



**Fraser Associates**  
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**EX POST EVALUATION OF THE COHESION FUND (INCLUDING  
FORMER ISPA) - WORK PACKAGE D:  
MANAGEMENT AND IMPLEMENTATION**

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**COUNTRY REPORT - IRELAND**

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## EXECUTIVE SUMMARY

This report presents an overview and summary evaluation of the management and implementation the Cohesion Fund (CF) in Ireland, focusing on projects approved in the 2000-06 period (it is important to note that Ireland was only a recipient of CF until the end of 2003). It has been prepared by EPRC, Fraser Associates and Fitzpatrick Associates. The research in Ireland and the drafting of the report were carried out October-December 2011 by Jim Fitzpatrick. The report was edited by Frederike Gross, Alec Fraser and John Bachtler.<sup>1</sup>

During 2000-06, 47 projects were planned and implemented, with total eligible expenditure amounting to €901.1 million. By the start of November 2011, 87 percent of the planned allocation had been spent. Strategic planning arrangements were successful in providing direction for CF investment, although actual projects had largely been identified before the start of the period.

Overall, the performance of the CF delivery system in Ireland must be seen in context of its continuation from earlier CF rounds where significant learning and capacity building in management and implementation had already taken place. In addition, it is important to note that CF funding co-existed alongside larger ERDF and even larger national funding and accounted for a much lower percentage of overall public investment in transport (three percent) and environment (nine percent) than in the previous period.

Earlier experience with the delivery system had a positive impact on the 2000-06 period and helped to address key challenges in relation both to CF and the broader Irish infrastructure investment. These included the effective planning of large projects, monitoring and evaluation, technical project expertise, project delays and apparent cost rises. External factors which negatively impacted the delivery system included the difficult economic climate in Ireland at the start of the period and construction cost inflation.

The development of specialist administrative bodies was a key institutional development associated with the operation of the Cohesion Fund, which has contributed to the build-up of specialist expertise necessary for the planning and design of major infrastructural investment. In terms of the CF central administration, the main capacity development in the 2000-06 period was in relation to financial management and included the clearer separation of the Paying Authority from the MA. In relation to process, key lessons included the need for improved cost estimation at early project stage. The CF has been part of a series of influences which have brought about major change in the capacity of the Irish public administration to plan and deliver multiple major capital projects, impacting the capability, competence, objectivity and transparency of the system.

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<sup>1</sup> The research team are grateful to the staff (past and present) of authorities involved in the management and implementation of the Cohesion Fund, who were interviewed for the research and who participated in the workshop, and to the Commission officials in the DG Regio Evaluation Unit and Steering Group who provided helpful comments on an earlier version of the report. The views expressed in the report are those of the research team.

## LIST OF ABBREVIATIONS

CBA	Cost Benefit Analysis
CF	Cohesion Fund
CIE	Córas Iompair Éireann (Irish Transport System)
CSF	Community Support Framework
DART	Dublin Area Rapid Transit
DB	Design Build
DBO	Design Build Operate
DBOF	Design Build Operate and Finance
DTO	Dublin Transportation Office
EC	European Commission
EIA	Environment Impact Assessment
EPA	Environmental Protection Agency
EPRC	European Policies Research Centre
ERDF	European Regional Development Fund
ESIOP	Economic and Social Infrastructure Operational Programme
ESRI	Economic and Social Research Institute
ISPA	Instrument for Structural Policies for Pre-Accession
MA	Managing Authority
MC	Monitoring Committee
NDFA	National Development Finance Agency
NDP	National Development Plan
NRA	National Roads Authority
NRNS	National Roads Needs Study
NSS	National Spatial Strategy
NTMA	National Treasury Management Agency
OP	Operational Programme
PPP	Public Private Partnership
QUANGO	Quasi Non-Governmental Organisation
RPA	Rail Procurement Agency
T21	Transport 21
TA	Technical Assistance
VFM	Value for Money

## 1. INTRODUCTION

This report presents an overview and summary evaluation of the management and implementation of the Cohesion Fund (CF) in Ireland, focusing on projects approved in the 2000-06 period (it is important to note that Ireland was only a recipient of CF until the end of 2003). The report is based on research conducted at national level, comprising a review of documents and data, 12 (20 consulted inc. workshop) interviews with stakeholders whose collective experience spanned the period of the evaluation, and a workshop where all levels of Ireland’s CF delivery system were represented. The report begins with a brief review of the allocation and absorption of CF investment in Ireland, followed by assessments of each of the components in Ireland’s CF delivery system, and concluding with a synthesis of findings.

## 2. COHESION FUND INVESTMENTS IN IRELAND

In the 2000-06 period, Ireland had a distinctive relationship with the CF. As a result of its strong economic growth, in 2003 Ireland became the first beneficiary country to cease to meet the eligibility criteria. As a result, a relatively limited number of CF projects were supported in Ireland in 2000-06. No new projects were approved after 2003. Projects already committed continued to be implemented and, indeed, some remain to be formally closed.

During 2000-06, five transport infrastructure and four environmental infrastructure projects were planned and implemented. There were no Technical Assistance (TA) projects. Total eligible expenditure on the projects amounted to €901.1m, of which CF amounted to €628.8m (69.8 percent). Of this total, 58.5 percent was allocated to transport (€526.7 m eligible expenditure, €336.9m CF) and 41.5 percent to environmental projects (€374.4m eligible expenditure, €292m CF).

In Ireland, actual payments in the area of the environment at the start of November 2011 represented nearly all of the commitments (95.5 percent). Absorption in the transport sector was slightly lower at 79.2 percent. The high absorption ratios indicate that projects in both sectors were physically completed in most cases; at the same time, many projects had not been formally closed (see Table 2.1).

**Table 2.1: Cohesion Fund commitments, payments and implementation progress**

Area of investment	Commitments (€million)	Payments (€million)	Spending ratio (%)	No. of projects	Physically completed projects	Formally closed projects
Transport	315.0	249.6	79.2	5	3	1
Environment	292.0	279.0	95.5	4	4	2
TA	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total</b>	<b>607.0</b>	<b>528.6</b>	<b>87.1</b>	<b>9</b>	<b>7</b>	<b>3</b>

<sup>1</sup> This refers to projects, for which payments are at around 80 percent or more of commitments.

Source: DG Regio, Information on Cohesion Fund financial execution, cut-off date 03.11.2011.

### 3. FUND MANAGEMENT AND IMPLEMENTATION

#### 3.1 The Baseline Position in 2000

Prior to 2000, direct responsibility for strategic policy and decisions on investment in transport and environmental infrastructure lay primarily with the relevant Ministries, namely Environment<sup>2</sup> and Transport<sup>3</sup>. The other key parties were the Ministry of Finance<sup>4</sup> as the primary interlocutor with the Commission, local authorities as the instigators and implementers of road and environment projects, state transport companies responsible for rail, port and airport and executive agencies associated with the Departments. Also relevant in the case of environmental expenditure was the Environmental Protection Agency (EPA), a regulatory and policy advisory body. Aside from direct decision-making bodies, an extensive range of stakeholders including government, non-government bodies (NGOs), sectoral interests, social partners and the general public would also be consulted formally and informally, and a broadly based “social partnership” process and culture existed at many levels of public policy-making. At project level, requirements of the planning system and of Environment Impact Assessment (EIA) also involved extensive consultation processes.

