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

Work Package 12: Delivery System

Inception Report

Contract N° 2014CE16BAT046

05/03/2015

Glossary

All definitions refer to legislative sources of the 2007-2013 programming period. Terms newly introduced in the 2014-2020 period are an exception and are marked with a star sign (*).

Terms	Definitions	Reference
Accountability	The European Commission, Member States and Managing Authorities can account for their spending and for the results they achieve (e.g. before the European Court of Auditors, the European Parliament, or taxpayers in general).	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Tender Specifications
Additionality	Contributions from the Structural Funds shall not replace public or equivalent structural expenditure by a Member State.	Article 15, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/40)
Annual Implementation Report (AIR) and Final Report	For the first time in 2008 and by 30 June each year, the managing authority shall send the Commission an annual report and by 31 March 2017 a final report on the implementation of the operational programme. The report shall include, among others, information on the progress made in implementing the operational programme and priority axes, financial implementation of the operational programme, detailed for each priority axis, the indicative breakdown of the allocation of Funds by categories, the steps taken by the managing authority or the monitoring committee to ensure the quality and effectiveness of implementation.	Article 67, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/56)
Audit Authority	A national, regional or local public authority or body, functionally independent of the managing authority and the certifying authority, designated by the Member State for each operational programme and responsible for verifying the effective functioning of the management and control system. The same authority may be designated for more than one operational programme. Its functions are listed under Article 62, Regulation 1083/2006.	Article 57.1(c) and 62, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/54 and L 210/55)
Beneficiary	An operator, body or firm, whether public or private, responsible for initiating or initiating and implementing operations. In the context of aid schemes under Article 87 of the Treaty, beneficiaries are public or private firms carrying out an individual project and receiving public aid.	Article 1, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/36)
Certifying Authority	A national, regional or local public authority or body designated by the Member State to certify statements of expenditure and applications for payment before they are sent to the Commission.	Articles 57.1(b) and 61, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/54 and L 210/55)
Cohesion Fund (CF)	The Cohesion Fund (CF) is established for the purpose of strengthening the economic and social cohesion of the Community in the interests of promoting sustainable development and aims at Member States whose Gross National Income (GNI) per inhabitant is less than 90% of the EU average, In particular, assistance from the Fund is given to actions in the areas of trans-European transport networks, energy and the environment.	Council Regulation (EC) No 1084/2006 of 11 July 2006 (L 210/1) and inforegio
Cohesion Policy	Policy covering all programmes supported by the ESF, the ERDF, and the CF, aimed at enhancing competitiveness and reducing economic, social and territorial disparities in European regions.	Lexicon of the 6th Report on Economic, Social, and Territorial Cohesion
Common Strategic Framework (CSF)*	A document for the 2014-2020 period establishing strategic guiding principles to facilitate the programming process and the sectoral and territorial coordination of Union intervention under the ESI Funds and with other relevant Union policies and instruments, in line with the targets and objectives of the Union strategy for smart, sustainable and inclusive growth, taking into account the key territorial challenges of the various types of territories. The CSF shall facilitate the preparation of the Partnership Agreement and programmes in accordance with the principles of proportionality and subsidiarity and taking into account national and regional competences.	Articles 10-12, Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 (L 347/343-44)

Terms	Definitions	Reference
Community Strategic Guidelines on Cohesion	The Council established at Community level for the 2007-2013 period concise strategic guidelines on economic, social and territorial cohesion defining an indicative framework for the intervention of the Funds, taking account of other relevant Community policies. For each of the objectives of the Funds, those guidelines shall in particular give effect to the priorities of the Community with a view to promoting the harmonious, balanced and sustainable development of the Community.	Articles 25-26, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/42)
Compliance	Operations financed by the Funds shall comply with the provisions of the Treaty and of acts adopted under it.	Article 9.5, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/39)
Convergence Objective (CON)	This is one of the three priority objectives of the EU's Cohesion Policy for 2007-13. It closely mirrors the former 'Objective 1' funding. The Convergence Objective aims to help the least developed Member States and regions to close the gap more quickly in relation to the EU average by improving conditions for growth and employment (ERDF, ESF, and CF contributions).	inforegio Article 3.2(a), Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/37)
Decommitment	Under the automatic decommitment principle, if a sum committed to a programme has not been claimed by the end of the second or third year following the programme's adoption, depending on the Member State any unpaid money ceases to be available to that programme (the n+2 or n+3 rule). This mechanism was introduced in 1999 for programmes over the period 2000-06 so as to improve both their speed of development and the monitoring of flows of programme funding.	inforegio
Delivery of Results	Delivery of results refers to the achievement of targets identified in Operational Programmes, as prescribed by Article 2(7) of the General Regulation. Nevertheless, targets are often not fully representative of the objectives of programme priorities, nor are the objectives always formulated explicitly. As a consequence, assessing the delivery of results is a challenging task and requires careful consideration of a number of different variables.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Tender Specifications
Delivery System	The ensemble of requirements governing Structural and Cohesion Funds, defined by its constituent elements for the 2007-2013 period: programming, project selection, compliance with EU and national law (with a focus on public procurement), financial management and control, monitoring, evaluation and reporting.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Tender Specifications
European Grouping for Territorial Cooperation (EGTC)	The EGTC is a European legal instrument designed to facilitate and promote cross-border, transnational and interregional cooperation between its members. An EGTC is a legal entity made up of Member States, regional authorities, local authorities and/or bodies governed by public law, entrusted with implementing programmes co-financed by the Community or any other cross-border cooperation project with or without Community funding. It must have members in at least two Member States.	inforegio
European Regional Development Fund (ERDF)	The European Regional Development Fund (ERDF) was set up in 1975 and provides financial support for the development and structural adjustment of regional economies, economic change, enhanced competitiveness as well as territorial cooperation throughout the EU. The Fund focuses on a number of priorities within the scope of the Convergence, Regional Competitiveness and Employment and European Territorial Cooperation objectives. In particular, it contributes towards co-financing investment projects in the areas of creating sustainable jobs, infrastructure, support for regional and local development, and SMEs.	Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 (L 210/1) and inforegio
European Social Fund (ESF)	Established in 1958, the ESF is one of the EU's main financial instruments for supporting national policies that seek to increase employment and employment opportunities, improve quality and productivity at work, and reduce social exclusion and regional employment disparities. It focuses on following key areas: increasing adaptability of workers and enterprises, enhancing access to employment and participation in the labour market, reinforcing social inclusion by combating discrimination and facilitating access to the labour market for disadvantaged people, and promoting partnership for reform in the fields of employment and inclusion. ESF funding is distributed under two EU Regional Policy objectives for 2007-13:	Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 (L 210/1) and inforegio

Terms	Definitions	Reference
	'Convergence' and 'Regional Competitiveness and Employment'.	
European Structural and Investment Funds (ESIF)*	For the 2014-2020 programming period, funds providing support under cohesion policy, namely the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund, with the Fund for rural development, namely the European Agricultural Fund for Rural Development (EAFRD), and for the maritime and fisheries sector, namely measures financed under shared management in the European Maritime and Fisheries Fund (EMFF). Not to be confused with Structural Funds (ESF and ERDF only, see definition below).	Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 (L 347/320)
European Territorial Cooperation Objective (ETC)	Aimed at strengthening cross-border cooperation through joint local and regional initiatives, strengthening transnational cooperation by means of actions conducive to integrated territorial development linked to the Community priorities, and strengthening interregional cooperation and exchange of experience at the appropriate territorial level (with ERDF contributions only).	Article 3.2(a), Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/37)
Evaluation	Evaluation is the systematic collection and analysis of information about programmes and projects, their purpose and delivery; it derives knowledge on their impact as a basis for judgements. Evaluations are used to improve effectiveness and inform decisions about current and future programming. Three types of evaluation have been identified for the 2007-13 programming period: before (ex ante), during (ongoing), and after (ex post). Cohesion Policy is evaluated on a partnership basis. Member States are responsible for ex ante and ongoing evaluations while the European Commission carries out ex post evaluations (with the cooperation of Member States).	Guidance Document on Monitoring and Evaluation 2014-2020: Concepts and Recommendations. EC, DG REGIO. Articles 47-49, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/50) and inforegio
Ex-ante Conditionality*	A pre-condition for funding for programmes in the 2014-2020 period. It is a concrete and precisely pre-defined critical factor, which is a prerequisite for and has a direct and genuine link to, and direct impact on, the effective and efficient achievement of a specific objective for an investment priority or a Union priority.	Article 2.33, Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 (L 347/339)
Financial corrections	Financial corrections are withdrawals of funding that take place when payments to EU-backed projects have been made in error due to irregularities.	inforegio
Financial management and control	Financial management refers to the financial planning, the flow of finances in programmes and the accounting of all expenditure within operational programmes. This accounting is an essential element of a good audit trail, leading to certified statements of expenditure being submitted to the Commission - containing only eligible expenditure. This expenditure can then be traced back to the initial invoices or other supporting documents, through the various levels of aggregation (or: institutions or agencies involved in the financial management). Financial control usually refers to the management verifications (sometimes referred to as first level control). It comprises administrative verification and on-the-spot checks at beneficiaries' sites. Some elements of project selection can be seen as management verification work. It is the basis of certification. Audit can be seen as second level financial control, consisting of system audits and audits of operations.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Inception Report
Impact	The change that can be credibly attributed to an intervention. Sometimes the terms "effect" of intervention or "contribution to change" are used as equivalents.	Guidance Document on Monitoring and Evaluation 2014-2020: Concepts and Recommendations. EC, DG REGIO
Instrument for Pre-Accession Assistance (IPA)	One of the general instruments directly supporting European External Aid policies, the Instrument for Pre-Accession Assistance (IPA) offers assistance to countries engaged in the accession process to the European Union (EU) for the period 2007-2013. From January 2007 onwards, IPA replaces a series of European Union programmes and financial instruments for candidate countries or potential candidate countries, namely PHARE, PHARE CBC, ISPA, SAPARD, CARDS and the financial instrument for Turkey. The aim of the IPA is to enhance the efficiency and coherence of aid by means of a single framework in order to strengthen institutional capacity, cross-border cooperation, economic and social development and rural development.	Council Regulation (EC) No 1085/2006 of 17 July 2006, EU legislation summaries, and inforegio.

Terms	Definitions	Reference
Intermediate body	Any public or private body or service which acts under the responsibility of a managing or certifying authority, or which carries out duties on behalf of such an authority vis-à-vis beneficiaries implementing operations.	Article 1, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/36)
Irregularity	Any infringement of a provision of Community law resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union by charging an unjustified item of expenditure to the general budget.	Article 1, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/36)
JASPERS	Joint Assistance to Support Projects in European Regions, is a technical assistance facility for the 12 EU countries that joined the EU in 2004 and 2007. It provides the Member States concerned with the support they need to prepare high quality major projects, which were co-financed by EU funds.	inforegio
JEREMIE	Joint European Resources for Micro, Small and Medium-sized Enterprises, is an initiative of the European Commission developed together with the European Investment Fund. It promotes the use of financial engineering instruments to improve access to finance for SMEs via Structural Funds interventions.	inforegio
JESSICA	Joint European Support for Sustainable Investment in City Areas, is an initiative of the European Commission developed in co-operation with the European Investment Bank (EIB) and the Council of Europe Development Bank (CEB). It supports sustainable urban development and regeneration through financial engineering mechanisms.	inforegio
JASMINE	Joint Action to Support Micro-finance Institutions in Europe, aims at providing both technical assistance and financial support to non-bank micro-credit providers, and to help them to improve the quality of their operations, to expand and to become sustainable. JASMINE seeks also to promote good practices in the field of microcredit and to draft a code of good conduct for micro-credit institutions.	inforegio
Legality and regularity	Articles 310-325 of the TFEU rule require that payments and transactions by the Cohesion Fund are devoid of irregularities, defined in the General Regulation as "any infringement of a provision of Community law resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union by charging an unjustified item of expenditure to the general budget".	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Tender Specifications
Macro-regional Strategy*	An integrated framework endorsed by the European Council, which may be supported by the ESI Funds among others, to address common challenges faced by a defined geographical area relating to Member States and third countries located in the same geographical area which thereby benefit from strengthened cooperation contributing to achievement of economic, social and territorial cohesion.	Article 2.31, Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 (L 347/339)
Major Project	An operation comprising a series of works, activities or services intended in itself to accomplish an indivisible task of a precise economic or technical nature, which has clearly identified goals and whose total cost exceeds EUR 25 million in the case of the environment and EUR 50 million in other fields. A 2010 amending regulation raised the threshold to €50 million total cost for all projects.	Article 39, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/47)
Managing Authority	A national, regional or local public authority or a public or private body designated by the Member State to manage the operational programme. Its functions are listed under Article 60, Regulation 1083/2006. A managing authority may be a national ministry, a regional authority, a local council, or another public or private body that has been nominated and approved by a Member State.	Articles 57.1(a) and 60, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/54) and inforegio
Monitoring	Monitoring procedures are implemented by the managing authority and the Programme Monitoring Committee and check on the progress and performance of operational programmes. Reference is made to financial, output and result indicators. Monitoring covers many aspects of programme management, such as relations with projects and sectors, generating early warning signs and responses, making recommendations to and following recommendations of the monitoring committee regarding programme implementation.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Inception Report

Terms	Definitions	Reference
Monitoring Committee	The Member State shall set up a programme monitoring committee for each operational programme, in agreement with the managing authority. A single monitoring committee may be set up for several operational programmes. These committees are chaired by the relevant Member State (or managing authority) and comprise regional, economic and social partners. The monitoring committee shall satisfy itself as to the effectiveness and quality of the implementation of the operational programme.	Articles 63-65, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/56) and inforegio
National performance reserve	At its own initiative, a Member State may decide to establish a national performance reserve for the Convergence objective and/or the Regional competitiveness and employment objective, consisting of 3% of its total allocation for each one. Not later than 31 December 2011, on the basis of proposals from and in close consultation with each Member State concerned, the Commission shall allocate the national performance reserve (Member States shall assess under each of the objectives not later than 30 June 2011 the performance of their operational programmes).	Article 50, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/51)
National Strategic Reference Framework	The Member State shall present a national strategic reference framework for the 2007-2013 programming period. This is a reference document for programming Structural Funds and Cohesion Fund. It ensures that assistance from the Funds is consistent with the Community strategic guidelines on cohesion, and which identifies the link between Community priorities, on the one hand, and its national reform programme, on the other. Each national strategic reference framework shall constitute a reference instrument for preparing the programming of the Funds. The national strategic reference framework shall apply to the Convergence objective and the Regional competitiveness and employment objective. It may also, if a Member State so decides, apply to the European territorial cooperation objective, without prejudice to the future choices of other Member States concerned.	Articles 27-28, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/43) and inforegio
Operation	A project or group of projects selected by the managing authority of the Operational Programme concerned or under its responsibility, according to criteria agreed by the monitoring committee, and implemented by one or more beneficiaries allowing achievement of the goals of the priority axis to which it relates.	Article 1, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/36)
Operational Programme (OP)	Document submitted by a Member State and adopted by the Commission setting out a development strategy with a coherent set of priorities to be carried out with the aid of a Fund, or, in the case of the Convergence objective, with the aid of the Cohesion Fund and the ERDF.	Articles 1 and 32-46, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/36 and L 210/45)
Partnership	The objectives of the Funds shall be pursued in the framework of close cooperation between the Commission and each Member State. Each Member State shall organise, where appropriate and in accordance with current national rules and practices, a partnership with authorities and bodies such as the competent regional, local, urban and other public authorities, the economic and social partners, any other appropriate body representing civil society. […] The partnership shall cover the preparation, implementation, monitoring and evaluation of operational programmes.	Article 11, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/39)
Partnership Agreement*	A document prepared by a Member State for the 2014-2020 period, with the involvement of partners in line with the multi-level governance approach, which sets out that Member State's strategy, priorities and arrangements for using the ESI Funds in an effective and efficient way so as to pursue the Union strategy for smart, sustainable and inclusive growth, and which is approved by the Commission following assessment and dialogue with the Member State concerned.	Articles 2.20 and 14-17, Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 (L 347/339 and L 347/344-46)
Priority Axis	A priority axes is an element of the strategy in an Operational Programme. It comprises a group of operations that are related and have specific measurable goals.	Article 1, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/36)
Programming	The objectives of the Funds shall be pursued in the framework of a multiannual programming system organised in several stages comprising the identification of the priorities, the financing, and a system of management and control.	Article 10, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/39), and Title III (L 210/45)

