 December 2018
 - Reserve allocated to priorities which have achieved the milestones
- Chapter II of R.215/2014
 - Establishment of milestones and counting of indicators
 - Achievements:
 - 85 % of milestone value for the 2 indicators per priority achieved
 - One indicator can be 75 %, if a priority has 3 or more indicators
 - Serious failure
 - 65 % or less of milestone value for one or both of the 2 indicators
 - At least 2 indicators 65 % or less, if a priority has 3 or more indicators



Role of the performance review

Sound financial management:

- To ensure that the budget of the Union is not used in an inefficient way for priorities which are not performing
 - In the case of EAFRD, the verification is done at aggregated level of Union priorities 2-6
- ⇒ The objective is not to keep the allocation of 5%-7% at the level of underperforming priorities after four years of implementation



Role of the performance review

RDP management tool:

- Management tool to ensure timely implementation across all priorities
 - **All priorities have equal importance**

⇒ The objective is to release the allocation of 5%-7% at the level of priorities only where the priorities have delivered expected results on the ground, i.e.

Programming → communication → call for interest → selection of projects/operations → **roll out (key implementation steps)** → **full / partial completion of projects (payments)**



Way to the Performance Review

Good planning:

- Translation of strategic needs into measures/schemes
- Milestones and targets programmed based on the past experience and discussed between the MS and COM – approval of programmes
- Planning of the calls to meet the milestones



Way to the Performance Review

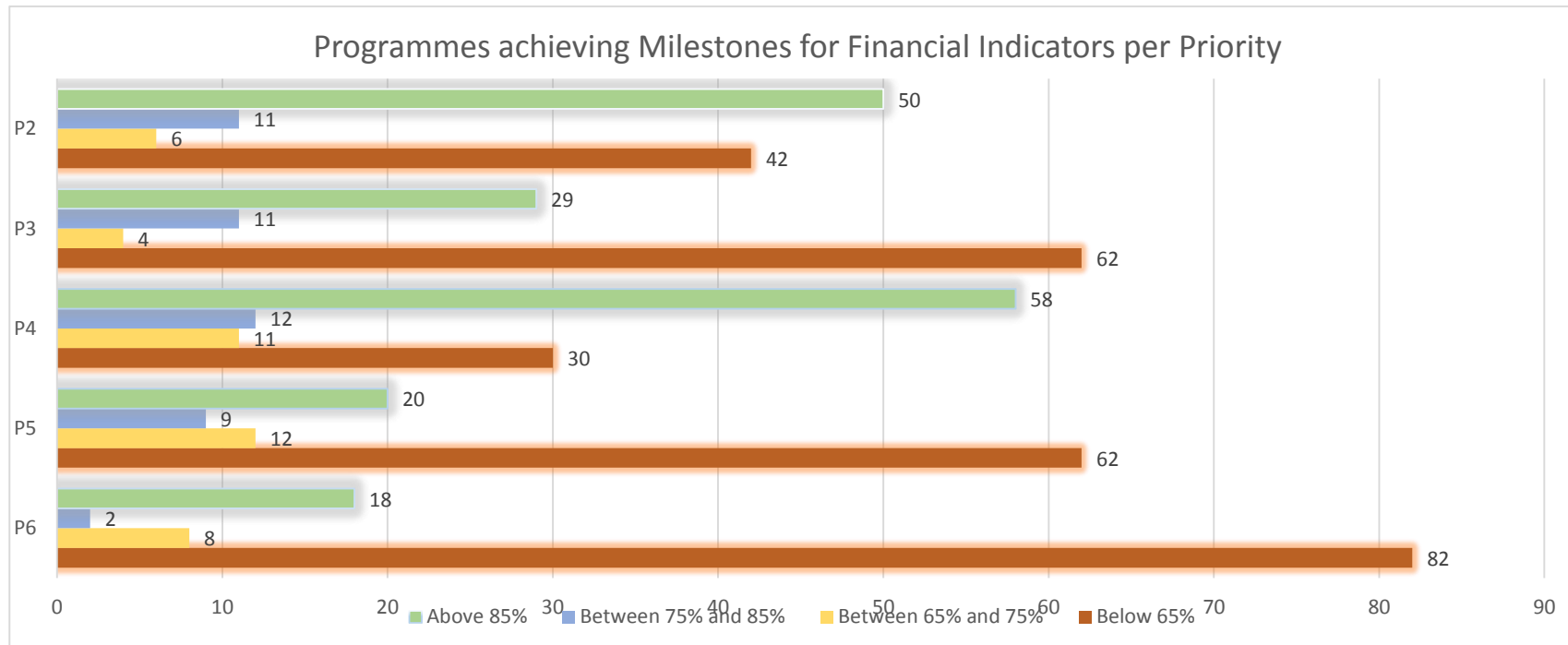
Good management:

- Communication and publication of calls for interest
 - Feedback from the calls and follow up of the committed and paid funding
 - Close follow-up of program areas in need of increased management efforts
 - Removal of implementation obstacles, setting of efficient support levels, fine-tuning of selection criteria towards core strategic needs
 - Regular discussions about the progress
 - With the stakeholders in the MC
 - With the COM in the AIR
- ⇒ Slow progress or serious risk of not meeting the milestones can be detected well before the performance review

Learning by doing

Financial indicator average milestone percentage

P2	24%
P3	24%
P4	39%
P5	26%
P6	18%





Learning by doing

First experience with performance review


- Automatic changes triggered by financial reallocations
 - Difficulty to establish or estimate milestones/targets
 - "based on wrong assumptions"
- ⇒ Analysis needed why the milestones/targets have to be changed
- ⇒ Low/high interest – need to redesign certain measures
 - ⇒ Technical error, e.g., correction of double-counting
 - ⇒ Timing issue – no payment possible by end 2020, why?
 - ⇒ Missing/changing legislation, legal proceedings, wrong design of a measure, long selection process
- ⇒ In general better follow-up of the planning of calls involving all stakeholders (COM, MA, PA, MC)



A pilot for post 2020

Performance review

- Yearly follow up of the progress
 - One single process for the annual accounts and reports
 - Planning with focus on strategic needs and envisaged results
 - Based on the past experience
 - Payments from COM to MS based on outputs
- ⇒ Higher relevance of indicators for programming, implementation and management.



Thank you for your attention