



Ex post evaluation of the European Union Solidarity Fund 2002-2016

Case Study - Portugal

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PORTUGAL, FLOODS AND LANDSLIDES IN MADEIRA, FEBRUARY 2010

1. INTRODUCTION

This section presents a case study for the Ex-Post Evaluation of the European Union Solidarity Fund, assessing the EUSF application relating to floods and landslides **in the region of Madeira in February 2010 (case 72)**¹. The aim of the case study is to analyse the implementation and performance of the EUSF as a contribution to understanding the effectiveness, efficiency, relevance, added value and solidarity of the EU funding. The following section sets out the context for the EUSF support and a brief overview of the intervention. It then examines the experience of implementation, the factors influencing implementation, the relevance of the EUSF, the administrative burdens and costs associated with the intervention, the achievements and added value of the EUSF support, and the lessons learned.

2. CONTEXT

During the first two months of 2010, the Region of Madeira (which is an EU outermost region) experienced significantly above-average rainfall, with 90 percent of average annual rainfall falling in January and February. On the morning of 20 February, unusually intense rainfall resulted from a combination of weather fronts. In some places, the rainfall between 6.00 and 11.00 was more than double the monthly average; in the centre of the island, around the Pico do Arieiro mountain, 165 mm of rain was recorded within this five-hour period. This amount of rainfall on already oversaturated ground led to flooding and subsequent mudslides. 42 people lost their lives, and an estimated 3,500 people were directly affected by damage caused by the floods. Mudslides travelled down streets destroying buildings and cars. Roads, bridges and other transport infrastructure were badly damaged. The whole island suffered major communication disruption as a result of the mudslides.²

The total estimated damage was estimated by the Portuguese authorities at EUR 1.08 billion, which represents 0.676 percent of the GNI for Portugal. Damage to hydrology accounted for 45 percent of the total damage, which included the clean-up and repair of approximately 130km of waterways (26 major rivers and 250 secondary watercourses). Transport throughout the island was significantly damaged by the mudslides, regional/secondary roads being the most affected. Approximately 153 bridges were damaged by the floods, with 66 of these in Funchal alone.

The need for immediate repair to water supplies and wastewater drainage for agricultural irrigation in many regions of Madeira was necessary to combat the destruction caused by multiple mudslides. Economic losses due to the events of 20 February 2010 affected approximately 3100 farms. Around 800 houses were damaged by the floods and

¹ This case study was researched and originally drafted by Carlos Diez and David Cembrero, both of Infyde, and edited and revised by the EPRC Core Team.

² Application Annex 1 – Madeira Mudslides of 2010

landslides, 400 of which were either completely destroyed, partially destroyed or suffered severe structural damage³.

3. OVERVIEW OF EUSF INTERVENTION

On 20 April 2010 Portugal sent an application to the European Commission for financial assistance from the EU Solidarity Fund within the 10-week deadline set out by the EUSF regulation. The total direct damage was estimated to be some EUR 1.08 billion, which represented 112.7 percent of the threshold (EUR 958.41 million) applicable to Portugal in 2010. The Commission therefore assessed the disaster under major disaster criterion. After assessment of the application by the Commission, it was proposed to mobilise an amount of EUR 31.255 million. Pursuant to the decisions of the Council and Parliament, the Portuguese authorities were granted an award of EUR 31.255 million on 5 April 2011.

Table 1: Timeline of the EUSF Intervention

Intervention stage	Date
Disaster occurrence	20/02/2010
Application submission	20/04/2010
Application update	15/07/2010
Date of proposal	29/09/2010
Date of EP and Council Decision	15/12/2010
Commission Decision	13/01/2011
Implementation agreement	18/03/2011
Payment date	05/04/2011
Implementation period end	05/04/2012
Implementation report due	05/10/2012
Implementation report received	02/10/2012
Implementation report update	30/09/2013
Closure date	11/04/2014

The implementation period for the EUSF ran until 5 April 2012, and the Implementation Report was received on 2 October 2012, within the deadline set by the Commission. A translation of the Implementation Report was received in November 2012.

Table 2: EUSF granted and reported (EUR million)

Categories of damage	EUSF awarded	EUSF reported
Infrastructure restoration	5.2	5
Temporary accommodation	0.4	0.38
Preventative infrastructure	7.5	7.58
Clean-up of disaster	18.1	18.44
Total	31.255	31.408

³ Additional Information – Portuguese Authorities, 2010

The eligible expenditure amounted to EUR 31.408 million which included interest and therefore the grant was used in its entirety. Additional information was requested by the Commission at the end of July 2013 and subsequently a reply was received in September 2013. Following this, the closure process began and a closure letter was sent to the Portuguese authorities on 11 April 2014.⁴

Comparison of the timetable for this case with other EUSF cases⁵ shows that the time period between the occurrence of the disaster and the payment of aid was (at 58.4 weeks) slightly longer than the average of all 48 EUSF flooding cases (56.3 weeks) and significantly longer than the average for the three EUSF cases in Portugal (39.3 weeks) (see Table 3). While the Commission assessment and the EP and Council assessment/approval were both quicker than the average for flooding cases, the time period of the application process (including the required updating noted above) was, at 20.7 weeks, much longer than the average of 14.9 weeks for all flooding cases. By contrast, the closure process was relatively efficient. The Implementation Report was submitted within the deadline, as noted above, and while updating was required, the closure process was completed within 27.6 weeks, less than 40 percent of the time period for all EUSF flooding cases, and about half the time of all Portuguese EUSF cases.

Table 3: Comparison of administration of the case study with other EUSF cases

Indicators	Case study : PT72 (weeks)	Average of all other Floods (weeks) (n=48)	Average of all PT interventions (weeks) (n=3)
Submission of application in relation to the deadline	-1.6		
Application completion duration	20.7	14.9	12.9
Commission assessment duration	10.9	14.6	7.47
EP & EC assessment duration	11	12.5	9
Time between disaster occurrence and payment of aid to beneficiary country	58.4	56.3	39.3
Submission of IR in relation to deadline	-0.4	6.5	1.14
Duration of updates to implementation report	51.9	88.8	51.9*
Duration of closure process	27.6	72.6	59.8

* Only PT case with an update to application is PT72

4. IMPLEMENTATION OF EUSF

The following sections describe the implementation of EUSF in greater detail, covering the institutional context, application/submission, evaluation/assessment and approval, implementation, closure, and publicity and visibility.

⁴ Closure note to file – Portuguese mudslides of 2010.

⁵ Based on analysis of all EUSF cases undertaken for the Interim Report.

4.1 Institutional context

Following the severe weather that affected the Autonomous Region of Madeira (*Região Autónoma da Madeira*, RAM) on 20 February 2010, a Joint Committee was set up by order of the Prime Minister (Order No. 4482/2010 of 15 March 2010). Its aim was to assess and quantify the resulting damage, and to provide a basis for a general framework of cooperation between the Central Government and the Government of the Autonomous Region of Madeira. This would then translate into a law containing specific and special measures for the reconstruction of the affected areas of the region.

As stated in its Final Report,⁶ the said Committee included one representative of the Central Government (Deputy Secretary of State for Industry and Development) and one representative of the Madeira Regional Government (Vice-President of the Madeira Regional Government), assisted by the following specialists:

- Assistant Coordinator of the NSRF Observatory;
- Deputy Director-General for the Treasury and Financial Affairs;
- Advisor to the Office of the Deputy State Secretary for Public Works and Communications;
- Regional Director for Infrastructure and Equipment;
- Regional Director of Finance; and
- Regional Director for Trade, Industry and Energy.

The following also provided permanent assistance to the work of the Committee:

- Head of the Office of the Deputy State Secretary for Industry and Development;
- Assistant to the Vice-President of the Madeira Regional Government; and
- Deputy Director-General for the Treasury and Financial Affairs.

The actors involved in the management and implementation of the interventions carried out after the 2010 RAM floods and landslides are set out in Table 4.