Terms	Definitions	Reference
Project Selection	Project selection is the procedure of defining funding criteria, publishing calls, and assessing incoming applications against selection criteria to identify operations worthy of funding.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Inception Report
Regional Competitiveness and Employment Objective (RCE)	Aimed outside the least-developed regions at strengthening regions' competitiveness and attractiveness as well as employment by anticipating economic and social changes, including those linked to the opening of trade, through the increasing and improvement of the quality of investment in human capital, innovation and the promotion of the knowledge society, entrepreneurship, the protection and improvement of the environment, and the improvement of accessibility, adaptability of workers and businesses as well as the development of inclusive job markets (ERDF and ESF financing only).	Article 3.2(a), Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/37)
Reasonable administrative cost	Proportionality of financial and administrative resources allocated to cover implementation of the programmes, to the total amount of funding disbursed.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Tender Specifications
Reporting	Reporting, in the context of the Cohesion Policy implementation, can be considered as the provision of structured information, presented in specified forms and prepared at specific time intervals, in order to provide feedback on the implementation of actions, operations and programmes concerning the objectives set and results to be achieved. Key annual reports submitted to the EC are the Annual Implementation Report and the Annual Control Report.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Inception Report
Responsiveness	Ability of the actors responsible for programme implementation to respond swiftly and adapt to changes in programme circumstances and the programme implementation schedule.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Tender Specifications
Result	The direct and immediate effect on direct beneficiaries brought about by a programme.	Indicative guidelines on evaluation methods: monitoring and evaluation indicators. Working document no. 2, 2007-2013 Programming Period. August 2006. EC, DG REGIO
Structural Funds	The European Social Fund (ESF) and the European Regional Development Fund (ERDF). Not to be confused with ESI Funds (see definition above).	Lexicon of the 6th Report on Economic, Social, and Territorial Cohesion
Technical Assistance (TA)	Technical assistance is available to help stakeholders implement Commission-funded programmes and projects. Under the European Union's Cohesion Policy, such financial support can be used to pay for preparation, management, evaluation, monitoring, audit and control. Money for such activities is made available through the European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund. EU rules place a limit on the proportion of funding from the Operational Programmes that can be allocated to technical assistance. If technical assistance is initiated by or on behalf of the Commission, that ceiling is 0.25% of the annual provision for each fund. If technical assistance comes from the Member States, the ceilings are as follows: 4% for programmes that fall under the Convergence and Regional Competitiveness and Employment Objectives; 6% for programmes that receive funding under the European Territorial Cooperation Objective.	Article 46, Council Regulation (EC) No 1083/2006 of 11 July 2006 (L 210/49) and inforegio
Timeliness	The timely implementation of the agreed programme schedule, which implies the achievement of high absorption rates of funds, as well as the closure of programmes within deadlines.	Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the ERDF, the ESF and the CF. Work Package 12: Delivery systems: Tender Specifications

Content

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1 Introduction

KPMG AG Wirtschaftsprüfungsgesellschaft and Prognos AG, as subcontractor, have been awarded a contract to perform the 'Ex post evaluation of cohesion policy programmes 2007–2013 financed by the European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund (CF) — work package 12: delivery system',   under procurement procedure 2014CE16BAT046.

The contract was signed by DG REGIO and KPMG AG Wirtschaftsprüfungsgesellschaft on 17 November 2014 (contract number: 2014CE16BAT046). Contract conditions are specified through the following documents:

- Annex I - Tender specification (reference No ARES 2014506 of 19/06/2014)
- Annex II -Tender of KPMG/Prognos (reference No ARES 2957253 of 28/08/2014)
- General conditions for service contracts apply.

In the Tender Specifications, an Inception Report is required at the end of the Inception period. This report constitutes this deliverable.

2   Background to the evaluation

2.1   Context

With EUR 347 billion of ERDF, CF and ESF resources made available throughout Europe between 2007 and 2013[1], and about EUR 352 billion of ESI Funds in 2014-2020, Cohesion Policy represents an enormous effort by the EU to strengthen economic, social and territorial cohesion across regions and Member States[2]. Naturally, the size and ambition of this effort, involving numerous actors across several layers of political governance, entail a high degree of complexity in delivery. Additionally, the involvement of other stakeholders such as sub-national authorities, local government associations, and civil society organizations, further complicates the picture.

The delivery system of Cohesion Policy can be defined as the combination of legal requirements and procedures that support the effective and efficient investment of European resources, outlining roles and responsibilities in planning, management and implementation of the policy for each level of governance. Although detailed requirements have changed between the 2007-2013 and 2014-2020 periods, the following elements can be regarded as the building blocks of the delivery system:

- programming,
- project selection,
- compliance with EU and national law (with a focus on public procurement),
- financial management and control,
- monitoring,
- evaluation and
- reporting.

For the 2007-2013 period, Member States carried out *programming* in interaction with the European Commission, in accordance with EU Cohesion Policy, and negotiated National Strategic Reference Frameworks (NSRF) consistent with the Community strategic guidelines on Cohesion. This resulted in the approval and implementation of 309 Operational Programmes for ERDF and CF resources, and 117 programmes for the ESF[3]. The Operational Programmes were then implemented at the national and regional levels by allocating resources to specific initiatives and operations (involving *project selection*). A system comprising *financial management and control*, *monitoring*, *reporting* and *evaluation* requirements fed back information to the European Commission and national and regional authorities, revealing how "wisely" funds were spent while ensuring *compliance* with European regulations and national laws.

The most basic determinant of the delivery systems in the Member States is the legal requirements, which are identical for all Member States[4]. Over time, Cohesion Policy requirements have tended to become increasingly stringent. However, implementation systems and their performance do vary

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[1] Article 18(1) of the 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 and repealing Regulation (EC) No 1260/1999

[2] Source: European Commission, DG REGIO. See http://ec.europa.eu/regional_policy/policy/fonds/index_en.htm

[3] As identified in the Call for Tenders No. 2014CE16BAT046

[4] Except for gold plating, the practice of adding obligations at national, regional or local level, beyond EU requirements.

greatly across Member States, regions or Funds. This can be illustrated by the most basic indicator for monitoring policy implementation, the absorption rate. According to the latest estimates on financial execution of the ERDF, CF and ESF, Croatia, Romania, Slovakia and Czech Republic are all below or just above 60 percent of available funding. By contrast, Lithuania, Portugal, Estonia, Sweden and Finland register the highest absorption rates, all at 90 percent or above.[5]

Several factors influence the functioning of Cohesion Policy Delivery Systems. They can be related to the design of elements of the delivery system, or they can relate to implementation practices. External factors also have to be taken into account. For example, the wider socio-economic context, such as economic crisis conditions in Member States and regions, administrative structures, or the importance of EU funding compared to national budgets, such as those in the field of regional or active labour market policies.

Critical for the performance of an implementation system is administrative capacity, as already highlighted in a 2002 study by Boeckhout, Boot et al[6]. They argue that the adequacy of administrative capacity hinges *ex ante* on design variables: structure, human resources, and system & tools[7].

2.2   Objectives

The overall purpose of this evaluation is to provide a comprehensive assessment of the Delivery Systems of Cohesion Policy for the 2007-2013 Programming Period. In doing this, the evaluation will identify aspects of the Delivery Systems which are suboptimal or maybe even superfluous. One objective of this assessment is to develop a set of options for the improved design of the 7 elements of the delivery system, taking into account the different characteristics of Operational Programmes, the institutional settings and administrative systems of Member States and regions, as well as the wider socio-economic context.

The evaluation needs to show what works and what does not work in which context, and to explain why that is the case by identifying key factors for success and failure. In order to do this, the different elements of the delivery system first need to be described. The underlying rationale for each of the elements will be outlined and reflected against the expectations of the main stakeholders. In order to analyse and assess the performance of each element of the Delivery System, extensive data will be gathered, based on the experiences of the different stakeholders. This will help us to distinguish between design/concept and practical delivery issues, when identifying factors for success and failure for the performance of the delivery system.

The following fundamental features, identified in the technical specifications of the tender, can be regarded as performance criteria for the elements of the delivery system:

Accountability. The European Commission, Member States and Managing Authorities can account for their spending and for the results they achieve (e.g. to the European Court of Auditors, the European Parliament, or taxpayers in general).

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[5] EU Cohesion policy data (beta): percentage of funds paid compared to available budget. Absorption rate based on interim payments and pre-financing. Source: Infoview > Financial Management > Financial_execution_by_period_fund_country. Retrieved at this link on 23/01/2015.

[6] Boeckhout, S., Boot, L. et al, (2002), Key indicators for Candidate Countries to Effectively Manage the Structural Funds, Final Report, NEI, Rotterdam, February, 2002

Legality and regularity. Articles 310-325 of the TFEU rule require that payments and transactions by the Cohesion Fund are devoid of irregularities, defined in the General Regulation as "any infringement of a provision of Community law resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union by charging an unjustified item of expenditure to the general budget"[8].

Delivery of results. This refers to achieving targets set in Operational Programmes, as prescribed by Article 2(7) of the General Regulation. However, targets are often not fully representative of the objectives of programme priorities, nor are objectives always formulated clearly. Therefore, assessing the delivery of results requires careful consideration of a number of different variables.

Timeliness. This dimension refers to the timely implementation of the agreed programme schedule and implies the achievement of high absorption rates of funds, as well as closure of programmes on time.

Responsiveness. This refers to the ability of the actors responsible for programme implementation to respond to changing circumstances swiftly and appropriately, and adapt to changes in the programme implementation schedule.

Reasonable cost. This refers to the proportionality of financial and administrative resources allocated to programme implementation, in relation to the total amount of funding disbursed.

For the purposes of this evaluation, efficiency and effectiveness of delivery will refer to the *ability to deliver a policy that fulfils the above-listed performance criteria, with respect to the amount of resources allocated*. Efficient and effective management of the delivery system is a key determinant of the performance of the Funds, and underlies the ability of the Funds to maximise their contribution to economic and social cohesion.

An additional objective of this evaluation will be to review the role played by technical assistance programmes in improving the capacities of national and regional administrations to implement Cohesion Policy effectively and efficiently.

Key Evaluation Questions

With these objectives in mind, the ex-post evaluation of the delivery system for Cohesion Policy programmes 2007-2013 shall provide answers to the Key Evaluation Questions outlined in the table below.

Task	Key Evaluation Questions
Tasks 1, 2, 3	1. What are the main elements of the legislative framework relating to the delivery system of Cohesion Policy? What was the underlying rationale for the inclusion of these elements in the legislative framework from the perspective of the main stakeholders?
	2. Did the individual elements meet expectations of the main stakeholders as they were implemented during the 2007-2013 period? What were the strengths and weaknesses from the perspective of the main stakeholders?
	3. For each of the different elements: what were the critical factors for success? What were the main conceptual and practical problems? Were there missing or superfluous features?

[8] 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 and repealing Regulation (EC) No 1260/1999

Task	Key Evaluation Questions
Task 4, 6	4. What are the most suitable approaches to enhance the effectiveness and efficiency of the elements of the delivery system (e.g. radical simplification, incremental simplification, customisation to various types of delivery systems)? In which contexts are the different approaches most appropriate?
Task 5	5. Did technical assistance financing lead to a strengthening of administrative capacity building in the different Member States? To what extent did this increase the performance of the delivery system? 6. With particular reference to Bulgaria, Romania, Greece, Poland, Italy, the Czech Republic and Slovakia: what were the most relevant challenges related to the use of technical assistance? Do they match the viewpoint of Commission services? How much was spent on these issues and which of them were prioritised?

Figure 1: Key Evaluation Questions

Source: Terms of reference

2.3 Scope of the evaluation

The scope of this evaluation is the delivery system of Cohesion Policy including European Regional Development Fund, Cohesion Fund and European Social Fund programmes, as well as European Territorial Cooperation programmes (and Instrument for Pre-Accession Assistance projects in the case of Croatia). It refers to the 2007-2013 programming period and will cover all Member States and regions where these funds are implemented. The study must account for differences in implementation of programmes as a result of widely varying socioeconomic contexts, administrative capacities, and quality of governance.

Our analysis will cover the delivery systems of all 28 Member States, including evidence on stakeholder expectations and judgement of performance against these expectations, strengths and weaknesses, success and failure factors. As indicated in the tender specifications, a selection of countries will be the subject of detailed case studies to validate findings and explore causal relationships between performance and influencing factors. In particular, task 3 (see section 4.4) requires in-depth analysis of eight Member States (Romania or Bulgaria, Poland, plus another six Member States of which at least three in competitiveness regions), and task 5 lists Bulgaria, Romania, Greece, Poland, Italy, the Czech Republic and Slovakia for case studies.

A separate discussion must be made for ETC objective programmes and the IPA projects. They are very different in that they engage regions and cities across borders of different Member States, meaning that their implementation is bi- or multinational. Such programmes accounted for 2.5 percent of the 2007-2013 budget (i.e. about EUR 8.7 billion), invested through:

- 53 cross-border cooperation programmes (CBC, developed to reduce the negative effects of borders as administrative, legal and physical barriers),
- 13 trans-national cooperation programmes (TNC, developed to offer a coordinated response to common issues at European level),
- and one interregional cooperation programme (INTERREG IVC, developed to build pan-European networks to share good practice and facilitate the exchange and transfer of experience by successful regions).

ETC programmes require a separate analysis because their implementation is shared across various public bodies of different countries or regions, in some cases delivering services jointly as a single legal entity through the European Grouping of Territorial Cooperation (EGTC) instrument. Applications

for funding, on the other hand, are addressed to the Joint Technical Secretariats (JTS), another body characteristic of ETC programmes.

2.4 Elements of the delivery system

2.4.1 Legal Framework

The tender specifications provide a clear definition of what is meant by delivery system in the context of this contract, to which we will adhere. The following table lists the elements and makes reference to the relevant parts of the legislative framework. In the following subsections, the elements will be defined in more detail, for the purposes of our analysis.

Programming:	Council Regulation (EC) No 1083/2006, Article 10: The objectives of the Funds shall be pursued in the framework of a multiannual programming system organised in several stages comprising the identification of the priorities, the financing, and a system of management and control. For detail, Title III Chapters I and II. Council Regulation (EC) No 1083/2006 Art. 33.defines the condition under which changes to the programmes were appropriate. Common Strategic Guidelines of the EU and the National Strategic Reference Framework provide the strategic framework for Programming.
Project selection:	Council Regulations (EC) No 1083/2006, articles 60(a) and 69, (EC) No 1080/2006 and (EC) No 1828/2006. Also relevant is the framework for shared management between the Member States and the EC, in accordance with Article 53(1) (b) of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the EC.
Compliance with EU and national law:	EU directive 2004/18/EC defines rules to ensure transparency, regulates the conduct of procurement policy and defines the subject matter in public procurement processes. National law might supplement this regulation. Council Regulation (EC) No 1083/2006, Article 9(5): Operations financed by the Funds shall comply with the provisions of the Treaty and of acts adopted under it. For compliance with national law, see Article 60(a): "The managing authority shall be responsible for ensuring that operations are selected for funding in accordance with the criteria applicable to the operational programme and that they comply with applicable Community and national rules for the whole of their implementation period", and Articles 11.2, 15.4, and 61(ii).
Financial management and control:	Articles 58, 60, 61, 62, 70, 71, 75 – 97 of Regulation (EC) No. 1083/2006. Articles 12 – 26 of Reg. (EC) No. 1828/2006, whereas Article 13 of Reg. (EC) No 1828/2006 is the main legal basis for management verification, and Articles 16 -18 are elementary for the AA's work on audit. Articles 52 to 57 relate to eligibility of expenditure rules, whereby rules are established at the national level, with EU rules provided for in specific Regulations for each Fund. They shall cover the entirety of expenditure declared under an Operational Programme.
Monitoring:	Title V, Chapter II of the Council Regulation (EC) No 1083/2006.
Evaluation:	Title IV, Chapter I of the Council Regulation (EC) No 1083/2006. In addition, Methodological Working Papers 2007-2013.
Reporting:	Strategic Reporting by the Member States (Council Regulation (EC) No 1083/2006, article 29), Strategic Reporting by the Commission and debate on Cohesion Policy (Council Regulation (EC) No 1083/2006, article 30), reporting of Operational Programmes (Council Regulation EC) No 1083/2006, articles 58, 60, 62 and 67)

Attention will also be paid to the cross-cutting principle of partnership and to the use of Simplified Cost Options (SCO) introduced with Regulations (EC) No 396/2009 and No 397/2009 (the latter is particularly important for task 3). With this structure in mind, the evaluation will focus on assessing how efficiently and effectively the delivery system of Cohesion Policy translates strategic guidelines into tangible results.

The seven elements of the delivery system identified by the Commission are interdependent, sometimes even overlapping.

