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CALL FOR TENDERS

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**Ex post evaluation of Cohesion Policy programmes 2007-2013,
financed by the European Regional Development Fund
(ERDF) and Cohesion Fund (CF)**

**Work Package 3: Financial instruments for enterprise
support**

TENDER SPECIFICATIONS

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1 INFORMATION ON TENDERING

1.1 PARTICIPATION

Participation in this tender procedure is open on equal terms to all natural and legal persons coming within the scope of the Treaties and to all natural and legal persons in a third country which has a special agreement with the Union in the field of public procurement on the conditions laid down in that agreement. Where the Multilateral Agreement on Government Procurement¹ concluded within the WTO applies, the participation to the call for tender is also open to nationals of the countries that have ratified this Agreement, on the conditions it lays down.

1.2 CONTRACTUAL CONDITIONS

The tenderer should bear in mind the provisions of the draft contract which specifies the rights and obligations of the contractor, particularly those on payments, performance of the contract, confidentiality, and checks and audits.

1.3 JOINT TENDERS

A joint tender is a situation where a tender is submitted by a group of economic operators (consortium). Joint tenders may include subcontractors in addition to the joint tenderers.

In case of joint tender, all economic operators in a joint tender assume joint and several liability towards the Contracting Authority for the performance of the contract as a whole. Nevertheless, tenderers must designate a single point of contact for the Contracting Authority.

After the award, the Contracting Authority will sign the contract either with all members of the group, or with the member duly authorised by the other members via a power of attorney.

1.4 SUBCONTRACTING

Subcontracting is permitted in the tender but the contractor will retain full liability towards the Contracting Authority for performance of the contract as a whole.

Tenderers must give an indication of the proportion of the contract that they intend to subcontract.

During contract execution, the change of any subcontractor identified in the tender will be subject to prior written approval of the Contracting Authority.

¹ See http://www.wto.org/english/tratop_E/gproc_e/gp_gpa_e.htm

1.5 CONTENT OF THE TENDER

The tenders must be presented as follows:

Part A: Identification of the tenderer (see below)

Part B: Evidence for exclusion criteria (see section 2.2)

Part C: Evidence for selection criteria (see section 2.3)

Part D: Technical offer (see section 2.5)

Part E: Financial offer (see section 2.6)

1.6 IDENTIFICATION OF THE TENDERER: LEGAL CAPACITY AND STATUS

The tender must include a cover letter presenting the name of the tenderer (including all entities in case of joint offer) and identified subcontractors if applicable, and the name of the single contact person in relation to this tender.

If applicable, the cover letter must indicate the proportion of the contract to be subcontracted.

In case of joint tender, the cover letter must be signed by a duly authorised representative for each tenderer, or by a single tenderer duly authorised by other tenderers (with power of attorney).

Subcontractors must provide a letter of intent stating their willingness to provide the service foreseen in the offer and in line with the present tender specification.

In order to prove their legal capacity and their status, all tenderers must provide a signed Legal Entity Form with its supporting evidence. The form is available on:

http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm

The tenderer (or the single point of contact in case of joint tender) must provide a Financial Identification Form and supporting documents. Only one form per offer should be submitted (no form is needed for subcontractors and other joint tenderers). The form is available on: http://ec.europa.eu/budget/contracts_grants/info_contracts/index_en.cfm

Tenderers must provide the following information if it has not been included with the Legal Entity Form:

- For legal persons, a legible copy of the notice of appointment of the persons authorised to represent the tenderer in dealings with third parties and in legal proceedings, or a copy of the publication of such appointment if the legislation which applies to the legal entity concerned requires such publication. Any delegation of this authorisation to another representative not indicated in the official appointment must be evidenced.

- For natural persons, where applicable, a proof of registration on a professional or trade register or any other official document showing the registration number.

2 EVALUATION AND AWARD

2.1. EVALUATION STEPS

The evaluation is based on the information provided in the submitted tender. It takes place in three steps:

- (1) Verification of non-exclusion of tenderers on the basis of the exclusion criteria
- (2) Selection of tenderers on the basis of selection criteria
- (3) Evaluation of tenders on the basis of the award criteria

Only tenders meeting the requirements of one step will pass on to the next step.

2.2. EXCLUSION CRITERIA

All tenderers shall provide a declaration on their honour (see Annex 1), duly signed and dated by an authorised representative, stating that they are not in one of the situations of exclusion listed in the Annex 1.

The successful tenderer shall provide the documents mentioned as supporting evidence in Annex 1 before signature of the contract and within a deadline given by the contracting authority. This requirement applies to all members of the consortium in case of joint tender.

2.3. SELECTION CRITERIA

Tenderers must prove their economic, financial, technical and professional capacity to carry out the work subject to this call for tender.

The evidence requested should be provided by each member of the group in case of joint tender. However a consolidated assessment will be made to verify compliance with the minimum capacity levels.

The tenderer may rely on the capacities of other entities, regardless of the legal nature of the links which it has with them. It must in that case prove to the Contracting Authority that it will have at its disposal the resources necessary for performance of the contract, for example by producing an undertaking on the part of those entities to place those resources at its disposal.

