

**EXPERT EVALUATION NETWORK
DELIVERING POLICY ANALYSIS ON THE
PERFORMANCE OF COHESION POLICY 2007–2013**

YEAR 1 – 2011

**TASK 2: COUNTRY REPORT ON ACHIEVEMENTS OF
COHESION POLICY**

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**A report to the European Commission
Directorate–General Regional Policy**

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LIST OF ABBREVIATIONS

- CSF Community Support Framework
- EAFRD European Agricultural Fund for Rural Development
- ECB European Central Bank
- EEN Expert Evaluation Network
- EFF European Fisheries Fund
- ERDF European Regional Development Fund
- ESF European Social Fund
- IMF International Monetary Fund
- NSRF National Strategic Reference Framework
- OP Operational Programme
- SME Small Medium Enterprise(s)

EXECUTIVE SUMMARY

The Portuguese economic context has deteriorated significantly since 2009. The anti-crisis measures and the expansionist budget policy adopted by the government in 2009 gave rise to a budgetary deficit of -9.4% of the GDP, and a significant increase of the public debt. The increased difficulties in obtaining external financing forced the government to apply for financial support from the Commission, the European Central Bank (ECB) and the International Monetary Fund (IMF).

The worsening of the socio-economic context, the increase in the public finance constraints, and the unsatisfactory performance of the National Strategic Reference Framework (NSRF) determined the need for a reprogramming, based on a proposal which was presented to the Commission at the end of July 2011. The major shifts in terms of priorities and/or fund allocation will be: a reinforcement of the funding available for Business Support Schemes; an upgrade of up to 85% of the average co-financing rates in several public investment typologies; a transfer of financial resources from the Territorial Enhancement OP to the Human Potential Operational Programme (OP) (European Social Fund – ESF); a reformulation of the eligibility conditions for the Cohesion Fund; a new axis structure for the Competitiveness regions OPs, in which each axis is focused in a single typology of beneficiary.

Some of these changes will represent a shift in the NSRF strategic priorities, with the priority “Reinforcement of international connectivity, accessibility and mobility” losing most of its relevance due to the introduction of greater flexibility in the eligibility of transport and accessibility projects. In the current economic context, these changes seem fundamental to boost the performance of NSRF, but also to maintain some level of public investment. In the current situation, the NSRF funds are increasingly regarded as one of the few remaining financial sources left, with ability to foster the investment needed to resume a trajectory of growth and real convergence.

Until mid-2011, the NSRF overall implementation rate reached 31.2% of the total funding available for the programming period, corresponding to EUR 6.7 billion of validated fund expenditure (ERDF+ Cohesion Fund +ESF). With regard to ERDF, the implementation rate was 29.1%, but the commitment rate was 78.2%, which highlights significant performance issues. Even more worrying, the Cohesion Fund presented the lowest implementation rate, 12.1%, when its commitment rate was 50.9%.

The NSRF implementation rates in 2010 showed a clear acceleration in comparison with the initial years of the programming period, and in fact there is evidence of an increase in the implementation rate in every NSRF OPs performance. Nevertheless, great differences persist between the OPs in terms of their performance levels.

The main reasons for the delay in the implementation of OPs are much the same as those identified in the 2010 report, although the aggravation of the crisis has had an even greater

impact on the beneficiaries' ability to implement their projects. During 2010 and 2011, these difficulties have clearly spread to the public sector, in particular the local administration.

There are obvious signs of change in the Portuguese economy specialization pattern induced by NSRF, namely: a significant increase of R&TD in companies; an increase in supported investment in medium and high technology sectors; an increase in the number of companies of greater technological intensity created with the support of the NSRF.

Regarding transport and communication, little progress has been made in accomplishing the initial policy objectives, related to difficulties in assuring the national funding for major transport infrastructure projects, the relatively inflexible project eligibility conditions of the Territorial Enhancement OP, and the lack of a broad political consensus around the NSRF Territorial Enhancement Agenda. Environment and energy is another policy area in which NSRF outputs and results have not come up to expectations. Nevertheless, the small scale water supply and waste water projects which have been implemented have had a significant effect on the living conditions of the benefitting population.

There are relevant effects associated with the School Facilities Modernisation Programme, arising from the strong effective articulation between the Human Potential and the Territorial Enhancement agendas, and also from its additional impact in fighting the economic downturn, by fostering economic activities and keeping jobs. Other relevant effects were identified in primary health care and in local health institutions. There is still very little evidence of achievements resulting from the implementation of the Cities Policy.

Over the remainder of the programming period, three types of evaluation studies will be carried out, which basically cover every major policy area in the NSRF: the mid-term evaluations of the NSRF and of the OPs; a set of thematic and transversal evaluations, focused on key areas of public policy co-financed by the NSRF, and; several specific evaluation exercises (concerning individual OPs or a Fund).

1. THE SOCIO-ECONOMIC CONTEXT

Until early 2010, the main features of the socio-economic situation and the nature and scale of regional disparities which development policy was faced with in Portugal is as follows:

- A strong asymmetry in Mainland Portugal between the coastal areas (more competitive and more socially cohesive) and the interior (less competitive, with an ageing and decreasing population), which tends to persist, while Lisbon, compared with other NUTS II regions, shows a more favourable position in most socioeconomic indicators.
- The implementation of cohesion policies and the structural funds have contributed to broad transformations in regional development levels, by decreasing the traditional Coast / Interior and North/ South dichotomies and leading to the emergence of more dynamic urban areas. This gradual change was followed by a transformation in the less developed areas, where “interiority” is being gradually replaced by “suburbanization”.
- Recent changes in the international economic context had a major negative impact on the evolution of Portuguese GDP, as well as in the budget consolidation process started in 2005 (which allowed a considerable reduction of the budget deficit until 2008). The contraction of the Portuguese economy resulted in increased tendencies to rearrange the productive structure, with serious consequences for unemployment and foreign direct investment.
- The economic contraction had a greater impact in the less competitive and productive areas, as revealed by the spatial distribution of unemployment. The crisis has affected the various regions differently, with a higher increase in unemployment in the worst positioned regions in terms of GDP per head (Norte, Centro, Alentejo and Azores), while in the most competitive regions (Lisbon, Algarve, Madeira) the increase in unemployment was not as sharp.

Since then, a significant aggravation of the economic context has occurred. The anti-crisis measures and the expansionist budget policy adopted by the government in 2009 gave rise to a budgetary deficit of -9.4% of the GDP, and a significant increase in the public debt. In response to pressure by the Commission, the financial markets and the rating agencies, the Government increased its efforts of fiscal consolidation during 2010, and implemented additional severe measures to contain public expenditure in the 2011 State Budget.

In April 2011, the increased difficulties in obtaining external financing forced the Portuguese Government to apply for financial support to the European Financial Stabilisation Mechanism and the European Financial Stability Facility. This support is currently being provided on the basis of a policy programme supported by strict conditionality and negotiated with the Portuguese authorities, duly involving the main political parties, by the Commission in liaison with the European Central Bank, and the International Monetary Fund. This agreement was signed by an already resigning socialist government executive, and in the following legislative

elections (June 2011) a new right-wing government came into power, with a different set of priorities in terms of regional development policy, in particular the intention to cut in infrastructural projects and to introduce reforms in all levels of territorial administration.