Table 4: Institutional arrangements for the EUSF intervention

	Organisation name	Role
Institution sending application	Secretária-geral do Ministério da Administração Interna (SGMAI)	Binding acts with the UE
Key implementing authorities	<ul style="list-style-type: none"> • Instituto de Desenvolvimento Regional (IDR) • Inspeção Geral da Administração Interna (IGAI) • Victor Jose & Associados 	<ul style="list-style-type: none"> • EUSF grant management and control • EUSF grant control (final certification of accounts process) • EUSF grant external auditing

⁶ Madeira Regional Government (2010) Final report of the Joint Committee Portugal National Government.

Key stakeholders	<ul style="list-style-type: none"> Serviço Regional de Proteção Civil da Madeira Empresa de Eletricidade da Madeira (EEM) Instituto de Habitação da Madeira (IHM) Secretaria Regional do Equipamento Social (SRES) Administração dos Portos da Madeira (APRAM) 	<ul style="list-style-type: none"> DPM activities Energy supply Housing Public equipment (including safety infrastructure) Ports administration
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As the table shows, the EUSF application and agreement were managed by the Portuguese national authorities through the *Secretária-geral do Ministério da Administração Interna* (SGMAI), although a protocol was signed between the national administration and the regional administration for its implementation.

Subsequently, Regional Government Council Resolution No. 1619/2010 of 31 December 2010 assigned responsibility to the *Instituto de Desenvolvimento Regional* (IDR) for managing and implementing EUSF funding in the Autonomous Region of Madeira, and the respective draft Protocol was approved. It should be noted that this Regional Government Council Resolution was the driver of the implementation and decision process of the Madeira Reconstruction Programme (*Programa de Reconstrução da RAM*) defined in Regional Government Council Resolution No. 462/2010 of 11 May 2010.

The protocol was signed on 21 February 2011, followed by an addendum signed on 5 May 2011 to remedy the discrepancy between the approved draft and the signed protocol, which mentioned the MAI and the IDR as the only contracting parties, but not the RAM. This addendum also served to correct an omission in Clause 4 concerning the existence of an IDR account held with the Institute for Management of the Treasury and Public Credit (IGCP).

The IDR is the entity responsible for coordinating the planning and monitoring of regional development activities, as well as coordinating and managing EU funds in the RAM. It was in charge of defining implementation procedures, selecting operations to be funded, paying aid to the direct beneficiaries, and verifying and validating declared expenditure.

A total of nine IDR intermediate departments were involved in the management and control of the EUSF assistance, in addition to the regional government departments of finance and accounting (*Direcção Regional de Finanças*, DRF, and *Direcção Regional de Orçamento e Contabilidade*, DROC), all under the supervision of the Vice-Presidency of the Regional Government (see Table 5).

Table 5: EUSF implementation process steps and responsible body

Core functions	Responsible body / department
Analysing proposals for financing	IDR_NICC (Cohesion and Cooperation Interventions Centre)
Proposal for Decision	IDR_NICC
Approval	Commission chaired by the Vice-President of Madeira's Regional Government
Terms of Acceptance	IDR_NICC
Requests for Payment / Validation of expenditure	IDR_NICC
Analysis of Final Reports	IDR_NICC
Legal Opinions	IDR_UAJ (Legal Support Unit)

Payments	IDR_UCFF (Financial Flows Control Unit); NOC (Budget and Accounting Centre) and NGF (Financial Management Centre)
Archive and documentary management	IDR_NGAP (Management and Administrative Staff Centre)
Analysis of Final Reports	IDR_NICC
Debtor management	IDR_UCFF
Control	IDR_UC (Control Unit)
Updating the Reserved Area	IDR_NICC
Information activities / Publicity	IDR_NCI (Communication and Image Centre)
IT; Backups, management of networks and backups	IDR_NIC (IT and Communications Centre)

Source: IDR (2011) Final Report Madeira Storm EUSF Application.

Additional grant control activities were exercised by the *Inspecção Geral da Administração Interna* (IGAI), which carried out the final certification of the accounting process. Victor Jose & Associados was the firm selected for the external auditing of the grant implementation (reporting no irregularities concerning the operations financed by the Fund). In addition, while the EUSF Decision was being implemented, the Court of Auditors performed further inspections of the Madeira Reconstruction Programme; this was in line with a legal provision⁷ for the exceptional financial measures established, in a framework of cooperation between the national and regional governments, for the reconstruction of the affected areas of the RAM.

Apart from the above institutions, the *Serviço Regional de Proteção Civil da Madeira* – the regional authority in charge of disaster prevention and management issues in the RAM – played a major role in the coordination and implementation of emergency response activities.

The funding measures involved EUR 740 million from the National Government, which comprised a EUR 200 million transfer of funds from the State budget to the Autonomous Region of Madeira, a EUR 265 million increase in the Cohesion Fund budget, a EUR 250 million EIB loan, and a EUR 25 million reallocation of PIDDAC (Central Government Programme for Investment and Development Expenditure) towards measures in the Autonomous Region of Madeira. The rest of the funding for the disaster recovery (EUR 340 million) came from redeployment of funds from public bodies in the Autonomous Region of Madeira (Community funds and investment budgets), insurance, donations, other private funds and the EU Solidarity Fund.⁸

With respect to the EUSF, the beneficiaries were four regional organisations that implemented the 47 EUSF-funded actions for the recovery of the RAM (see Table 6), as follows.

- The *Secretaria Regional do Equipamento Social* (SRES) was the department of the Regional Government of Madeira responsible for defining and implementing regional policy in the areas of public works, buildings and public facilities, roads, urban planning, coasts, territorial planning and geographic, cartographic and cadastral information.

⁷ Portuguese Organic Law No. 2/2010 of 16 June 2010.

⁸ Section on Relevance of EUSF support below provides further detail on the distribution of the Madeira Reconstruction Programme funds.

- *Empresa de Electricidade da Madeira* (EEM) is a public company in charge of the production, transportation, distribution and commercialisation of energy in the Autonomous Region of Madeira. It was responsible for restoring the operation of energy infrastructures and power plants throughout the island.
- *Administração dos Portos da Região Autónoma da Madeira* (APRAM) is a public company responsible for the administration, conservation and development of ports, terminals and piers. Its role after the disaster consisted of cleaning up the damaged areas and reconstructing port infrastructures.
- *Investimentos Habitacionais da Madeira* (IHM) is a public entity in charge of implementing the housing policy of the Regional Government of Madeira. The IHM was responsible for identifying all affected families, in order to assess their socioeconomic characteristics, inventory affected dwellings, and provide immediate and temporary accommodation for displaced people in the wake of the disaster.

Table 6: EUSF beneficiaries

Beneficiaries	Payments (EUR)	%
Empresa de Electricidade da Madeira (EEM)	3,613,716	11.51
Investimentos Habitacionais da Madeira (IHM)	381,072	1.21
Secretaria Regional do Equipamento Social (SRES)*	23,940,740	76.22
Administração dos Portos da Região Autónoma da Madeira (APRAM)	3,473,020	11.06
TOTAL	31,408,547	100.00

Source: IDR (2011) Final Report Madeira Storm EUSF Application.

Note: *SRES became VP following a reorganisation of Madeira's Regional Government.

As funds were directly received by a regional government body (SRES) and the three public companies, some institutions (e.g. *Câmara Municipal do Funchal*) were not aware of having benefitted from EUSF aid and were unable to discern the ultimate source of the funding for the projects developed in their municipality. They only considered having profited from European funds' support and could not clearly differentiate between ESI Funds and the Solidarity Fund contribution.

Furthermore, as the IDR was basically the only institution dealing with the EUSF application process and procedures, most of the organisations and persons interviewed had considerable difficulty in assessing the influencing factors, administrative burden, relevance of support, added value or lessons learned from the Solidarity Fund support.