From the commencement of Structural and CF programming in 1989, Ireland has consistently adopted a relatively “integrated” model of overall fund management and implementation, EU co-financed programmes funded and delivered as a subset of national investment programmes and managed and implemented through the public administration structures outlined above. This approach has also applied to the CF with the Department of Finance acting as Managing Authority (MA), relevant sectoral Ministries acting as Intermediate Bodies, and their executive bodies (including local authorities and public utilities) acting as Implementing Bodies and beneficiaries.

In the period prior to 2000, there was widespread awareness of the need to build capacity to support the planning and development of the overall transport and environment investment, including the administration of Cohesion Funding. This included a range of administrative and technical areas, such as the planning of large projects, monitoring and evaluation, technical project expertise, and expertise in compliance with EU Directives, including procurement and environment. This was addressed *inter alia* through the creation in the early 1990s of new specialist agencies - the National Roads Authority (NRA) and the EPA - which took over specialist functions previously carried out within the Department of the Environment. In the case of water, expertise was built up within the Department itself.

At local authority level, the extent of expertise varied, particularly with the size of the individual authorities. TA funding under the 1993-99 CF was used primarily for technical studies. These were mostly project-specific, but some were also of a wider capacity development nature, e.g. regarding GIS, environmental project assessment. The need to

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<sup>2</sup> Currently Department of Environment, Community and Local Government.

<sup>3</sup> Currently Department of Transport, Tourism and Sport.

<sup>4</sup> Relevant functions currently Department of Public Expenditure and Reform.

develop capacity in cost benefit analysis (CBA) was also directly stimulated by the CF (and European Regional Development Fund (ERDF)) during the period, and led to early guidelines on the topic. The CF projects also benefited indirectly from ERDF-funded TA in the various funding rounds, e.g. on management information systems for public investment in transport and the environment.

### **3.2 The Fund Management and Implementation Architecture, 2000-06**

The architecture of the management and implementation of the CF in 2000-06 in Ireland is shown in Annex I. This represented a continuation of the arrangements in the previous period except where the inclusion or exclusion of sectors or wider changes in institutional structures had an impact. This financial architecture remains in place for the current 2007-13 period as there are still some outstanding claims. Activity within the system is now declining as there have been no new projects since the end of 2003, and the remainder are gradually being completed.

#### **3.2.1 The Monitoring Committee**

The CF Monitoring Committee (MC) consisted of representatives of the EC, the MA (Dept. of Finance) and Intermediate Bodies. Representatives of implementing bodies attended as required. There were no wider social partner representatives.

The role of the Monitoring Committee in the 2000-06 period was the same as in the previous round during which the surrounding capacity, including the Secretariat, had been incrementally built. The system had benefited from very close “hands-on” interaction with the Commission which was possible during the EU4 period. Since the end of 2006, the MC has ceased to meet.

#### **3.2.2 The Central Administration**

During the 2000-06 period, the main area of capacity development in the Central Administration was in relation to financial management. This included the clearer separation of the Paying Authority from the MA (both within the Ministry of Finance), and establishment of the former as an independent unit within the Department.

Staff turnover was not a major problem. A number of key personnel in the MA retained their positions for an unusually long period within the Central Administration and the Intermediate Bodies. The establishment of the NRA and the associated process of capacity building, including a dedicated EU Funds Unit, was also a major support in this regard.

### **3.3 The Effectiveness of Management and Implementation Architecture, 2000-06**

The management and implementation of the CF operated largely as required by the Regulations. This was facilitated by the experience of Ireland as an EU4 country during the previous period, and is evidenced by the absence of major regulatory disputes with the European Commission (EC) regarding the CF generally, notwithstanding specific difficulties in relation to the eligibility of some expenditure. This other was a response to emerging

difficulties with both the Commission and the Court of Auditors regarding eligibility of some items of claimed expenditure, especially in the latter stages of the pre-2000 period.

Successes of the system were seen as the expeditious planning and implementation of projects, a relatively high rate of expenditure of the available funding, and the CF serving as a model for the close management of large infrastructural investments. The main difficulties, especially early in the period, were in relation to the eligibility of some items of expenditure. However, they involved only small percentages of total CF claims. There were also some issues in the early stages in relation to cost control on major projects.

### **3.4 Evolution and the Integration of Learning**

The project-by-project approach of the CF, and hence of the MC, was seen by most participants as a strength and provided Ireland with important experience in management and oversight of large-scale infrastructural investment. However, this approach was viewed by some as overly dominated by EC representatives on the MC.

In relation to correcting deficiencies, the main 2000-06 MC/MA level innovations were establishment of the separate Paying Authority and increased formalisation by the MA of expectations in relation to financial management.

## **4. STRATEGIC PLANNING**

### **4.1 The Baseline Position in 2000**

Prior to 2000, responsibility for planning *transport* investment in road infrastructure lay with a combination of the Department of Transport, local authorities and the NRA. Other parties also involved included local authority elected membership and economic development interests such as IDA-Ireland.

There have long been successive national-level road investment programmes, including national roads. These were generally determined by local needs together with a desire to improve connections between major urban centres. Investment under CF 1 allowed for a major increase in road investment addressing key deficiencies in the national road network in terms of road quality, safety issues, and other considerations. A total of 34 road projects attracted investment, with an average project size of €16 million.<sup>5</sup>

In preparation for the 2000-06 period, a more systematic National Roads Needs Study (NRNS) was commissioned and published in 1998. Undertaken by consulting engineers, this set out the upcoming priorities for investment in the period using a transparent mix of demographic and technical needs, and potential benefits as criteria. In terms of management and technical capacity, the need for increased sophistication was reflected in the establishment and staffing of the NRA and also the use of external consultants. There

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<sup>5</sup> This includes a number of separate phases of major inter-urban roads, i.e. 34 CF approved projects but not 34 different roads.

was relatively little use of formal TA in this context - the 1993-99 CF TA was directed primarily at environmental expenditure and there was none in 2000-06.

There had been considerable capital investment in rail during the 1990s with CF investment comprising a total of €141 million in six projects. As historically rail investment has been limited, much expenditure was focused on the maintenance and improvement of the existing network, including addressing signalling and safety issues. However, some more strategic projects were also implemented including the upgrade of the Dublin-Belfast railway line, and the development and extension of the Dublin Area Rapid Transit (DART) system.<sup>6</sup>

Planning for 2000-06 was undertaken by Irish Rail in conjunction with the Dublin Transportation Office (DTO) and the Department of Transport. Independent needs analyses for the Dublin area were undertaken in 2000, but a strategic analysis of national rail needs was not completed until 2003.