Regarding the evolution of regional disparities, the preliminary results of the 2011 population census highlighted that the heavy tendencies in demographic change had not been not reversed in the past decade, since all the interior NUTS III had average population losses between -2% and -10%, which was even worse in the case of the Serra da Estrela NUTS III (part of NUTS II Centro). On the contrary, the coastal areas continued to be more attractive and dynamic, in particular the Algarve and the Lisbon Metropolitan Area. Although the preliminary data show that the country as a whole continued to be attractive to immigrants, the final data will most probably give a clearer picture of the effects of emigration on the interior areas during the past decade, which is expected to have been very significant.

There is still little evidence regarding the effects that the economic recession is having on the different regions, about their different recovery rates or how regions are being affected differently by the macro-economic policy. Nevertheless, some more recent indicators regarding the evolution of GDP and the unemployment rate at NUTS II level already shows some significant differences at regional level.

Considering the evolution of GDP per head since 2007, there seems to be a trend of overall convergence between NUTS II regions, although it is not linear. According to the National Statistics Institute Regional Accounts, in 2009 the regional nominal GDP presented a negative variation in every NUTS II, except for the Azores (0.1%). The most accentuated decreases in relation to the national average were observed in Lisbon and Algarve (-3.3%), Madeira (-2.9%) and Alentejo (-2.6%). Only Lisbon and Madeira continue to have a GDP per head above the European average (110% and 105%, respectively), while the values for the other NUTS II range between 65% (Norte) and 87% (Algarve).

Regarding unemployment, the 2010 data evidences a very significant increase at national level between 2008 (7.6%) and 2010 (10.8%). At regional level, the greater increases were observed in the Norte (8.7% in 2008 and 12.6% in 2010) Algarve (7% in 2008 and 13.4% in 2010) and Lisbon (8.2% in 2008 and 11.3% in 2010) regions, while the Autonomous Regions of Madeira and Azores reported the very small increases.

In the remainder of 2011 and during 2012, the current fiscal consolidation policies and public expenditure reduction measures imply a serious setback in the funding available for support to regional development. Several major programmes and projects of infrastructure and facilities led by the Central Administration have now been abandoned, suspended or are being downscaled (for instance, the New Lisbon International Airport, or the High-Speed Railway Network); on the other hand, most Municipalities are already experiencing serious sustainability issues, and many local projects (even with approved ERDF funding) are also being suspended.

2. THE REGIONAL DEVELOPMENT POLICY PURSUED, THE EU CONTRIBUTION TO THIS AND POLICY ACHIEVEMENTS OVER THE PERIOD

THE REGIONAL DEVELOPMENT POLICY PURSUED

The NSRF 2007–2013 is structured around three Operational Agendas focused on Human Potential (ESF), Competitiveness Factors (ERDF) and Territorial Enhancement (ERDF + Cohesion Fund), the last two being the focus of this report.

The main priorities of the Competitiveness Factors Agenda are:

- Stimulating innovation, scientific and technological development;
- Encouraging business modernisation and internationalisation and enhancing the attractiveness of qualified foreign direct investment;
- Supporting the promotion of an information and knowledge society;
- Reducing specific categories of public costs, including those from the administration of justice;
- Promoting the efficiency and quality of public institutions.

The Territorial Enhancement Agenda priorities focus on the following areas:

- Reinforcement of international connectivity, accessibility and mobility;
- Environment protection and enhancement;
- Cities policy;
- Networks, infrastructure and equipment for territorial and social cohesion.

The national thematic priorities for the different Cross-border Cooperation programmes are presented in the Annex (Annex 2).

Up until the beginning of 2011, despite the developments in the economic context, no significant changes were introduced in the regional policy priorities or in the strategy outlined in the NSRF. As already mentioned in the 2010 report, the NSRF Global Implementation Evaluation Study stressed that *"as it is conceived and has been applied, the NSRF programming shows a strong alignment with the guidelines for Cohesion Policy, reinforced by the fact that operational agendas are widely justified by the structural dimension of the priorities addressed and the constraints they intend to fight"*¹.

Since then, the aggravation of the socio-economic context, the increase in the public finances constraints, and the unsatisfactory performance of the NSRF determined the need for a reprogramming, based on a proposal which was presented to the Commission at the end of July. The major shifts in terms of priorities and/or fund allocation will be the following:

¹ NSRF National Strategic Report, 2009

- A reinforcement of the funding available for Business Support Schemes, under the Competitiveness Factors OP and the Regional OPs;
- An upgrade up to 85% of the average co-financing rates in several public investment typologies;
- A transfer of financial resources from the Territorial Enhancement OP to the Human Potential OP (ESF);
- A reformulation of the eligibility conditions for the Cohesion Fund component of the Territorial Enhancement OP;
- A new axis structure for the Norte, Centro and Alentejo Regional OPs (Competitiveness regions), in which each axis focuses on a single typology of beneficiary (companies, municipalities, central administration, and so on).

Some of these changes will, in fact, represent a shift in the NSRF strategic priorities, in particular regarding the eligibility conditions for the Cohesion Fund component of the Territorial Enhancement OP. The priority “Reinforcement of international connectivity, accessibility and mobility” loses most of its relevance due to the introduction of greater flexibility in the eligibility of transport and accessibility projects. This allows the policy maker to support internal accessibility projects instead of the new Lisbon international airport and part of the high-speed railway network.

It should be noted that, while this reprogramming of the NSRF was prepared by the previous government, the new government is currently working on an additional reprogramming process, which should be presented to the Commission during 2012.

In the current economic context, these changes in the NSRF seem fundamental, not only in order to boost the performance of its OPs, but also, more significantly, to maintain some level of public investment, considering the current overall reduction in national public expenditure. This added relevance of the ERDF and Cohesion Fund has been noticeable since 2009, through measures such as the School Facilities Modernisation Programme, or the “PME Investe” credit lines to Small Medium Enterprises (SMEs), which have been essential to maintain public support to regional development and to leverage some private investment. But in the current situation, the NSRF funds are increasingly regarded as one of the few remaining financial sources left, with ability to foster the investment needed to resume a trajectory of growth and real convergence.

POLICY IMPLEMENTATION

The main findings of the 2010 country report with regard to implementation were:

- Until the end of 2009, the implementation of NSRF was much below the programmed level, as both ERDF and the Cohesion Fund showed a satisfactory performance in terms of commitment rates (45.6% ERDF and 30.8% Cohesion Fund), but still very weak in terms of expenditure (6.8% ERDF and 5.3% Cohesion Fund).

- Mainland Regional OPs presented a less satisfactory performance, with average commitment rates of 41.4% and implementation rates of 3.3%. On the contrary, Azores and Madeira ERDF OPs had the highest implementation rates (19.8% and 10% respectively), reflecting a strong dynamic of public investment.
- At Thematic programme level, the Competitiveness Factors OP had one of the most positive performances (52.4% commitment rate and 10.2% implementation rate), while the Territorial Enhancement OP showed low levels of commitment and implementation (38.7% and 5.1% respectively).
- The low level of overall performance was due to delays in the start-up of the projects and to the difficulties in implementing the OPs, which arise from four critical factors: the effect of the global economic crisis on the investment capacity of beneficiaries; the overlap of the two programming periods; the adaptation effort of the management structure to the new community regulatory framework for management, monitoring and control of funds, and; the cost of adjustments to the National choices regarding the governance and management of funds (such as the high density of regulations linked to NSRF).