Economic and financial capacity criteria and evidence

In order to prove their economic and financial capacity, the tenderer (i.e. in case of joint tender, the combined capacity of all members of the consortium and identified subcontractors) should provide the following evidence:

- Copy of the profit & loss account and balance sheet for the last two years for which accounts have been closed,
- Failing that, appropriate statements from banks,
- If applicable, evidence of professional risk indemnity insurance;

If, for some exceptional reason which the Contracting Authority considers justified, a tenderer is unable to provide one or other of the above documents, he or she may prove his or her economic and financial capacity by any other document which the Contracting Authority considers appropriate. In any case, the Contracting Authority must at least be notified of the exceptional reason and its justification in the tender. The Commission reserves the right to request any other document enabling it to verify the tenderer's economic and financial capacity.

Technical and professional capacity criteria and evidence

a. Criteria relating to tenderers

Tenderers (in case of a joint tender the combined capacity of all tenderers and identified subcontractors) must comply with the following criteria:

- The tenderer must prove experience in the field of theory and practice of socio-economic analysis and evaluation with at least two projects delivered in this field in the last three years.
- The tenderer must have knowledge of fundamental features of public support to enterprise (especially venture capital, equity funds, loans and guarantees) and Cohesion Policy.
- The tenderer must prove capacity to draft analytical reports in English.
- The tenderer must prove experience in case studies, interviews and collection of data.

b. Criteria relating to the team delivering the service

The team delivering the service should include, as a minimum, the following profiles:

Project Manager: At least 10 years' experience in project management, including overseeing project delivery, quality control of delivered service, client orientation and conflict resolution experience in project of a similar size and coverage, with experience in management of team of at least 5 people.

Language quality check: at least two members of the team should have native-level language skills in English or equivalent, as guaranteed by a certificate or past relevant experience.

c. Evidence

The following evidence should be provided to fulfil the above criteria:

- List of relevant services provided in the past three years, with sums, dates and recipients, public or private. The most important services shall be accompanied by certificates of satisfactory execution, specifying that they have been carried out in a professional manner and have been fully completed. Services carried out for DG Regional and Urban Policy need not be accompanied by certificates;
- The educational and professional qualifications of the persons who will provide the service for this tender (CVs) including the management staff. Each CV provided should indicate the intended function in the delivery of the service.

2.4. AWARD CRITERIA

The tender will be awarded according to the best-value-for-money procedure. The quality of the tender will be evaluated based on the following criteria. The maximum total quality score is 100 points.

- **Quality of the proposed methodology** (50 points – minimum threshold 50%)

This criterion will assess the appropriateness of the methodology of the whole evaluation and of the specific methodology for each task including the final report as specified below.

- **Organisation of the work** (30 points – minimum threshold 50%)

This criterion will assess how the roles and responsibilities of the proposed team and of the economic operators (in case of joint tenders, including subcontractors if applicable) are distributed for each task. It also assesses the global allocation of time and resources to the project and to each task or deliverable, and whether this allocation is adequate for the work. The tender should provide details on the allocation of time and resources and the rationale behind the choice of this allocation.

- **Quality control measures** (20 points – minimum threshold 50%)

This criterion will assess the quality control system applied to the service foreseen in this tender specification concerning the quality of the deliverables, the language quality check, and continuity of the service in case of absence of the member of the team. The quality system should be detailed in the tender and specific to the tasks at hand; a generic quality system will result in a low score.

Tenders must score above 50% for each criterion and sub-criterion, and above 50% in total. Tenders that do not reach the minimum quality thresholds will be rejected and will not be ranked.

After evaluation of the quality of the tender, the tenders are ranked using the formula below to determine the tender offering best value for money. A weight of 0.7/0.3 is given to quality and price respectively.

score for tender X	=	$\frac{\text{cheapest price}}{\text{price of tender X}}$	*	price weighting (in absolute value)	+	$\frac{\text{total quality score (out of 100) for all award criteria of tender X}}{100}$	*	quality criteria weighting (in absolute value)
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2.5. TECHNICAL OFFER

The technical offer must cover all aspects and tasks required in the technical specification and provide all the information needed to apply the award criteria. Offers deviating from the requirements or not covering all requirements may be excluded on the basis of non-conformity with the tender specifications and will not be evaluated.

2.6. FINANCIAL OFFER

The price for the tender must be quoted in euro. Tenderers from countries outside the euro zone have to quote their prices in euro. The price quoted may not be revised in line with exchange rate movements. It is for the tenderer to assume the risks or the benefits deriving from any variation.

Prices must be quoted free of all duties, taxes and other charges, including VAT, as the European Union is exempt from such charges under Articles 3 and 4 of the Protocol on the privileges and immunities of the European Union. The amount of VAT may be shown separately.

The quoted price must be a fixed amount which includes all charges (including travel and subsistence). Travel and subsistence expenses are not refundable separately.

3 TECHNICAL SPECIFICATIONS

3.1 OVERALL PURPOSE AND CONTEXT OF THIS EVALUATION

The European Commission, Directorate-General for Regional and Urban Policy intends to undertake an ex post evaluation of cohesion policy programmes financed by the European Regional Development Fund (ERDF), the Cohesion Fund (CF) and IPA projects in Croatia during the period 2007-2013 in regions covered by the Convergence, Regional Competitiveness and Employment and European Territorial Co-operation objectives in 28 Member States².

The ex post evaluation is an important instrument to inform national and regional authorities, the general public, the European Parliament and other stakeholders involved about the outcomes of the 2007-2013 generation of cohesion policy programmes. The evaluation will examine the extent to which the resources were used, the effectiveness and the socio-economic impact. The evaluation shall identify factors contributing to the success or failure of programmes and identify good practice.