4.2 Application/submission phase

The application for European Union Solidarity Fund aid was set in train immediately by the actions of senior officials from the European Commission – the President and the Regional Policy Commissioner – and the national authorities.

In line with his responsibility for managing the EU funds, the Interior Minister (MAI) submitted the application dossier, drawn up by the IDR on instructions from the Regional Secretariat for Planning and Finance.

The application was received by the Commission on 20 April 2010, within the deadline of 10 weeks after the first damage was recorded on 20 February 2010. The initial Commission assessment of the application found that the explanation and evidence on the nature of

the damage and assessment method were inadequate.⁹ Specifically, insufficient detail was provided in the application regarding damaged homes/public buildings, as well as damage to infrastructure, enterprises and agriculture. A request for further information on damages, the assessment method and the affected population was sent by the Commission to the Portuguese authorities on 10 June 2010.¹⁰ The additional information necessary to complete the assessment of the application was provided on 15 July 2010 by the MAI.¹¹

The technical and financial assessment of the damage and of the corresponding reconstruction work was divided into the following stages.¹²

Stage I – First assessment in the field of the impact of the severe weather event and identification of the main types of intervention. During this stage, the members of the Joint Committee travelled out to the affected areas on 18 and 19 March 2010 to familiarise themselves *in situ* with the consequences of the severe weather event and to discuss the main areas where intervention was needed. The following areas were identified: (a) hydrology, (b) roads, (c) ports and coastline, (d) water supply, drainage and electricity networks, (e) public buildings and facilities, and emergency and rescue services, (f) housing, and (g) economic activities.

Stage II – Quantitative assessment of the damage and reconstruction measures. The Joint Committee meeting in Lisbon on 25 March 2010 defined the method to be used when taking stock of the damage, involving completion of standard forms by the regional bodies affected, with identification and classification of the damage (e.g. financial dimension, schedule for work, insurance cover, form of public procurement). This work, coordinated by the Madeira Regional Government through the IDR, was carried out between 25 March and 6 April and was also geared towards supporting the application to the EUSF.

Stage III – Technical assessment of the damage. The technical evaluation of the forms by a team of specialists involved visits on 8, 9 and 10 April to the main areas in Madeira where intervention was required. The team included specialists in addition to the members of the Joint Committee (see Box 1). Many of the forms referring to more substantial amounts also had a series of sub-forms for specific measures, with values ranging from EUR 500 to EUR 400 million depending on the extent of the damage. Later on, following the analysis in the field by the specialist team as documented in the corresponding reports, the number of forms and the sums proposed were adjusted.

Stage IV – Consolidation of the overall amount of the damage and definition of proposed sources of funding. This stage covered the period 8–17 April and involved various exchanges between the members of the Joint Committee, some in person, with a view to clarifying uncertainties regarding the content of the forms, removing redundancies in the

⁹ EUSF Application Assessment Form – Portugal – Madeira Flooding 2010, 2010PT16SPO001, DG REGIO.

¹⁰ European Commission (2010) EU Solidarity Fund application Madeira – Letter of request for further information CCI 2010PT16SPO001.

¹¹ European Commission (2010) EUSF Application Assessment Form Madeira flooding 2010.

¹² Madeira Regional Government (2010) Final report of the Joint Committee Portugal National Government.

initial reporting, adjusting the scope of the measures to the consequences of the severe weather and identifying priorities/essential measures.

Box 1: Technical damage assessment team

- Director of the Greater Lisbon Operations Centre, EP – Estradas de Portugal, SA (company responsible for administering the road network in Portugal).
- Director of Services and responsible for INAG – Instituto da Água, IP (Water Institute)'s Flood Control Project for the Lisbon Region.
- Head of Infrastructure Department, IPTM – Instituto Portuário e dos Transportes Marítimos, IP (Ports and Maritime Transport Institute).
- Coordinator of the Programme Management and Inspection Department, IHRU – Instituto da Habitação e da Reabilitação Urbana, IP (Institute of Housing and Urban Rehabilitation).
- Director of the Concessions and Projects Department, RAMEDM – Estradas da Madeira, SA (company responsible for administering the road network in Madeira).
- President of IGA – Investimentos e Gestão da Água, SA (Water Investments and Management) and IGH – Investimentos e Gestão Hidroagrícola, SA (Hydro-agriculture Investments and Management).
- Representative of IGH – Investimentos e Gestão Hidroagrícola, SA.
- President of IHM – Investimentos Habitacionais da Madeira, EPE (Madeira Housing Investments).
- President of APRAM – Administração dos Portos da Madeira, SA (Madeira Ports Administration).
- A representative of Ponta Oeste – Sociedade de Promoção e Desenvolvimento da Zona Oeste da Madeira, SA (Western Madeira Promotion and Development Company).
- This extended specialist team carried out an analysis by sampling (from a population of c. 200 forms) of the measures identified, with the following main objectives: verifying the need for intervention and the solutions recommended; drawing up an estimate for the reconstruction measures; setting priorities for measures; and scheduling measures.

The EUSF application process was led by IDR. As a public institute in charge of European funds management, it had extensive experience dealing with application processes and requirements, and its personnel were familiar with the language and terms used in EU funding procedures.

The research found significant differences between the ability of the IDR and other institutions to assess the EUSF implementation process.¹³ The IDR assumed the main administrative burden and supported all other stakeholders in complying with EUSF requirements and therefore reduced the complexity of the process for them.

Regarding the administrative procedure, the application process was considered to be easier than in the case of other EU funds, although still complex as the amount and complexity of information to be gathered and classified in a limited time was considerable, with the added difficulty of being in an emergency situation with numerous urgent needs (see Table 6).

¹³ Most of the interviewees were not directly involved in the process as they did not have the same position in 2010 that they currently hold. They therefore deferred to the IDR as the appropriate body for making judgements on the implementation process, given that they had limited or no experience dealing with EUSF requirements and procedures.

The main problems faced at this stage were related to the tight deadline for formalising the aid request and the assessment and prioritisation of different categories of damages according to the classification structure outlined above.

The Final Report from the Joint Committee¹⁴ identified several issues regarding the application process and the assessment of damages:

- the short period of time, which led to a technical assessment by sampling, concentrating on the main measures (but still covering the most important part of the measures required);
- the variation in the level of detail of the assessment made by the regional authorities, mostly intrinsic to the type of intervention (for example, it was considered quicker to provide details and specify measures in the area of housing than in the area of hydrology, where work on rivers (such as repairs to banks, creation of dams to hold back solid river discharge, resizing outflow sections in terminal areas) requires in-depth study of hydrological basins);
- the impossibility of developing technical projects for the measures that not only make it possible to establish more precisely the extent of the financing dimension but also, and more importantly, define the most adequate technical solutions; and
- the existence of standard pricing levels for measures that are higher than those in mainland Portugal, due to the costs associated with Madeira's insularity and mountainous terrain (i.e. Madeira's construction market was characterised by high demand and relatively inflexible supply).

The EU regulatory requirements for the EUSF were considered to be clear and simple with no real difficulties understanding the regulations and eligibility thresholds for the application requirements. The guidance provided by the EUSF personnel on the application process was considered to be accurate and very helpful.

Table 7: Assessment of application/submission phase

Assessment of application phase	Straight-forward	Neutral	Fairly complex	Excessively complex
IDR - Senior Manager 1			X	
IDR - Senior Manager 2			X	
IDR - Legal Advisor	X			
Administração dos Portos da Região Autónoma da Madeira (APRAM)	X			

Note: Assessment based on four interview respondents.

¹⁴ Madeira Regional Government (2010) Final report of the Joint Committee Portugal National Government.

4.3 Appraisal/evaluation and approval phase

The application was received by the Commission on 20 April 2010. As noted above, following a request from the Commission services (10 June 2010), further information necessary to complete the assessment of the application was provided on 15 July 2010.