One of the biggest challenges of this Ex-Post evaluation will be to keep focus on the central features and mechanisms for the different elements in the Delivery Systems. This requires a clear definition for each of the elements and a judgement on the most relevant aspects of these elements. The following sections (2.4.2 to 2.4.8) provide this and propose how the performance of the element may be measured in practice.

Section 6 of this Report (Annex) elaborates the description of each element, looking at their main functions, the critical factors for our analysis and the relevant stakeholders. The Annex also describes how different elements of the delivery system overlap each other and the relevance of this for our analysis.

The sketches of each element will serve as the background and starting point for the concise outline developed in Task 1.

2.4.2   Programming

Definition for the purpose of the analysis

Programming covers the whole process of identifying priorities, through reference to the Community Strategic Guidelines, and within the context of the National Strategic Reference Framework. It includes the policy and partnership processes developed for generating programmes. It refers also to the analysis of needs and problems being addressed, the financing structure of the programme, and the system of management and control that is established.

Main aspects for analysis

These will include the nature of the development process for the Operational Programmes, the resources and time needed, the distribution of work between MAs, IBs and external service providers as well as the involvement of partners. We will investigate if and how this process and the resulting Operational Programmes provide an adequate framework for a result-oriented, timely and responsive implementation of the Funds.

An in-depth analysis of all Operational Programmes, with respect to their overall quality and consistency, cannot be carried out. Issues of quality and consistency will be addressed for selected Operational Programmes in the Case Studies under Task 3

A preliminary list of main analytical topics was developed:

- Expected purpose and actual achievement of this purpose: judgement by stakeholders
- usefulness of the strategic framework for Funds implementation

- role played by Community Strategic Guidelines and National Strategic Reference Framework for a more concentrated and focused approach to funding
- Mainly in Operational programmes: consistency of goals, objectives and funding priorities and relationship to analyses of needs and problems
- reasons and needs for programme revisions and programme alterations, ease of adaptation
- Number and nature of specific objectives
- Quantified targets and baselines

■ process of programming
- time and resources
- actors involved and the extent of their contribution to strategy development and content of Operational Programmes (Partnership)
- coordination between the actors on a strategic level and those on a more operational level involved in Programming
- ability of the strategic approach to transform community strategic priorities into implemented actions in the regions

■ issues related to choice of management and control structure
- use of Intermediate Bodies
- choice of Certifying and Audit Authorities
- adequacy of management systems

In addition to stakeholders' perception on these topics, we will take into consideration some data that hints out to the performance. Standing alone this data is of limited use for assessing performance. However, when triangulated with the stakeholder perception they can add value to the assessment.

Data	Data sources
Date of / delay in the adoption of the Operational Programme	IQ, data from EC
Share of total funding re-programmed and reasons for this	Annual Implementation Reports, SFC2007, Interviews
Absorption rate	open data, programme specific data to be requested from the EC
Achievement of Lisbon earmarking targets	Annual Implementation Reports

2.4.3 Project selection

Definition for the purpose of the analysis

Good programmes require good projects. Effective and efficient project selection procedures are therefore key to absorbing funds and achieving results.

Project selection shall be taken to include all steps from the selection of target groups and priority sectors or fields, publicity and information procedures (both legal requirements and methods used), procedure for receipt of proposals, through to selection of and the contracting of selected applicants.

One exception is the issue of public procurement, which will be analysed under "compliance". In addition, the specific requirements on projects relating to financial management, monitoring or evaluation will be analysed under those respective topics.

Main aspects for analysis

As per our review of the main functions and critical factors (Annex 6.1.2), the preliminary list of main analytical topics is as follows:

- expected purpose and actual achievement of this purpose: judgement by stakeholders
- choice of target potential beneficiaries and consistency with programme and priority objectives; method for making the choices
- quality and timing of publicity and information measures for potential beneficiaries; awareness of potential beneficiaries
- degree to which stakeholders are responsible for, and involved in, the design of the project selection system
- nature of guidance and assistance for project applicants
- features of the project selection system and their contribution to a result-oriented, timely and cost-effective selection
  - scope of applicants *(open calls versus closed procedures)*
  - size of projects *(special procedures for major projects)*
  - assessment of project quality *(standard/automatic versus evaluation-based selection)*
  - eligibility criteria *(intentionally strict versus loose eligibility criteria)*
  - transparency of selection criteria
  - documentation requirements *(light versus heavy – trade-off with later non-compliance or underperformance)*
- implementation procedure
  - periodicity of calls *(continuously available versus periodic calls for applications)*
  - number of selection stages *(single round versus multiple round selection)*
  - e-procedures *(electronic versus paper-based (or mixed) application procedures)*
  - use of global grants *(simplified procedures used by selected intermediaries for the assistance of local initiatives and enhancing access of non-profit organisations to small grants)*
- discussion and approval of criteria for selecting operations by Monitoring Committees
- administrative burden and costs
  - Managing Authorities and Intermediate Bodies
  - Steering Committees or other external advisors
  - beneficiaries

In addition to stakeholders' perception on these topics, we will take into consideration some data that hints out to the performance. Standing alone this data is of limited use for assessing performance. However, when triangulated with the stakeholder perception they can add value to the assessment.

Data	Data sources
Share of projects in total public expenditure that were selected through competitive, open calls for proposals, broken down by funds	Data from Managing Authorities, evaluation reports, Annual Implementation Reports
Share of major projects in total public expenditure, broken down by funds	Data from Managing Authorities, evaluation reports, Annual Implementation Reports
Share of global grants in total public expenditure, broken down by funds	Data from Managing Authorities, evaluation reports, Annual Implementation Reports

2.4.4   Compliance with EU and national law

Definition for the purpose of the analysis

Our analysis will look at the Managing Authority's process for ensuring compliance with EU and national law and for dealing with cases of irregularities and related (financial) consequences, especially cases where there is disagreement between the EC and the Member State. We will consider all aspects of compliance (eligibility issues and environmental rules impact, equal opportunities, public procurement, state aid etc.). However, the Tender Specification requires a focus on the public procurement rules

Main aspects for analysis

The capacity of the management and control system to deal with cases of irregularities and to re-establish compliance is a major factor in ensuring the legality and regularity of the Operational Programme as a whole and contributes to the reliability of the system. Looking at cases of unresolved irregularities might provide information on reasons for delays, which can potentially outline factors for success or failure of timely and effective programme implementation.

Public procurement is considered to be a possible bottleneck for many Operational Programmes' implementation, potentially harming the effective and efficient operation of the Delivery System. In addition to the issues listed above, we will analyse public procurement irregularities, and other major groups of irregularities, with a focus on the size of the group, measures of the MA to solve the cases and specific problems that have been encountered. These specific problems can be factors within or external to the Delivery System. For example, in the case of public procurement, the Member State's capacity for solving legal disputes or discrepancies between national and EU legislation.[9]

Based on the main functions and critical factors identified in the Annex sketch, a preliminary list of main analytical topics was developed:

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[9] Self-assessments for ex-ante conditionalities included in the Partnership Agreements will be reviewed in this context.

- Expected purpose and actual achievement of this purpose: judgement by stakeholders
- Process of ensuring compliance
  - Elements of the process
  - Time and resources involved
  - Actors involved and their possibilities to contribute
- Process of managing, monitoring and solving irregularities
  - Elements of the process
  - time and resources involved
  - actors involved and their possibilities to contribute
- Analysis of groups of irregularities (PP, State Aid, any other major group)
  - Financial size and number of cases
  - Measures to solve the cases
  - Specific problems

In addition to stakeholders' perception on these topics, we will take into consideration some data that hints out to the performance. Standing alone this data is of limited use for assessing performance. However, when triangulated with the stakeholder perception they can add value to the assessment.

Data	Data sources
Change in error rates over time (2007-onwards)	AA reports, Annual implementation Reports
Change in number of irregularities detected by MA, AA, EC, CoA over time (2007-onwards)	AA, EC and Court of Auditors reports, Annual Implementation Reports
Ratio of unresolved irregularities in total irregularities	AA reports

2.4.5   Financial management and control

Definition for the purpose of the analysis

Financial management will include financial planning based on the programme financial tables and the efforts to manage the spending profile and avoid automatic decommitment. This covers also the flow of finances in programmes: advances, interim payment claims, project finance and payment claims. Financial management deals also with the accounting of all expenditure within operational programmes. This accounting is an essential element of a good audit trail, leading to certified statements of expenditure being submitted to the Commission - containing only eligible expenditure. This expenditure can then be traced back to the initial invoices or other supporting documents, through the various levels of aggregation (or: institutions or agencies involved in the financial management).

Financial control usually refers to the management verifications (sometimes referred to as first level control). It comprises administrative verification and on-the-spot checks at beneficiaries' sites. Some elements of project selection can be seen as management verification work. It is the basis of certification. Audit can be seen as second level financial control, consisting of system audits and audits of operations.

Main aspects for analysis

Based on our review of the functions and critical factors identified (see Annex), a preliminary list of main analytical topics was developed:

■ Expected purpose and actual achievement of this purpose: judgement by stakeholders
■ Process of financial planning and management across priorities
  – Methods and techniques adopted
  – Time and resources involved
  – Actors involved
■ Specific measures taken to avoid decommitments
■ Process of financial control/management verification
  – Time allocated
  – Resources: personnel, tools (i.e. specific checklists or work programs for specific checks), supervision
  – Elements: ex ante checks, administrative verification, on-the-spot checks
  – Extent: coverage or risk-based approach, i.e. risk assessments, sample methods
  – Effectiveness: errors prevented, detected and corrected BEFORE expenditure is declared to EC
■ Process of financial control/audit
  – Time allocated
  – Resources: personnel, tools, supervision
  – Elements: System Audits, audits of operations
  – Conclusions on the management and control systems

In addition to stakeholders' perception on these topics, we will take into consideration some data that hints out to the performance. Standing alone this data is of limited use for assessing performance. However, when triangulated with the stakeholder perception they can add value to the assessment.

Data	Data sources
Audit opinion	AA audit opinion and report, EC audit opinion and report
Change of error rates over time (2007-onwards)	AA report
Number and amounts of automatic de-commitments under n+2/n+3 rule	Annual Implementation Reports

2.4.6   Monitoring

Definition for the purpose of the analysis

Monitoring include those activities implemented by the managing authority and the Programme Monitoring Committee which involve checking on the progress and performance of operational programmes to ensure quality and effectiveness of implementation. It includes collecting and checking data for financial, output and result indicators. Monitoring also covers many aspects of programme management, such as relations with projects and sectors, generating early warning signs and responses, making recommendations to and following recommendations from the monitoring committee regarding programme implementation.

Either regarding the data collected or the formulation of evaluation questions, topics concerning how Monitoring provides input for Evaluation are included in the evaluation topic.

Main aspects for analysis

- Expected purpose and actual achievement of this purpose: judgement by stakeholders
- Structures set up for Monitoring including Managing Authorities, Intermediate Bodies, Monitoring Committee and beneficiaries
  - Roles and functions of the different actors within the system regarding
  - Processes for information, coordination and reflection between these actors
  - Administrative burdens for these actors
- Data base for monitoring progress of implementation
  - Development of indicators and targets
  - Clear definition and guidance provided for collecting data
  - Relevance of data for assessing implementation progress
  - coverage of funded actions by the indicators
  - Data quality
- Contribution to the quality and effectiveness of implementation
  - Processes for reflection on implementation progress, problems and mitigating actions
  - Assessment of these processes regarding their contribution to improvement of implementation quality
  - Degree to which the effectiveness of the funds is addressed in these discussions
  - Possibility to take influence on implementation for the different stakeholders

In addition to stakeholders' perception on these topics, we will take into consideration some data that hints out to the performance. Standing alone this data is of limited use for assessing performance. However, when triangulated with the stakeholder perception they can add value to the assessment.

Data	Data sources
Assessment of quality of indicators	WP0 report
Annual budget for the development, operation and maintenance of the monitoring system	Data on Technical Assistance

2.4.7   Evaluation

Definition for the purpose of the analysis

This element of the delivery system includes not only the ex ante, interim and ex post evaluations, but also any thematic or ad hoc evaluations.

The study focuses on main features of the delivery system related to evaluation, including functionally independent evaluation capacities and the organisation of evaluation activities. Further aspects are the evaluation plan, Commission evaluation guidelines, the ex ante evaluations, on-going evaluations, ex post evaluations, other ad hoc evaluations (including impact evaluations). For a better understanding of how evaluation findings are actually used we have a closer look at the Monitoring Committee's role of examining evaluations, as well as the communication, discussion and utilisation

of evaluation results. These features will be analysed under the rational that evaluation should contribute to improve effectiveness of Cohesion Policy by providing evidence on what works.

Main aspects for analysis

Based on the main functions and critical factors described in the Annex, we can make a preliminary list of main analytical topics:

- expected purpose and actual achievement of this purpose: judgement by stakeholders
- functionally independent evaluation capacities (internal and external)
- ownership and organisation of the evaluation between
  - Managing Authorities
  - Intermediate Bodies
  - external service providers
- evaluation plan (purpose, topic, timing, budget of evaluations)
- required ex ante evaluation carried out by the Member States
- voluntary interim and other ad hoc evaluations carried out by the Member States or the Commission, including impact evaluations, and evaluations carried out to modify programme strategies in response to the financial crisis
- role and activity of Monitoring Committees in examining and discussing the results of evaluations among stakeholders
- utilisation of findings (feedback to need for adaption of on-going and future programmes)
  - communication of findings
  - reflection on findings
  - follow-up activities

In addition to stakeholders' perception on these topics, we will take into consideration some data that hints out to the performance. Standing alone this data is of limited use for assessing performance. However, when triangulated with the stakeholder perception they can add value to the assessment.

Data	Data sources
Number of evaluations carried out for 2007-2013 programmes by the Member States, broken down by funds, - *of which: impact evaluations*	Managing Authority, Annual Implementation Reports, Country Units
Public availability of evaluations on Managing Authority web sites	Desk Research

2.4.8 Reporting

Definition for the purpose of the analysis

Reporting will include the formal submission of required reports from the Managing Authorities to the Member State to the European Commission, and the reporting system established for this purpose. It will cover the Annual Implementation Report and the Annual Control Report as well as the strategic

reporting of 2009 and 2012. Apart from formal submission use of and reflection upon the reports will be analysed under this topic.

Project reporting to programmes is included within the Monitoring element of the delivery system.

Main aspects for analysis

- Expected purpose and actual achievement of this purpose: judgement by stakeholders
- Consistency of the Reporting System from Strategic Reports to Annual Implementation Reports
    - Coordination between Member States and National Authorities
    - Coordination between National Authorities and Managing Authorities
- Consistency and automatisation of the reporting process
    - Obligations of stakeholders
    - Supporting IT system
    - Fixed dates to report
- Use of reports
    - Practice of publishing and distributing reports
    - Awareness of stakeholders regarding the reports
    - Process for reflection on reports and their main findings
    - Roles of the different actors involved in this reflection (European Commission, National Authorities, Managing Authorities, Monitoring Committees, etc.)

In addition to stakeholders' perception on these topics, we will take into consideration some data that hints out to the performance. Standing alone this data is of limited use for assessing performance. However, when triangulated with the stakeholder perception they can add value to the assessment.