On the basis of the latest monitoring data, until the end of the second trimester in 2011, the NSRF overall implementation rate reached 31.2% of the total funding available for the programming period, corresponding to EUR 6.7 billion of validated fund expenditure (ERDF+ Cohesion Fund + ESF). Regarding ERDF, the implementation rate was 29.1%, but the commitment rate was 78.2%, which highlights significant performance issues. Even more worrying, the Cohesion Fund presented the lowest implementation rate, 12.1%, when its commitment rate was 50.9%.

As predicted in last year's country report, 2010 was indeed a year in which NSRF implementation rates showed a clear acceleration in comparison with the poor performance of the initial years of the programming period, and in fact there is evidence of an increase in the implementation rate in every NSRF OPs performance. In the first half of 2011, the NSRF overall rhythm of implementation still continued at a similar growth rate, or even accelerated in some OPs.

Nevertheless, great differences persist between the OPs in terms of their levels of performance. The ERDF component of the Territorial Enhancement OP made enormous progress during 2010, reaching an implementation rate of 50% by June 2011, mostly due to the projects developed under the Schools Modernization Programme. But, the Cohesion Fund component in this OP continued to evidence the worst performance, with an implementation rate of 12.1% by mid-2011 that is associated with persisting political indecision regarding major projects, as well as with an inability to mobilize national funding for some of these projects.

Other than that, the OPs with most positive implementation performances continued to be the Azores Regional ERDF OP (42%), the Madeira Regional ERDF OP (29%) and the

Competitiveness Factors OP (28%). The worst performances in terms of implementation rates continued to be associated with the Mainland Regional OPs, in particular the Alentejo Regional OP (15%) and the Algarve Regional OP (16%).

The main reasons for the delay in the implementation of OPs continue to be basically the same as those identified in the 2010 country report, although the aggravation of the financial and economic crisis has had an even greater impact on the beneficiaries' (potential or effective) ability to implement their projects. Although until the end of 2009 this was already evident in companies and other private beneficiaries, during 2010 and 2011 these difficulties have clearly spread to the public sector, in particular the local administration, which is traditionally responsible for a major share of the projects supported by the Regional OPs.

In order to address this particular problem and to accelerate implementation, in February 2011 the Government signed a Memorandum of Understanding with the National Municipalities Association in order to promote the implementation of municipal initiative investments in the context of the NSRF. The major measures defined by this document were:

- to apply increased rates of co-financing up to 80% under the Regional OPs, in 2011;
- to apply increased rates of co-financing up to 80% in the Urban Water Cycle in the Territorial Enhancement OP and other specific types of municipal investment, in 2011;
- to give a bonus for the expenditure carried out and presented in 2011, by increasing the co-financing rates up to 85%;
- to support the funding of the national public counterpart of the municipal initiative projects, through the framework of the EIB, under the NSRF.
- to create within each Regional OP, an "implementation merit pool" accessible to the municipalities and inter-municipal communities with the best implementation ability;
- to promote the implementation of Cities Policy initiatives;
- to exclude commitments with no ability to be executed;
- to promote/replace commitments with low implementation capacity in the Regional OPs.

Although these measures were set to be implemented only during 2011, the reprogramming of the Regional OPs will most likely prolong them for the remainder of the programming period and will reinforce the role of the municipalities within a different programme structure, which should have a strategic axis exclusively dedicated to this type of beneficiary.

ACHIEVEMENTS OF THE PROGRAMMES SO FAR

The analysis of the achievements of the programmes is focused on tangible outputs and results in each of the five broad policy areas considered. It is worth noting that, although

the level of physical implementation of the programmes is now higher than in the past, the constraints identified in the 2010 country report are still valid and affect the analysis.

First, the system of indicators used for monitoring physical outputs and results is characterised by many shortcomings², resulting in the fact that there are very few data available for these indicators in the Annual Implementation Reports. In fact, other than the Azores, Norte and Madeira Regional OPs, the other programmes do not present any significant information about effective outcomes or results, rather focusing on commitments. Secondly, practically all targets presented in the Annual Implementation Reports are related only to the axis indicators included in every OP, and almost no targets were set for core indicators.

Enterprise support including RTDI

Based on the Competitiveness Factors OP's outcome and result indicators, the Overall Evaluation of the Implementation of NSRF identified what it called "obvious signs" of change in the Portuguese economy specialization pattern, and the deepening of a few promising tendencies, namely:

- A significant increase of R&TD in companies, producing a mass effect which is new in the history of ERDF programming in Portugal and is also visible in R&TD investment in small and micro-enterprises (especially in the Norte and Centro regions);
- Some indications of an increase in supported investment in medium and high technology sectors;
- Hints of an increase in the number of companies of greater technological intensity created with the support of the NSRF, showing effects on technology-based entrepreneurship and a strong association with the intensification of business investment in R&D.

The main programme outcomes indicated in the 2009 Annual Implementation Reports for this policy area hinted at some of this progress:

- Under the Competitiveness Factors OP, a very significant increase in the relevance of business R&D, a predominance of incentives for productive innovation (93% of total business investment), a stronger incentive orientation for tradable and exportable production as well as the creation of companies in knowledge-intensive and medium-and-high technology-intensive sectors (60% of the total).
- Under the Azores Regional OP, two out of 8 contracted infrastructures supporting economic activity were completed. There was a slight increase (0.1%) in the weight of the turnover from regional companies in the national total and an increase of EUR 3 million of revenues in tourism related activities.

² For example, out of all the core indicators connected to ERDF OPs, 37% account only for the number of projects receiving support and, in any case, almost all core indicators presented in the Annual Implementation Reports only describe intentions or expectations, i.e. the contracted values.

In the 2010 AIRs, the available information on tangible achievements already reflects the greater number of projects completed:

- Business Support Schemes under the Competitiveness Factors OP and the Convergence Regional OPs have directly supported 3,975 companies, particularly SMEs, which represent 91% of the approved projects and 61% of the approved investment. It is also meaningful that 91% of the support is directed to the production of internationally tradable goods or services. Also, 6.4% of the supported companies correspond to Direct Foreign Investment, representing 16% of the approved incentives.
- The projects completed under the Competitiveness Factors OP directly supported the investments of 363 companies, 37 of which in high-tech and knowledge intensive sectors.
- The Norte Regional OP induced a total investment of EUR 1.2 million through direct support to SME investment.
- Under the Azores Regional OP, two more infrastructures supporting economic activity were completed, and the weight of the turnover from regional companies in the national total continued to show a slight growth (0.03%). Core indicators highlight that direct support to SME investment induced a total investment of EUR 71.2 million.
- The Madeira Regional OP also induced an investment of EUR 1.5 million through direct support to SME investment. 546 companies received support; 20 innovation projects were also financed.

It is relevant to stress that, as the Overall Evaluation of the Implementation of NSRF acknowledges, the enlargement of the territorial base of competitiveness is still strongly influenced by the difficulties faced by the Competitiveness, Innovation and Knowledge policies in adjusting to regions such as the Alentejo and the Algarve, with their weak institutional support structure and the characteristic features of their economy (centred around the agro-food industry in Alentejo and tourism and construction in the Algarve).