The Portuguese authorities estimated the total direct damage at EUR 1.080 billion. This amount represented 0.68 percent of Portugal's gross national income. As the estimated total direct damage exceeded the threshold of 0.6 percent of GNI applicable to Portugal for mobilising the Solidarity Fund, the disaster qualified as a 'major natural disaster' and thus fell within the main field of application of Regulation (EC) No. 2012/2002.

The rate applied for defining the allocations for major disasters is 2.5 percent of total direct damage under the threshold for mobilising the Fund and 6 percent above.¹⁵ After detailed technical analysis of the evidence, the Commission proposed on 29 September 2010 to grant the amount of EUR 31.3 million to Portugal.

Before the approval decision was taken, the Interior Ministry initiated contacts with the Regional Government of Madeira, through its Secretary General, to prepare the management model to be implemented according to the Agreement. This was to be signed between the Commission and MAI.

On 15 December 2010, the European Parliament and the Council approved the corresponding budget appropriations. Pursuant to Commission Decision No. C(2010)9758 of 13 January 2011, followed by the adoption of the implementation agreement of 18 March 2011 (C(2011)1870), the grant was paid out in full and received by the Portuguese authorities on 5 April 2011.

Although the applicant organisation was the MAI, the IDR dealt with the requests from the Commission for additional information. As noted above, these requests were focused on the clarification of some issues (mainly concerning the methods for calculating damages and affected population). The review and approval process was considered time-consuming by interviewees, but it was thought worthwhile, as the amendments made helped to avoid potential problems.

The time taken for the evaluation and approval process was considered adequate, taking into account the degree of complexity involved in the process, although views differed among respondents (see Table 8); one interviewee considered that the level of bureaucracy at this stage was excessive.

¹⁵ Under Regulation (EC) No. 2012/2002 for 'major disasters', the insularity and outermost situation of Madeira were not relevant criteria, but interviewees argued that these factors could not be ignored when considering the economic consequences of the disaster. The affected region was eligible as 'Phasing-in Region' under the Structural Funds in the 2007-2013 period.

Table 8: Assessment of evaluation/approval phase

Evaluation/approval time	Minimal	Limited	Moderate	Significant	Excessive
IDR - Senior Manager 1			X		
IDR - Senior Manager 2					X
IDR - Legal Adviser			X		
Administração dos Portos da Região Autónoma da Madeira (APRAM)	X				

Note: Assessment based on four interview respondents.

4.4 Implementation phase

The Madeira floods event occurred on 20 February 2010. The grant was paid out in full and received by the Portuguese authorities on 5 April 2011, and therefore the implementation end date was 5 April 2012. The SGMAI transferred the funds to the RAM on 19 April 2011.

The management model for implementing Solidarity Fund assistance allocated to the RAM by Financing Decision C (2010) 9758 final of 13 January 2011 was designed in accordance with the requirements of Council Regulation (EC) No. 2012/2002 of 11 November 2002.

As noted above, in order to establish the responsibilities of each of the bodies involved before the Agreement could be signed, a protocol was signed between the National Administration (which would contract granting of the EUSF aid with the Commission) and the Regional Administration, the IDR was assigned the responsibility for managing and implementing EUSF funding in the RAM, and the respective draft Protocol was approved.

Once the protocol was signed, the IDR prepared a Manual of Procedure and created a restricted access Reserved Area on the IDR website to allow the MAI to access all documents quickly and to monitor implementation on an ongoing basis. The Reserved Area came to function as an electronic archive for claiming aid from the European Commission and for the various operations (approval, implementation, payments, audit reports, etc.) and was organised into the following five areas:

- Decision C (2010) 9758 of 13 January 2011 (Application formalised; SGMAI / IDR protocol; COM / MAI agreement; EUSF Regulation)
- Procedures: Guide for procedures / circuits / forms / draft statement of acceptance / application for payment / checklists / model final report, etc.
- Supported operations: Beneficiaries / certification / data sheet and technical opinion / terms of acceptance, etc.
- Implementation: Implementation of the assistance / transfers received from MAI / payments made, etc.
- Control: Indicative planning of the control actions falling to IDR / reports / follow up of recommendations, etc.

Throughout the implementation process, IDR's Cohesion and Cooperation Interventions Centre (NICC) was responsible, *inter alia*, for updating the reserved area with all the relevant documents associated to each domain.

DG REGIO conducted a monitoring visit on 31 August and 1 September 2011, which involved a representative from the SGMAI and the Head of the EU Funds Management Mission Unit at MAI. This visit was an on-the-spot check on progress in implementing the Decision, and it involved an exchange of views on practical issues. The outcome was considered positive by interviewees and as an opportunity to share with the Commission all the details of the procedures put in place, especially the reserved area, to facilitate communication between the regional and national authorities.

Madeira regional authorities decided to pay part of the EUSF amounts as an advance (based on the invoices presented, after which the respective requests were submitted for justification of advance payment by presenting invoice payment documents), with more than 50 percent of the EUSF being paid to entities in the form of reimbursement, that is, by presenting the expenses paid.

Table 9: Overall implementation summary

EUSF grant (EUR)	Body	Actions (no)	Financing approved (EUR)	Amount implemented (EUR)	Amount paid (EUR)	Implementation (%)		
(1)	(2)	(3)	(4)	(5)	(6)	(4)/(1)	(6)/(1)	(6)/(4)
31,255,790	APRAM	1	3,473,020	1,473,020	3,473,020			100
	EEM	12	3,617,211	3,613,715	3,613,715			99.90
	IHM	1	390,366	381,072	381,072			98
	SRES	33	26,803,574	26,745,149	23,940,739			89
	TOTAL	47	34,284,170	34,212,957	31,408,847	110	100	92
EUSF grant (EUR)	Area	Actions (no)	Financing approved (EUR)	Amount implemented (EUR)	Amount paid (EUR)	Implementation (%)		
(1)	(2)	(3)	(4)	(5)	(6)	(4)/(1)	(6)/(1)	(6)/(4)
31,255,790	Energy Infrastructure and facilities	12	3,617,211	3,613,715	3,613,715			100
	Teaching Infrastructure and Facilities	16	1,402,329	1,401,735	1,386,935			99
	Immediate and temporary accommodation for displaced people	1	390,366	381,072	381,072			98
	Immediate securing of preventive infrastructures and measures of immediate protection	14	7,632,510	7,581,404	7,581,404			99
	Immediate clean-up	4	21,241,754	21,235,030	18,445,420			87
	TOTAL	47	34,284,170	34,212,957	31,408,547	110	100	92

Source: IDR (2011) Final Report Madeira Storm EUSF Application.

Almost all the 47 reconstruction operations covered by the EUSF were funded during the operational phase of their work, with only a few interventions carried out by the EEM and the IHM, funded after their implementation on the ground. The latter arose mainly because of the greater complexity of the proposals submitted by those entities, which required more time for the IDR technical team, both for the analysis of the proposals and for the analysis of payment requests.

Table 10 summarises the assessment of the implementation phase. While the beneficiary perspective was that the implementation phase was relatively straightforward, within the IDR, the assessment was more critical. Of particular concern to IDR officials – given the situation of urgent need – were the lengthy implementation requirements (e.g. public contracting procedures) and the excessively long time from application to the receipt of aid and its implementation.

Table 10: Assessment of the implementation phase

Extent of problems in implementation phase	Minimal	Limited	Moderate	Significant	Excessive
IDR - Senior Manager 1					X
IDR - Senior Manager 2					X
IDR - Head of Unit			X		
Administração dos Portos da Região Autónoma da Madeira (APRAM)	X				

Note: Assessment based on four interview respondents.

4.5 Closure

The aid was implemented within one year of the date on which the Commission had disbursed the grant as stipulated by the Regulation. The Portuguese authorities submitted the implementation report and statement of validity on 2 October 2012, within the regulatory deadline.