Data	Data sources
Acceptability of annual implementation reports and annual control reports submitted to the Commission	FTP server of the Commission

3 Methodological approach

3.1 Overview of evaluation tasks

Section 3.5 of the Tender Specifications defines six tasks for this evaluation. The figure below summarises these tasks and the corresponding activities.
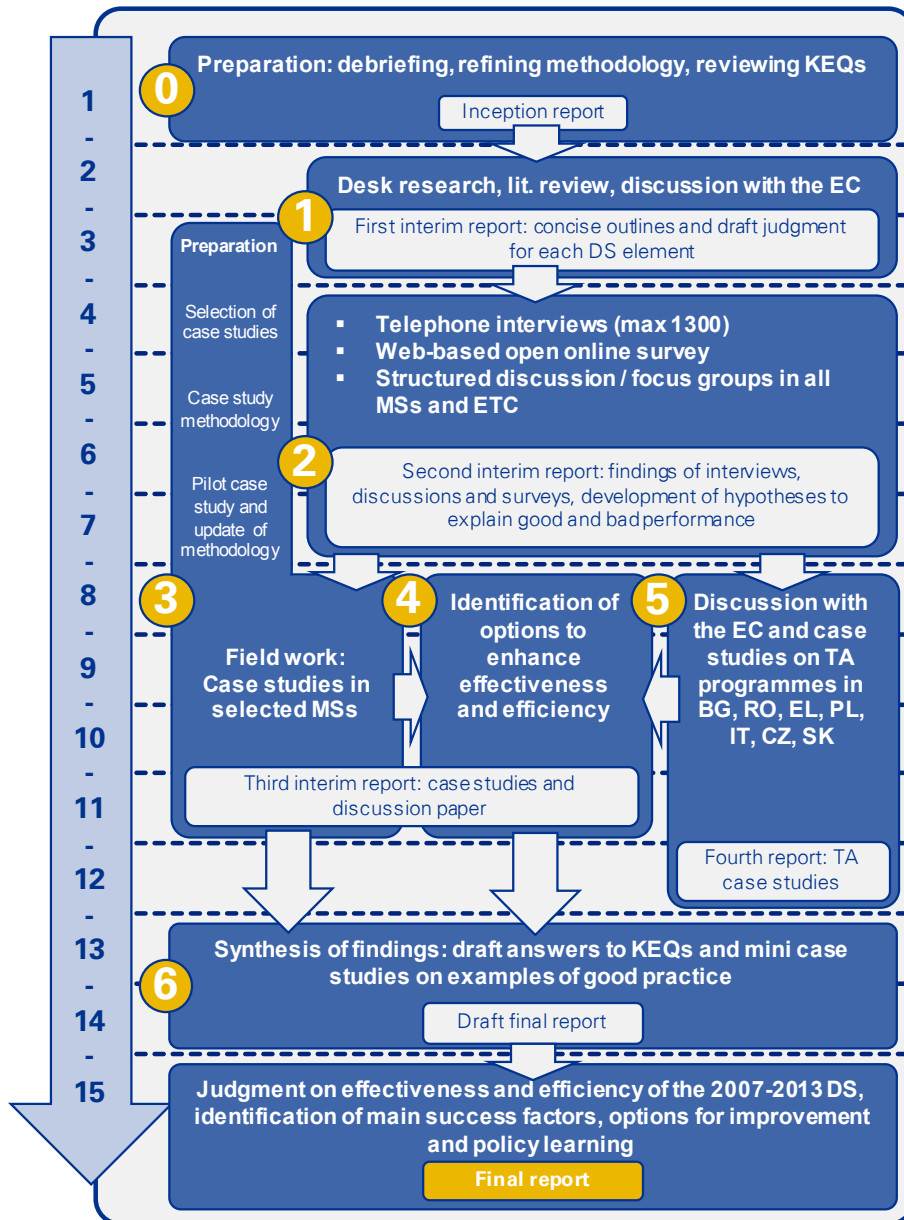
Figure 3: Overview of evaluation tasks

Source: KPMG, Prognos

The different tasks and activities will be elaborated in chapter 4 of this report.

3.2 Analytical approach

The goal of this evaluation is to develop alternative solutions in the design and implementation of the Delivery System elements. Based on the effectiveness and efficiency analysis of the Delivery System of cohesion policy for the 2007-2013 period, evaluators will explore potentially more effective and efficient solutions, including options differentiating between programmes and Member States. For this set of options, we will consider potential benefits as well as trade-offs and necessary conditions for their successful implementation.

By answering the key evaluation questions we set the basis for a systematic development and discussion of these options.

Performance judgement of each element	▪ Did the element work the way it was supposed to? ▪ Did it contribute to the different defined criteria (e.g., legality and regularity, accountability, etc.)?
Most critical issues	▪ What were the main strengths and weaknesses of the Delivery System 2007-2013? ▪ What should be the focus of our analysis?
Success and failure factors	▪ Within the different elements, what makes the delivery system work or fail? ▪ Which elements of the Delivery System need to be modified to improve performance?

Alternative design options	▪ Question the main features of the Delivery System:
	  ▪ Are they necessary at all?
	  ▪ Should they be designed differently?
	  ▪ Are they consistently linked with the features of the other elements?

In the analysis of the effectiveness and efficiency of the Delivery System 2007-13 the evaluators will:

▪ **Review and assess the Delivery System and its functioning:**
This requires a clear description and good understanding of what is included in each element. We will analyse the rationale and the expectations of the European Commission and other stakeholders for each element. We will then compare expected performance and actual experiences regarding performance. This would set the ground for our judgement on performance. In addition, some data on performance will be taken into account.

▪ **Identify strengths and weaknesses of Delivery System performance:**
By contradicting expected and actual performance, we identify the most critical issues in the Delivery System 2007-2013, in a positive as in a negative sense. We will also identify when and where progress towards better policy implementation was made during the 2007-2013 period. This exercise sharpens our understanding and helps us define the focus for further analysis.

▪ **Identify the underlying factors for success and failure of the Delivery System**
For these most critical issues we will go deeper into the analysis of success and failure factors. Identifying the main factors requires reference to:

– the concept of the Delivery System and its elements

– the implementation practice in the different Cohesion Policy settings

– external factors (see section 3.5).

An in-depth analysis of these factors will enable us to understand the processes and mechanisms behind implementation success and failure.

- **Discuss and present options for the improvement of the Delivery System:**
  By understanding what hinders and fosters the performance of the Delivery System we can develop or discuss options that strengthen or mitigate these factors within the design of the elements. It will also be important to consider the necessary conditions for successful implementation of the alternative design options. These conditions might refer to external f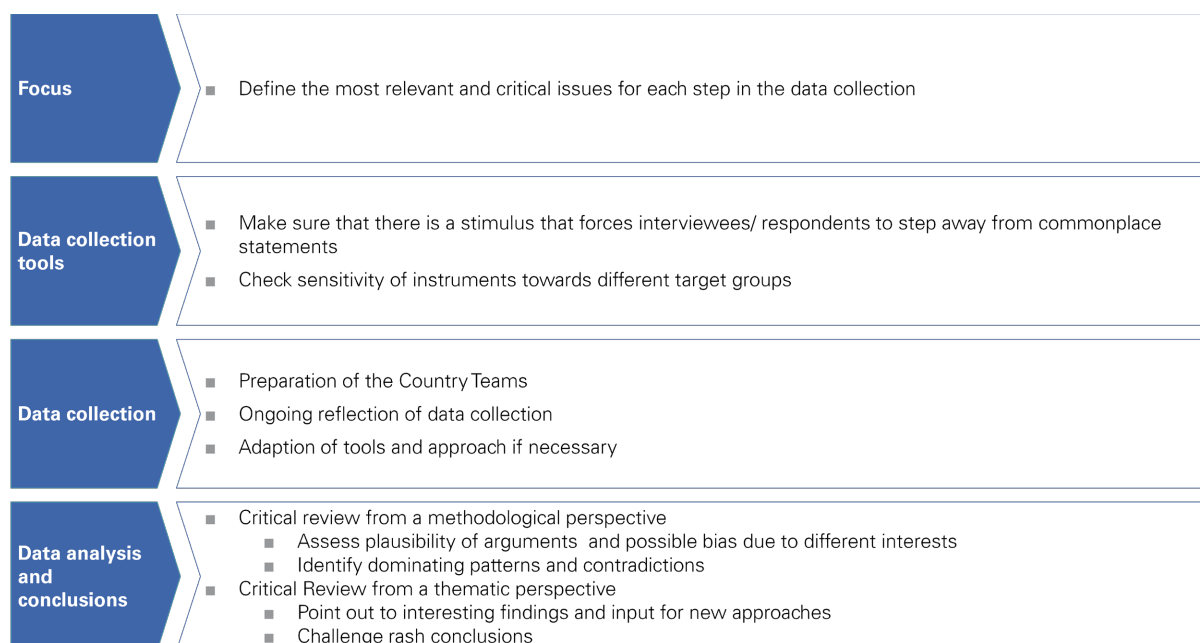actors like the administrative set-up or political cultures in the Member States as well as to interdependences between different features of the Delivery Systems.

A critical vision throughout the whole project is essential, to ensure that all identified options are valid and feasible, in all or certain contexts. This critical vision consists of two dimensions: first of all, the delivery system itself and its elements should be constantly challenged in their design and in the way they were implemented. Secondly, our analysis relies mainly on primary data collection of stakeholders' perceptions. These observations must be assessed against their personal and institutional background having in mind that they could be biased, for instance by strong political interests.

We address these two dimensions by introducing specific mechanisms in data collection, analysis and in elaborating our findings. One of these measures addresses the challenge from a thematic (element by element) perspective, involving thematic experts within the core team and key local experts in all judgments. The other one is a methodological perspective, driven by our technical expert.[10] This standard approach is summarized in the following overview and will be adapted to the different tasks:

Focus	■ Define the most relevant and critical issues for each step in the data collection
Data collection tools	■ Make sure that there is a stimulus that forces interviewees/ respondents to step away from commonplace statements ■ Check sensitivity of instruments towards different target groups
Data collection	■ Preparation of the Country Teams ■ Ongoing reflection of data collection ■ Adaption of tools and approach if necessary
Data analysis and conclusions	■ Critical review from a methodological perspective 　■ Assess plausibility of arguments and possible bias due to different interests 　■ Identify dominating patterns and contradictions ■ Critical Review from a thematic perspective 　■ Point out to interesting findings and input for new approaches 　■ Challenge rash conclusions

The evidence required for this analytical approach will be collected throughout the different tasks:

After the inception phase, we will start in **Task 1** with an in-depth analysis of each of the elements. Firstly, we look at their main features and the underlying rationales for including them in the Delivery System. Secondly, by understanding the functions of the elements we will assess their contribution to the performance of the Delivery System. This will address Key Evaluation Questions 1 and 2 (see

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[10] For more detailed explanation see section on 'Project Organisation'

section 2.2) and therefore provide us with a good understanding of the conceptual framework of the Delivery System in the 2007-2013 funding period.

The remaining questions are mainly about implementation practice and the experiences of the different stakeholders with this practice. That is why they need to be tackled more intensively during the following tasks. However, preliminary information will be gathered in **Task 1** via literature review and interviews with Commission Services. Based on this preliminary information we will draft assessments on the performance of the elements at the end of **Task 1**. This will allow us to focus on the most critical topics during the subsequent analyses. Nevertheless, we will remain open to other evidence, views and interpretations and the need to integrate these into our analyses.

Evidence for analysing performance as well as input for developing alternative design options will mostly be completed during **Task 2**. The large amount of information gathered through this data collection will allow us to answer most of the Evaluation Questions. Based on this we will develop hypotheses to explain the processes and mechanisms that produce performance success and failure, as well as providing options on how to improve the functioning of the Delivery System. The key challenge of this task is to find the specifically adequate people who have the necessary depths in insights into the thematic and can highly contribute to the success of the evaluation by sharing valuable observations.

The seven case studies to be conducted in **Task 3** will serve to test the hypotheses developed at the end of task 2. By analysing the findings from the case studies, we will be able to explain key factors that influence performance and how these can be reached. Moreover, we will gain some insight into the likely effects of changing the Delivery System according to the different options.

Task 4 therefore requires extensive organisation and interpretation of data and information. It will provide a set of options for the enhancement of future policy implementation and requires a discussion of the trade-offs for these options and their necessary conditions for success, particularly in relation to the administrative and political contexts. Where applicable, we will complement findings with our findings of administrative capacity derived from **Task 5**, and describe improvements in this area in terms of structure, human resources, and system and tools.

All our evidence, findings and conclusions will be summarised in the Final Report in **Task 6**.

3.3   Analytical framework

This evaluation hinges on the definition, operationalisation, and assessment of performance of elements of the delivery system, using the six criteria outlined in the tender specifications. It is crucial to develop a conceptual framework that identifies the most relevant criteria for assessing the performance of the different elements.

Based on the definitions and key issues outlined in Section 2.4, we assessed how certain tasks within the different elements of the delivery system are necessary for an effective and efficient programme implementation, and to what extent the different delivery system elements contribute to performance, as indicated by the six performance criteria.

We present below a **first preliminary framework** which maps out the contribution of different elements to the Performance indicators. The green cells of this table highlight the areas where our analysis needs to focus, as the contribution of an element to a certain performance criterion is critical. The yellow cells will also be part of our analysis, as there is a significant contribution of an element to a criterion. Red cells indicate that the contribution of the elements to a performance criterion is not relevant for our evaluation.

For example, Programming contributes highly to "result orientation" of the delivery system for Cohesion policy. Programming also contributes to the "accountability" criterion, as it defines the framework for

linking spending and results, but not to the same degree. Programming contributes only partially to legality and regularity, but we do not consider this as relevant for our analysis.

	Accountability	Legality and regularity	Delivery of results / result orientation	Timeliness	Responsiveness		Reasonable administrative cost
Programming	yellow	red	green	green	green	blue	red
Project selection	red	yellow	green	green	green	blue	green
Compliance	yellow	green	red	yellow	red	blue	green
Financial management and control	green	green	red	green	red	blue	green
Monitoring	green	red	green	yellow	green	blue	green
Evaluation	green	red	green	red	green	blue	yellow
Reporting	green	yellow	red	red	yellow	blue	yellow

Figure 4: Preliminary analytical framework

Source: KPMG, Prognos

We found that some of the key performance criteria needed further specification in order to assess the contribution from system elements. It is important to note here is that we understand the criterion "reasonable administrative costs" in relation to the costs generated by the different elements. Take evaluation as an example: in our matrix, we chose the yellow colour, considering that evaluation tasks do not greatly increase administrative costs. Relatively few resources are dedicated to evaluation in comparison to the overall spending from the Funds. However, evaluations might contribute to the eventual reduction of administrative burdens and therefore contribute highly to reasonable administrative costs. As this is another dimension of the analysis, which might be confusing, we did not include it in our approach.

The table above represents a **first draft** based on the knowledge and perspective of our Core Team. This is of course to be reflected upon and validated with more evidence as we develop the analytical framework within the course of **Task 1** (see section 4.2).

3.4   Contextual factors

We need to account for the establishment of the Delivery Systems within markedly different contexts across countries and regions. Recent evidence shows that excellence in public administration, for example, is a vital component for competitiveness in EU Member States, including their ability to provide high quality government services.[11] Because of this broad variation of underlying conditions, the "one size fits all" the current approach for designing the delivery system can be put in question. Thus, the set of options to be developed in **Task 4** need to take into account the variations linked to factors external to programmes. In the preparation work during the inception phase, a set of criteria was developed for **contextual factors,** which comprises fall into three categories:

Dimension	Indicators	Data sources
1. General socio-economic features	GDP / capita compared to EU average - change from 2007 to 2013	Eurostat
	Unemployment rate - change from 2007 to 2013	Eurostat
	Public debt – change from 2007 to 2013	Eurostat
2. Administrative features	Government effectiveness	World Bank – Worldwide Governance Indicators
	Quality of government (index; available at NUTS 2 level)	Charron et. al (2014)[12]
	Executive Capacity (index plus individual indicators) – Strategic capacity – Interministerial coordination – Evidence-based instruments – Societal consultation – Policy communication – Effective implementation – Adaptability – Organisational reform capacity	Bertelsmann Stiftung – Sustainable Governance Indicators
	Government efficiency (public procurement) – Enforcing contracts: time – Enforcing contracts: cost – Average delay in payments from public authorities	World Bank – Doing Business Intrum Justitia – European Payment Index
	Legality of public expenditures – Diversion of public funds – Irregular payments and bribes – Experience of corruption	WEF – Global Competitiveness Report EC Special Eurobarometer
3. EU-funding related features	Years of experience in EU-fund implementation (year of first Operational Programme)	DG REGIO

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[11] Compare DG Enterprise & Industry (2012): Excellence in public administration for competitiveness in EU Member States, Brussels.

[12] Charron, Nicholas, Lewis Dijkstra & Victor Lapuente. 2014. 'Regional Governance Matters: Quality of Government within European Union Member States', Regional Studies, 48(1): 68-90

Latest data for 2013 available at http://nicholascharron.wordpress.com/european-quality-of-government-index-eqi/

Charron, Nicholas, Lewis Dijkstra and Victor Lapuente. 'Mapping the Regional Divide in Europe: A Measure for Assessing Quality of Government in 206 European Regions'. Social Indicators Research. DOI: 10.1007/s11205-014-0702-y.

Dimension	Indicators	Data sources
	Number of Operational Programmes (overall and by Managing Authority)	DG REGIO
	Financial Relevance of EU funds – EU funding (budget) compared to national public spending – Funds budget (absolute numbers)	DG REGIO[13], Eurostat

All three dimensions will be placed in an even broader context, i.e. the four most dominant administrative traditions in Europe, in order to provide a full picture. We borrow the conceptual framework developed by Loughlin and Peters (1997)[14], and adapted by the ESPON TANGO[15] project (2013). This framework categorizes administrative traditions as Scandinavian, Anglo-Saxon, Germanic or French, based on variations in the following key features: legal basis for the State, State-society relations, form of political organization, basis of policy style, form of decentralization, and dominant approaches in public administration.