In the *environment sector*, responsibility for planning major water investment lay primarily with the Department of the Environment in conjunction with local authorities (as water authorities). Compliance with EU requirements for drinking water and waste water were already a major preoccupation prior to 2000 and these were reflected in rolling multi-annual Water Investment Programmes. Water and waste water attracted the largest single share of Cohesion Funding in the 1993-99 period (€748 million out of €1,495.6 million). CF TA was used to undertake a number of regional waste water plans.

Solid waste was also the responsibility of the Department of the Environment and local authorities. During the 1990s, the general waste management approach remained predominantly landfill, and responsibility for identifying and prioritising needs lay with individual local authorities while any necessary capital investment came from the Central Government. Notwithstanding the presence of EU Directives, national policy in the area was relatively slow to develop and the first major policy statement was produced in 1998.

In terms of technical capacity, the establishment of the EPA in 1992 was a major development and it became the planning and regulatory body for the sector. There was relatively little CF investment in the 1993-99 period, reflecting the absence of an appropriate national strategy or project pipeline.

## 4.2 Strategic Planning Arrangements, 2000-06

In the field of *transport infrastructure*, the key analytical basis for investment in national roads in the 2000-06 period was the NRNS published in 1998 (see Section 4.1.1).

The recommendations of the Study were used by the Irish Government as the basis for prioritising upgrade to motorway standard the road links between Dublin and the other five main cities during the 2000-06 period. The CF played a major role in financing three projects associated with this upgrade. The strategy led to provision of road standards which

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<sup>6</sup> ERDF supported complementary new rolling stock.

went beyond the recommendations of the NRNS. Some stakeholders were critical of the resulting level of provision while others considered it a strategic necessity.

The NRNS and the subsequent transport priorities in the subsequent NDP 2000-06 provided the basis for the strategic priorities for CF transport investment in the 2000-06 period. A Strategic Reference Framework for CF Assistance: Transport Infrastructure, was prepared and agreed in 2002. It used the other strategies as a basis and context for the CF transport projects included in it, with the latter a sub-set of the wider national priorities.

In terms of consistency, the 2000-06 period planning remained consistent over the rest of the period. While a new transport strategy was launched in 2005 (Transport 21), this did not essentially change the road priorities.

Responsibility for strategic planning in rail remained the same during 2000-06, but with a number of new developments. First, a new Rail Procurement Agency (RPA) was established in 2001 to handle planning and procurement for investment in light rail and metro (Irish Rail retained this function in relation to conventional rail). A series of priorities for rail investment were included in the 2000-06 NDP, based on needs assessment at the end of the previous period (). Only one rail project, namely the upgrade of Heuston Station in Dublin, was included as a CF project.

The Strategic Rail Review published in 2003 further highlighted the need for development of the network.

As to the *environment sector*, two major Needs Studies related to water were prepared early in the 2000-06 period, one for Dublin and one for the rest of the country, providing a strategic assessment of the water priorities for investment, which the 2000-06 CF then helped to address. The focus of investment was heavily on compliance with EU Directives, coupled with capacity requirements emerging from rapid population and industrial growth. Investment generally, and CF investment in particular, was focused on the development of infrastructure in major urban centres and the water sector, specifically waste water, continued to be a significant recipient of Cohesion Funding.

As with transport, CF environmental investment priorities 2000-06 were identified in the Strategic Reference Framework for CF Assistance: Environment Infrastructure published in 2000. This placed the specific CF investments in the context of wider national investment priorities for the sector.

There was a continued need for cost-benefit analysis of CF water investment projects, an area which had already been an issue with the Commission during the previous period. A related set of CBA guidelines was subsequently produced by external consultants and implemented by the Department. However, full CBA has not become as routine for major water as for major road infrastructure projects. This reflects inter alia the greater challenges to its use outside transport investment, and the view that for projects driven by regulatory compliance cost-effectiveness analysis is more appropriate.

Regarding solid waste compliance with EU Directives also became an increasing focus in the 2000-06 period. However, the nature of the sector began to change with an increasing

realisation of the potential for involvement of the private sector and the corresponding change of role of the public authorities to being regulators rather than investors. The sector has remained a difficult one in an Irish context, with less policy agreement than in many others and again is currently under further review by the new Government of 2011.

### **4.3 The Effectiveness of Strategic Planning Arrangements, 2000-06**

In the *transport sector*, the strategic planning arrangements for roads in 2000-06 were successful in providing direction to, and prioritising investments by, the CF. Specific projects were identified in the Strategic Reference Framework for CF Assistance: Transport Infrastructures published in 2000. Key to their inclusion was the fact that they were already detailed in relevant national strategies, including the NDP 2000-06 (published in Autumn 1999). However, it should be noted that, in the area of major infrastructure, the strategic planning process can come under pressure to include certain specific key projects.

In the field of *environment*, the strategic planning arrangements for water and waste water in 2000-06 were also successful in providing direction and in prioritising investments in CF projects. Specific projects were identified in the Strategic Reference Framework for CF Assistance: Environment Infrastructures. Key to their incorporation was the fact that they were already included in relevant national strategies, including the NDP 2000-06. However, as with major roads, in the case of major water infrastructure the distinction between strategic planning and the pressure to include specific individual projects can often be blurred.

Following the pattern of the previous period, solid waste did not feature prominently in CF priorities in Ireland in 2000-06. There was just one project and while the CF component has been successfully completed, the subsequent substantive project has not yet gone ahead.

### **4.4 Evolution and the Integration of Learning**

Strategic planning for the CF was undertaken at the end of the 1993-99 period and reflected in the Strategic Reference Frameworks for CF investment, published in 2000, for both transport and environment infrastructure. This preparation drew upon capacity built up during the 1993-99 period, initially at the start of the period and then later in anticipation of the 2000-06 round, to support investments in both sectors. The investment in strategic planning capability probably came somewhat sooner in the transport sector, as reflected in the NRNS published in 1998. National level needs studies in the water sector were developed later in the 2000-06 period, although major regional water needs studies had already taken place during the 1993-99 period, including using TA support from the CF. Over time, investments have become increasingly aligned with strategic priorities.

## **5. PROJECT DESIGN AND DEVELOPMENT**

### **5.1 The Baseline Position in 2000**

Regarding *transport*, prior to 2000, direct responsibility for the design and development of major road transport and infrastructural projects lay with the NRA and local authorities

under the supervision of the Department of the Environment, with the detailed technical design work done generally by externally contracted consulting engineers.

This system was effective in producing a pipeline of transport (and environment) projects which were ready for investment, including through the CF and ERDF. Prior to 2000, the need for increased capacity to support design and development was identified and this was achieved initially through the creation of the NRA in 1992 and its subsequent development including the recruitment of a wide variety of different disciplines needed to support the process on the client side.