During the 2007-2013 programming period, a stronger focus on accountability for what has been achieved with Cohesion Policy resources has become apparent, stimulated by the publication of the ex post evaluation for the 2000-2006 period and the debate on the

² Council regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund

requirements for Cohesion Policy for the 2014-2020 period and the economic and financial crisis. This ex post evaluation will deepen the analysis undertaken on the 2000-2006 period, exploring in more depth the achievements of the policy and evaluating themes not covered before.

As required by the regulation, the ex post evaluation must be completed at the end of 2015. This is a special challenge, as programmes are still being implemented until the end of 2015. Results and interim results of the study will be used to improve programmes in the 2014-2020 programming period and will feed into debate on the future policy on economic, social and territorial cohesion after 2020.

3.2 SPECIFIC CONTEXT OF THIS CONTRACT

Financial instruments are a growing set of tools in Regional and Urban Policy, with an allocation for the 2007-13 programme period of over EUR 3 billion for equity & venture capital and up to EUR 8½ billion for loans, guarantees and other instruments³. By 31 December 2012 a total of 816 specific loan, guarantee, equity/venture capital and other funds had been set up across the EU (the majority grouped into 48 holding funds), with EUR 10.5 billion in capital. By end 2012 only 43% of the money had reached final recipients.

A key policy question is how the costs (e.g. of setting up schemes) and benefits (e.g. in terms of increased investment, production, productivity and jobs) compare between the different financial instruments and with alternative enterprise support instruments such as grants, business advice and guarantee schemes. A complicating factor for evaluation is that the costs are borne immediately, while many of the benefits are long term, as funds (and individual firm-level investments) take time to set up and gain momentum.

This is one of three work packages on enterprise support (see annex 2). Since it is the intention that the three reports run roughly in parallel, successful tenderers will be expected to keep up to date with developments in the other two packages (notably by reading reports). They may cite from the other packages, but should still come to their own conclusions.

Financial and output data

Member States and the Commission exchanged more detailed data in the period 2007-2013 compared to previous programming periods in relation to the planned and actual use of the funds and the reporting of "core" indicators for the ERDF and the Cohesion Fund. These data concern all instruments, not just the financial instruments which are the object of the current study.

³ See annexes 3A and 3B for more information.

In relation to tracking financial inputs, the Member States report annually on progress in project selection using the "categorisation system"⁴. This system comprises 86 priority theme codes (the most widely used element of the categorisation system) but also has information on "form of finance", "Territorial dimension", "economic dimension" and "location".

The system of ERDF/CF core indicator reporting (41 indicators) was set out in working documents from 2007 and 2009⁵. It has led to annual reporting at OP level (sometimes also at priority axis level) of cumulative figures for achieved outputs often in relation to initial target value. Work package zero under the programme of ex-post evaluation 2007-2013 will gather and quality assess physical data reported by Managing Authorities in their Annual Implementation Reports. That work package will therefore provide updated data during the implementation of this contract.

The categorisation and core indicator data reported in the 2012 AIR in its raw form is provided in the excel tables on this webpage:

http://ec.europa.eu/regional_policy/impact/evaluation/data_en.cfm

In addition, during the period additional reporting requirements were introduced for financial engineering instruments. Initially voluntary for the 2011 exercise the requirements were later formalized for the 2012 annual reports. The Commission has produced summaries of the material reported, which can be found at:

http://ec.europa.eu/regional_policy/thefunds/instruments/doc/summary_data_fei_2012.pdf

3.3 SUBJECT OF THE CONTRACT

To assess the rationale, implementation and early evidence of effectiveness of equity/venture capital, loans and guarantees (collectively "financial engineering instruments", "financial instruments" or simply "FEI"s). Policy rationales and the literature will be examined to develop typical theories of change for why and how the various FEIs work. These narratives will be critically assessed using evidence from case studies.

3.4 SCOPE OF THE CONTRACT

According to the expenditure codes, FEI support took place in all Member States except Luxembourg in the 2007-13 programme period. This study focusses on the eleven countries where total equity/venture capital exceeds EUR 100 million or where loan and

⁴ Regulation EC N° 1828/2006, Article 11, requires the reporting of categorisation information in the Annual Implementation Reports (AIRs). The background reference documents on the use of the categorisation system are: 1) Information Note COCOF 09/0008/00-EN of 18 May 2009 - [LINK](#) and 2) The questions and answers sheet (public SFC2007 webpage) updated in early 2012: [LINK](#)

⁵ http://ec.europa.eu/regional_policy/information/evaluations/guidance_en.cfm#3

guarantee support exceeds EUR 200 million, plus Denmark where equity/venture capital accounts for a high proportion of spending.

- Belgium
- Czech republic
- Denmark
- Germany
- Spain
- France
- Hungary
- Italy
- Lithuania
- Poland
- Portugal
- UK

These 12 countries account for some 86% of total planned equity/venture expenditure under the ERDF and 92% of loans and guarantee expenditure, as well as 754 (92%) of the 816 FEI instruments for enterprise support. FEIs in these countries can therefore be taken as representative of such support under Cohesion Policy.