While the administrative traditions rather serve as a reference framework for contextualising our results, the three different dimensions for external factors will be used to guide us in differentiating across Member States. This will enable the evaluation to differentiate between "general government performance" (based on secondary data) and performance of EU funds management (based on primary data collected in the evaluation).

Methodologically, we will apply a cluster analysis to handle the (expected) variance across Member States and, if feasible, Operational Programmes. Developing clusters based on these criteria will require an extensive data research that will be carried out in **Task 1** (see section 4.2). Based on the resulting data set we will check whether there is a way to cluster or categorise the Operational Programmes into meaningful groups, which would then be the main point of reference for the case study selection in **Task 3** (see section 4.3) and the set of option in **Task 4** (see section 4.4). Generally, the results from Task 1 on these contextual factors will be primarily used, both for individual countries and for groups of countries, to serve as background information for the Country Teams and as a reference point for contextualising empirical findings from our interviews, survey and case study analysis.

As there are 53 ETC-Programmes, all of them being highly distinctive in regional scope, we will not try to cluster these programmes.

3.5   Involvement of key stakeholders

As indicated by the description of the elements in section 2.4 (and the Annex), EU Cohesion Policy implementation involves a broad range of stakeholders, some of them with clearly defined functions and others with less standardised tasks e.g. informing potential beneficiaries. Stakeholders'

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[13] Financial execution database; http://ec.europa.eu/regional_policy/impact/evaluation/data_en.cfm

[14] Loughlin, John, and B. Guy Peters. "State traditions, administrative reform and regionalization." The political economy of regionalism (1997): 41-62.

[15] ESPON and Nordregio (2013). Territorial Approaches to New Governance. Available online at this link.

expectations and the concern as to whether these were fulfilled are amongst the Evaluation Questions.

Therefore, an important activity in the evaluation will be to identify and map all the different actors involved in the Delivery System of Cohesion Policy. A preliminary list of these stakeholders by their main functions is set out below:

■ **Supervisory authorities:**
  – The European Commission
  – National authorities, mainly M**inistries** in their supervisory role for the Managing Authorities
  – European and national courts
  – Independent audit or evaluation units of authorities

■ **Stakeholders with direct functions in management and implementation**
  – Managing authorities (a national, regional or local public authority or public/private body designated by the Member State to manage the operational programme)
  – Certifying authorities (a national, regional or local public authority or body designated by the Member State to certify statements of expenditure and applications for payment before they are sent to the Commission)
  – Auditing authorities (a national, regional or local public authority or body, functionally independent of the managing authority and the certifying authority, designated by the Member State for each operational programme and responsible for verifying the effective functioning of the management and control system)
  – Intermediate bodies (any public or private body or service which acts under the responsibility of a managing or certifying authority, or which carries out duties on behalf of such an authority vis-à-vis beneficiaries implementing operations); a specific type of Intermediate Bodies are Implementing Agencies which are commissioned to completely manage the implementation of certain actions funded by the Structural and Cohesion Funds
  – Members of the Monitoring Committee (a committee set up to review progress towards the achievement of targets compose by representatives of the MA and the partners)
  – Members of the Steering Committees (a committee set up to support the implementation of single actions e.g. by assessing proposals and selecting projects)

■ **Other Stakeholders involved in implementation**
  – Beneficiaries (an operator, body or firm, whether public or private, responsible for initiating or initiating and implementing operations. In the context of aid schemes under Article 87 of the Treaty, beneficiaries are public or private firms carrying out an individual project and receiving public aid).
  – External Service providers
  – Representatives from national, regional or local authorities
  – Representatives from organizations working in the policy fields concerned by Cohesion Policy

We will finalise this preliminary list of stakeholders during **Task 1** (see section 4.2). This will then provide a basis for selecting the stakeholders in the subsequent tasks of the evaluation.

4 Evaluation method by task

4.1 Task 0 – Inception

Objectives:	To set up the project organisation, to develop a common understanding of the evaluation methodology with the Commission services, to refine research tools and data sources and debrief team members.
Outputs:	Meeting minutes of the kick-off meeting, and Inception Report.
Key team members involved:	Engagement Partner, Project Manager, Key Technical Expert, Brussels coordination, selected members of the Core Team.
Timing / Days dedicated to task:	Within 1 month / 68 days allocated

Task 0 deals with project inception, finalisation of the work programme and the methodology. It starts with a formal kick-off meeting, with the aim of introducing the contractor to the Commission Services, and serves to discuss technical and project management issues (e.g. contact points), as well as the terms of deliverables and meetings. The task is concluded with an Inception report, once it is approved by the Steering Group.

4.1.1 Kick-off meeting

The formal kick-off meeting with DGs REGIO and EMPL as well as members of KPMG and Prognos AG took place on 18 November 2014 in Brussels. The DG REGIO team presented the context, key elements and goal of the ex post evaluation. Based on the proposal, they advised the KPMG Team where to elaborate further the concept and methodology of the inception report. Based on the meeting, the following issues have been included and extended in the methodology of the inception report:

- **Task 1: Desk review and analytical framework elements of Delivery System 2007-2013**
  – Selection of and focus on relevant performance criteria in relation to the seven elements of the Delivery System one by one and against the analysis of their rationale
  – Emphasis on a well-defined concept to be elaborated during this phase to ensure clear and evidence-based judgement criteria
  – Development of hypotheses which take into account issues of regional and context-specific differentiation
  – Further elaboration of ETC programmes.

- **Task 2: Interviews, structured discussions and survey**
  – Further elaboration of the methodology to capture expectations of different stakeholders/interest groups in the implementation system.
  – Integration of more innovative, flexible and motivating elements in the design of the online survey in terms of type of questions and content selection option as well as distribution channel (open and personalised) and modification of the timing of online survey after interviews.

- **Task 3: Case studies in selected Member States**
  - Further elaboration of the case study methodology including focus groups
  - Extending the process planning and implementation of the pilot case study during Task 2
  - Correction of Point 2.5.1. of the tender to use the parameters "Structure", "Human resources", and "Systems and tools" (Annex 3) for task 3, instead they will be used for the technical assistance case studies task 5

- **Task 4: Identifying improvements to enhance effectiveness and efficiency**
  - Further elaboration of the conceptualisation and differentiation between Member States/regions/sectors how to reach evidence-based conclusions on effectiveness and efficiency of the Delivery System elements providing guidance for the analysis of all other tasks. This includes the development of hypotheses and a strong link to task 1.
  - Emphasis on presenting options for change instead of recommendations

- **Task 5: Assessment of capacity building financed by technical assistance**
  - Incorporation of the parameters "Structure", "Human resources", and "Systems and tools" (Annex 3) for task 5, instead of task 3 (see also above task 3)

Further elaboration of the case study methodology especially with regard to governance of public investment programmes including human/organisational resources and institutional capacity on technical and managerial level.

- **Task 6: Final report**
  - Emphasis on presenting options for change including trade-offs and potential for differentiation instead of recommendations as developed under task 4.
  - The options should be based on a deep understanding of strengths and weaknesses of each element to be derived from the analysis of the interviews, survey and case studies under tasks 2, 3, and 5 distinguishing between Member States/regions and sectors.

The selection of three Independent External Experts who provide advice throughout the evaluation has been discussed and agreed with DG REGIO. In the inception phase, we approached these experts and received confirmation from Jiří Blažek, Edoardo Ongaro and Javier Revilla Diez, that they accept the role to act as Independent External Experts to the project.

Furthermore, the following administrative issues were also clarified at the Kick-off meeting:

- deadlines of deliverables (see 'Overview of main tasks and deliverables' and 'Detailed timeline' sections);
- dates and content of the upcoming two Steering Group meetings as well as the corresponding minutes;
- Introductory letters for managing authorities will be drafted by KPMG and signed by the EC;
- Team restructuring (see organisation of the work).

4.1.2   Project launch, Inception report, Cologne workshop

After the kick-off meeting, we debriefed the Core Team members about the results of the meeting and the preparation of the inception report started. An internal one-day workshop on the elaboration of the methodology and preparation of the inception report with Core Team members took place on 2 December 2014 in Cologne.

Other tasks related to the project launch were also completed or initiated during the Inception phase:

- Communication channels set up between the Core Team and Country Teams.
- Tasks allocated between project members, with deadlines. Clear responsibilities and timings were shared with the project members, mitigating the risk of any slippage.
- Classification of elements (relevant for the evaluation) of the Delivery System
- Brainstorming on possible criteria for the selection of Member States for the analysis
- Suggestion for a country for the Pilot case study both the Task 3 and task 5 studies (Czech Republic) which is to be discussed with EC.

4.1.3 Debrief team members

Once the Inception Report has been discussed and approved, we will organise an internal debrief workshop for the Core Team plus Country Teams. The meeting will be held with the purpose of developing a common understanding and interpretation of project tasks and the methodologies we intend to use. In our experience, this highly affects the efficiency and quality of our work in the later stages. Topics to be covered will include the following:

- key terms of the evaluation, highlighting the adjusted content of the inception report compared to the proposal
- overall approach and role of Country Teams
- required outputs of the work (documentation, content)
- quality requirements for the work, procedures to ensure consistency
- list of stakeholders to be interviewed and documents to be reviewed
- selection strategy for case studies
- the use of interview guides, typical interview scenarios
- literature lists
- project management questions (project communication, reporting, timing etc.)
- potential risks, challenges, and approach to tackle those.

4.2   Task 1 – Review of Delivery System 2007-2013

Objectives:	To set the ground for work under task 2, by ■ Finalising the Analytical Framework and identify the actors to include in the further analysis ■ Presenting a clear concept for each element ■ Providing some (draft) answers and judgements on the Key Evaluation Questions
Outputs:	First interim report presenting a concise outline of the elements of the Delivery System and their main features as well as a draft preliminary judgment on the performance of these elements. Two progress reports.
Key team members involved:	Project Manager, Key Technical Expert, Independent External Experts, Core Team, Country Teams
Timing / Days dedicated to task:	Within 3 months / 150 days allocated

The research and analysis under Task 1 will include a first screening of Delivery Systems, covering all elements and Member States and will seek answers to the following evaluation questions:

Questions to be investigated during this task
1. What are the main elements[16] of the legislative framework relating to the Delivery System of Cohesion Policy in relation to programming, project selection, compliance with EU and national law, financial management and control, monitoring, evaluation and reporting?
2. What was the underlying rationale for the inclusion of these elements in the legislative framework from the perspective of the main stakeholders, taking into account the need to implement and be accountable for a policy that is legal and regular and which delivers in a timely manner at reasonable cost to national administrations and beneficiaries?
3. How well did the individual elements meet expectations of the main stakeholders as they were implemented during the 2007-2013 period? What were the strengths and weaknesses?
4. For each of the different elements, what were the main conceptual and practical problems? Were there missing or superfluous features? What was the role of the partnership principle in each of these elements?
5. How did the interaction of European regulation with national regulation affect legality and regularity, accountability, result orientation, timeliness, responsiveness, administrative costs to Member States and beneficiaries?
6. To what extent do the arrangements for the period 2014 to 2020 provide continuity (or not) with those of the 2007-2013 period?

Figure 5: Evaluation Questions to be investigated during Task 1

Firstly, Task 1 will ensure that unequivocal definitions and criteria are established in order to guide us in the elaboration of provisional judgements and the subsequent collection of evidence. This means that our analytical framework will be finalised throughout this task.

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[16] For a more clear definition of the evaluation questions, we suggest that we define programming, project selection, etc. as the elements of the delivery system. The main characteristic and design variables of these elements should be named features.

Secondly, the purpose of this task is to grasp all elements from a conceptual point of view, especially by answering Evaluation Questions 1 and 2. We will describe how the elements of the Delivery System were meant to be designed and work, and why it was done this way. In addition, we will produce concise and clear outlines for each Delivery System element, structuring information collected from answers to the above questions. A reviewed structure of the outlines is presented in task 1.4.

Question 3 refers in part to the expectations of the main stakeholders, and will therefore investigate a normative dimension. Questions 3 to 5 have to be answered by collecting data on the actual implementation of the elements. This will be done in an explorative way within Task 1 but has to be broadly validated within Task 2.

The Task 1 steps are described in more detail below.

4.2.1   Desk research and literature review

At this stage, we first validate our draft concepts of the Delivery System outlined in section 2.4 to answer questions 1 and 2. To do so, we will conduct extensive desk research on the legal frameworks and legislative texts at the European level. Although we have conducted a preliminary analysis of this kind in the Inception Task, our team will review regulations in detail and amend outlines as necessary. The following sources will be key:

- **General Regulation:** 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 and repealing Regulation (EC) No 1260/1999

- **Implementing Regulation:** Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund

- **ERDF Regulation:** Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999

- **ESF Regulation:** Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999

- **Cohesion Fund Regulation:** Council Regulation (EC) No 1084/2006 of 11 July 2006 establishing a Cohesion Fund and repealing Regulation (EC) No 1164/94

- **EGTC Regulation:** Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC)

- **IPA Regulation:** Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)

- The various amending regulations

In order to understand the rationale for including the different elements and the perspectives of the different stakeholders we will analyse these regulations from a time perspective. We will compare the versions as they were originally drafted by the European Commission with the final version after they were negotiated with the Member States. We assume that DG REGIO will provide us with these first versions of the regulations.

Other official EU sources such as EC guidance documents, communications and decisions, as well as national sources may be used to the extent that they will help to clarify ambiguities and integrate existing information. We will also consider the practical interpretation (operationalisation) of these

regulations by taking into account the tasks described in the *Aide mémoire* used by the EC for the 2007-13 period. Although not a Vademecum, such as that used for the 2000-2006 period, it provides detail of exactly what was expected in the practical application of the regulations. The final outcome of the work described so far will be the development of the sketch outlines we have presented here. A short synthetic definition of each element (part 1 of the outline) will also be developed.

Any legislative element applying to ETC programmes markedly in contrast to or different from general principles set out in the regulations will be highlighted.

For answering question 6, we will analyse the respective documents for the 2014-2020 period, and make the necessary comparisons.

To explore the expectations of the stakeholders (question 3) and get some first insights about strengths and weaknesses, problems and the influence of national and European regulation on the Delivery System performance (questions 3 to 5) we will perform a more extensive review of literary sources such as academic research on the topic, official EU publications, and other relevant literature (e.g. evaluations, statistical and technical reports, ad hoc papers).

A separate list of sources will be used to investigate expectations and rationales related to ETC programmes.

For this purpose, a synoptic table like the one below will be used to structure findings by the national teams:

Category	Detail
General information on the publication	Author / Institution
	Document Title
	Year of Publication
	Type of Document (policy document, evaluation etc.)
	Country / Region / Programme / Objective / ETC, as applicable
	Keywords
Targeted synthesis of the publication	Delivery System element/s discussed
	Stakeholder/s whose perspective is taken into consideration
	Performance criteria of focus
	Identified expectations
	Meeting of expectations
	Strengths
	Weaknesses
Influential factors	National, regional, or programme context
	Conceptual and practical problems
	Missing or superfluous features of the Delivery System
Other	Judgement on potential bias and quality of source
	Related publications
	Any other comment

Figure 6: Synoptic table to structure findings

This analysis will give us first insights to the evaluation questions addressed above and lead us to some draft judgements on performance. However, the issue of stakeholders' expectations can hardly be covered in this Task but will be a main topic for Task 2.

Then, for each element, the Core Team will identify the main conceptual and practical problems responsible for unmet expectations or misaligned rationales. This might include, among other things, the interplay of European and national regulation or the application of the partnership principle. This analysis should also reveal missing or superfluous features, which will feed into sections 4 to 5 of the concise outline.

Due to its specificities in terms of management and implementation set-ups, ETC programmes will be subject of a partly separate and parallel analysis.

Finally, we will conduct an extensive data research with the context variables outlined above (see section 3.3) to build up a picture at an Operational Programme/regional level.

Literature sources

The list in the Annex, section 6.2, compiles a large part of the literature to be included in our review. Those sources will constitute the starting point of our analysis, in that they provide a general overview of management and implementation of Cohesion Policy (we included all sources listed in the Tender Specifications). The lists in Annex have been updated for this report, but are not yet definitive nor exhaustive. Based on the refined sources the Core Team will gather, review and summarise what can be learned from already existing analysis. With the help of our Country Team members, desk research and literature review will also include national data and documents, including those available in local languages.

4.2.2   Discussions with EC Officials

We will organise discussions with the Commission Services, both with DG REGIO and DG EMPL, in order to gather the view of EC Officials regarding the various elements of the Delivery System, to discover the main challenges and issues from their point of view and experience.