Transport and telecommunications

This is one of the policy areas in which less progress has been made regarding the accomplishment of the policy objectives initially set. Ultimately this is directly related to the enduring difficulties in assuring the national funding for major transport infrastructure projects, the relatively inflexible project eligibility conditions of the Territorial Enhancement OP, and the lack of a broad political consensus around the NSRF Territorial Enhancement Agenda.

By the end of 2009, the main programme outcomes for this policy area were:

- The Territorial Enhancement OP supported three maritime highways, while in the Regional OPs 19 km of new roads were built and interventions were carried out on 418 km of roads.

- Under the Azores Regional OP various projects were completed, with the construction of 2 km of new roads and the refurbishment of 155 km of existing roads, and the redevelopment and redesigning of two commercial ports and seven fishing harbours. Financial support to 15 transportation routes between the islands was awarded, and a re-equipment project of airport infrastructure was completed. The savings obtained in public expenditure on inter-island air transport is estimated at around EUR 18 million. There was also a 10% increase in the number of households with an Internet connection in the region.

One year later, the 2010 Annual Implementation Reports did not evidence a very significant progress in this area, presenting the following achievements:

- Under the Norte Regional OP, works on 170.5 km of roads and 7 km of railways (e.g. Porto metropolitan tram network) were carried out. These resulted in an estimated 10% time saving along the supported routes.
- In the Azores, the refurbishment of existing roads increased to 263 km, works on two commercial ports and a fishing harbour were undertaken. Overall, the number of benefiting/modernized commercial ports was 33 (17 in 2009). Also, two more re-equipment projects of airport infrastructure were completed, and the savings obtained inter-island air transport increased to EUR 27 million. With 54% of households with an Internet connection in the region, the programme target of 52% was already surpassed.

Environment and energy

Environment and energy is another policy area in which NSRF outputs and results have fallen below the expected. In what regards renewable energy, no project of this type was approved by the Territorial Enhancement OP until the end of 2010, and, in the case of business support schemes to innovation and R&D, most of companies' renewable energy projects eligible under NSRF were put on hold or discarded with the crisis.

Nevertheless, the small scale water supply and waste water projects which have been implemented have had a significant effect on the living conditions of the benefitting population. There is also some progress in terms of risk management and prevention, shoreline enhancement/coastal defence and the active management of protected natural areas.

The main programme outcomes indicated in the 2009 Annual Implementation Reports for this policy area were:

- Territorial Enhancement OP projects allowed an additional 68,559 people to use the public water supply systems.
- The Algarve Regional OP completed two shoreline enhancement interventions and two similar projects were at an initial stage of implementation, covering 28% of the regional coastline.

- In the Azores, some achievements in this field were also identified.
- In 2010, the following additional achievements were recorded:
- Territorial Enhancement OP projects allowed an additional 73,601 people to use the public water supply systems, which is still well below the 2015 target of 200,000.
- The first concluded operation of active management of protected natural areas supported by the Norte Regional OP reached an area of 133 ha (an increase of 1%), and the first of 6 projects of coastal defence against erosion was completed.
- Under the Azores Regional OP, an additional population of 34,953 were served by water supply systems, 5 risk management projects were concluded, as well as 3 more projects of support to the conservation of biodiversity.
- In Madeira, the Regional ERDF OP supported 3 environmental infrastructure projects and 5 risk management and prevention projects, all concluded.

Territorial development

The Overall Evaluation of the Implementation of NSRF confirmed the relevance of the effects associated with the School Facilities Modernisation Programme, which arise from a strong effective articulation between the Human Potential and the Territorial Enhancement agendas, and also from its additional impact in fighting the economic downturn, by fostering economic activities and keeping jobs.

It also points out some relevant effects in primary health care and in local health institutions, allied to a clear concern about supra-municipal projects. In this particular area, two projects should be highlighted, namely the Norte Rehabilitation Centre and the Coimbra Paediatric Hospital.

The main programme outcomes indicated in the 2009 country reports for this policy area were:

- The modernisation of school facilities were crucial in mitigating the crisis effects, particularly, involving 2,640 companies and creating 10,050 jobs in construction and public works. Under the Territorial Enhancement OP, 36 schools in the Norte, Centro and Alentejo benefitted from these interventions, benefiting about 20,000 students.
- Under the Territorial Enhancement OP projects, around 9,300 temporary jobs and 659 permanent jobs were created until the end of 2009, in construction and rehabilitation infrastructures.
- Under the Regional OPs, 17 projects to remodel/expand schools under the Norte Regional OP had already been completed, benefiting 3,744 students. The Algarve Regional OP had already completed 4 out of the 9 projects contracted to intervene in pre-schools and basic schools.
- The Azores Regional OP records the best results in the improvement of social facilities. Regarding schools, 2 new construction projects and 12 remodelling projects were completed, benefiting approximately 9% of the school population. 4 projects were completed for the installation of libraries and museums. 4 projects

were also concluded for construction/remodelling of local multifunctional equipment oriented to sport, culture, and leisure, and 2 projects on social intervention were carried out.

- In the Madeira Regional OP, 7 projects for intervention in schools have been implemented, benefiting a total of 2,942 students.

In 2010, further progress was identified in the Annual Implementation Reports, again focused on the School Facilities Modernisation Programme and health facilities:

- In the Norte Regional OP, 5 health units and 19 sports facilities were reconfigured or upgraded. The upgrade of 134 primary schools benefited 20,484 students.
- In the Algarve Regional OP 3 more projects to involving pre-schools and primary schools were completed.
- In the Azores OP, 11 projects related to health unit facilities were completed, benefiting 88.8% of the Regional Health Service beneficiaries. Regarding schools, 6 new construction projects and 20 remodelling projects were now completed, reaching around 13% of the school population. In terms of cultural facilities, 3 more museums were modernised and the overall number of users/visitors increased by 14%. 3 more projects were concluded for construction/remodelling of local multifunctional equipment oriented to sport, culture, and leisure, as well as another social intervention project.
- Finally, the Madeira Regional OP supported interventions in 15 schools, 2 health facilities and 8 tourism development projects.

In this policy area, it should be noticed that there is still very little evidence of achievements resulting from the implementation of the Cities Policy. Despite the fact that the approved operations are expected to have a very significant impact on the qualification of the urban system, the innovative aspects of measures such as the Urban Regeneration Partnerships and the increasing difficulties from public and private promoters to assure their part in the investments represent serious constraints to its implementation.

Human resource development

The amount of ERDF expenditure carried out in this policy area is negligible.

Although there is still little hard evidence of concrete achievements related to completed operations and projects, the physical output and results associated with commitments indicate that the expected level of achievements is very significant. The following Table A and Table B depict the NSRF commitments, expressed through the aggregated core indicators.