In the case of rail, prior to 2000, project design rested with Irish Rail under the direction of the Department of Transport and relied heavily on internal engineering staff. In the case of proposed light rail investment in Dublin, there was also involvement at the strategic design level by the DTO which subsequently became the RPA. There was a pipeline of rail projects at the commencement of the period. However, this related mainly to the Dublin area. A review of rail investment needs naturally was undertaken in 2003, and the subsequent T21 transport strategy of 2005 put rail investment up the national priority ranking.

In the case of water investment in the *environment sector*, responsibility prior to 2000 lay with a combination of the local authorities and the Department of the Environment. The primary detailed design work was undertaken by consulting engineers contracted by local authorities either individually or in groups. The role of the Department of the Environment was in relation to technical supervision and approval. A significant pipeline of projects was ready for funding in 2000, as reflected in the Strategic Reference Framework for CF investment 2000-06.

Specific requirements for capacity development were not identified, and the consulting engineering profession was seen as competent to deal with any new issues arising. As the Department of Environment also funded the design process, it had in effect a strong influence on the choice of projects selected for detailed design work. With emergence of design build (DB), and especially design build operate (DBO), as a procurement process during the period, design was increasingly bundled with the later phases rather than being contracted separately.

In the case of solid waste, responsibility rested primarily with local authorities. Prior to 2000, the emphasis was on smaller, local projects from local authorities which were not generally put forward for Cohesion Funding (only two such projects were funded out of 117 in the 1993-99 period). This reflected absence of a fully-developed national investment strategy and consequent pipeline of projects suitable for CF support.

## **5.2 Project Design and Development Arrangements for CF, 2000-06**

In the 2000-06 period, the *transport* project objectives and outline technical specifications for road projects were generally established by the NRA under the direction of the Department of Transport (after 2002). These were supported by the newly-created Regional Design Offices (RDOs) which were organisations spanning a number of local authorities and operated jointly by the local authorities and the NRA. Detailed project design and specification was prepared by consulting engineers, generally on contract to local

authorities individually or in groups. The local authorities' role vis-à-vis the consulting engineers was generally managed by the Regional Design Offices.

The costing of projects was undertaken by the contracted design teams which, in addition to engineers, would typically include specialist quantity surveyors. CBA and EIA were carried out either by the consulting engineers or, in the case of CBA, internally within the NRA.

In the case of traditionally procured projects, match funding (for Cohesion or ERDF projects) was provided by Central Government. In the case of DB and DBO road projects, which came on stream during the 2000-06 period, funding was provided by private investors as part of the overall consortia. However, there were no CF-funded DBO projects, and only one DB project (Ennis Bypass). This mainly reflects timing, with CF 2000-06 projects already selected by 2000 and hence prior to the full roll-out of DB/DBO in transport.

Applications to the CF were prepared internally by the Department of Transport in conjunction with the NRA under the guidance of the Department of Finance as the MA. Where appropriate, these applications relied heavily on the work of the outsourced consulting engineers and other professionals.

There was only one Cohesion Funded rail project during the 2000-06 period. This was developed by Irish Rail, which has its own internal dedicated capital projects team which undertook the project costing. Match funding for this project was provided by the Department of Transport/Irish Rail. More widely, with the expansion of national investment in rail infrastructure as the 2000-06 period progressed, Irish Rail established a New Works Department in 2002 to manage all aspects of the rail project investment cycle. This involved dedicated staff with appropriate skills to oversee project planning, design, procurement and implementation, including oversight of contracted expertise.

In the 2000-06 period, *environment* project objectives and outline technical specifications for water and waste water projects were generally established by the lead local authority, in consultation with the Department of the Environment. Detailed design and specification of projects was prepared by consulting engineers, generally on contract to local authorities individually or in groups.

The costing of projects was undertaken by the contracted design teams which, in addition to engineers, would typically include specialist quantity surveyors. CBA and EIA were carried out either by the consulting engineers or specialist environmental consultants, or combinations of both.

In the case of traditionally procured projects, match funding (for Cohesion or ERDF projects) was provided by Central Government. In the case of design, build, finance and operate projects, funding was provided by private investors as part of the overall consortia. However, all CF projects were procured under traditional contracts.

Applications to the CF were prepared internally by the Department of the Environment in conjunction with the local authorities, and under the guidance of the MA. These

applications would rely as appropriate on the work of the outsourced consulting engineers and other professionals.

The use of consulting engineers evolved over time. As projects became larger, there was more interest from international consultancies and a number of domestic Irish engineering consultancies were internationalised during the 2000-06 period in a process of take over by international groups. Throughout the period, consulting engineers played a critical role and were generally closely involved at all stages with the exception of overall programme management. In particular, they were involved in strategic planning, design, development, procurement and implementation, working for both the clients (as client representatives) and either on their own account as designers or as part of consortia for DB etc. projects.

The only CF supported project in the solid waste sector in the 2000-06 period was the design of the planned new waste treatment and other waste handling facilities in Dublin. The overall objectives and outline specification were developed by Dublin City Council as the client. The detailed design and specification, the objective of the CF project, was carried out by external consultants. Regarding match funding, the project itself was co-financed by Dublin City Council and the Irish Exchequer.

The financing of the major follow-up substantive project was to be through Public Private Partnership (PPP) but this has not yet gone ahead, although an international consortium has been selected through competitive tendering.

### **5.3 The Effectiveness of Project Design and Development Arrangements, 2000-06**

In the *transport sector*, arrangements for designing and developing road projects for 2000-06 were successful in that they resulted in reasonably rapid design and development of projects and the development of projects that were already incorporated in the Strategic Reference Framework. An exception to this was the Cohesion Funded South Eastern Motorway project where unanticipated archaeological issues arose and the project had to be substituted with another. In the case of the rail sector, arrangements for designing and developing projects in 2000-06 were successful in that they did result in the reasonably rapid design and development of the sole project and of other projects which were ready for funding.

In the *environment sector*, arrangements for designing and developing water and waste water projects in 2000-06 were successful in that they resulted in timely design and development of appropriate projects. These were already incorporated in the CF Strategic Reference Framework published in 2000. There was only one solid waste project for Cohesion purposes and this was completed on time.

### **5.4 Experiences of the Decision Process**

The decision process in this context relates to the initial approval for Cohesion Funding. Based on the responses of consultees, there were no particular issues. The system was seen as responsive with the period between application and approval regarded as reasonable and requests for additional information at this stage considered to be clear and proportionate. There were no rejections, the projects had been pre-agreed as part of the Strategic

Reference Framework, and decisions were all taken early in the period, so there was no evident change in the process over time.

## 5.5 Evolution and the Integration of Learning

The projects funded under the CF 2000-06 were anticipated at the start of the period, with the exception of the Ennis Bypass which was substituted for part of the South Eastern Motorway funding. Hence developments in design and development, specifically in relation to these projects, were not very pertinent.