In particular, following topics will be addressed:

■ Clarification and validation of main findings of the desk research and literature review, in particular as regards the rationale for certain legal provisions;

■ Discussion of the analytical framework, in order to identify the main critical elements and issues in the Cohesion Policy implementation and the relevant stakeholders in this regard,

■ First-hand knowledge of how well individual elements of the Delivery System met the expectations of stakeholders;

■ Critical review and integration of the main conceptual and (in particular) practical issues for each element of the Delivery System elements, including missing and superfluous features;

■ First-hand knowledge of variations in all the above dimensions across Member States.

Based on our preliminary research, the following table lists examples of EC Officials we would be interested in contacting to arrange interviews (the list is only indicative and will be reviewed in discussion with the EC):

DG	Unit	Focus
DG REGIO	D.1. Competence Centre European Territorial Cooperation	ETC
DG REGIO	E.1. Competence Centre, Administrative Capacity Building;	Technical Assistance
DG EMPL	EMPL.H.2 ESF Audit and IPA	Technical Assistance & Financial Management and Control
DG REGIO	C.1 Coordination, Relations with Court of Auditors and OLAF (or other auditing units)	Compliance & Financial Management and Control
DG REGIO	DGA1.01. Policy Development, Strategic management, Inter-Institutional relations	Programming
DG EMPL	EMPL.H.1Relations with Control Authorities, Legal Procedures, Audit of Direct Management	Compliance
DG REGIO;	A.3. Budget and Financial Management;	Financial management and control
DG REGIO,	B.2. Evaluation and European Semester	Monitoring, Evaluation, Reporting
DG EMPL	EMPL.A.3 Impact Assessment and Evaluation	Monitoring, Evaluation, Reporting

Figure 7: Suggested interview partners (EC Officials)

The findings of the discussions will be categorised and analysed based on the six evaluation questions. Preliminary answers to the questions will be revised.

The discussions should address the features of the legislation and different elements and their rationale. The interviews should also include a discussion of the analytical framework. We will present the findings of our literature analysis to the officials and ask for their perspective on the contribution of system elements on performance as well as on the Evaluation Questions 3 to 5.

4.2.3   Refining the methodological approach

Chapter 3 summarises our analytical and methodological approaches. The analytical framework developed there as well as the findings from the discussion with the EC Officials will be synthesised and discussed by the Core Team in an internal workshop. This internal workshop provides the opportunity to assess critically the existing framework. Furthermore, it helps to identify the main critical issues and thereby adjust the focus of our analysis.

Findings from literature review and draft discussions with the EC Officials will feed into the draft judgements on the element's contribution to performance.

The next step for refining the methodological approach will be to check the data set for the context variables. Based on this data set, options for clustering or categorising should be explored, the core team will develop a system for categorization and sort the Member States accordingly. The final categorisation will then provide the framework for Operational Programme- or Member State-specific selection of cases and options for amendments. Moreover, it will be used to specify our draft judgements towards the most crucial context factors. We emphasise that such judgement is of a preliminary nature and has to be validated throughout the remainder of the evaluation.

4.2.4   Interim Report 1: Developing a concise outline

All results and findings will be the subject to discussion with our Independent External Experts. They will then be summarised (as indicated below) in our first interim report. This report will consist of a concise outline on each of the elements and some preliminary findings regarding the Evaluation Questions.

The (amended) structure of Interim Report 1 outlines will be the following:

Preliminary structure of outlines for elements of the 2007-2013 Delivery System
Element name (e.g. evaluation)
1. General definition and synthetic appraisal Provide a general definition of this element of the Delivery System

2. Legislative framework
 	
2.1. Main features of this element regarding
    2.1.1. EU Regulation and other guidance
 	
    2.1.2. National legislation
 	
2.2. Rationale for this element in the Delivery System

3. Expectations 3.1. Expectations of the main actors Identify expectations of the main actors involved in the Delivery System: European Parliament, European Commission, national authorities (audit, certifying and managing authorities) and beneficiaries where applicable. 3.2. Meeting of expectations? 3.3. Related strengths and weaknesses
4. Contribution to the performance criteria Define and operationalise performance criteria for effectiveness and efficiency in reference to this element of the Delivery System (where applicable). Are there any useful benchmarks or indicators to compare performance with? 4.1. Accountability 4.2. Legality and regularity 4.3. Delivery of results 4.4. Timeliness 4.5. Responsiveness 4.6. Reasonable cost
5. Performance against identified criteria 5.1. Conceptual and practical issues 5.2. Missing or superfluous features 5.3. Role of the partnership principle

5.4. Interaction of EU and national regulation and impact on each policy criteria

5.5. Continuity of arrangements across 2007-2013 and 2014-2020 periods

5.6. ETC programmes, if different

Figure 8: Preliminary structure of outlines for elements of the 2007-2013 Delivery System

Any ETC-specific feature will be highlighted throughout the whole report.

The outcome of Task 1 will be documented in the **first interim report,** to be submitted by March 4th. Additionally, **two monthly progress reports** will be submitted by the end of December and January (deadlines are specified in the project timeline included in the end of this report).

4.3   Task 2 – Interviews, structured discussions and survey

Objectives:	To deepen, test and validate analysis and draft judgements from task 1. Focus will be on assessing the degree of effectiveness and efficiency of the 2007-2013 Delivery System, in comparison to expectations of stakeholders.
Outputs:	Second interim report presenting the findings of task 2 and the methodology for the case studies under tasks 3 and 5; Progress Report.
Key team members involved:	Project Manager, Key Technical Expert, Independent External Experts, Core Team, Country Teams
Timing / Days dedicated to task:	Within 7 months / 665 days allocated

Task 2 aims to deepen, test and validate the analysis and draft judgements derived from Task 1. To do so, a number of data gathering techniques will be combined in a slightly different way than proposed in the tender specifications (p. 13 f.). The main change concerns the timeline for the web-based survey and the structured discussion. As the web-survey should be implemented to reach a wide range of respondents, there needs to be a sufficiently long period for running the survey. That is why the structured discussion must be done in parallel with the web-survey. Interviews that are completed before the launch of the survey will be used for the preparation of the survey, in order to validate or deepen understanding of issues identified in the interviews. Our refined approach for task 2 is the following:
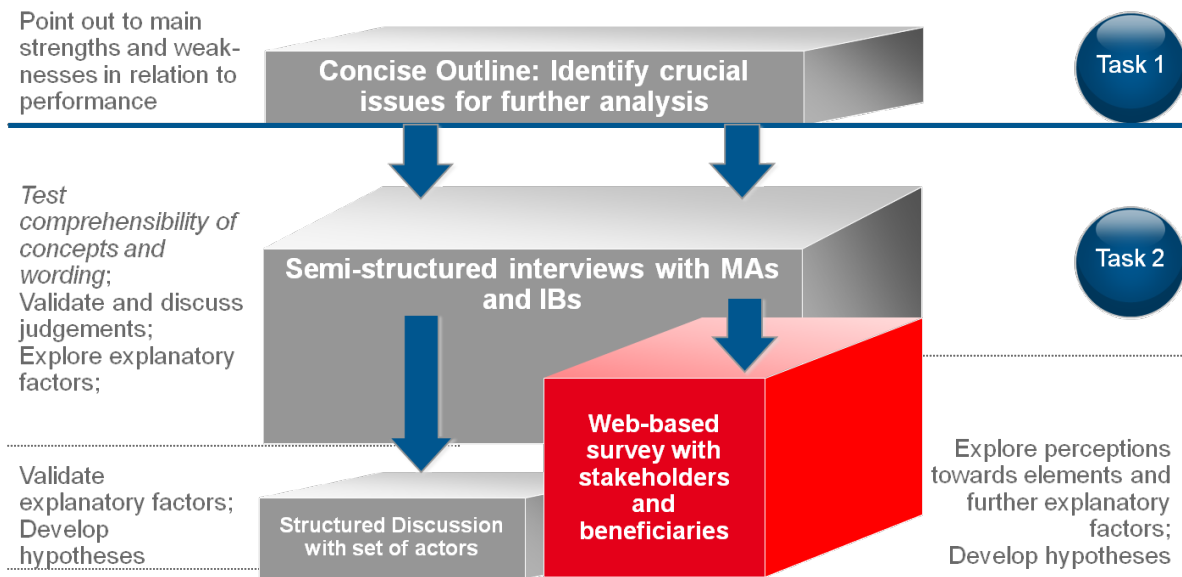
Figure 9: Overview of methodological approach in Task 2
Source: KPMG, Prognos

The semi-structured interviews will address the main actors that are involved directly in the management of programme implementation. Referring to the status quo of our stakeholder mapping (see section 3.4), this includes Managing Authorities, Auditing Authorities, Certifying Authorities, Intermediate Bodies and selected members of the Monitoring Committee. They will provide a first empirical validation for the judgements generated under task 1. Influencing factors for the success or failure of the Delivery System will be identified. These first findings will be presented to the respondents of the web-survey in order to gain insights into their perception of the Delivery System. This already indicates that the main purpose of the web-survey is to broaden the analysis by including actors not directly involved in the management, but in the implementation of the Operational

Programmes. We will also try to motivate actors who are not directly involved but who do have a more general stake in Cohesion Policy to participate in the web-survey.

The survey and semi-structured interviews will help to identify topics and factors with relevance to the functioning of the Delivery System. It will hint out to mechanisms and processes explaining failure or success within the implementation of the policy as well as to design options for addressing the failures. However, these methods do not allow for an in-depth discussion of these topics, which should therefore be followed up in structured discussions with a set of actors that are directly and indirectly involved in the programmes' implementation. The analysis of these discussions, plus the project team's internal consultation on the findings of the survey, will lead to the formulation and refining of hypotheses to be tested in task 3.

We will address the influence of European and national regulation throughout the whole task, and will especially consider this for the structured discussions. This open method for data collection allows for more in-depth reflections on the complex interactions between the different regulations and the implementation practices.

4.3.1   Interviews with EC, MA and other stakeholders

Interviews will serve as an effective information-gathering tool and will have an important role in providing a first database and foundation for the following data collection steps. Thus, there are **three main objectives** for carrying out interviews as part of this ex-post evaluation, namely to:

■ Validate and deepen findings of the concise outlines of each of the elements (task 1),

■ investigate additional issues regarding the different elements of the Delivery Systems in order to gather further evidence for the answering of evaluation questions,

■ *test whether our concepts, judgements and descriptions are comprehensible in order to fine-tune the questions for the web-based survey*

Scope of the interviews

The interviews will be targeted at

■ Heads of Units of the country units in DG REGIO and DG EMPL
■ Actors regularly involved in the management of Operational Programmes implementation[17]
    – Managing Authorities
    – Certifying Authorities
    – Auditing Authorities
    – Intermediate Bodies and Implementing agencies
    – Selected Members of the Monitoring Committee

A crucial task will be to find the right people for the interviews, those that have a great insight to the topic and can highly contribute to their valuable opinion to the analysis. In some instances, it might also be necessary to interview former employees of MAs, particularly if they were strongly involved in the 2007-2013 programmes. In these cases, we will mobilise professional networks and contacts

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[17] As defined in the Operational Programmes sections on relevant authorities and bodies and involvement of the partner.

in order to identify and motivate these actors for the interviews. Our selection includes also the experts of the ESF and ERDF Expert Evaluation Network.[18]

The design of the interviews should be a multiple respondent one. The rationale for gathering multiple respondents for each programme is to reduce the risk of personal interpretation biases and to search for patterns and differences in a comparative content analysis.[19] The organisational background, the function and position in hierarchy may influence the interviewees' answers. This we will keep in mind and try to select the interviewees respectively. Clearly, not all interviewees will be experts on each of the elements. Therefore, we will also check that our selection of interviewees covers stakeholders with expertise for all the elements. Furthermore, the selection of interviewees should be discussed with the Desk Officers in DG REGIO and DG EMPL responsible for the different Member States as well as with the Key Local Experts in the Exploration phase.

Our aim is to cover all Operational Programmes by conducting a maximal number of 1300 interviews (see p. 13 of the Tender Specifications). Having in mind that there are in total 479 Operational Programmes (309 ERDF and CF, 117 ESF and 53 ETC), we make a selection of Operational Programmes in those countries with a highly complex structure for Cohesion Policy implementation. Our Country Teams will play a crucial role in that assessment. We assume that contact information for Managing, Auditing and Certifying Authorities will be provided by the EC.

For the ETC, we will select a subset of programmes, ensuring that each Member State will be represented within this sub-sample. Cross-border programmes and transnational co-operation programmes should both be covered.

Methodological approach for conducting the interviews

The interviews will validate and discuss whether the rationale for and expectations towards the different elements of the Delivery System have been fulfilled throughout the 2007-2013 funding period. The interview guide will rely on the draft judgments made in the concise outline of Task 1. However, one main aim of Task 2 is to challenge these judgements and to encourage people to come up with alternatives to the system that was in place. This requires a very open approach of designing and conducting the interviews. The Country Teams will be required to include questions regarding the design of the Delivery System and discuss openly components that could be left out, missing links between the elements and their main components, missing features and the necessary conditions for these amendments.

Additionally, a certain degree of quantifiable data is needed to first assure that commonalities and differences in the responses will be identified in an objective way. Secondly, comparing the findings between regions and Member States requires a more standardised approach.

Taking these requirements into account, we will apply a dynamic concept for conducting the interviews, starting with a very open approach and changing this to more standardised questions in the course of the interview phase. The following table summarises our approach.

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[18] Here, we are not referring to the three Independent External Experts already collaborating on the project.

[19] Compare YIN (2003) Case study research: Design and methods. Sage, Thousand Oaks.

Step	Concept	Responsibility	Scope	Result
Exploration	Open approach of presenting and putting in questions concepts and draft judgements from Task 1 Type of questions: "How", "Why" or "What if"	Core Team supported by Country Teams (Organisation of the interviews and translation)	Seven to eight countries Approx. eight to ten interviews per country	Identification of the main topics in the discussions of the elements; Commonalities and differences regarding the main topics from the stakeholders perspective Respective influencing factors (system features, external factors, context factors) Inputs for alternative design options of the Delivery System's elements
Standardization	Internal Project Team Workshop	Core Team		Interview guide for semi-standardised interviews and training concept for Country Teams
Interview Phase 1	Semi-standardised approach transferring the main topics in standardised questions combined with open questions for further explanations or suggestions	Country Team supported by Core Team	All 28 Member States Approx. 10 interviews per country	Quantifiable evidence and additional aspects on: commonalities and differences regarding perceptions of performance influencing factors (system features, external factors, contextual factors) Inputs for alternative design options of the Delivery System's elements
Quality Control	Internal Project Teams Briefings to discuss potential challenges in conducting the interviews, main trends in results and need for adaptation	Organised and conducted by the Core Team with small groups of Country Teams	All Country Teams	Reviewed and Up-Dated Interview Guide

Step	Concept	Responsibility	Scope	Result
Interview Phase 2	Equal to Phase 1		All 28 Member States The remainder of the interviews to reach max. 1300 interviews in total (depending on availability of interview persons and possibility of gaining further insights through additional interviews)	Equal to Phase 1
Debriefing during phase 2	Internal Project Teams Briefings to discuss need for further adaptions of the interviews, main trends in results and possibilities for gaining further insights The debriefings will take place continuously during Phase 2	Organised and conducted by the Core Team with small groups of Country Teams	All Country Teams	Continuous quality check of interviews and findings

For phase 2, we will develop some criteria for saturation. These will allow us to assess whether further insights could be gained through additional interviews in each Member State. Bearing in mind that the different interviewees will not be experts for all 7 elements under analysis, the elements will be presented and explained at the beginning of the interview. Then the interviewees are asked to choose their areas of expertise and the interview will be conducted according to this selection.

Another aspect the Country Teams have to consider when conducting the interviews is the personal background of the interviewees, the institution they represent, their functions and their position in the hierarchy. When exploring stakeholders' expectations in Task 1 we will gain some insights as to how these factors might influence stakeholders' responses. We will integrate these findings into our preparation of the Country Teams and make them aware of these phenomena. Additional information on the interviewees' background such as years and type of experience in Cohesion Policy Implementation will be gathered.

For the analysis of ETC programmes, our interviewer will be advised to specifically address the influence of the bi-national/multinational setting for the different topics.

The interviews will be performed by the Country Teams in the language and context of the respective Member State. This will be important for cultural reasons, and that fact that the functioning of the Delivery System and especially a close evaluation of the operations on the ground will be a sensitive issue. They will use a translated version of the semi-structured interview guide and be guided by a computer-assisted application. This allows the interviewer to register responses directly into a common data bank and creates an efficient approach to data collection in all Member States. Moreover, utilizing a commonly developed methodological approach and providing training to all Country Teams, will guarantee a consistent data gathering and analysis procedure.