On the basis of the information provided by Portugal, the expenditure eligible for EUSF support amounted to EUR 31,408,547. This amount consists of the disbursed grant of EUR 31,255,790 plus EUR 152,757 of interest earned.

After evaluation by the Commission services, a request for additional information was issued on 31 July 2013.¹⁶ Clarification requirements included the request for further information on the controls done under Article 6(4) of the implementation agreement signed with the Commission, a clarification about the error rate used (if applicable), the eligibility period (the date the grant was effectively received), and an enquiry about the existence of an ex-post evaluation of damages.

The Portuguese authorities provided a final report with the information requested to complete the assessment on 30 September 2013,¹⁷ and the audit unit confirmed that the

¹⁶ European Commission (2013) Preparation for closure – Letter of request for additional Information regarding the closure of the EU Solidarity Fund intervention in Portugal for the mud and landslides of 2010 CCI 2010PT16SPO001.

¹⁷ Instituto de Desenvolvimento Regional (2011) Final Report Madeira Storm EUSF Application.

additional information delivered was sufficient and accepted the statement of validity on 18 November 2013. Following this, OLAF was consulted on 11 March 2014, and no irregularities were reported. Consequently, a closure letter was sent to the Portuguese authorities on 11 April 2014,¹⁸ and a Commission note to file for closure was issued on 2 May 2014.¹⁹

The IDR's Control Unit (UC) performed the control functions and drew up a representative sample of financed transactions to try to cover all the beneficiary organisations and nearly all types of operations to assess whether the management and control had been performed correctly. Six checks were performed, as shown in Table 11.

The results of the checks were satisfactory and contributed to the closure of the interventions with the required level of probity.

Table 11: IDR control checks

Beneficiary	Actions / Operations	EUSF amount (EUR)
APRAM	120.01/INTEMP/FS/L.1/01 - Immediate dredging and clean-up in various ports	3,473,020
EEM	97.01/INTEMP/FS/E/04 - Water channels and waterworks at Ribeira da Serra de Água	697,809
HMI, EPE - Monte	112.01/INTEMP/FS/A/01 - Temporary Accommodation	381,072
VP (formerly SRES)	48.01/INTEMP/FS/CS/01 - Reconstruction of PH's in the Caminho da Portada de Santo António	1,019,7567
	22.01/INTEMP/FS/IE/07 - 1st Cycle primary school with pre-school in Pedregal (Camara de Lobos): Miscellaneous repairs and waterproofing	215,638
	167.01/INTEMP/FS/L1/041 - Emergency cleaning up of disaster-stricken areas	8,163,233

Source: IDR (2011) Final Report Madeira Storm EUSF Application.

It is also important to highlight the follow-up work carried out by the management team (IDR), which was important in detecting some instances where a more detailed analysis of the amounts of aid to be granted to SRES and EEM occurred. The external audit checks performed by the company Victor Jose & Associados, contracted by SGMAI, reached a favourable conclusion concerning the operations financed by the Fund. Further, the Court of Auditors performed additional inspections that indicated no irregularities.

On the basis of the final reports of each intervention submitted by the beneficiary entities (on their own form), the process of drawing up the Final Report of the EUSF Grant was not considered difficult, but it was time-consuming because of the high level of bureaucracy involved (see Table 12).

¹⁸ European Commission (2014) Letter for closure of EU Solidarity Fund financial aid granted to Portugal relating to the mud and landslides on Madeira of 2010. Commission Decision No. C(2010)9758. CCI 2010PT16SP0001.

¹⁹ European Commission (2014) Note to file for closure of EU Solidarity Fund financial aid granted to Portugal relating to the mud and landslides on Madeira of 2010. Commission Decision No. C(2010)9758. CCI 2010PT16SP0001.

Table 12: Assessment of closure procedures

	Minimal	Moderate	Excessive
Bureaucracy involved			X
Complexity of information demanded		X	
Time constraints			X

Note: Assessment based on four interview respondents

4.6 Publicity and visibility

As the body responsible for managing the EUSF funds, the IDR organised a number of initiatives to publicise the support received from the European Union, to make it quite clear how the aid was being applied.

It also encouraged the beneficiaries to publicise the aid they had received. Following the suggestions of the IDR, as the regional body responsible for managing the EU Solidarity Fund, the beneficiaries suggested indicating in the Terms of Acceptance that the website should be used as the principal channel for such actions.

During the analysis and verification phase of the final reports, the IDR confirmed that this requirement had been met, and information dissemination actions had been performed as recommended.

An EUSF page was created on the IDR website in 2011 and contained the following information and documentation: Regulation, Decision of the European Parliament and of the Council on the mobilisation of the EU Solidarity Fund, identification of the Fund beneficiaries, news (see next point) and links of interest on the Fund.

The following activities were also implemented by the IDR: EUSF-financed actions were publicised on the website; and specific articles were published in the media and also in the main IDR annual publication (*Espaço Global* - Global Area) and the quarterly IDR newsletter.

In the period between 2010 and 2011, fieldwork research found that the written press of the region published 14 news articles, listed in Table 13.

Table 13: News published in Madeira's printed press

Newspaper	Date of Publication	Print run (average)	Title of the news item
Jornal da Madeira	30/06/2010	15,000	Members of the PPE start their visit to Madeira
	01/07/2010		MEPs from the PP want to help speed funding
	01/07/2010		EU Funds cannot take so long
	01/07/2010		European Commission asks for an explanation
	30/09/2010		Commission proposes 31.2 million in aid to Madeira
	19/11/2010		Nuno Teixeira complains of excessive bureaucracy
			Decision of the EP Budget Committee for Madeira - 31.2 million approved
			Help about to arrive - EU Solidarity Fund transferred to the region within 15 working days
	14/04/2011		90.4% of Solidarity Fund implemented
03/09/2011	31 million of solidarity funds arrive this week		
30/03/2011	31.2 million of EU funds have found their destination		
Diário de Notícias da Madeira	31/03/2011	14,600	Europe came to see implementation of the European Union Solidarity Fund
	03/09/2011		
ECO do Funchal	19/03/2010	6,000	Barroso wants Madeira to look to the future
Madeira Livre	(No. 34) April 2011	10,911	European Union Solidarity Fund approved for the Autonomous Region of Madeira

Source: IDR (2011) Final Report Madeira Storm EUSF Application.

The Media Survey conducted for this evaluation provided further insight into the media coverage.²⁰ 13 articles were retrieved by the Media Survey for Portugal relating to the role of the EUSF. Virtually all articles framed the EUSF in neutral terms providing mainly factual information about the planned funding application or financial contribution of the EUSF to reconstruction efforts, with only one story having an explicitly positive framing of the helpful contribution of the EUSF to regeneration and unifying citizens behind the wider programme goals. Three articles focused on the Portuguese government's intention of applying for EUSF support once the damage and funding needs had been calculated. A further five articles referred to the expected or actual value of the financial contribution of the EUSF to the overall regeneration package to Madeira from various domestic sources, although the specific role of the EUSF was not highlighted or described. Lastly, two of the articles had a neutral, verging on negative, tone ; one focused on an error in the publicised amount that Portugal could be potentially eligible for in the future, and the second criticised the ineligibility of many forest fire disasters because the value of the damages were under the threshold for eligibility.

Despite the efforts from the IDR to directly promote and encourage the beneficiary entities to undertake initiatives aimed at publicising the support received from the EU Solidarity Fund, the research indicates that these actions were insufficient to make the extent of that support clear to the institutions that benefited from the Fund's aid, and thus they were not able to clearly discern the interventions supported by the different funds.

As noted above, the Municipality of Funchal was not aware of having profited from EUSF aid and only considered that it had benefited from ESIF funds.²¹

²⁰ Further details are provided in the Media Survey published as a separate report.

²¹ The municipality initially refused to participate in this evaluation until it was made aware of the benefit from EUSF support (this may also be the reason behind the lack of response from other municipalities).