FEIs are often part of a broader package of long term support to a given enterprise and the evaluation should set them in this context. In particular, where non-financial support (e.g. advice, management support and networking help) is combined with an FEI, this should be evaluated too.

3.5 TASKS

Task 1: Taking stock of support, selecting case studies

The contractors will examine all ERDF programmes in the 12 countries under 3.4 to identify the main FEI schemes for enterprise support. They should for each scheme:

- Take brief stock of the private markets for equity/venture capital, loans and guarantees operating in the programme area. To what extent do markets exist and are they growing? Under what terms are private sector equity/venture capital, loans or guarantees typically offered? What are the gaps in markets for each instrument? The intention is not to conduct a lot of original research, but to briefly provide a baseline. This work may be based in part or entirely on existing studies (see bibliography in annex 4).
- Outline the main forms/packages of support offered by each FEI scheme. This may include non-financial support such as advice, management support and networking help.
- Outline the rationale underlying these forms of support and the types of business eligible/targeted (e.g. size, sector, etc.).

- Outline the management and operational structure of the scheme. How are projects selected, how is support delivered, what is the repayment structure and/or exit strategy?
- Quantify the support (total and firm-level expenditure, number and type of enterprises, form of support, timing, level and involvement of the public sector etc.) and set out other available descriptive statistics.
- Where available, collect data on effectiveness, including private sector money levered in, the extent to which public money has revolved already and final outcomes such as productivity, employment etc at the firm level.
- Crosscheck the above (as far as possible) with the data reported by member states in the 2012 summary of data on FEIs⁶, published beneficiary data⁷, as well as with the results of the parallel ex post evaluation work package 0 (data collection and quality assessment).

For 9 of the 12 countries above, the contractor should propose one operational programme as a case study for Task 3 below. All FEIs in that programme will be the object of the case study. The Commission will make the final decision on the case studies (and the contractor should therefore retain some flexibility in the team, in case programmes or countries need to change). The contractor should propose 9 case studies using the following criteria:

1. The forms/packages of support and rationale are broadly representative of the different FEI schemes in the 12 countries. This includes:
 - At least 3 of the programmes will include equity/venture capital instruments, at least 3 loan instruments and at least 3 guarantees⁸.
 - A broadly representative balance of national or regional holding funds (the most common), EIB holding funds⁹ and directly held or ad hoc funds.
 - A broadly representative mix in terms of fund size, firms targeted.
 - A broadly representative mix of market conditions and funding gaps in the programme area.
2. The extent to which reliable data is available for the tasks to be carried out in the case studies.
3. To the extent possible, some of the case study programmes contain one or more significant or interesting FEIs (the contractors should justify this when presenting their proposal for case studies).

Task 2: Literature Review

⁶ Reference and link in annex 4

⁷ Managing authorities publish lists of beneficiaries. For analysis of the possibilities and limits of this data, see Czarnitzki, Bento and Doherr (2011), especially pages 10-19 at: http://ec.europa.eu/regional_policy/information/evaluations/pdf/impact/ciewp2_final.pdf

⁸ There are likely of course to be more than 3 of each, since many potential case study programmes contain more than one type of FEI, or indeed all 3 types.

⁹ For convenience, the list of EIB holding funds is in annex 3C

Contractors should examine the existing literature (including evaluations) for examples of where and why publicly funded FEIs to enterprise work (or don't work). In each case, the theory of change and contribution stories¹⁰ should be made explicit, including the context (market gap, regional economy etc), what support (which FEI, delivered how), for whom (firm profile e.g. sector, size, age), how it works (what it does for the firm - and the leverage, money revolving and final results in terms of productivity, jobs etc that would be expected). The theories of change may not be exactly the same for equity, venture capital, loans or guarantees – and may even differ for different target groups, sectors etc within each instruments. The aim is to provide the main theories of change and contribution stories – and then use the case studies to assess evidence for and against each one.

An important element of context is the private market in a given region – especially in view of some recent findings where private venture capital appeared to be more conducive to firm growth than public VC funding¹¹. The literature review will therefore include a brief survey of private sector FEIs and their relationship to public sector support, especially in the relevant countries.

The offer should specify examples of the literature the contractors will use.

Task 3: The Case Studies

The case studies are the heart of the evaluation. They are likely to prove challenging, so the tender should outline the methodology in a way which makes clear how the contractors intend to rise to the challenge.

It should be noted that 2 pilot case studies will be delivered earlier (see section below on deliverables), but work should start on all case studies in parallel.

For each programme, the contractor should assess the following points.

1. **Goals and theory of change.** What are the goals of the schemes and the theory of change? What is the quality of the market gap assessment? How do the schemes contribute to the regional development goals of the operational programme as a whole – what motivated the managing authority to set up one or more FEIs? Does implementation and practice (e.g. selection of firms, forms of support, outcomes) actually fit with statements of goals and theory of change? Where there is more than one FEI in a programme, what is the division of labour between them? How do they fit with other instruments offered by the programme (notably grants or non-financial support) or (if relevant) similar, non-Cohesion Policy instruments operating in the same area?
2. **Management.** What is the governance structure of each FEI? Who are the fund managers (or managers within the programme) and what is their background? In their understanding, what are the key differences between public and private sector FEI schemes? What is success for the manager (and is this translated into an indicator, reported to the managing authority)? What are managers' incentives/packages and

¹⁰ For further explanation of theories of change and contribution stories, see Leeuw “Theory based evaluation” (link in the bibliography).

