Performance framework

Evaluation network, Brussels
29-30 November 2018
Towards the Performance review: OP modifications

More than 150 programme amendments requests received since June 2018

Justifications presented:
- Changes in allocations within and across priorities
- Wrong assumptions

Major difficulties:
- Insufficient or unspecific information
- Lack of methodology
- Lack of / or dubious causal link => incorrect quantification of proposed values (overestimation)
2.2 Rate of project selection and expenditure* as share of milestone set in the Performance Frameworks (low and high performers, no. of OP and PA) - ERDF and CF

<table>
<thead>
<tr>
<th>Number of Performance Frameworks</th>
<th>EU</th>
<th>EXPENDITURE</th>
<th>ELIGIBLE COST of selected projects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EU</td>
<td>Higher than 50%</td>
<td>Between 35% and 50%</td>
</tr>
<tr>
<td>EXPENDITURE</td>
<td>766</td>
<td>131</td>
<td>572</td>
</tr>
<tr>
<td>EU</td>
<td>Higher than 100%</td>
<td>Between 85% and 100%</td>
<td>Lower than 85%</td>
</tr>
<tr>
<td>ELIGIBLE COST of selected projects</td>
<td>1276</td>
<td>24</td>
<td>169</td>
</tr>
</tbody>
</table>
2.2 Rate of expenditure* as share of milestone set in the Performance Frameworks (low and high performers, no. of OP by Member State) - ERDF and CF

* Calculation based on total (EU plus national) expenditure declared.
The 2019 performance review

- Major exercise for both Commission and Member States
  - 519 OPs and 2625 priorities for all ESIF Funds
    - ERDF/CF/ESF (YEI): 377 OPs - 1,935 priorities
    - EAFRD: 115 OPs - 541 priorities
    - EMFF: 27 OPs – 149 priorities
  - Almost 26 billion EURO

- Essential to put in place all measures necessary for a smooth running of the exercise
The 2019 performance review

- Art. 21 and 22 of the CPR and art. 6 of Reg. 215/2014
- 2 indicators: all indicators at least 85% of milestone value
- 3 or more indicators: all indicators except 1 achieve 85%, 1 indicator at least 75%
- Achievements assessed by fund and category of region
The performance review

- **Performance review carried out on the basis of 2018 AIRs**
- **Compliance with fund specific deadlines for submission of AIRs essential**
- **Milestones will be assessed on the basis of SFC AIR values for admissible OPs**
- **Data included in AIRs and encoded in SFC by MS to be checked and verified to minimise risk of errors**
- **Increased controls of monitoring systems at OP level necessary**
- **Monitoring Committees to exercise a stronger role on control of PF data**
Importance of data reliability

- Decision on allocation of the performance reserve will be taken in summer 2019 based on the performance data reported in the next Annual Implementation Reports => crucial that systems are in place to ensure that the performance data reported in next AIR is reliable.

- Correct picture of the state of play of implementation of the OPs (reporting to EP/public…)

- Deficiencies in the quality and reliability of the monitoring system or of the data relating to indicators trigger the suspension of payments (Article 142(1)d) CPR).
REGIO audits of data reliability

- (revised) REGIO audit plan for 2017-2018: 26 audit missions under the "Performance Data Reliability Audit" enquiry.
- State of play: 24 audits in 13 Member States carried out (BE, BG (2), CZ, DE (3), EL, ES, FR (2), HU (2), IT (3), PL (3), RO (2), SK (2), UK)
- Significant deficiencies detected in one third of the systems audited (8/24)! [provisional results]
Main issues found in REGIO audits

- Management verifications (of performance data of individual projects, or checks of aggregated data) absent or requiring improvements

- Lack of audit trail and significant levels of incorrect data in the programmes' IT systems & reported to the Commission in the AIR

- Wrong understanding of common indicator definitions; inadequate instructions given to beneficiaries how to collect & report the data

- Absence of eCohesion and/or IT systems not allowing for automatic checks and aggregation => manual interventions leading to errors
RE-ALLOCATION OF THE RESERVE:
Legal framework

- **Three months from decision for MS to propose re-allocation of the reserve**
- **Two months for COM to react**
- **Respect of applicable rules, development needs of region, achievement of objectives**
- **Respect of thematic concentration and minimum allocation**
- **Reallocation within same category of regions**
Thank you for your attention!