Wider institutional changes contributed positively to capacity for design and development of strategic projects in water and waste, including the creation of the RPA and, at the start of the period, of the NRA Regional Design Offices. These allowed the build-up of specialist expertise necessary for the planning and design of major infrastructural investment. This expertise included not just traditional areas such as engineering, but newer areas such as environment and archaeology. For example, during the period the NRA had up to 80 archaeologists in its employment.

Regarding key learning from the 2000-06 for the 2007-13 period, this is not relevant as there are no CF projects in the current period. More generally, lessons were learned in terms of the need for improved project costing at an early stage, and the integration of the design phase with subsequent ones as part of DB, DBO or DBOF procurement.

The impact of these lessons has been constrained by the fall-off in investment, particularly in roads and transport investment, since 2008. In the case of water, the decision to establish a national water agency (Irish Water) in the Programme of the current Government was, in part indirectly influenced by the experience of the 2000-06 investment period, including with the CF, and in particular by the desirability of an independent specialist agency with specialist staff for this sector.

## 6. PROCUREMENT

### 6.1 The Baseline Position in 2000

In both transport and environment, the procurement of CF projects essentially used the same process as other concurrent projects. This involved a series of very defined sub-stages, detailed in extensive internal manuals and guidelines in the relevant bodies responsible for typical CF projects in 1993-2003.

In the *transport sector*, the Irish body formally responsible for procurement in the case of road investment was the relevant local authorities, singly or in a group. This reflected the fact that local authorities were effectively owners with direct responsibility for all road infrastructure, notwithstanding the role of the NRA. This procurement role was carried out with the support of NRA and the Department of Transport. A pre-existing procurement process compatible with EU procurement principles was in place prior to 2000 as Ireland had been subject to these requirements as a Member State for many years. It was not envisaged that CF projects would require a major change from existing procedures, although the focus in the 2000-06 CF on larger projects began to raise issues of using a

different procurement process (DB, DBO, DBOF). Reflecting the latter, there was a realisation that there could be a need for some capacity-building, both internally and among the engineering consultants chosen to be client representatives. Extensive internal capacity was built particularly in the NRA during the 1994-99 period in relation to procurement issues and this continued on into the subsequent period. Consultancies with experience of PPP internationally were also used, especially in the earlier years of the period. Central cross-government PPP expertise was also built up in the Department of Finance and in its specialist agencies (National Treasury Management Agency (NTMA), National Development Finance Agency (NDFA)).

In relation to rail, the contractor prior to 2000 was Irish Rail. In 2001 the RPA was added as a specialist design, development and procurement body for light rail.

In the *environment sector*, the contractors for water/waste water projects were also local authorities as the formal “water authorities”, either singly or in groups. As with roads, fully EU-compliant procurement processes were in place in the previous period, and indeed earlier. It was not considered necessary to introduce any significant new or additional requirements in relation to CF projects, although they did give rise to increased vigilance as a breach of the requirements on a CF project could also be treated as a financial irregularity. This applied to procurement in the areas of roads as well. The water/waste water sector in Ireland moved relatively early towards non-traditional procurement methods, in this case to DBO. The primary motivation for this shift was not the CFs per se, but rather as a mechanism for ensuring adequate resources to create greater cost certainty, more risk sharing, and ongoing maintenance of the new infrastructure. DB/DBO procedures were introduced not only for larger projects, but also for smaller projects, sometimes in bundles.

The situation was similar for waste projects, although only three waste projects were procured under the 1993-99 CF period and one in the 2000-06 period.

## **6.2 Procurement Arrangements for 2000-06**

In the *transport sector*, procurement for roads in 2000-06 continued in broadly the same method as 1994-99. Significant developments included the additional internal support provided to the process by NRA/local authority Regional Design Offices. The post-2000 period also saw the gradual introduction of new procurement methods, including DBO and design build operate and finance (DBOF) into road construction generally. However, by and large this came after the approval of road CF projects which were largely procured on the traditional basis (Ennis Bypass was the exception).

In the *environment sector*, the gradual introduction of new procurement methods in relation to water services, including water supply and waste water, that was initiated pre-2000 (see Section 6.1 above) continued during 2000-06 and this gradually replaced traditional procurement. However, having been selected prior to 2000, the CF projects were still mostly contracted through traditional methods.

In relation to solid waste, the sole CF-funded solid-waste project as a Phase 1 project was a design only, and procured through the traditional methods.

### 6.3 The Effectiveness of Procurement Arrangements, 2000-06

In the *transport sector*, procurement methods in relation to road transport in 2000-06 were seen as effective. They brought forward a good choice of bids, they were effective in differentiating adequately between offers, and there was relatively little challenge of decisions. In the case of the CF projects, all projects were completed as originally planned.

One CF project in the 2000-06 period experienced substantive delays as a result of unanticipated difficulties of an archaeological nature. In this case it was addressed by moving some of the funds, with EC agreement, to an alternative project (i.e. from South Eastern Motorway M50 to Ennis Bypass N8). The original project was also subsequently brought to completion.

Another more general issue that arose across major projects in the early stage of the period was that of cost “over-runs”. Analyses at the time showed that this was due to a combination of factors including lower initial cost estimates (i.e. prior to tendering), additions to the original project concept, and high construction cost inflation in Ireland during the early years of the 2000-06 period. Further, additional costs which were part of traditional contracting procedures were frequently perceived as “over-runs” because they appeared to raise costs above original estimates. Interviewees for this study emphasised that such cost over-runs were usually related to initial informal project estimates, and not estimates at either the tendering or contracting stages. They also emphasised the differing definitions of what constitutes a “project” between strategic plans, overall planning, and actual contracting.

A range of measures were introduced to address this situation including improved cost estimates at an early project stage and the gradual introduction of DB and other new forms of contracting. The latter do not necessarily mean that projects are ultimately cheaper, but they do bring greater clarity and certainty at an earlier stage in the project cycle.

The 2000-06 CF road projects were mostly procured in the traditional manner. They also coincided with the peak period of Irish construction costs, something to which the high level of investment of course itself also contributed.

Regarding rail, procurement was done by Irish Rail. It is part of the wider Córas Iompair Éireann Group (CIE) public transport utility. CIE public procurement policies and procedures were well established prior to 2000, including being compatible with EU procurement requirements. The system operated effectively in the period, reflected in completion of the Cohesion Fund rail project. As part of a wider improvement of its project management capability (referred to in Section 5.2 above) there was emphasis during the period on increased formalisation, standardisation and documentation of procurement requirements and of each step in the procurement process. This was mainly driven by the wish to ensure maximum transparency, and ability to demonstrate compliance, especially in the event of any potential disputes.