¹¹ See Moncada - Paternò – Castello et al (2014)

performance requirements? What can be done to keep management costs to an acceptable level, while still running the funds adequately? What is the relationship with the managing authority and the programme strategy?

3. **Implementation and costs.** How much did the schemes cost to set-up and how long did it take? How much do they cost to run? How well do they manage in attracting firms (especially where there are other forms of support e.g. grants available)? Are there other implementation issues? How do costs and other implementation issues compare to private FEIs and other public financial support (grants, guarantees etc.) in the same region/country? Are there good examples in terms of management, including not just successful investments, but also costs and delays? What features of administrative and institutional capacity are crucial in successfully running such funds? To what extent do the case study Member State and regions have these capacities? How could such capacities be built/developed further and which instruments could be used to do this?
4. **Managing the portfolio.** What is the status and health of the projects in their portfolio? What is the approach to risk, e.g. do they target safe investments or high risk, high return projects? What is the repayment structure for loans, the exit strategy for equity and venture capital? What happens when a firm does not fail, but does not turn a profit?
5. **Monitoring and evaluation.** What indicators are collected? Do they cover spending and outputs only, or also results and other long term outcomes? What data is available on repayments? What is reported to the managing authority? How does this relate to the reliability of data reported to the Commission, notably in terms of expenditure codes and the 2012 summary of data on financial instruments? Have there already been evaluations of these or similar schemes (and if so, what did they find)? Are evaluations planned? What will they contain – and what data is already being collected to feed them?
6. **Outcomes.** How much private money has been levered in? How much of the money has revolved? What is the initial evidence of effectiveness? This last should include productivity and jobs, but also failure rates – it should also include other goals relevant to the scheme, eg if a venture capital scheme sets out to stimulate early stage research, development and innovation. What is the initial evidence for efficiency/cost-effectiveness (ie comparing outcomes to costs such as those in point 3 above)? How does this compare between different FEIs and with the main alternative sources of finance in the region/country (eg grants, private schemes)? What is the evidence for and against the theories of change and contribution stories?
7. **Optimum scale.** Given implementation, costs and outcomes what can be said about the minimum, optimum and maximum sizes of scheme and level of individual support?
8. **Market-making for equity/venture capital funds.** Is there evidence of successful creation/expansion of the equity/venture capital market in the region/country? Is this likely to be sustained/sustainable in the long term, even if public money is withdrawn? How much of a funding gap remains, what links with universities, what other means of supporting high-tech start-ups? Is there any evidence of added value of ERDF vs private equity/venture capital funds?
9. **Good practice.** Are there any good practice examples in the above terms (set-up/implementation, early signs of effectiveness, sustainability/expansion of markets, good practice projects). What do we learn from comparing good practice cases with others? What makes the difference?

Task 4: Seminar and final report

The contractor will organise a seminar with representatives of the Managing Authorities of the 9 case study programmes, external experts (including the three advising on this evaluation, see below) and Commission officials to discuss and deepen analysis on the emerging findings of the report and case studies (around 25 persons).

The evaluator will be responsible for the organisation and content of the seminar. This means preparing the basis for discussion, including a summary of the evaluation evidence and their tentative conclusion. It also means identifying participants, leading discussions, writing up the event and consolidation the findings into the draft final report.

The seminar will take place in Brussels. It will be organised by using support from Work Package 1 of the ex post evaluation (“Synthesis”) and the contractor of Work Package 1 will:

- cover travel and accommodation costs for participants from public authorities (maximum 1 night stay, train, flights economy class),
- cover travel and accommodation costs for participants not from public authorities (up to 2 nights, train, flights economy class), as well as a fee appropriate to the level of expertise.

Following the seminar, the contractor will draft a final report, with (1) a main body critically comparing the main sources of evidence (in particular the cross case study analysis, but also the literature survey, results of seminar etc) and (2) 12 country annexes summarising the results of tasks 1 and 3. The report will draw conclusions on all the questions above, but will focus in particular on:

- Which of the theories of change and contributions stories drawn up in task 2 (and rationales from task 1) are actually borne out by the case studies (including the good practices) in task 3. The evidence for and against each narrative should be critically examined.
- The costs (eg in setting up schemes) and initial evidence of benefits (e.g. in terms of private money levered in, public money revolved, increased investment, production, productivity and jobs). How do these vary between different FEIs (equity/venture capital, loans and guarantees) and what we know of the effects of other forms of support (grants, non-financial support)? The analysis should also include wider benefits such as creating a venture capital market.
- What has been learned about when, where, how various FEIs work – and when they don’t work. This should include a discussion of:
 - A comparison of the main characteristics (pros and cons, roll out time and mechanism, target group, impacts) of each type of FEI. What can be said about how to choose one or more FEIs in the light of the goals and context of a given region or Member State?
 - The optimum size of a given FEI scheme.
 - Optimum scope (e.g. sectors and firms targeted, combination of instruments etc).
 - How to keep implementation delays and management costs to a minimum, while still running an effective scheme which achieves the desired results. What administrative and institutional capacities are necessary to run such schemes successfully – how a Member State or region could go about building them.

- How to optimise the impact of FEIs. Impact includes not just leverage and revolving, but also final impact in terms of productivity and jobs.

The goal is to provide suggestions for the use of such schemes in future EU regional policy.