Table A – Main physical indicators and achievements – Competitiveness and Employment Objective Regions

Policy area	Main indicators	Outcomes and results
Enterprise support and RTDI	Number of information society projects	122
	Number of RTD projects	162
	Number of projects seeking to promote businesses, entrepreneurship, new technology	16
	Number of projects offering services to promote equal opportunities and social inclusion for minorities and young people	67
	Number of cooperation project enterprises–research institutions	39
	Research jobs created	103
	Number of direct investment aid projects to SME	1,116
	Number of start-ups supported	55
Environment and energy	Number of renewable energy projects	1
	Additional population served by water projects	10,012
	Additional population served by waste water projects	15,500
	Number of projects on improvement of air quality	1
	Number of risk prevention projects	11
	Number of people benefiting from flood protection measures	506,883
	Number of people benefiting from forest fire protection and other protection measures	1,233,067
Territorial development	Number of tourism projects	58
	Number of jobs created in tourism	132
	Number of education projects	63
	Number of benefiting students	55,046
	Number of health projects	2
	Number of projects ensuring sustainability and improving the attractiveness of towns and cities	110
Transport and telecommunications	Number of transport projects	11
	km of new roads	3.12
	km of reconstructed roads	0.38
	Additional population served with improved urban transport	1,500

**Table B – Main physical indicators and achievements – Convergence Objective
Regions**

Policy area	Main indicators	Outcomes and results
Enterprise support and RTDI	Number of information society projects	1,096
	Number of RTD projects	2,247
	Number of projects seeking to promote businesses, entrepreneurship, new technology	58
	Number of projects offering services to promote equal opportunities and social inclusion for minorities and young people	314
	Number of cooperation project enterprises–research institutions	287
	Research jobs created	233
	Number of direct investment aid projects to SME	7,932
	Number of start-ups supported	557
Environment and energy	Number of renewable energy projects	12
	Additional population served by water projects	272,318
	Additional population served by waste water projects	1,152,718
	Number of waste projects	29
	Number of projects on improvement of air quality	15
	Area rehabilitated (km2)	10.2
	Number of risk prevention projects	248
	Number of people benefiting from flood protection measures	3,299,653
	Number of people benefiting from forest fire protection and other protection measures	9,451,392
Territorial development	Number of tourism projects	741
	Number of jobs created in tourism	1,409
	Number of education projects	678
	Number of benefiting students	288,235
	Number of health projects	119
	Number of projects ensuring sustainability and improving the attractiveness of towns and cities	845
Transport and telecommunications	Number of additional population covered by broadband access	234,040
	Number of transport projects	359
	km of new roads	138.6
	km of new TEN roads	1.5
	km of reconstructed roads	2,167.8
	km of new railroads	45.3
	km of TEN railroads	37.3
	Value of time saved in Euro / year stemming from new and reconstructed roads	311,815 700
	Value of time saved in Euro / year stemming from new and reconstructed railroads	3,300,000
	Additional population served with improved urban transport	420,159

3. EFFECTS OF INTERVENTION

Given the short implementation period of the NSRF and all the factors that conditioned the start of the OPs, 2010 was still too early to identify significant effects of the interventions financed by structural funds in the current programming period. Nevertheless, with regard to more standard policy measures that, basically, are a continuation of previously defined intervention priorities and to measures that have been used to offset the effects of the crisis, some potential effects were already pointed out in the 2010 Evaluation Expert Network (EEN). In brief, the main findings then presented – based on the 2009 NSRF Strategic Report and in Community Support Framework (CSF) III evaluation studies – were:

- The School Facilities Modernisation Programme was a clear example of the efforts made in order to match the NSRF strategic priorities with a timely response to the economic crisis.
- The urban qualification measures developed under the POLIS Programme, combined with infrastructure and social facilities networks development projects supported by the previous CSFs, have helped to improve the quality of life in the country's major cities and to strengthen its structuring role within the national urban system.
- The INVESTE I and II SMEs credit lines (measures adopted under the Competitiveness Factors OP to offset the effects of the crisis) turned out to be very effective and appropriate to deal with liquidity needs of businesses, exacerbated by the funding restrictions imposed by the banking system.

By now, the 2010 Annual Implementation Reports, the Overall Evaluation of the Implementation of NSRF and the evaluations of OP implementation already provided some more relevant information about the observed or expected effects of the NSRF interventions.

There are relevant positive impacts of the programmes in terms of knowledge production and technological development. Such impacts are related to projects carried out in the environment, energy and health sectors.

A strong impact is expected in terms of structural changes and transformation of the regional competitiveness models (especially in Norte and Centro). This is particularly important, as it will enable regions to respond to the major long-term challenge of increased competition resulting from globalisation.

The implementation of NSRF will create favourable conditions which will foster corporate R&D investments, a general upgrade of the traditional sectors of the economy, and the emergence of higher value added exporting sectors.

For example, in the Centre Region the NSRF Business Support Schemes have contributed to leverage regional competitiveness, evidenced by the positive behaviour of the regional export of goods, which in 2010 registered a positive growth superior to the national average. Thus, this region is maintaining a fundamental role in the internationalization of

the Portuguese economy, in the economic sector in which it is specialized and where the NSRF support has been preponderant, particularly in the paper and cellulose, wood and chemical industries.

The effects associated with the modernisation of schools are also relevant, resulting from a strong effective articulation between the Human Potential and the Territorial Enhancement agendas, with an additional impact on the fight against the crisis (fostering economic activities and keeping jobs). Relevant effects were also related to investment in fundamental primary health care and in local health institutions, allied to a clear concern about supra-municipal projects.

4. EVALUATIONS AND GOOD PRACTICE IN EVALUATION

Evaluation studies have been carried out since the beginning of the implementation of Structural Funds in Portugal and have acquired increasing importance for the OPs management process in the subsequent programming periods. During the 2000–2006 Community Support Framework, a CSF Observatory was created which, amongst other attributions, has been responsible for overseeing and accompanying the evaluation processes carried out for each OP, as well as for the overall CSF evaluations.

In the current programming period, the NSRF Observatory – now renamed – produced a guiding document (the “Overall Evaluation Plan for the NSRF and Operational Programmes 2007–2013” – PGA³), which systematizes the evaluations (operational or strategic) which should be carried out throughout the various implementation stages of the NSRF, its OPs, or groups of OPs. Essentially, this document defines the guidelines and main objectives to be pursued in the various evaluation exercises to be undertaken in the 2007–2013 period. The implementation of the PGA is monitored by a national evaluation network, which includes representatives of the Observatory, the OPs Management Authorities and other entities.

Most of the evaluation studies have been carried out by Portuguese private consultancy companies, and, less frequently, by university institutes and central administration departments (such as the Department of Prospective, Planning and International Relations⁴ – DPP). The existing capacity for undertaking evaluations can be considered more than adequate given the overall high quality of these studies.

As regards the management of Structural Funds, evaluation studies are fully integrated in the policy-making process and, over time, from one programming period to another, the number of evaluation studies carried out has increased and the scope of their nature has been broadened.