In the *environment sector*, a recent Value-for-Money Review of the water/waste water sector found the new DBO procurement method to be very successful, and typically less costly than traditional “re-measurement” contracts. In relation to solid waste, no particular

issues arose. A recent study found that the ‘Design, Build, Operate Procurement’ model offers the following advantages for projects involving the provision of a waste water treatment plant:<sup>7</sup>

- acceleration of infrastructure provision as the contractor can only become eligible for service phase payments after the construction is completed, thereby reducing exposure to construction inflation;
- single point responsibility for design, construction, operation and maintenance provides an incentive to private sector contractors to optimise the whole life cost of the project and to provide reliable robust treatment processes and technologies and associated mechanical and electrical equipment;
- better allocation of risk resulting in greater certainty of final capital cost;
- encouragement to use newer technologies with associated technical and economic advantages; and
- contractually guaranteed performance and maintenance standards over the 20 years operational phase.

#### **6.4 Evolution and the Integration of Learning**

There were no significant organisational changes or investments in capacity regarding procurement in relation to CF projects in the 2000-06 period.

More generally, the major procurement development during the period was the move away from traditional “re-measurement” contracting procedures towards DB and DBO across much of the transport and environmental infrastructure sectors. The presence of the CF both in the 1993-99 and 2000-06 periods contributed to this, in particular by facilitating and encouraging larger projects and through its emphasis on cost clarity and certainty from the outset. Other well-known advantages of the new approaches are introduction of private sector management practices and techniques into the project development, procurement and implementation phases, the introduction of a greater degree of competition at all stages of the project cycle, and the focus on the overall life cycle costs of the infrastructure and not just the initial capital investment.

The recent Value for Money (VFM) Review of investment in water services concluded that on balance the new procurement processes provide better VFM on a number of criteria than traditional procurement methods. Learning from the 2000-06 period has been reflected in the 2007-13 period, albeit with lower investment levels in the case of transport, and less so in relation to water investment. The positive changes in procurement procedures, to which the CF contributed, helped address previous concerns about high costs and cost “overruns”.

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<sup>7</sup> Department of the Environment, Community and Local government, Report on the Value for Money Review of the Water Services Investment Programme 2007-09, 2010, pp 85-86.

## **7. PROJECT MANAGEMENT AND IMPLEMENTATION**

### **7.1 The Baseline Position in 2000**

In the *transport sector*, responsibility for roads rested with local authorities prior to 2000. In relation to rail, CF investment had been channelled through Iarnród Éireann, as the rail operator and which was responsible for its own project management and implementation.

In the *environment sector*, prior to 2000, water/waste water implementation was the responsibility of local authorities, either jointly or individually. Increased levels of activity and new technical and other requirements led to the need for greater expertise. This was addressed through increased capacity levels in the Department of the Environment and some larger local authorities, and also the extensive use of external expertise, including international expertise.

### **7.2 Project Implementation and Management Arrangements, 2000-06**

In the *transport sector*, road projects in the 2000-06 period relied on pre-existing processes and resources of the IB and the beneficiaries. An important development was the creation of the NRA/local authority Regional Design Offices which were set up at the start of the 2000-06 period to provide additional expertise to the process. Their establishment was a response to the need for greater capacity and expertise at all levels of the management and implementation process because of the increased overall scale of activity and the large size of individual projects. Institutionally the offices were set up within the local authority system, but jointly staffed and managed with the NRA at central level. Contractors, irrespective of the nature of the contract, also had their own professional on and off-site project management. In relation to rail investment, Cohesion Funded investment continued to use the structures as in the pre-2000 period. More widely, the new RPA was established to oversee the procurement and project management and implementation of the (nationally-funded) light rail investment.

In the *environment sector*, water/waste water investment in 2000-06 continued to use the structures already existing. The main development was the increased use of new contracting procedures, especially DBO, which meant the collapsing of these previously separate phases in the project development and implementation process. Local authorities singly or in groups continued to be the project managers.

### **7.3 The Effectiveness of Project Implementation and Management Arrangements, 2000-06**

Concerning *transport*, in the roads sector, arrangements for implementation of CF projects were seen as successful. A particular strength was the ability of the system to take on fewer, but much larger, projects both generally and Cohesion Funded. A weakness was the apparent rise in project costs at the outset of the periods. This complex issue is commented on in Section 6.3.1 above.

Projects were generally not subject to significant deviation from physical specification once this was formally agreed.

In relation to budgets, a key issue was the definition of “budget”. There were many significant increases on initial informally specified project budgets. Once costs had been formalised, however, increases were much less likely even in the traditional type of project. The move to DB and DBO projects also reduced this problem. After a period of significant delays, the 2000-06 period saw many projects coming in ahead of budget.

There was no use of TA funding to address these issues in the 2000-06 period. However, it should be noted that Cohesion Funding used for project design and planning led to improvements which helped to overcome the problems. Also, wider project design, planning and management systems had benefited from CF TA in the 1994-99 (Environment only) and from ERDF TA in the Economic and Social Infrastructure OP 2000-06.

In relation to rail, capital investment in 2000-06 involved, from 2002 onwards, a new dedicated capital projects team (New Works Department) within Irish Rail. This reflected the new challenges emerging from increased project scale and complexity. This involved the creation of a dedicated internal unit with the skills and capacity to oversee all stages in the project cycle. However, it was driven by growth in national investment rather than CF requirements. Unfortunately, in the context of the current economic and fiscal crisis, the level of rail investment activity has been dramatically reduced.

### **7.3.1 Environment**

The CF *water and waste water* investment projects were an inherent part of larger investment schemes in the nation’s cities during the period. Investment in this sector had a number of positive effects in the 2000-06 period a substantial increase in the level of investment, much larger average project size and associated scale-economies, and roll-out of the DBO approach as the default approach to waste water investment.

The issue of cost escalation was also an issue in this sector particularly during the early years of the 2000-06 period. Under both the traditional and the new procedures, this issue has now been greatly reduced. However, systematic analyses of it are scarce. One recent such analysis compared outturn and approved costs of water projects procured in the traditional manner, i.e. non-fixed price “remeasurement” contracts. This found that just over 50 percent of projects out-turn costs were actually lower than approved costs. Just over 80 percent of outturns were still within 10 percent of the (inflation adjusted) cost estimated at tender approval stage. Reasons for variations in excess of 10 percent in the sample included additional works added to the contract post-tender, unforeseen or difficult underground conditions and claims for delays. This was seen to be within international norms for this type of contract.<sup>8</sup>

More widely, this sector continues to face major challenges deriving from on-going issues with environmental compliance, and out-dated sewage and waste water collection systems. Consequently, notwithstanding the current economic crisis, there is a continued high level of investment in the water sector.

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<sup>8</sup> See Ref. 7

## **7.4 Evolution and the Integration of Learning**

The choice of the CF projects in 2000-06 was largely made at the start of the period which meant there were no subsequent major developments. More widely, key lessons from the period were the ability to handle larger projects, the use of new forms of tendering, and the need for careful cost estimation before project commitments were made. Over time, budget deviations became less frequent and delays between project contracting and completion were significantly reduced.