3.6 METHODOLOGY

A combination of methods will be used in this evaluation, some of which have been signalled in the tasks description above. They include:

- Theory based impact evaluation (see Leeuw, in bibliography)
- Case study methodology (see Gaffey (2009), in bibliography)
- Desk research – analysis of AIRs and any other supporting documentation from the Member States,
- Interviews with Member States, Managing Authorities, enterprises and other actors where necessary,
- Other methodological approaches as appropriate, to be specified in the tender documentation.

The tender documentation should outline how these methods will be combined to deliver the various tasks and answer the evaluation questions. Based on an overview of information published and listed in the bibliography, the tender should analyse the major difficulties inherent in carrying out this contract and outline strategies to overcome them.

3.7 WORK ORGANISATION

As part of the tender documentation, the team to be involved in this evaluation should be identified, describing their skills and qualifications, quantifying the input of each member of the team in terms of days and explaining the distribution of tasks between the different team members involved. The tenderer must demonstrate that the teams have the capacity to work in the languages of the case study countries. The tender documentation should already contain a first analysis of the Member States which will require the most intensive work with an indication of the reasons why. This analysis should be reflected in the distribution of days among team members and tasks. The attention of tenderers is drawn to the need for strong co-ordination, guidance and quality control which will be needed for the successful delivery of this contract.

3.8 TIME SCHEDULE

The duration of the tasks is 15 months, starting from the signature of the contract. The deliverables and their timing are specified below.

Reports and meetings required by the Terms of Reference

End Month	Output	Meeting
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0		Kick-Off Meeting with DG REGIO
Within 1 month	Inception report	Meeting with Steering Group
Within 4 months	First interim report	Meeting with Steering Group
Within 7 months	Two pilot case studies	
Within 10 months	Second interim report	Meeting with Steering Group
Within 11 months	Seminar	
Within 14 months	Draft final report	Meeting with Steering Group
Within 15 months	Final report	

3.9 DELIVERABLES

The deliverables of this study will be:

- **Deliverable 1:** one methodological inception report covering all Tasks.
Deadline: within one month after the signature of the contract.
- **Deliverable 2:** the first intermediate report presenting the results of Task 1 and Task 2.
Deadline: within four months of the signature of the contract.
- **Deliverable 3:** the two pilot case studies
Deadline: within seven months of the signature of the contract.
- **Deliverable 4:** the second interim report, covering task 3
Deadline: within ten months of the signature of the contract.
- **Deliverable 5:** the draft final report responding to Tasks 1-4 of these specifications
Deadline: within fourteen months of the signature of the contract.
- **Deliverable 6:** one final report.
Deadline: within fifteen months of the signature of the contract.

Besides the above mentioned deliverables, the contractor will submit a progress report of 2 pages maximum every month.

A hard copy and an electronic version of each report are required. For final reports one hard copy and an electronic version (three CD, Word format and PDF format or equivalent application compatible with MS Office) are required. The Commission will provide details for the layout of the reports.

The contractor will provide presentation material for each of the reports in English (PowerPoint or equivalent application compatible with MS Office) for the use of Commission services.

All reports will be delivered in English. **Tenderers should note that a high standard of written English and capacity for clear and concise expression of complex ideas is**

required in all deliverables. An executive summary of the final report specified above will be delivered in English, French and German.

The contractor may be invited to present the results of the evaluation to the Member States and the Commission services (three meetings in Brussels). The travel costs for these presentations will be paid separately.

The quality of the evaluation will be assessed by the Commission services using the quality criteria set out in annex 5. The assessment of the quality will be published by the Commission.

3.10 ORGANISATION OF THE STUDY

There will be a single contract with the Directorate General for Regional and Urban Policy for this evaluation.

As part of the **tender documentation**, the tenderer should identify the members of the core team and experts responsible for the Member State work. Effective planning of the fieldwork is essential and this should be reflected in the days allocated to the core team as well as the Member State experts. The person responsible for the quality of the content of each deliverable (including proper editing of the draft final report in terms of its content) should be identified. In addition the tender documentation should describe for each member of the team his/her skills and qualifications and quantify the input in terms of days and explain the distribution of tasks between the different team members involved. The tenderer should prove that their team has the capacity and knowledge to work in the fields of expertise required and in the languages which may be needed for the analysis and interviews.

The contractor will propose in the tender 3 experts to give advice throughout the evaluation, comment on the deliverables, and participate in the seminar. These experts should have in-depth knowledge of the fields of enterprise support, financial engineering and theory-based evaluation. The Commission will make the final choice of experts.

The Directorate General for Regional and Urban Policy will establish a steering group representative of the relevant Directorates of the Directorate General as well as other interested Directorates General. The contractor will provide documentation for and attend four meetings of the steering group. It is anticipated that the meetings will take place in order to discuss the inception report, the first intermediate report, the second intermediate report and the draft final report.

The contractor will be expected to attend a kick-off meeting plus three or four progress meetings with the Evaluation Unit of the Directorate General for Regional and Urban Policy in Brussels reviewing the progress of the study and resolving any problems arising. These meetings will be arranged according to needs arising.

3.11 VOLUME OF THE CONTRACT

EUR 550,000 maximum (lump sum, including fees, travel expenses and other costs).

3.12 TERMS OF PAYMENT

The Contractor shall submit requests for all payment, expressed in euros, to the Commission.