Methodology to analyse results of interviews

Apart from a greater consistency in data collection, use of a computer-assisted application for conducting and documenting the (maximum) 1300 interviews will speed up the analysis significantly; no data transfer is needed and matching with background information can be done easily. This is especially relevant in relation to the functions of the interviewees.

The first main level of analysis will be at Member State level. Commonalities and differences in the responses of the open questions and additional comments to standardised questions will be identified by grouping the answers. Open answers can be very different in nature. They can range from objective or fact-based knowledge from personal experience to very subjective opinions and attitudes. This will be taken into account when grouping the answers.

Standardised questions focusing on a certain value will be analysed by using regular methods of descriptive statistics, where measures of central tendencies like mean value and standard deviation will be calculated. Correlations will be quantified by using bivariate measures.

The resulting patterns in the interviewees' responses will be checked for correlation with different factors like the person's background or external factors. Some first hypotheses

- on explaining certain patterns in responses, by interviewees background
- on performance and factors influencing this performance
- on alternative options for designing the Delivery System and their necessary conditions

will be formulated on this basis.

This will be summarised and examined by the Core Team. The Core Team will continue the analysis at a cross-country level, comparing the summaries from the Country Teams. Additionally, where possible, we will compare quantifiable findings across elements, Member States, special features of the Member State, Funds or Delivery System (i.e. degree of centralization, scope of Funds, complexity of Delivery System) in question. This will validate and broaden the hypothesis developed at Member State level.

The interviews referring to ETC implementation will be analysed separately. As the number of interviews will be lower than in the case of the other Programmes, quantitative analysis will not be possible to the same extent. Nevertheless, context characteristics of the Member States and programmes should be taken into account.

4.3.2   Web-based survey

Web-based surveys are a strong tool for producing primary information in large quantities. They operate typically with closed-ended questions, while leaving less room for obtaining qualitative information on the evaluation topic. Benefits of a web-based survey are its easy access and economic distribution, reliability of results, easy handling by the participants as well as by the manager of the survey. Moreover, experience shows that the return of an online survey is usually higher than in a paper-based survey. Finally, there is more flexibility in the design of the survey, using activations, images or even dynamic systems to integrate responses of previous respondents in real-time. For these reasons, a web-based survey is the most appropriate approach. In addition:

■ The survey should bring up topics and issues with regard to the Delivery System that were not usually mentioned by actors closely involved in the programme implementation. This requires
   – firstly, a widespread distribution of the survey in order to reach implementing agencies, beneficiaries, PMC members but also representatives of organizations operating in the policy fields affected by Cohesion Policy without being involved directly in the implementation
   – secondly, a relatively open survey-design which stimulates interest
■ The perception of the different stakeholders with regard to the main features and functions of the Delivery System will be explored and differences and commonalities will be highlighted.

Scope of the Survey

The survey will include all types of stakeholders for the different Funds as well as further actors involved in the implementation (see section 3.4). This underlines the importance of the distribution of the survey. Based on our experiences from other projects we assume that data on E-Mail addresses of beneficiaries and stakeholders like e.g. civil society organizations, business associations or local administrations will not be available. Therefore, the Country Teams have to cooperate closely with the national Managing Authorities to explore the possibilities for the survey's distribution. The best way would be that they provide E-Mail addresses of potential respondents. However, where this cannot be done, the most feasible way is to provide an open link with access to the survey for the Managing Authorities and other multipliers, and ask them to distribute the link. This can be done by

■ sending it to all contacts in their subscriber list

■ including it in their newsletter or other digital formats that they use as communication means

■ Embedding it on their homepages

To broaden the scope, a kind of snowball system will be established by asking the respondents either to send the link to other organizations or persons that they consider to be relevant - with regard to Cohesion Policy Implementation - or to name relevant organizations so that the Country Teams can

research and address them. The web-based survey will also be accessible via smart-phones or tablets. This can be done either by using the link. Alternatively, a QR-Code will be generated and distributed.

Time is a crucial issue for all the measures outlined above, especially for the snowball system. That is why the survey must be up and running for at least eight weeks. This is likely to mean that not all of the semi-structured interviews will be finished and analysed before the survey starts. However, a first rough analysis of the interviews will be used to fine-tune the questionnaire, which will be based on the analytical framework of Task 1.

Structure of the survey

The main approach for dealing with perceptions and exploring additional influencing and explanatory factors resembles the one for the semi-standardised interviews. Based on the explorative interviews, a questionnaire for the web-survey will be developed. A clear advantage of this approach is that triangulation can be done more easily. However, it might be necessary to reformulate some questions, or make them more precise, to improve comprehension. Furthermore, web-surveys require a much-focused approach. Long questionnaires will increase the risk that respondents cancel the survey; completing the survey questionnaire should not take longer than about 10 minutes. So when entering the survey the respondents will be presented with an overview of the elements and their short definitions. The navigation of the survey will allow them to choose and to switch freely between the blocks for the elements and even between the element-specific questions in the different blocks.

There will be a quality control exercise approximately three weeks after the web-survey is up and running. This will allow adding, removing or reformulating questions if needed, based on a rough analysis of the first results as well as based on findings from the semi-structured interviews.

To be able to connect the answers of the respondents to the different context characteristics like the scope of funds or the complexity of the Delivery System, respondents need to specify first their Member State and the Operational Programme they are referring to. Like in the semi-structured interviews, the survey will gather some information on the interviewees' background.

Before going live, the survey will be developed in close cooperation with the Commission. Moreover, we will use our national networks to do some pre-tests in the different countries with different types of stakeholders. Consequently, we can make sure that our questionnaire is unambiguous and can be understood.

For the analysis of ETC programmes, the approach for the web-based survey will be the same. In addition to the questions drafted above, respondents will be asked to comment on the specific role of the bi-national setting in the implementation.

Methodology to analyse the results of the online survey

The approach for data analysis will be quite similar to the one for analysing the semi-structured interviews. First, the main context characteristics like scope of funds, centralization or complexity of Delivery Systems must be matched to the data set by using the information on the Member States and Operational Programmes. Then, a first analysis will be performed at Member State level looking for patterns in the responses and possible explanations for them. Special attention should be drawn to the more specific answers by assessing whether these new topics brought up are potentially relevant for a more general analysis or simply reflect regional or Member State related features in the context of Cohesion Policy implementation. Main findings for the Member States and first hypotheses will be summarised by the Country Teams.

Member State summaries will be examined by the Core Team and analysed with a cross-country perspective. Additional analysis will be done to compare assessments across Member States, funds or Operational Programmes based on context characteristics. Depending on the response rate - and the number of cases, we will use techniques for exploring the data set structure, as with cluster analysis, to identify different performance groups. Before applying statistical measures we will chose the samples carefully. In case of changes to the questionnaire, a new sample is created, as the responses to the new formulated questions cannot be aggregated with the ones for the original questions.

The survey will also include open-ended questions. We expect that the answer texts we receive will be able to capture diversity in responses and provide honest, alternative explanations. In order to develop valuable insights here, we will develop a set of categories and sort the answers into these categories. This will allow us to identify answers that are relevant in a quantitative sense and answer that are relevant as they relate to a certain pattern, e.g. intermediate bodies do very often question the use of result indicators. Finally, there will be a qualitative assessment of the responses by the country team in order to find singular answers, which provide new input or ideas.

As mentioned above, due to the time schedule, survey results cannot be integrated into the structured discussions to validate and assess them (see the section below). Therefore, the core team will assess them internally. The main aim will be to connect the assessment of performance with the influencing factors by formulating hypotheses regarding the mechanisms in place leading from single influencing factors to performance differences. These hypotheses will then be tested in the Case Studies.

Once again, findings related to the ETC will be analysed and discussed separately.

The approach outlined above requires very specific technical features of the survey system. In the following table, we explain how we want to design the survey in order to make it user-friendly and generate meaningful results. KPMG has innovative tools for designing web surveys that are tailored to reach a large target group of a wide range of actors. We will enhance respondents to think out of the box, e.g. by presenting them statements putting in question the standard implementation structures and processes. If feasible, we will create word-clouds consisting in the main key words we collected for the elements in our analysis so far and ask them to comment on that.

User-friendly, flexible and inspiring survey design	**Easy navigation via a table of contents:** Respondents will get a survey that is easy to navigate: a table of contents will list the main chapters on the upper left screen that they can select individually and can be accessed at all times. The table of contents will also clearly indicate which chapters of the survey are relevant for each respondent and how many questions are included in each chapter. Within these chapters, respondents will find tailored questions matching their experience as a specific target group. It will also display how many questions are still to be answered in each chapter. This allows the respondents to navigate to those chapters quickly and pick and choose questions they are able to answer. Respondents can declare the survey as completed at any time (even if there are still unanswered questions). **Success factors:** Clear and meaningful headlines, clear definition of target groups (based on the nature of their responsibilities). **Constant visibility of previous questions:** Respondents will be able to scroll through the individual parts of the survey – there are no "next" buttons for individual pages. Headlines will be locked at the top of the screen until the end of a chapter (then the next headline will be displayed). This creates a friendlier browsing experience and ensures that previous questions and answers can be easily and quickly reviewed by the user. **Dynamic adjustment over the course of the study:** Once a significant number of respondents have answered the survey, we will do a preliminary analysis. Based on that analysis we would alter the survey if we judge that better data can be gathered. This might be achieved by adjusting the questionnaire, perhaps where previous contrasting responses indicate that certain questions have been imprecise. In this way, the survey should be highly flexible and interactive. **Success factors:** Information about user country / Operational Programme must be requested to ensure that the previous results will be integrated appropriately. **Language selection:** The user must choose the language in which s/he prefers to read the questions and complete the questionnaire before the survey is started. The language can be selected via a drop down menu that contains all European languages in which the survey is available.
Open and personalised distribution	**Personalised link:** In a first step, specific target respondents (e.g. Monitoring Committee Members and senior policy personnel) will be approached personally: We will send them a personalised link via E-Mail (+ reminders if necessary) as well as track their specific progress. **Success factors:** Simple and meaningful name of the link to allow easy integration into other documents and websites and to ensure that there will be no misinterpretation as spam. Support of managing authorities is needed for address data. **Snowball system:** Target respondents (from the personal approach) will be requested to forward the link to other persons or organisations that are appropriate respondents for this survey. **Success factors:** The survey must be accessible to anyone who knows the open link. **Use of background data:** Where address data is provided to us, we will import them into the system and send out closed links to these specific respondents. **Access via mobile devices:** The tool will also work well on mobile devices, which allows for a highly flexible and comfortable completion of the survey.
Analysis	**Standard programs:** The pool of data generated by the online survey will allow for easy processing and analysing with all commonly available standard programmes (e.g. SPSS, Atlas.ti etc.). We will use a mix of descriptive statistics and qualitative analysis to maximise validity and reliability. **Success factors:** Data output is exportable in various data formats.

Figure 10: Tools for designing web surveys

The following figure shows
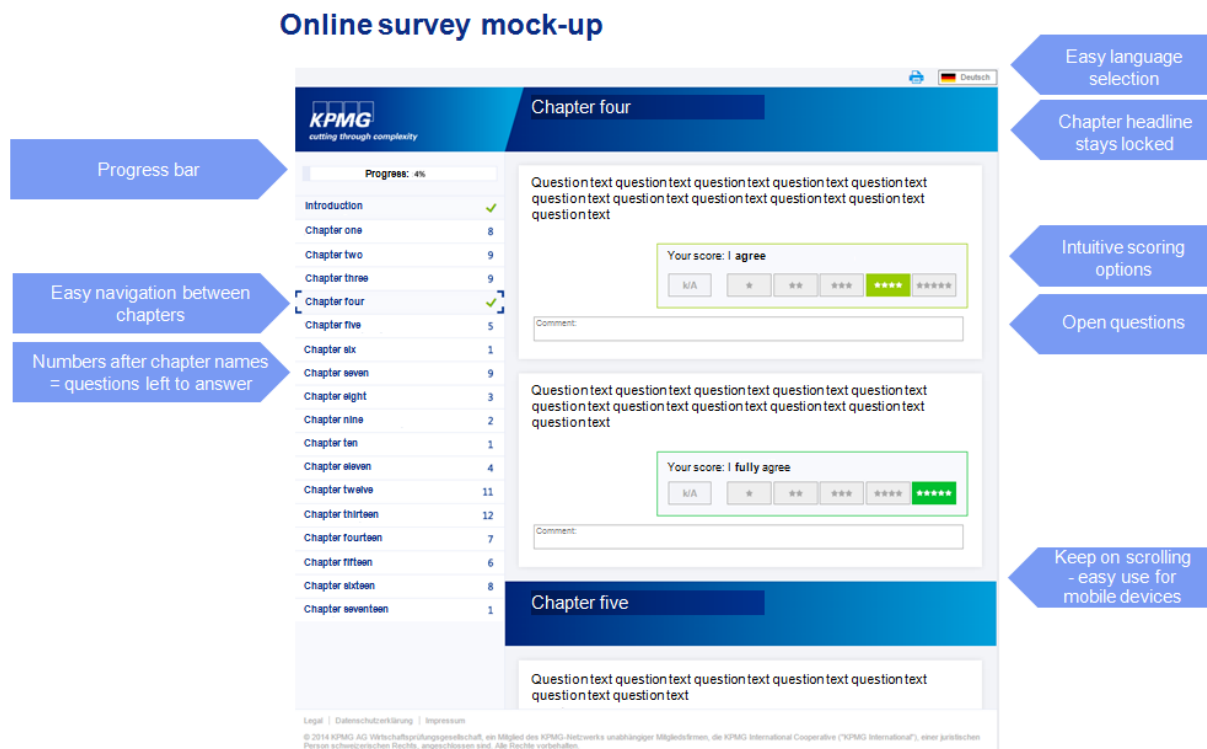
Figure 11: Online survey mock-up

4.3.3 Methodological approach to conducting the structured discussions

Structured discussions or focus group discussions will serve as supplementary tools to stakeholder interviews and the web-based survey in the data gathering process. These focus groups will be ideal for considering opinions and contrasts that arise from the interviews.

As recommended in the tender specifications (p. 13), two sets of focus group discussions will be organised:

- Focus group discussions for "regular" programmes in all Member States (or groups of – smaller and similar – Member States)
- One special focus group discussion for ETC programmes held in Commission premises in Brussels

For the focus group discussions in the Member States, we propose to involve approximately 8-10 participants, representing Managing Authorities, Intermediate Bodies, Members of the PMC, implementing bodies and where feasible Commission representatives (Desk Officers). The focus group discussion for ETC programmes in Brussels will likely have to involve a larger group of experts but should not exceed 20-25 specialists with the same functions than those included in the Member State focus groups.

The main advantage of this structure is that stakeholders from the different Member States can share their opinions and discuss their points of view at the same time, in one place, in a well-structured and properly facilitated manner. Furthermore, these focus groups can discuss the preliminary evaluation findings of the semi-structured interviews with a larger body of experts. While

semi-structured interviews generate mainly facts and figures, the structured discussions will help to identify relationships between the performance assessments and the influencing factors. We can then strengthen the initial hypotheses developed in the analysis of the semi-standardised interviews.

The focus groups will have a clear agenda, issue lists and background material, which are distributed to the participants in advance. The main statistical results for the closed questions will be presented together with the influencing factors related to the different statements.

In the structured discussion, the participants will first assess the relevance of the different factors. Second, they can explored how these factors interact and finally relate to the performance of the Delivery System. Different context factors will be brought into the discussion systematically to analyse their influences on these interactions. Special attention will be drawn to the legislative framework to make sure that the influence of European and national legislation will be discussed in-depth.

The discussion will be led by the Country Teams, Core Team Members will participate where this is feasible with regard to the language of the Member State.

Methodology to analyse results of structured discussions

As a general principle, the structured discussion will leave room for open discussion and encourage participants to explain their full view on the subject. That enables us to understand the issues in a wider context, to identify possible further topics to be addressed during the evaluation and to enrich evaluation findings with a deeper understanding of how Delivery Systems are working in the different contexts. This will also be reflected in the analysis of the structured discussions.

First, the discussions and results will be recorded by the Country Teams. Based on this material the Country Teams will then develop hypotheses on the main mechanisms related to the performance of the Delivery System. These hypotheses will be examined by the Core Team, which will then select the most relevant ones to test in the Case Studies.

4.3.4   Synthesis of results and identification of case study countries

As a result of the comprehensive empirical work in Task 2, we will prepare a summary of the main findings from the semi-structured interviews, the web-survey and the structured discussions.