The citizen interviews, like those with officials, highlighted the extensive dissemination of news about EU funding (including EUSF support) in local media for the island's recovery after the disaster. However, as stated above, with the exception of the regional authority officials, the general impression was acknowledgement of the EUSF contribution to Madeira's reconstruction, but without a clear idea of the specific actions supported.

5. FACTORS INFLUENCING THE IMPLEMENTATION OF EUSF SUPPORT

Three sets of factors are judged to have been influential in the implementation of EUSF support in response to the Madeira disaster, relating to governance, institutions and economic resources (see Table 14). Transparency and accountability mechanisms were also influential – not least the different levels of control outlined above – but to a lesser extent.

Table 14: Assessment of factors influencing EUSF implementation

Factor	No influence	Slight influence	Moderate influence	Highly influential	Most influence
Governance					X
Institutional factors					X
Economic resources				X	
Accountability				X	
Transparency and involvement of all stakeholders			X		
Effective evaluation mechanisms and monitoring of interventions			X		

Note: Assessment based on seven interview respondents.

- *Governance.* Having one institution (IDR) managing and coordinating the full implementation process, together with the formal coordinating mechanisms established (Joint Committee), was a key factor that contributed to the correct execution of the EUSF intervention, as highlighted by most interviewees.
- *Institutional factors.* Relations with the Commission were managed by the Ministry of Internal Affairs, but the IDR was the institution managing the grant implementation and supported all other stakeholders applying for EUSF aid in complying with EUSF requirements. Interviewees highlighted the importance of the multilevel and inter-institutional collaboration along with other factors such as governance capacity and political stability, good institutional relations with the stakeholders involved, and the implementation of effective monitoring mechanisms.
- *Economic resources.* Total damage caused in the wake of the disaster and the cost of reconstruction measures required were valued at EUR 1,080 million. The EUSF contribution, although important, only accounted for EUR 31.4 million. Therefore, the funding contribution from other sources (including the Portuguese National Administration as well as the regional government) for recovery operations was significant

6. ADMINISTRATIVE BURDEN AND COST

Important differences were found in this research between IDR officials and the rest of institutions involved regarding the evaluation of the administrative burden and administrative costs (see Tables 15 and 16). This is due to the fact that the IDR assumed the administrative burden and supported all other stakeholders in complying with EUSF requirements and therefore lightened the complexity of the process for them.

Table 15: Assessment of administrative burdens

Administrative burdens	Minimal	Limited	Moderate	Significant	Excessive
IDR - Senior Manager 1				X	
IDR - Senior Manager 2					X
IDR - Head of Unit			X		
Cruz Vermelha Portuguesa				X	
Câmara do Comercio e Indústria da Madeira (ACIF)					X
Administração dos Portos da Região Autónoma da Madeira (APRAM)	X				
Câmara Municipal do Funchal	X				

Note: Assessment based on seven interview respondents.

Table 16: Assessment of administrative costs

Administrative costs	Minimal	Limited	Moderate	Significant	Excessive
IDR - Senior Manager 1				X	
IDR - Senior Manager 2					X
IDR - Head of Unit			X		
Cruz Vermelha Portuguesa				X	
Câmara do Comercio e Indústria da Madeira (ACIF)					X
Administração dos Portos da Região Autónoma da Madeira (APRAM)	X				
Câmara Municipal do Funchal	X				

Note: Assessment based on seven interview respondents.

Compared to other EU funds, the administrative burden and its associated cost were considered to be less onerous, but in general it was considered that EUSF implementation still implied a significant administrative workload and that its strict requirements and procedures could be an impediment for EUSF aid to reach all affected people. For example, one of the IDR interviewees highlighted the problems in allocating money to some projects because of the requirements to be fulfilled; this applied to people/organisations who rectified damages through their own means (without contracting any service), those who repaired damage before getting formal approval, or those who preferred to assume the cost of repairs rather than facing the administrative burden to potentially obtain support. In this context, interviewees suggested lightening public tender requirements in an emergency situation where a quick and flexible response is required.

7. RELEVANCE OF EUSF SUPPORT

The evaluation of damages after the disaster (which was classified as a 'major disaster' by the European Commission) amounted to EUR 1,080 million. The EUSF contribution, although important, only accounted for EUR 31.4 million.

In order to deal with the damages recorded, the Joint Committee proposed several measures for public funding to be mobilised for recovery operations in the RAM between 2010 and 2013: national funds, regional funds and EU funds (see Table 17).

Table 17: Total funds mobilised in response to the disaster

Sources of funds	EUR mill
Transfer of funds from the State budget to the Autonomous Region of Madeira	200
Reassignment of the Cohesion Fund, increasing the budget intended for the Autonomous Region of Madeira	265
EIB loan	250
Reallocation of PIDDAC (OE) towards measures in the Autonomous Region of Madeira *	25
Redeployment of funds from public bodies in the Autonomous Region of Madeira (Community funds and investment budgets), insurance, donations, other private funds and EU Solidarity Fund	340
Total	1,080

Source: Final Report of the Joint Committee Portugal National Government – Madeira Regional Government (2010).

Note: *Includes the PIDDAC (Central Government Programme for Investment and Development Expenditure) applicable to the IHRU, to obtain support in the area of housing, and applicable to the IAPMEI, to obtain a line of credit.

Notwithstanding the relatively small proportion of funding provided through the EUSF, the funding was considered very relevant to the characteristics of the disaster that occurred in Madeira and related to most of the needs generated by the disaster. The operations funded by the EUSF covered the areas of eligibility of the Fund and concentrated on the following themes:

- a) immediate recovery of infrastructure and equipment in the energy sector;
- b) immediate recovery of infrastructure and equipment in the education sector;
- c) immediate and temporary accommodation of displaced people in the wake of the disaster;
- d) immediate securing of preventive infrastructures, which included small reconstruction works to be implemented immediately: rebuilding walls, reefs and breakwaters, etc; and
- e) immediate clean-up of the damaged areas: riverbanks, roads and port areas.

The specific condition of Madeira as an island and outermost region makes its economy very dependent on tourism, and the occurrence of such a devastating event had a very important impact on this sector and consequently on the region's budget. The serious decrease in the number of tourists visiting the island could not be countered by any source of international support (not even the EUSF).

The four Fund beneficiaries implemented 47 actions, as shown in Table 18.

Table 18: EUSF-funded actions

Beneficiary	Actions (No)	Financing approved(EUR)	Financing implemented (EUR)	EUSF amount paid (EUR)
Administração dos Portos da Região Autónoma da Madeira (APRAM)	1	3,473,020	3,473,020	3,473,020
Empresa de Electricidade da Madeira (EEM)	12	3,617,211	3,613,715	3,613,715
Investimentos Habitacionais da Madeira (IHM)	1	390,366	381,072	381,072
Vice-Presidência do Governo Regional (formerly SRES)	33	26,803,574	26,745,149	23,940,739
Total	47	34,284,170	34,212,957	31,408,547

Source: IDR (2011) Final Report Madeira Storm EUSF Application.

Table 19 indicates the actions/areas financed, showing the strong correlation between the amounts paid and those originally planned.

The funding approved was 9.7 percent more than the actual aid granted. This was done to ensure a safety margin in case any ineligible expenditure was detected at the control headquarters. In practice, 99.8 percent of the approved aid was actually implemented (i.e. validated), representing a sound performance. The amount of aid actually paid was slightly higher than that received from the European Commission, as a tranche of EUR 152,757 for interest earned on the account was also applied. Total payments of EUR 31.4 million covered 92 percent of validated expenditure.

Finally, no differences were perceived in the course of this research between different stakeholders regarding the relevance of EUSF support.