Since the 2010 country report was produced, several evaluation studies have been carried out, although they basically fall into one of the following categories:

³ Elaborated by the NSRF Observatory and by the Evaluation Network instituted in Portugal

⁴ The DPP is a department of the Ministry for the Environment and Land Use Management

- **The Evaluation of the NSRF's Macroeconomic Impact**– A study based on two macroeconomic models developed specifically for the Portuguese economy by the DPP. The macro-econometric model HERPOR (version 3) was used to simulate the impact of the NSRF and the CSFs+NSRF in the Portuguese economy, at a national level, since the beginning of these programmes and contemplating a post implementation period, until 2050, in order to consider its short, medium and long term effects. On the other hand, the input-output base model MODEM (version 6 C) was used to simulate the regional impacts of the NSRF implementation during 2008–2009.
- **The evaluation of the implementation of NSRF and of its OPs** – These are essentially focused on management procedures and the methods used are very standard (document analysis, interviews, case studies, beneficiary web surveys), but they are not mandatory and, therefore, not all the Managing Authorities developed them. The methodological approaches followed general guidelines established by the Managing Authorities of the OPs, in order to pursue the basic principles of evaluation identified by the PGA.
- **The evaluation of the Model used in the Drafting of Specific Regulations of ERDF and Cohesion Fund 2007–13 Operational Programmes** – A study of this kind has been carried out and its purpose is to analyse the conceptual model adopted for producing regulations related to access to the ERDF and the Cohesion Fund, assess their appropriateness for the accomplishment of the objectives of the NSRF and of the OPs. Finally, the study intends to evaluate the intrinsic coherence of the model, in an inter-Regulation analysis. The evaluation also addresses the way the Regulations have been applied by the Managing Authorities and the Intermediate Bodies, and the problems concerning management and interpretation which have been ascertained. The evaluation methodology was again quite standard, based on document analysis, interviews and questionnaires

Title and date of completion	Policy area and scope	Main objectives	Main findings	Full reference or link to publication
Evaluation of the NSRF's Macroeconomic Impact	The entire NSRF	Evaluate, considering the overall implementation, the macroeconomic impact of the NSRF and the CSF in the short, medium and long term. Conjunction with the control report of the principle of additionally to be introduced by 2011.	<p>It is estimated that all the CSFs+NSRF will have an average impact on national GDP of about 2.4% in their implementation period (1989 to 2015) and 1.7% in the post-implementation period (2016 to 2050), and that the impacts will last beyond 2050, though with progressively damped intensity.</p> <p>The peak of the impact of CSFs+NSRF on GDP will be in 2008-2015 (3.2% average), due to the confluence of the cumulative impacts of the three CSFs and NSRF, with only a 0.9 % impact addressed to the NSRF in the same period.</p> <p>The evaluation undertaken using the MODEM model determines an average impact of the NSRF in 2008-2009 on the GDP, at the national level, of 0.9%. The region most benefiting in relative terms is the Azores, followed by Alentejo and Madeira, with an average impact on the regional GDP of 3.7%, 1.3% and 1.2%, respectively. The Norte and Centro regions show similar results, with an average percentage deviation of 1.1%. The regions of the Algarve and Lisbon show the lowest average percentage deviation of the DSP, around 0.5%, also in line with the lowest level of expenditure per capita performed in these regions.</p>	<p>Executive Summary: http://www.observatorio.pt/download.php?id=483 Final Report: http://www.observatorio.pt/download.php?id=484</p>
Overall Evaluation of the NSRF's Implementation (2007/2008)	All the NSRF OPs or sets of OPs	To evaluate the contribution of the operational interventions under the NSRF, in the pursuit of their overall objectives, as well as the objectives of Cohesion Policy and the Community Strategic Guidelines. Contribution to the mid-term review of the Cohesion Policy and to the NSRF Observatory for the report on the contribution of OP for the implementation of cohesion policies and other community policies to be presented in 2009.	<p>The effect of public expenditure channelled by the programming will be significant in terms of economic activity and therefore in sustaining levels of employment. It is estimated that the programming will help to alter the Country's competitiveness model.</p> <p>Even with a number of (reversible) perverse effects in terms of levels of selectivity, the NSRF turned out to be an important instrument of anti-cyclical intervention without losing its structural dimension.</p>	<p>Executive Summary: http://www.observatorio.pt/download.php?id=366 Final Report: http://www.observatorio.pt/download.php?id=361</p>

Title and date of completion	Policy area and scope	Main objectives	Main findings	Full reference or link to publication
Evaluation of the OPs Implementation in the Context of NRSF's Strategy (2007–2008)	The entire NSRF	Assess Ops implementation method in the pursuit of the strategic priorities of the NSRF, and to introduce adjustments considered necessary in the management system of the Ops.	The diversity of evaluation questions related to each evaluation exercise depended on the operational needs of the different Management Authorities, which resulted in a huge disparity between the evaluation studies of the different OPs and, therefore, different degrees of selectivity.	Territorial Enhancement OP: http://www.observatorio.pt/download.php?id=331 Centro OP: http://www.observatorio.pt/download.php?id=516 Lisboa OP: http://www.observatorio.pt/download.php?id=366 Alentejo OP: http://www.observatorio.pt/download.php?id=295 Azores OP (EFDR): http://www.observatorio.pt/download.php?id=279 Madeira OP (EFDR): http://www.observatorio.pt/download.php?id=272
Evaluation Study of the Model used in the Drafting of Specific Regulations of ERDF and Cohesion Fund 2007–13 Operational Programmes	ERDF and Cohesion Fund OPs	Assess the adequacy of the Specific Regulations model and achievements, in order to make the adjustments identified as necessary.	Given the results and conclusions of the evaluation exercise, the study presents a set of 10 Recommendations regarding adjustments to be made to the NSRF regulatory model (ERDF and Cohesion Fund) in order to render it more coherent, efficient and simpler. The recommendations are mainly aimed at the entity responsible for coordinating the implementation of the ERDF and Cohesion Fund in Portugal, which should organise the revision and adjustment process of the Regulations in force, as well as bring about the necessary consensus with other public actors involved in that process, thus creating conditions to guarantee the success of the operation.	Executive Summary http://www.observatorio.pt/download.php?id=344 Final Report: http://www.observatorio.pt/download.php?id=343

Note: All the published evaluation reports are available at the NSRF Observatory website (http://www.observatorio.pt/item1.php?lang=0&id_channel=16&id_page=49)

Over the remainder of the programming period, in coherence with the (reviewed) implementation timeframe of the Overall Evaluation Plan for the NSRF and Operational Programmes, three types of evaluation studies will be carried out. These basically cover every major policy area in the NSRF.

The first type of these studies corresponds to **the mid-term evaluations** of the NSRF and of the OPs. Its main goal is to analyse the results already achieved. At a time when the NSRF is roughly halfway through the programming period, the objectives of the mid-term evaluations are: to assess the level of effectiveness in terms of achievements and results; to analyse the contribution of the interventions already running to the general and specific objectives of the NSRF and the OPs; to diagnose the reasons for any deviations, in order to make adjustments in the programmes to increase the effectiveness and efficiency of the NSRF, and also help to better prepare the next programming period in Portugal.

Considering the fact that the NSRF and many OPs implementation rates are in some cases limited, the NSRF Evaluation Network opted to postpone the launch of these studies to the second half of 2011 and complete them by the end of the first semester of 2012.

These studies will represent a major departure from the mid-term evaluations developed in prior programming periods, in particular with regard to the evaluation of effectiveness, through the use of methodologies which allow for a better perception of the results and impacts of the Cohesion Policy instruments, namely by using econometric and counterfactual evaluation methodologies.