## **8. CONCLUSIONS: A SYSTEM-WIDE PERSPECTIVE**

### **8.1 General**

This section of the report brings together the main findings from the evaluation of the different components of the overall CF delivery system. It considers the interaction of the different components and their performance as an overall system: where the most significant bottlenecks occurred; the most difficult issues confronting institutions; the main lessons learned; and the scope for further capacity building in order to improve the effectiveness of the CF management and implementation. It is important to note that this not only reflects findings based on desk research and interviewees opinion but also includes the insights from the workshop and judgements by the evaluators.

### **8.2 Performance of the Cohesion Fund Delivery System**

The performance of the CF delivery system in Ireland in the 2000-06 period must be seen in the context of its continuation from earlier CF rounds. A great deal of learning and capacity building regarding management and implementation had already taken place during the previous seven year period 1993-99, both in regard to the period itself and also to preparation for the 2000-06 period.

Also important, as set out in Section 2, is the fact that Cohesion Funding in 2000-06 co-existed alongside (larger) ERDF funding and even larger national funding, all in the context of the overall National Development Plan 2000-06. Over this period, Cohesion Funding contributed approximately three percent of all equivalent public investment in transport and nine percent in the environment (much lower than in the previous period). Furthermore, the actual projects put forward for Cohesion Funding in 2000-06 were already identified at the start of the period - this meant that strategic planning and aspects of initial project development had in fact occurred before 2000 or were parts of larger projects where this preparation had already taken place.

Interview feedback highlighted a number of inter-related issues where further capacity development was required in the 2000-06 period. These included: the availability of multi-annual capital envelopes; the delivery of larger projects; closer project oversight, monitoring and reporting; more detailed ex ante analyses and appraisal at both programme and project level; improved initial cost estimates, including new contract types; improved capacity to handle environmental and archaeological issues; and better handling of financial audit and claims.

Experience in these areas during the 1994-99 period had a positive impact on the performance of the delivery system in 2000-06. It helped to address a number of the challenges which had arisen in relation to CFs and the Irish infrastructure investment system more generally including, in some cases, project delays, the apparent rises in costs, and difficulties with the eligibility of some elements of claims.

In relation to wider external issues, the economic climate in Ireland during the period, particularly during its early years, had a major impact. This included the need for larger projects and a willingness to invest in these, as well as an appreciation that the rapid economic growth at that point was resulting in infrastructural bottlenecks which would subsequently need to be addressed. This complemented the CF's emphasis on the desirability of larger and more strategic projects in an Irish context in 2000-06 as against 1994-99.

In terms of negative factors, the rapid economic growth also contributed to construction cost inflation, which was well above average national inflation. This contributed to the issue of infrastructure cost increases.

### **8.3 Key Learning**

In relation to key learning, it is again important to emphasise that the 2000-06 period cannot be isolated entirely from Cohesion Funding in Ireland over the previous seven years. Indeed, in many ways the impact of Cohesion Funding on management and implementation in Ireland may be seen as a 10-year process spanning the period 1993-2003. In addition, the relatively small but important role of Cohesion Funding during the 2000-06 period means that learning must be thought of not just in terms of Cohesion Funded projects, but also in relation to the wider transport and environment infrastructure delivery system of which CF projects were a sub-set.

Regarding organisational innovations, the development of specialist administrative bodies is the most important institutional development associated with, although not fully driven by, the existence of Cohesion Funding. This includes the creation of the NRA in the previous round, and the development for the 2000-06 period of the RPA and the Regional Design Offices for roads as centres for specialist project planning, design, procurement and management expertise within the public sector. Also important were improvements in institutional arrangements at CF MA level, and in particular the clearer separation of responsibilities of the MA and the Paying Authority, the institutionalisation of this separation within the Department of Finance, and the greater clarification and codification of CF financial management and eligibility requirements.

In terms of process, key lessons included the need for improved cost estimation at the early stages of projects, in particular prior to full policy and political commitment, and improved cost management during the implementation period. A previous weakness of the system was the perception at least that many major strategic commitments are made without adequate knowledge of costs or the risk of their increase. The level of "micro-oversight" afforded by the CF approach, including by the MC, contributed to giving the issues of costs, cost over-runs and project implementation schedules a higher profile in an Irish context.

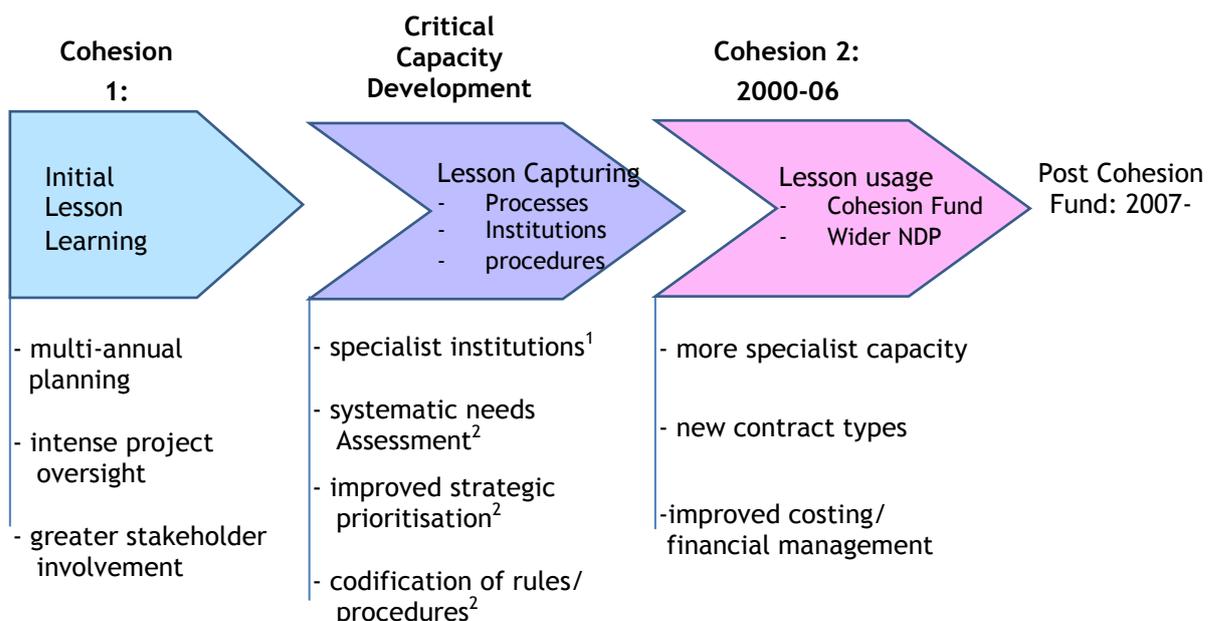
This approach has now been internalised in many bodies, even without the presence of a formal MC.

Increased use of new contracting procedures, especially DB and DBO, has subsequently also been crucial in addressing the costing issue. In particular, it brings more overt costing of the inevitable risks associated with major infrastructure, and hence more clarity and certainty about the likely cost commitments involved.