Table 19: EUSF support – summary

Area	Action (No)	Funding planned (EUR)	Funding approved (EUR)	Funding implemented (EUR)	EUSF paid (EUR)	%
a	b	c	D	e	f	g = f/c
Immediate recovery of infrastructure and equipment in the energy sector	12	3, 810,000	3,617,211	3,613,715	3,613,716	94.8
Immediate recovery of infrastructure and equipment in the education sector	16	1,400,000	1,402,330	1,401,734	1,386,934	99.1
Immediate and temporary	1	400,000	390,366	381,072	381,072	95.3

accommodation of displaced people in the wake of the disaster						
Immediate securing of preventive infrastructures, which included small reconstruction works to be implemented immediately: rebuilding walls, reefs and breakwaters, etc.	14	7,540,000	7,635,510	7,581,404	7,581,404	100.5
Immediate clean-up of the damaged areas - riverbanks, roads and port areas	4	18,105,790	21,241,754	21,235,030	18,445,422	101.9
Total	47	31,255,790	34,287,160	34,212,956	31,408,547	100.5

Source: IDR (2011) Final Report Madeira Storm EUSF Application.

8. ASSESSMENT OF ACHIEVEMENTS

8.1 Operational achievements

The EUSF succeeded in achieving the operational objectives based on the damage assessment and given the needs of the affected populations (see Table 20).

Most resources were used in the immediate clean-up of the areas affected by the disaster (62 percent of the total EUSF support). The resources invested in securing infrastructure and cultural heritage were also significant (22 percent). The restoration of infrastructure to working order was mainly focused on energy and educational infrastructure and can be considered of moderate significance, representing less than 15 percent of the total support under the EUSF. A smaller amount of resources was used for the temporary accommodation and rescue for population and can therefore be considered of less significance (one percent).

Table 20: Assessment of operational achievements

Activity	Not significant	Limited significance	Moderate significance	High significance	Most significance
Restoration of infrastructure to working order					X
Temporary accommodation & rescue for population				X	
Securing of preventative infrastructure & cult. heritage				X	
Immediate clean-up of disaster areas					X

Note: Assessment based on ten interview respondents.

The consensus of the interviewees was that the EUSF achieved the expected results, ensuring the restoration of services of pivotal importance for the affected communities, in a short time and in an extreme emergency situation, allowing other resources to be devoted to reconstruction. A further material result was that the EUSF succeeded in demonstrating the solidarity of the EU, which was primarily perceived by citizens, public institutions and technical staff directly involved in the implementation of supported operations.

8.2 Added value

The added value of the EUSF support is regarded as primarily in the economic and operational spheres, although there are also important aspects of political, policy and learning added value (see Table 21).

The EUSF was considered most useful for providing financial resources (mainly for regional public authorities) in an emergency situation and within a relatively short timeframe. For this reason, the consensus of interviewees was that the EUSF was of the utmost importance for the RAM.

It was remarked that the areas covered by the Solidarity Fund would hardly be funded by ESIF, and this highlighted the importance of the EUSF in (i) ensuring that the areas affected by the disaster did not remain uninhabited due to lack of means and (ii) preventing the postponement or abandonment of the recovery of certain infrastructures.

It was also pointed out during the interviews that the Fund's contribution ensured that there was no reduction in the resources dedicated to other public services in the Autonomous Region of Madeira, allowing reconstruction costs to be met.

In the words of a citizen interviewee, *'this instrument generates a feeling of solidarity among the population that reinforces the European sentiment and makes us feel proud of being part of the European Union'*.

Finally, the catastrophe also resulted in learning by all entities involved, and several measures were implemented in the Autonomous Region of Madeira in order to reduce risks

of new disasters, such as the regularisation of streams, the consolidation of cliffs, the monitoring of critical areas, and the implementation of weather radar.

Table 21: Assessment of added value

	Not significant	Limited significance	Moderate significance	High significance	Most significance
Economic					X
Political				X	
Policy				X	
Operational					X
Learning				X	

Note: Assessment based on nine interview respondents.

9. SYNERGIES AND COMPLEMENTARITY WITH ESIF

In 2013 Portugal created an Agency (Agência para o Desenvolvimento e Coesão – AD&C) with the aim of promoting the coordination of ESIF and enhancing the economic rationality and financial sustainability of co-financed investments. This entity is responsible for the overall technical coordination of Portugal 2020.

Additionally, Portugal has put in place a Governance model (Decree-Law 137/2014) that ensures coherence, articulation, non-overlapping and control of resources (e.g information systems, certification of expenditure and auditing, etc.) coming from European Structural and Investment Funds.

This Governance model includes the managing authorities of the national and regional ESIF Operational Programmes, Agência para o Desenvolvimento e Coesão and the Interministerial Commissions.

Although the EU Solidarity Fund is not explicitly included among the funds subject to this Governance model, it is also the Agência para o Desenvolvimento e Coesão which is in charge of EUSF coordination.

Therefore, the overall coherence and complementarity of the EUSF and ESIF is considered strong in governance terms. In practice however, with respect to strategic objectives, thematic focus, spatial coverage and project funding, the different logics of the EUSF and ESIF (emergency response versus prevention) that poses difficulties in promoting joint projects due to the different goals pursued. While ESIF supports mainly planning and prevention interventions, the EUSF is regarded as alleviating the consequences of natural disasters and therefore the initiatives to be implemented are usually focused on restoration activities.

Regarding the main sources of ESIF funding for DPM measures, at national level these are the EAFRD and the Cohesion Fund. In this sense, ERDF is more relevant at regional programme level but as in the case of the EMFF, the focus of the funding priorities is mostly on environmental sustainability (TO6) rather than risk prevention and management (TO5).

In fact, the Madeira Operational Programme²² does not specifically address disaster prevention, and funds regarding TO5 focus on protecting the environment and promoting resource efficiency.

10. LESSONS LEARNED

The overall assessment of the experience of the EUSF intervention was broadly considered to be positive by the interviewees consulted for the research at different levels (see Table 22).

Table 22: Overall assessment of administrative lessons learned

Activity	Very negative	Negative	Neutral	Positive	Very positive
Application process					X
Information on how to apply					X
Support by the Commission					X
Extent of administrative demand			X		
Reporting requirements				X	
Overall experience of dealing with EUSF					X

Note: Assessment based on four interview respondents

Examining the lessons learned in more detail, the following points can be made to elaborate on the rankings.

First, the experience of the EUSF intervention enabled further improvement to the EU funds' application and implementation process. The IDR managed the whole process and gained valuable experience that was very useful in subsequent events (Madeira fires in 2016). This included adopting an approach for the application process that ensured the coordinated management and active involvement of public institutions at regional and local levels, the efficient assessment of damages, and the quality of the application for mobilising the EUSF support.

Second, the guidance provided by the Solidarity Fund personnel on the application process was considered accurate and very helpful, and the Commission support throughout the process was generally assessed by interviewees as very positive. The Joint Committee formed by national and regional authorities ensured a correct and efficient communication with the European Commission.

²² Available at: <http://www.idr.gov-madeira.pt/m1420/Conteudo.aspx?IDc=m1420-PO--madeira--14-20&IDsm=m1420-programa>

Third, the legal framework was estimated to be clear and simple with no real difficulties in understanding the regulations and eligibility thresholds for the application requirements, but the extent of administrative demand and reporting requirements were less positively assessed, as some timelines were perceived as too tight (e.g. aid request and assessment of damages) and the application requirements and reporting procedures could be more flexible and proportionate to the amount of resources to be reimbursed. These issues were considered a barrier for EUSF support to reach all affected people.

Fourth, the interviews highlighted the significant improvement achieved in the implementation process, with the recent amendments implemented to the EUSF Regulation allowing the receipt of a preliminary advance of funds by the applicant country and the substantial difference in that regard between the two EUSF interventions in Madeira (2010 and 2016).

Fifth, it was also noted during the research that it could be interesting for EUSF performance improvements to cover some other aspects such as consolidation of escarpments, support for new 'fire-type' road infrastructures, or the relocation of families whose dwellings are in risk zones.