The second type of studies is made up of a set of **thematic and transversal evaluations**, to be launched between 2011 and 2012, focusing on key areas of public policy co-financed by the NSRF, namely:

- The evaluation of investments in proximity equipment. An analysis of the contribution of the different Funds and OPs involved was carried out within the study;
- The evaluation of Competitiveness and Technology Poles, Other Clusters and PROVERE approved in the context of Collective Efficiency Strategies (CES) in order to provide an analysis of their implementation and first results;
- The evaluation of the implementation of the instruments to support Cities Policy included in the NSRF, regards the adequacy of regulations, selection criteria and targets;
- In the context of the requirements of the SEA of interventions co-financed by the ERDF and the Cohesion Fund and, in particular, in the context of the evaluation and control of the NSRF environmental effects, in 2010, the need for further future analyses emerged. This will also mean carrying out a preliminary study to collect and analyse suitable indicators.

The third type of study includes several other **specific evaluation exercises (concerning an individual OP or a Fund)** whose launch is expected between the end of 2011 and 2012:

- The evaluation of the Cities Qualification Priority in the Lisbon Regional Operational Programme;
- The COMPETITIVETUR thematic evaluation of the Algarve OP;
- The evaluation of the Competitiveness Factors OP contribution to finance and risk sharing in innovation, internationalization and business modernization for SMEs;
- The evaluation of the contribution of the Competitiveness Factors OP to a Quality and Efficient Administration (from the perspective of businesses and citizens);
- The evaluation of the contribution of the Competitiveness Factors OP to the creation of knowledge for increasing business competitiveness;
- The evaluation of social and professional integration of immigrant populations;
- The evaluation of the dissemination of information under the ERDF and Cohesion Fund;
- The evaluation of the quality of information (physical and financial) contained in the information systems of the ERDF and Cohesion Fund OP;
- The evaluation of the instruments for collecting information used by various OP co-financed by ERDF and the Cohesion Fund for administrative streamlining;
- The evaluation of the European Fisheries Fund (EFF)/ERDF and European Agricultural Fund for Rural Development (EAFRD)/ERDF link in the current programming period.

5. CONCLUDING REMARKS – FUTURE CHALLENGES

The 2010 country report presented a series of conclusions, most of which are still relevant. In synthesis, these conclusions were:

- Despite the pressure to redirect structural funds to other sectors in order to accelerate the progress of the OPs regardless of initially planning, the NSRF managers kept the strategic priorities unchanged, in a context of crisis.
- This steady direction has not prevented the introduction of extraordinary measures to provide immediate responses to the crisis, and to cover a wider range of economic sectors, namely, measures such as the School Facilities Modernisation Programme and the INVESTE I and II SMEs credit lines.
- The main challenges were the need to accelerate and optimise performance, by consolidating higher physical and financial implementation rates within a demanding financial discipline framework, streamlining regulations and processes, implementing a more proactive management, consolidating and strengthening strategic monitoring and identifying and disseminating the results.
- Given the current commitment levels and the upward tendency of the NSRF performance indicators, the 2010 AIRs was expected to show much more expressive accomplishment levels and results.
- The uncertain Portuguese financial, economic and political context questioned the ability of the economy to take full advantage of the structural funds support, as well as the capacity of the public administration to implement their investments agenda.

As should be clear from the analysis of this report, most of these issues continue to represent challenges for the implementation of Cohesion Policy instruments in Portugal. Nevertheless, the year 2011 will undoubtedly mark a turning point in the 2007–2013 programming period, in particular due to the reprogramming process underway and the changes it will represent in the NSRF structure and strategy.

In fact, following a serious aggravation of the political, financial and economic crisis, the NSRF strategic priorities have somewhat shifted, in particular with regard to the major infrastructural projects defined by the previous government. This is also relevant in terms of the priority currently given to more innovative approaches, involving the promotion of networking and partnerships between public and private entities.

This is due in great part to the shift in the economic context, but other factors associated with the conception and management of the projects are also important. Although positive results and effects of some measures are still uncertain (for instance, Collective Efficiency Strategies, such as Competitiveness Poles and Other Clusters), other measures are unlikely to produce good results due to misjudgement in their creation and implementation. Furthermore, they have not been positively perceived by the beneficiaries (as is the case of measures associated with the Cities Policy, in which the expected level of networking and partnership between different types of entities have not been fully achieved).

Another obvious implication emerging from the NSRF implementation is the difficulty of regions such as the Alentejo and the Algarve to access funds which are allocated to Competitiveness, Innovation and Knowledge policies. This is mostly related to the characteristics of the regional business fabrics, which are dominated by low tech industries, and by a more limited number and scale of public and private RTDI institutions.

The upcoming NSRF reprogramming will probably address most of these issues, but not without some changes in its strategic objectives. And even more so, some of the measures of the on-going reprogramming process – in particular the increase of the average support rates to 85% – will, in practice, reduce additionality. Nevertheless, given the current situation, the implementation of measures of such nature seems inevitable today.

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INTERVIEWS

Dr. Paulo Areosa Feio – Coordinator of the National Strategic Reference Framework
Observatory.

Prof. José Manuel Simões – Coordinator of the Evaluation of the Norte Regional Operational
Programme Implementation in the Context of NRSF’s Strategy (2007–2008).

Dr. Sérgio Barroso – Coordinator of the Evaluation of the Centro Regional Operational
Programme Implementation in the Context of NRSF’s Strategy (2007–2008).

TABLES

See Excel file for Tables 1–4:

Table 1 – Regional disparities and trends

Table 2 – Macro-economic developments

Table 3 – Financial allocation by main policy area

Table 4 – Commitments by main policy area (by end-2010)

ANNEX

Annex 1 – Evaluation grid for examples of good practice in evaluation

BASIC INFORMATION		
Country Portugal		
Policy area Transversal		
Title of evaluation and full reference Evaluation of the NSRF's Macroeconomic Impact		
Intervention period covered (1989–2015)		
Timing of the evaluation June 2010–March 2011		
Budget: Unknown		
Evaluator Internal evaluator: DPP – Department of Prospective, Planning and International Relations		
Method Econometric and input–output models		
Main objectives and main findings • The study aimed to simulate the impact of the NSRF and the CSFs+NSRF in the Portuguese economy, at a national level, and the regional impacts of the NSRF implementation during 2008–2009. It estimated that all the CSFs+NSRF will have an average impact on national GDP of about 2.4% in their implementation period (1989 to 2015) and 1.7% in the post–implementation period (2016 to 2050).		
Appraisal In spite of the increasing number of evaluation studies made in the scope of the NSRF Global Evaluation Plan, the studies developed by DPP are the only ones which, until now, presents some evidence of the effects of the Structural Funds on the Portuguese economy.		
CHECK LIST	YES	NO
UTILITY		
Report Clarity and Balance		
Are the objectives, methods and findings of the evaluation clearly described?	X	
Are the conclusions and recommendations clearly supported by the analysis?	X	
Are the strengths and weaknesses of the intervention being evaluated fairly assessed and reported?		X
Is the outcome of the intervention clearly reported?	X	
RELIABILITY OF FINDINGS		
Evaluation design		
Is the approach adopted by the evaluation and method used clearly set out?	X	
Is the approach and methods suitable given the objectives of the valuation and the intervention being assessed?	X	
Are the details of the operation of the intervention clearly described?		X
Are the mechanisms through which the intervention is intended to achieve its objectives clearly identified?		X
Context		
Is the socio–economic and policy context clearly set out?		X
Are the effects of the economic and/or policy context on the outcome of the intervention clearly described?	X	
Information Sources		
Are the quantitative and/or qualitative data used suitable for the purpose for which they are used?	X	
Is the reliability of the data fairly assessed and described?	X	
Analysis		
Are appropriate procedures/techniques used to analyse the data and/or qualitative information?	X	
Are suitable procedures used to check the validity of findings?	X	
Is the validity of the findings reached clearly demonstrated?	X	
Do the policy recommendations follow clearly from the findings of the analysis?	X	