Payments under the contract shall be made as follows:

A first interim payment equal to 10 % of the total amount within 30 days of the date on which a valid request for payment is registered following approval by the Commission of the inception report.

A second interim payment equal to 30 % of the total amount within 30 days of the date on which a valid request for payment is registered following approval by the Commission of the first interim report.

A third interim payment equal to 30 % of the total amount within 30 days of the date on which a valid request for payment is registered following approval by the Commission of the second interim report.

Payment of the balance equal to 30 % of the total amount within 30 days of the date on which a valid request for payment is registered following approval by the Commission of the final report and the previous deliverables, and the organisation of the report's presentations.

3.13 DOCUMENTATION FOR THE TENDERERS

- List of themes to be covered by work packages in the 2007-2013 Ex post evaluation in Annex 2
- Allocation of resources, number of funds, list of EIB Holding funds: Annexes 3A, 3B and 3C.
- Bibliography in Annex 4

The quality of the evaluation will be assessed by the Commission services using the quality criteria set out in Annex 5. The assessment of the quality will be published by the Commission.

4 CONTENT, STRUCTURE AND GRAPHIC REQUIREMENTS OF THE FINAL DELIVERABLES

All studies produced for the European Commission and Executive Agencies shall conform to the corporate visual identity of the European Commission by applying the graphic rules set out in the European Commission's Visual Identity Manual, including its logo¹².

The Commission is committed to making online information as accessible as possible to the largest possible number of users including those with visual, auditory, cognitive or physical disabilities, and those not having the latest technologies. The Commission supports the [Web Content Accessibility Guidelines 2.0](#) of the W3C.

For full details on Commission policy on accessibility for information providers, see: http://ec.europa.eu/ipg/standards/accessibility/index_en.htm

Pdf versions of studies destined for online publication should respect W3C guidelines for accessible pdf documents. See: <http://www.w3.org/WAI/>

Content

➤ Final study report

The final study report shall include:

- an abstract of no more than 200 words and an executive summary of maximum 6 pages, in English, French and German;
- the following standard disclaimer:

“The information and views set out in this [report/study/article/publication...] are those of the author(s) and do not necessarily reflect the official opinion of the Commission. The Commission does not guarantee the accuracy of the data included in this study. Neither the Commission nor any person acting on the Commission’s behalf may be held responsible for the use which may be made of the information contained therein.”

- specific identifiers which shall be incorporated on the cover page provided by the Contracting Authority.

➤ Publishable executive summary

The publishable executive summary shall be provided in English, French and German and shall include:

- the following standard disclaimer:

“The information and views set out in this [report/study/article/publication...] are those of the author(s) and do not necessarily reflect the official opinion of the Commission. The Commission does not guarantee the accuracy of the data included in this study. Neither the

¹² The Visual Identity Manual of the European Commission is available upon request. Requests should be made to the following e-mail address: comm-visual-identity@ec.europa.eu

Commission nor any person acting on the Commission's behalf may be held responsible for the use which may be made of the information contained therein."

- specific identifiers which shall be incorporated on the cover page provided by the Contracting Authority.
- For graphic requirements please refer to the template provided in the annex 6. The cover page shall be filled in by the contractor in accordance with the instructions provided in the template. For further details you may also contact comm-visual-identity@ec.europa.eu.

Annex 1: Declaration of honour

See separate document

Annex 2: Themes for Work Packages of the Ex Post Evaluation

No.	Work package
0	Data collection and quality assessment
1	Synthesis
2	Small and medium-sized enterprises, innovation, ICT
3	Financial instruments for enterprise support
4	Large enterprises
5	Transport
6	Environment
7	Modelling the effects of transport projects
8	Energy efficiency
9	Culture, Tourism
10	Urban development and social infrastructure
11	European Territorial Cooperation
12	Delivery system
13	Geography of expenditure
14	Macroeconomic models

Annex 3A : Member State allocations to financial instruments for the 2007-13 period

ERDF, Euro million

Case study countries are in **bold**

	Equity/ Venture Capital	Loans, guarantee funds etc	Total ERDF
BE	104.4	2.9	990.3
DK	25.0	-	254.8
DE	468.2	925.4	16,108.0
IE	-	10.5	375.4
GR	45.0	144.5	15,846.5
ES	286.3	781.7	26,600.4
FR	125.8	86.6	8,054.7
IT	498.2	1,949.4	21,027.3
LU	-	-	25.2
NL	54.3	32.9	830.0
AT	21.8	2.3	680.1
PT	256.9	1,928.9	14,568.2
FI	25.1	61.0	977.4
SE	49.4	49.6	934.5
UK	480.5	157.0	5,416.0
BG	32.7	137.3	5,488.2
CZ	45.0	299.7	22,751.9
EE	-	31.3	3,011.9
CY	8.5	8.5	492.7
LV	85.3	101.6	3,947.3
LT	29.0	306.4	5,747.2
HU	120.4	649.4	21,292.1
MT	-	8.5	728.1
PL	155.0	816.9	57,178.2
RO	50.0	50.0	15,528.9
SI	35.0	50.0	3,345.3
SK	23.0	19.8	9,998.7
EU15	2,440.8	6,132.8	112,688.7
EU12	583.9	2,479.4	149,510.5
12 cases	2,594.7	7,904.3	199,989.1
EU27	3,024.7	8,612.2	262,199.1