Sixth, another suggestion that emerged during the interviews relates to changing the EUSF regulation, so that in future interventions the Fund would cover the administrative costs. In particular, a three percent increase of the total grant value was proposed in order to cover the administrative costs.

Seventh, the overall experience in dealing with the EUSF was generally judged as very positive, since it is undoubtedly regarded as an important additional resource supporting public institutions in dealing with the difficult and challenging management of emergency conditions after such a striking event.

Finally, while the interviewees collectively recognised the important contribution of the Solidarity Fund, the interview research indicated that awareness of the EUSF support did not clearly extend beyond the officials involved in the implementation process. As stated above, the general perception among local administrations and citizens was that of having benefited from European funds' support (as a whole) but did not recognise the specific contribution of the Solidarity Fund. Therefore, communication activities on the goals and results obtained through the EUSF aid should be strengthened to secure broader awareness.

11. REFERENCES

Documents

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12. ANNEX: METHODOLOGY OF THE CASE STUDY RESEARCH

Methodology

The methodology implemented in this research consisted of a mix of methods: (i) desk research was carried out to analyse EU regulations and official documentation produced for the purpose of mobilising the EUSF support, as well as institutional websites dedicated to the 2010 floods and landslides in the RAM; (ii) questionnaires were sent to relevant stakeholders at national, regional and municipality levels, including representatives of the National Department of Civil Protection and NGOs; and (iii) interviews were carried out with stakeholders and citizens²³ (who were selected through snowball sampling among our acquaintances, as none of the citizens' representatives contacted agreed to participate in this evaluation).

Invitations (in English) to participate in the research, including a presentation letter by the European Commission, were sent by email to a list of public authorities and other stakeholders whose addresses and telephone numbers were detected through web research and by other stakeholders' referral (see the following tables 'List of contacted public authorities' and 'List of other stakeholders contacted').

Emails were followed by phone calls, and a questionnaire was sent to those stakeholders that agreed to participate. Interviews with stakeholders, who were available before the deadline of 17 August, were conducted by telephone in order to clarify their responses.

The table below shows the name of the interviewees, the institutions they represent, and the role they have.

It is important to note that, as it has been eight years since the disaster, most of the persons that were responsible or took part in the implementation of the EUSF intervention at that time no longer hold the same positions or even work for the same organisation. Moreover, some of the institutions involved in the Madeira floods EUSF implementation no longer exist or have changed their name. This fact, along with the time of the year (with many people on holiday) and time constraints for the evaluation, has made it extremely challenging to get in contact with suitable persons for this evaluation and to get informed feedback.

Respondents rarely had a complete vision of the intervention process, and they preferred to answer only those parts that related to their direct involvement. Furthermore, some of them had serious difficulties recalling the process from 2010 and confused it with the one from 2016 (Madeira fires), as it was more recent and fresh in their memories.

²³ No focus group was carried out because of time constraints and telephone interviews were conducted instead with citizens who were selected through snowball sampling among our acquaintances, as none of the citizens' representatives contacted agreed to participate in this evaluation.

Respondents

Institution	Type of institution	Name of interviewee	Role
Instituto de Desenvolvimento Regional (IDR)	Regional administration		
Instituto de Desenvolvimento Regional	Regional administration		
Instituto de Desenvolvimento Regional	Regional administration		
Instituto de Desenvolvimento Regional	Regional administration		
Serviço Regional de Proteção Civil da Madeira	NGO		
Cruz Vermelha Portuguesa	NGO		
Câmara do Comercio e Indústria da Madeira (ACIF)	Corporate administration		
Administração dos Portos da Região Autónoma da Madeira (APRAM)	Public service		
Associação H.B.V.Madeirenses	NGO		
Secretaria Regional dos Equipamentos e Infraestruturas (former SRES)	Regional administration		
Câmara Municipal do Funchal	Local administration		
Empresa de Electricidade da Madeira (EEM)	Public service		
Vice-Presidência do Governo Regional	Regional administration		
Direção Regional do Orçamento e Tesouro (former Direcção Regional de Finanças)	Regional administration		

List of contacted public authorities

Region	Organisation name	Type of organisation	Name and role
Madeira	Instituto de Desenvolvimento Regional	Regional administration	
Madeira	Vice-Presidência do Governo Regional	Regional administration	
Madeira	Secretaria Regional dos Equipamentos e Infraestruturas	Regional administration	
Madeira	Secretaria Regional das Finanças e da Administração Pública	Regional administration	
Madeira	Secretaria Regional do Plano e Finanças	Regional administration	
Madeira	Secretaria Regional Da Educação e Cultura	Regional administration	
Madeira	Direção Regional do Equipamento Social e Conservação	Regional administration	
Madeira	Direção Regional de Estradas	Regional administration	
Madeira	Direção Regional de Assuntos Europeus e Cooperação Externa	Regional administration	
Madeira	Direcção Regional de Finanças	Regional administration	

Madeira	Direcção Regional de Finanças	Regional administration	
Madeira	Direcção Regional do Orçamento e Tesouro (former Direcção Regional de Finanças)	Regional administration	
Madeira	Loja do Cidadão da Madeira	Regional administration	
Funchal	Câmara Municipal do Funchal	Local administration	
Funchal	Associação de Desenvolvimento Comunitário do Funchal	Local administration	
Funchal	Assembleia Municipal do Funchal	Local administration	
Funchal	Junta de freguesia Imaculado Coração de Maria	Parish council	
Funchal	Junta de freguesia Monte	Parish council	
Funchal	Junta de freguesia Santa Luzia	Parish council	
Funchal	Junta de freguesia Santa Maria Maior	Parish council	
Funchal	Junta de freguesia Santo António	Parish council	
Funchal	Junta de freguesia São Gonçalo	Parish council	
Funchal	Junta de freguesia São Martinho	Parish council	
Funchal	Junta de freguesia São Pedro	Parish council	
Funchal	Junta de freguesia São Roque	Parish council	
Funchal	Junta de freguesia Sé	Parish council	
Ribeira Brava	Câmara Municipal da Ribeira Brava	Local administration	
Ribeira Brava	Junta de freguesia Campanário	Parish council	
Ribeira Brava	Junta de freguesia Ribeira Brava	Parish council	
Ribeira Brava	Junta de freguesia Serra de Água	Parish council	
Santa Cruz	Junta de freguesia Santa Cruz	Parish council	
Santa Cruz	Junta de freguesia Caniço	Parish council	
Santa Cruz	Junta de freguesia Camacha	Parish council	
Santa Cruz	Junta de freguesia Santo António da Serra	Parish council	
Calheta	Câmara Municipal da Calheta	Local administration	
Lobos	Câmara Lobos	Local administration	

List of other stakeholders contacted

Region	Organisation name	Type of organisation	Name and role
Madeira	Investimentos Habitacionais da Madeira (IHM)	Public service	
Madeira	Administração dos Portos da Região Autónoma da Madeira (APRAM)	Public service	
Madeira	Empresa de Electricidade da Madeira (EEM)	Public service	
Madeira	Serviço Regional de Protecção Civil da Madeira	NGO	
Madeira	Associação Humanitária de Bombeiros Voluntários Madeirenses	NGO	
Madeira	Polícia de Segurança Pública da Madeira	Public service	

Madeira	Câmara do Comercio e Indústria da Madeira (ACIF)	Corporate administration	
Madeira	Instituto de Desenvolvimento Empresarial (IDE)	Corporate administration	
Madeira	Cruz Vermelha Portuguesa	NGO	
Madeira	Medicos do Mundo Portugal	NGO	
Madeira	Sociohabitafunchal	Public service	
Madeira	Diário de Notícias da Madeira	Local media	
Madeira	Jornal da Madeira	Local media	
Madeira	Funchal Noticias	Local media	
Madeira	Universidade Lisboa	University	
Madeira	Universidade da Madeira	University	
Madeira	Agência Regional para o Desenvolvimento da Investigação Tecnologia e Inovação da Madeira (ARDITI)	Regional agency	

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