Annex 2 – National thematic priorities for Cross-Border, International and Interregional Cooperation Programmes

OP		GEOGRAPHIC ELIGIBILITY	NATIONAL THEMATIC PRIORITIES FOR COOPERATION	PRIORITIES AND COMMUNITY OBJECTIVES
Cross-border Cooperation	Portugal- Spain	NUTS III bordering Spain	Accessibilities; territory planning; environment, natural resources and risks prevention and heritage; increased competitiveness, employment promotion, institutional and socioeconomic integration;	Economic activities cross-border development, socio-cultural and environmental through joint strategies for sustainable territorial development.
	Mediterranean Basin	Algarve	Natural and cultural resources, heritage and institutional reinforcement;	
International Cooperation	Atlantic Space	Mainland regions	Shipping trade and maritime issues; development of coastline and Atlantic cities ; maritime safety	Establishing of international cooperation and development through the funding of networks and actions leading to integrated territorial development.
	European Southwest Space	Mainland regions	Iberian Peninsula international connectivity; prevention of natural risks	
	Madeira – Azores – Canarias	Azores, Madeira	Insularity issues; business innovation and technological development; cooperation with third countries	
	Mediterranean Space	Alentejo, Algarve	Polycentrism and urban/rural connection; Mediterranean cultural identity and heritage	
Interregional Cooperation	Interregional Cooperation	Entire national territory	Participation in cooperation between Member States and Regions in the context of regional and thematic interventions for Innovation and Environment (“Regions for Economic Change” Initiative and its “Fast Track” option)	Reinforcement of the effectiveness of regional policy under the Agenda’s Objective implementation in Lisbon and Gothenburg.
	INTERACT, URBACT, ESPON	Entire national territory	Creation, and animation of networks and community participation	

Source: NSRF 2007–2013 Portugal

Annex 3 – Synthesis of the Evaluation Studies Defined in the Overall Evaluation Plan for the NSRF and Operational Programmes 2007–2013

Denomination	Focus	Priorities/objectives
Overall Evaluations – NSRF/OP		
Overall Evaluation of the NSRF's Implementation (2007/2008)	NSRF	To evaluate the contribution of the operational interventions under the NSRF, in the pursuit of their overall objectives, the objectives of Cohesion Policy and the Community Strategic Guidelines. Contribute to the mid-term review of the Cohesion Policy and to the NSRF Observatory.
Evaluation of the OPs Implementation in the Context of NSRF's Strategy (2007–2008)	OP or sets of OPs	Assess OPs implementation method in the pursuit of the strategic priorities of the NSRF, and to introduce adjustments considered necessary in the management system of the OPs.
Evaluation of the NSRF's Macroeconomic Impact	NSRF	Evaluate, considering the overall implementation, the macroeconomic impact of the NSRF and the CSF in the short, medium and long term.
OPs Mid-term Evaluation (2007–2010)	Each OP	To evaluate the performance and impact of OPs in the middle of their term, especially considering any necessary reprogramming within each OP.
Implementation Evaluations/Global (various OP and/or funds)		
Evaluation of the NSRF's Support Schemes Implementation (2007/2008)	POFC (Competitiveness Factors Operational Programme) Mainland Portugal Regional Ops	Evaluate the early implementation of Incentive Systems and make a first adequacy test on the created tools, both in Mainland and in each of its five regions.
Evaluation of the Urban Networks for Competitiveness and Innovation and the Innovative Actions for Urban Development Implementation (2007/2008)	POVT (Operational Programme for Territory Enhancement) Mainland Regional OPs	Evaluate the implementation mode of the Urban Networks for Competitiveness and Innovation and Innovative Actions for Urban Development, autonomously but inter-dependently in order to improve their management and monitoring systems, particularly to articulate funded OPs.
Evaluation of ERDF's contribution for the support of actions covered by ESF's interventions	Mainland Regional OPs POFC COMPETE (Competitiveness Factors Operational Programme)	Evaluate the contribution of ERDF's intervention to human resources qualification policies covered by ESF's intervention areas.
Evaluation of the Integration of Gender Perspective on Structural Funds in the 2007–2013	All OPs	Assess the integration of gender perspectives at the level of programmes and projects in the new programming cycle, the contribution of structural funds to this and identify good practices.

Denomination	Focus	Priorities/objectives
programming period		
Specific Evaluations (of each OP or by Fund)		
Cost– Benefit– Evaluation for ERDF and Cohesion Fund projects	ERDF and Cohesion Fund OPs	Make a reference base for the cost–benefit analysis, considering the preparation of a guidance document for beneficiaries and Management Authorities.
Evaluation of Information Dissemination under the ERDF and Cohesion Fund	ERDF and Cohesion Fund OPs	Maximize dissemination of information to promote good management practices by reviewing the access or content of information, identifying areas of training that are necessary for the management and subsequent achievement in training programmes.
Evaluation of the Elaboration Model of ERDF and Cohesion Fund OPs' Specific Regulations	ERDF and Cohesion Fund OPs	Assess the adequacy of the SR model and achievements, in order to make the adjustments identified as necessary.
Evaluation of Information Quality (physical and financial) that stands in Information Systems	ERDF and Cohesion Fund OPs	Assess how data collection and processing and the degree of availability and reliability of the information that forms the basis of physical and financial monitoring of ERDF and Cohesion Fund OPs, with the goal of adjusting the collection of information systems of SIGA (ERDF and Cohesion Fund) and the OPs.
Evaluation of the adequacy of the national regulatory framework to the challenges associated with the ESF	ESF OPs	Assess to what extent the already set regulatory framework fits the challenges of ESF intervention in the 2007–2013 programming period, to improve systems and management practices and with an innovative approach and greater simplification.
Evaluation and Monitoring of Primary and Secondary Schools	POPH (Human Potential Operational Programme)	The structural funds are a strategic element to tackle the structural weaknesses of Portuguese school qualifications. Specifically, the study aims to provide practical information and tools necessary for the implementation and improvement of these initiatives, by observing the reforms in education and training and verifying in detail their impact in practice.
Evaluation of Cities Qualification Priority in the Lisbon Regional OP	Lisbon Regional OP	To evaluate the contribution of the ROP Lisbon to the strategic qualification priority, its impacts and justify any necessary reprogramming.
Evaluation of the Contribution of COMPETE OP for the funding for Innovation, Internationalization and Business Modernization of SMEs	POFC COMPETE (Competitiveness Factors Operational Programme)	Assess the relevance and contribution of FINOVA for innovation funding, internationalization and business modernization of SMEs.

Source: Adapted from "Overall Evaluation Plan for the NSRF and Operational Programmes 2007–2013"