In terms of system-wide benefits, therefore, the CF has been part of a series of influences which have brought about major changes in the capacity of the Irish public administration to plan and deliver multiple major capital projects. This is true at a number of levels including the capability, competence, objectivity and transparency of the system. Alongside the CF, other contributors to this development are the ERDF, the rise in national funding, other aspects of EU and national policy including regulation and public procurement, and the process of modernisation and reform of the Irish public sector and public expenditure systems generally.

In chronological terms, the period leading up to, and immediately after, the start of the 2000-06 period was one where learning from the previous period was encapsulated in policy and process statements and in significant institutional change. As summarised in Figure 8.2. the “bridge” period of the years 1998-2002 witnessed a good deal of significant development in this regard. This can be directly and indirectly credited to the role of the CF and the EU generally and has had a lasting legacy in terms of Ireland’s ability to manage and invest in multiple larger infrastructure projects. The benefits of these developments have been somewhat lessened by the slowdown in investment in the current crisis, although some critical investment is still taking place, especially in water services.

**Figure 8.1 Ireland - Summary of Cohesion Fund Learning Phases**



<sup>1</sup> Regional Design Offices (2000), Rail Procurement agency 2001, Paying Authority (2002).

<sup>2</sup> See list of documentary sources, Annex II.

Also pertinent here is the fact that in 2004, the Department of Finance, as MA, published a type of Ex-post Review of the CF in Ireland for the 1993-2003 period including a set of “lessons learned and conclusions”. It highlighted following areas of particular importance: regular contact and professional dealings with the EC; pre-funding projects through national resources; extra resources made available to bring projects through planning and design stages; sending complete project applications to the Commission; maintenance of a pipeline of projects that are ready as substitutes; the presentation of the strategic importance of projects in a clear way; effective management structures and a clear division of responsibilities with bottom-up reporting arrangements; a central clearing house and point of contact for the EC; ensuring systems at each level to monitor physical and financial progress of individual projects; the use of procedures manuals, risk assessments, sensitivity analysis and cost control mechanisms; and public consultation to identify and take account of views of local residents and the general public.

#### **8.4 The Contribution of Capacity Building Support**

There was no TA under the 2000-06 CF Programme in Ireland. Support through TA was available during the previous period and was principally focused on topic-specific technical issues in relation to environmental investment. Capacity-building therefore was undertaken using mainly national resources. As stated above, this capacity-building was specifically in relation to the handling of larger projects.

Regarding CBA, the CF has had quite an explicit and direct impact on the nature and extent of practice in Ireland. Prior to Cohesion 1, there was some but not extensive use of CBA. The regulatory requirement during that period for CBA put it on the radar screen, and initiated regular undertaking of CBAs for major infrastructure projects, particularly in transport and to some extent in water.

In the 2000-06 period the practice of CBA became more mainstream. It became a formal requirement for major public capital investment projects generally, and in the transport area in particular. This included it being part of a Common Appraisal Framework developed by the Department of Transport, operationalised in more detailed CBA guidelines developed by the NRA for implementation by local government.

The CBA of major road projects including CF projects has been carried out on behalf of local authorities by their consulting engineers. This was aided by the existence of the detailed NRA guidelines, and by a degree of commonality among the projects, and a reliance on the standard COBA method which emphasises the value of time savings on a project-by-project basis.

In the water sector, CBA guidelines were also developed. However, challenges remain in that sector, and some observers view cost effectiveness analysis as possibly more appropriate there.

Across all infrastructure sectors the tendency is to use formal CBA to ensure that major projects meet minimum thresholds in terms of socio-economic return, more than as a way of distinguishing between project options. However, usage has increased greatly and it is now clearly more than tokenistic analysis of decisions already taken.

## 8.5 Scope for Administrative Reform: Issues for the Commission

Feedback from the present research is limited in relation to this topic because Irish consultees have no experience of the CF under the 2007-13 Regulations since Ireland's eligibility ceased in 2003. However, a number of specific issues were highlighted as important from these consultations:

- the need to sustain specialist human resources - effective management depends on the input of knowledgeable, experienced officials, who remain in place over a long period, to handle the detailed administrative and other requirements of the CF and other EU funds. Some would take the view that many of the so-called burdens associated with these requirements are the result of people who are either inexperienced or simply lack the necessary specialist knowledge and training.
- the contribution of specialised agencies related to, but not part of, the central civil service ministries was seen as desirable. In the CF case, the role played by the NRA and the associated Regional Design Offices, and to a lesser degree the EPA, appears to have been particularly pertinent, as was the technical water section of the Department of the Environment. This generally consists of assembly and retention of specialist expertise in relation to planning, management, procurement and implementation of expertise in regard to major infrastructural investment and EU co-financing of this.
- a need for adaptation to paperless transactions - some auditors were reported to insist on access to “hard” rather than “electronic” copies of documentation.
- gains from concentration - concentration of CF and other EU resources on fewer and larger strategic interventions and projects (as in Ireland CF 2000-06) has potential to ease the compliance “burden” for both EU and Member State institutions. The EU desire to be associated with multiple, small national development interventions comes at a higher transaction cost on both sides.

## ANNEX I: MANAGEMENT AND IMPLEMENTATION ARCHITECTURE

**Table I-1: Management and Implementation Architecture for Transport Projects in Ireland**

	CF (2000-06)	CF (2007-13) <sup>3</sup>
Managing Authority	Department of Finance	
Paying Authority	Department of Finance	
Intermediate Bodies	Department of Transport/NRA <sup>1</sup>	
Implementing Bodies	Local Authorities/Irish Rail	
Beneficiaries	Local Authorities/Irish Rail	

<sup>1</sup> NRA

**Table I-2: Management and Implementation Architecture for Environment Projects in Ireland**

	CF (2000-06)	CF (2007-13)
Managing Authority	Department of Finance	
Paying Authority	Department of Finance	
Intermediate Bodies	Department of the Environment	
Implementing Bodies	Local authorities <sup>2</sup>	
Beneficiaries	Local authorities	

<sup>1</sup> Departmental titles are abbreviated for convenience

<sup>2</sup> Individually or in regional groupings

<sup>3</sup> No new projects approved after end 2003.

## **ANNEX II: DOCUMENTARY SOURCES**

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Department of Public Expenditure and Reform (Nov. 2011), Infrastructure and Capital  
Investment 2012-16: Medium Term Exchequer Framework

## ANNEX III: LIST OF CONSULTEE ORGANISATIONS

Managing Authority:	Department of Finance
Paying Authority:	Department of Finance <sup>9</sup>
Intermediate Bodies - Transport:	Department of Transport, National Roads Authority
Intermediate Body - Environment:	Department of the Environment,
Implementing Bodies:	Irish Rail (rail), Dublin City Council (water/waste water)
Other:	Brady Shipman Martin (Planning Consultants)

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<sup>9</sup> Now Dept. of Public Expenditure and Reform