Source: DG Regio, financial database

Annex 3B: Financial Engineering Instruments (FEIs) for enterprise: numbers of funds, data on payments by 31 December 2012

Source: 2012 summary of data on FEIs (see bibliography)

Member State	Number of Holding Funds (HF)	Specific funds with a HF	Specific funds without a HF	OP contributions paid to FEIs	out of which Structural Funds	OP contributions paid to final recipients	
						in absolute amounts	in % of OP contributions paid to FEIs
AT	0	0	2	26.79	10.27	6.11	23%
BE	0	0	9	316.06	126.96	134.80	43%
BG	1	4	0	349.00	296.65	13.52	4%
CY	1	3	0	20.00	17.00	9.32	47%
CZ	0	0	2	258.63	219.84	232.49	90%
DE	0	0	38	1316.66	839.34	643.94	49%
DK	0	0	4	14.64	7.22	8.19	56%
EE	0	0	5	133.27	106.92	116.81	88%
EL	2	15	1	1016.00	849.21	41.81	4%
ES	4	5	2	364.95	210.03	180.94	50%
FI	0	0	1	69.95	32.65	46.28	66%
FR	2	17	76	234.31	112.70	137.27	59%
HU	1	183	1	510.28	433.73	338.96	66%
IT	9	10	65	2596.83	1452.87	977.32	38%
LT	3	24	1	271.34	271.34	177.55	65%
LV	1	5	4	326.31	201.59	121.24	37%
MT	1	1	0	10.00	8.50	4.67	47%
NL	0	0	5	48.58	11.08	24.39	50%
PL	11	121	103	978.14	829.34	430.57	44%
PT	2	31	13	262.84	182.33	172.26	66%
RO	1	2	0	100.00	86.00	21.56	22%
SE	0	0	11	119.52	64.13	55.44	46%
SI	1	2	1	105.81	89.94	175.39	166%
SK	1	0	0	100.00	85.00	0.00	0%
UK	7	22	27	922.33	380.13	469.97	51%
Total	48	445	371	10,472.24	6,924.77	4,540.80	43%

Annex 3C: List of EIB Holding Funds

See separate document

Annex 4: Bibliography

Centre for Economic and Business Research, Denmark (2010) “An Analysis of Firm Growth Effects of the Danish Innovation Consortium Scheme”

<http://fivu.dk/en/publications/2010/an-analysis-of-firm-growth-effects-of-the-danish-innovation-consortium-scheme>

Gaffey (2009) “Case studies in the framework of ex post evaluation 2000-2006: expectations and experiences of the DG for Regional Policy”

http://ec.europa.eu/regional_policy/archive/conferences/evaluation2009/abstracts/gaffey.doc

Leeuw (for DG Regional Policy): "Guidance on theory-based evaluation".

http://ec.europa.eu/regional_policy/information/evaluations/pdf/impact/theory_impact_guidance.pdf

NESTA (2009) “From funding gaps to thin markets: UK Government support for early-stage venture capital

http://www.nesta.org.uk/publications/reports/assets/features/from_funding_gaps_to_thin_markets

Moncada–Paternò–Castello, Vezzani, Hervás and Montresor (2014) “Financing R&D and Innovation for Corporate Growth: What new evidence should policymakers know?”

<http://iri.jrc.ec.europa.eu/documents/10180/12238/Financing%20R%20and%20Innovation%20for%20Corporate%20Growth.%20What%20new%20evidence%20should%20policymakers%20know>

(Source papers for the above policy brief: <http://iri.jrc.ec.europa.eu/concord/2013/index.html>)

Mouqué (2012) “What are counterfactual impact evaluations teaching us about enterprise and innovation support?”

http://ec.europa.eu/regional_policy/sources/docgener/focus/2012_02_counterfactual.pdf

Official documents

The various reports on financial instruments from the expert evaluation network:

http://ec.europa.eu/regional_policy/information/evaluations/index_en.cfm#1

2012 Summary of data on the progress made in financing and implementing financial engineering instruments co-financed by the structural funds:

http://ec.europa.eu/regional_policy/thefunds/instruments/doc/summary_data_fei_2012.pdf

Ex Post Evaluations of the 2000-2006 Programming period:

http://ec.europa.eu/regional_policy/information/evaluations/archives_2000_2006_en.cfm

EIB reports on SMEs and financial engineering:

<http://www.eib.org/projects/evaluation/reports/operations/index.htm>

Guidance:

http://ec.europa.eu/regional_policy/information/evaluations/guidance_en.cfm#3

Expert Evaluation Network Reports:

http://ec.europa.eu/regional_policy/information/evaluations/index_en.cfm#1

Strategic Report, 2013:

http://ec.europa.eu/regional_policy/how/policy/strategic_report_en.cfm

European Court of Auditors report on FEIs supported by the ERDF (2012):

<http://www.europarl.europa.eu/document/activities/cont/201203/20120329ATT42186/20120329ATT42186EN.pdf>

Annex 5 - Quality Control: Output Quality Criteria

- Meeting needs as laid out in ToR
- Relevant scope and coverage
- Defensible design and methods
- Reliable data used
- Sound analysis
- Credible results that relate to analysis and data
- Impartial conclusions showing no bias and demonstrating sound judgement
- Clear report with executive summaries and annexed supportive data

Annex 6 – Template for graphic requirements

See separate document