Based on these in-depth findings, we will then be able to identify meaningful case study countries. Further description of the case study analysis process is presented in Task 3.

4.4 Task 3 – Case studies in selected Member States

Objectives:	By the means of case studies, the objective of this task is to: Validate through in-depth discussion in certain Member States and regions the analyses conducted under task 2. Review to what extent stakeholders in the Member States believe weaknesses identified in the 2007-2013 period have been addressed in the 2014-2020 Delivery System. Investigate whether use was made of simplified cost options and, if used, what their effectiveness was.
Outputs:	A third Interim Report including short reports for each Member State (8 reports in total) and a summary; a pilot case study completed in advance and submitted to the European Commission for feedback; Progress Reports.
Key team members involved:	Core Team, Country Teams, Brussels coordination.
Timing / Days dedicated to task:	Within 10 months / 144 days allocated

4.4.1 Methodological approach for conducting the case studies

Case studies aim to challenge, validate and explain the outcomes of **Task 2**, and feed additional information into **Task 4**. They should analyse and describe the context (policy, programme) and the delivery mechanism(s), with the focus on programming, project selection, compliance with EU and national law, financial management and control, monitoring, evaluation and reporting functions.

Case studies build on, and expand evidence collected in previous project phases. They aim to provide causal and explanatory analysis regarding the draft judgements made in Task 1 and Task 2. In order to do so, case studies are designed to test the hypotheses developed at the end of Task 2.

Analytical framework for the case studies

For testing these hypotheses, case studies generally will address the **following questions**:

- How can the local context be described?

- Who are the local stakeholders, what is their stake in programme implementation?

- What were the stakeholders' expectations regarding the Delivery System, and to what extent have those been met?

- To what extent have the identified Delivery System elements helped Performance (using the performance criteria)? What are the "Delivery System elements & Performance Criteria" combinations that are most relevant at local level (within the conceptual framework developed in Task 1 – maintain focus on green cells)?

- Can further confirming or disconfirming evidence be found regarding the findings of Task 1 and 2? Are they complete; do they reflect inputs from all relevant stakeholders – taking due account of the potential bias of different information sources?

- For what type of operations have simplified cost options been used, and what is their effectiveness (especially in terms of absorption and regularity)?

- What are the main features, outcomes, and foreseen effectiveness of implementing Cohesion Policy at local level?

- What are the possible options to enhance the effectiveness and efficiency of the Delivery System at local level? (strengths, weaknesses, possible trade-offs)

- To what extent are these options context-dependent (country-specific)?

- How far weaknesses in the 2007-2013 period have been addressed for 2014-2020 delivery system?

These questions can be answered partly by the evidence collected in the previous tasks.

Review of the application of **simplified cost options** and the types of operations where they are applied (in line with Regulations (EC) No 396/2009 and 397/2009) will take place at this stage, with special attention to their absorption rate and regularity, as well as their preliminary, reasonable, equitable and verifiable calculation. We will explore:

- Indirect costs declared on a flat rate basis:
  pre-determined eligibility rules; clear definition of direct and indirect costs; special attention to the verification of direct costs that serve as the basis of indirect costs; ensuring publicity and transparency

- Flat rate costs calculated by application of standard scales of unit costs:
  preliminary calculation; differentiation regarding various types of operations funded; verification of the actual activities with particular importance of on-the-spot checks

- Lump sums:
  calculation of lump sums in advance; particular attention to defining the basis upon which payments are made; avoidance of 'purely outcome' or 'too binary' approaches; verification of the actual activities with particular importance of on-the-spot checks.

Following from the questions above, the schematic content of the case studies, their respective information sources, and the links with other tasks are summarised below.

Case study content	Information source	*Links with other Tasks*
Local context		
Macro level country data	Eurostat, national statistical offices	*Information fed from Task 1*
Local political system and public administration in which Delivery Systems operate	National legislation Literature	Deepen information gained in Task 1
Delivery of Cohesion Policy		
Features of the local Delivery System (including ETC)	European and national legislation Programme documents Web sites of implementing organizations (Managing Authorities, Intermediate Bodies, Joint Technical Secretariats) Literature, evaluations	*Information fed from Task 1*
Headline figures for Cohesion Policy delivery	EU level monitoring information Local monitoring data, if needed	Deepen information gained in Task 1
Evidence available on (interim) effectiveness of Cohesion Policy delivery	Evaluation studies (on-going, perhaps some early ex post evaluations) Literature	New information
Stakeholders' role in policy delivery		
Scope of local stakeholders	National legislation Programme documents Public consultation documents (programming) Participants of events on Cohesion Policy Members of the Managing Authority, Joint Technical Secretariats and Intermediate Bodies (pointing out	Deepen information gained in Task 1 and Task 2 (especially as regards unexpected survey respondents)

Case study content	Information source	*Links with other Tasks*
	further stakeholders) Members of the Certifying Authority and Audit Authority, where appropriate Evaluation studies Web-based survey	
Interest and power of local stakeholders regarding Cohesion Policy delivery	Evaluation reports Web-based survey Evaluators' judgment	Deepen information gained in Task 2
Expectations of stakeholders, and the extent to which they have been met	Web-based survey Members of the Managing Authority, Joint Technical Secretariats, and Intermediate Bodies Members of the Certifying Authority and Audit Authority, where appropriate Public consultation documents (programming)	Deepen information gained in Task 1 and Task 2 for new, or more segmented stakeholders
Efficiency and Effectiveness of the Delivery System – contribution of Delivery System elements to performance criteria		
Further evidence on Performance Criteria at local level (accountability, legality and regularity, result orientation, timeliness, responsiveness, administrative costs)	Interviews with a larger group of stakeholders, as identified in the stakeholder analysis Further literature, evaluation studies Reflection on the web-based survey	Contrasting findings in Task 1 and Task 2 with new information (testing)
"Delivery System element & Performance Criteria" combinations that bear most relevance at local level (in view of the findings)	Focus group discussions (discussion of findings) Evaluators' judgment	Deepen information gained in Task 1 and Task 2
Evidence on the use, absorption, regularity and effectiveness of simplified cost options	Programme documents Interviews Benchmarking – Flemish ESF Agency (most advanced in using simplified cost options)	New information
Reflection on the validity of findings of Task 1 and Task 2 (confirming/disconfirming evidence, completeness)	Focus group discussions (discussion of findings) Evaluators' judgment	New information
Assessment of the effectiveness of the Delivery System in view ■ local context ■ expectations of stakeholders ■ policy outcomes	Focus group discussions (discussion of findings) Evaluators' judgment	New information, feeds into Task 4
Lessons learnt, and future outlook		
Identified good practices and weaknesses	Focus group discussions (discussion of findings) Evaluators' judgment	Deepen information gained in Task 1 and Task 2, information feeds into Task 6
The extent to which weaknesses have been remedied in the new programming period	New programming documents Literature (academic, "grey") Stakeholder interviews	Deepen information gained in Task 1 and Task 2, information feeds into Task 6
Possible options to enhance the effectiveness and efficiency of the Delivery System – with focus on practical changes required	Stakeholder interviews Focus group discussions (discussion of findings) Evaluators' judgment	New information, feeds into Task 4, Task 6
Context-dependency of the options (extent of applicability in	Stakeholder interviews Focus group discussions (discussion of findings)	New information, feeds into Task 4, Task 6

Case study content	Information source	Links with other Tasks
different contexts)	Evaluators' judgment	

4.4.2   Case study concept

In view of the above information needs, the logical sequence of reaching case study conclusions is summarised below.
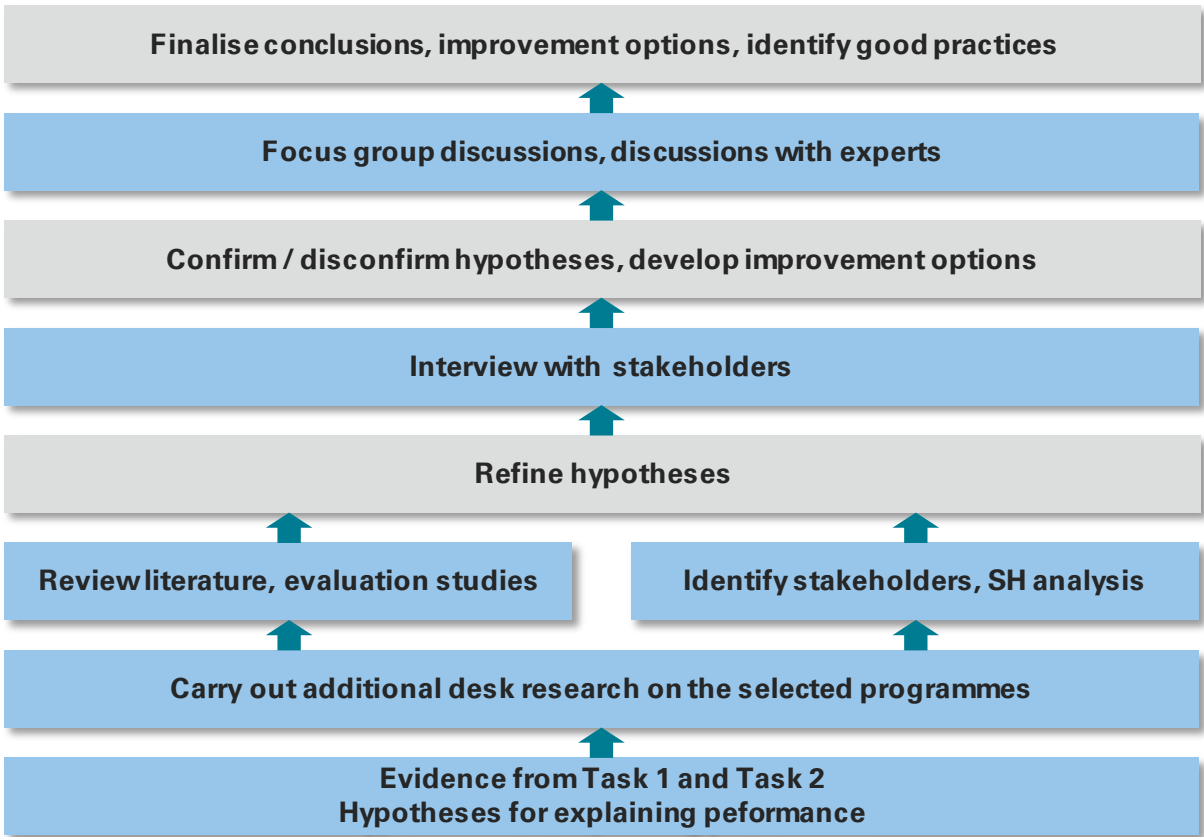
Figure 12: Approach for case studies: reaching conclusions

Case studies start with the organisation and review of **evidence from Task 1 and Task 2** (desk research, review of legislations, review of literature, interviews with the Commission, semi-structured interviews, web-based surveys etc.)

This is followed by additional **desk research** in view of the information need of case studies, especially for the hypotheses developed under Task 2. For example, information might be collected on the application of simplified cost options or the main features of the indicator set. Desk research may result in the identification of further local data sources.

Desk research will lead to the review of additionally identified **literature** and **evaluations** and, in parallel, to the identification of stakeholders, stakeholder analysis and assessment of the Delivery Systems in the light of stakeholder expectations (testing and/or deepening conclusions reached under Task 1 and Task 2).

Based on this, the **hypotheses** developed at the end of Task 2 will be **refined** in an internal work session between Core Team and Country Teams.

Subsequently, we will conduct semi-structured interviews with the different groups of **stakeholders** (see section 3.4)

- **involved in the management of the funds** (up to 5 telephone interviews)
- **Involved in the implementation of funds** (up to 5 telephone interviews).

To counteract for potential bias, as discussed above, we intend to

- prepare with facts and evidence in advance for the interviews (from Task 1 and 2)
- lead an evidence-focused discussion (ask for confirming evidence for statements)
- apply questions to multiple stakeholders, discuss potentially inconsistent answers to surface facts and reasons
- ask open questions (e.g. reasons behind facts)
- apply no preconceptions in the formulation of questions

Based on the above findings, we will be able to **judge** our **hypotheses** (confirm or disconfirm them) and explain the influence of the different context characteristics. Furthermore, we will be able to **develop possible options** to improve the effectiveness of the Delivery System.

That interim result will be reviewed by the **Independent External Experts**, and will be subject to **focus group discussions**. The latter will aim at challenging and refining our findings and the developed options. They will be organised according to the elements of the Delivery System, putting more emphasis on those being in the focus of the respective case studies. We will ensure that at least one ETC Operational Programme will be included in each country case study, for which a separate focus group will be set up.

As a result, evaluators can **finalise** conclusions and options for future improvement, identify good practices and lessons learnt.

4.4.3   Select case study countries, identify pilot country

There will be a **two-level approach** to the case studies.

At the first level, the more general steps of synthesising previous findings, additional literature and data research, as well as the stakeholder mapping and assessment of the Delivery System will be done, at Member State or regional level. This should provide a broad understanding of the context for the specific topics analysed within the further steps.

At the second level, the semi-structured interviews will focus on a set of actors involved in the implementation of **selected Operational Programmes** (to be confirmed by DG REGIO) in order to gain an in-depth understanding of specific mechanisms and processes. The number of programmes will be selected with a view to covering all three funds and programme types in the countries concerned. These will enable the formulation of synthetic judgments that are based on comparable elements across countries. The scope of selected Operational Programmes will vary across Member States, also taking into account the total programme portfolio, but will typically include:

- 1 national ERDF/CF Operational Programme
- 1 regional ERDF Operational Programme
- 1 ESF Operational Programme
- 1 ETC Programme

The composition of the Focus Groups should follow the same principle.

Early identification and selection of Member States/regions and Operational Programme is key in order to contract and mobilise Country Teams, and start preparatory activities in due time.

The Tender Specifications require **eight case studies** in selected Member States, one for either Romania or Bulgaria, Poland, and six other Member States (of which at least three should be conducted in Competitiveness regions or Member States). The figure below presents the Member States by objectives and therefore the first framework for case study selection
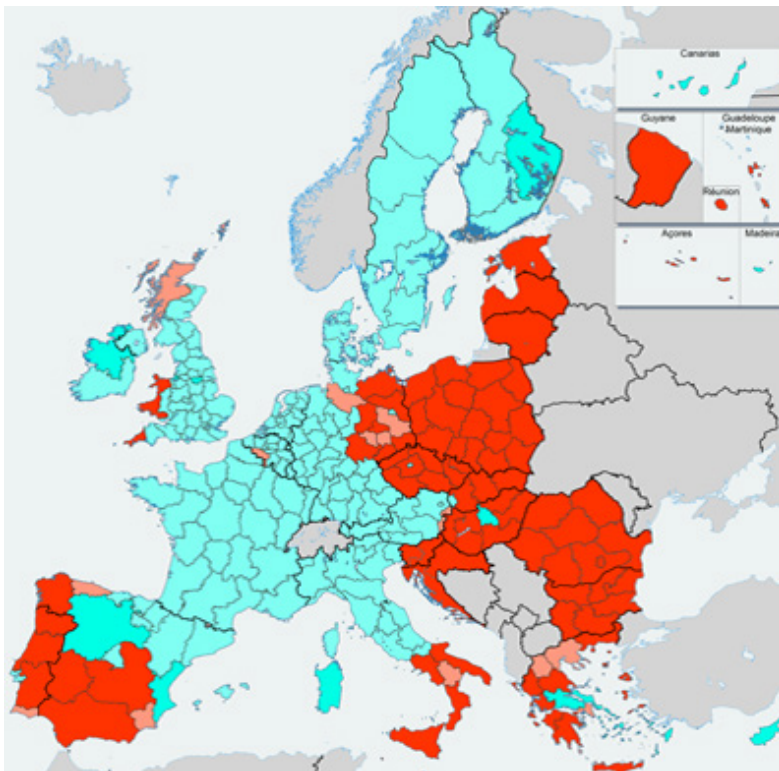
Figure 13: Overview of regions eligible for convergence and competitiveness objectives
Source: DG REGIO website

Red = regions of the Convergence Objective
Blue = regions of the Regional Competitiveness and Employment Objective

We will categorise Member States and Operational Programmes across selected variables (data is being collected during Task 1), which will set the ground for the selection of the case studies. We will take care that each main cluster will be represented in the selection.

Furthermore, findings on performance will guide our selection, especially findings generated in Task 1 due to the early selection of countries. Those will already give us indications of good and bad performing Member States and regions.

Out of this selection, one Member State or region needs to be selected as a pilot case study. One option could be to select one of the Polish regions for this purpose.

The list of case study countries, as well as the pilot country, will be approved by the Commission. We plan to draft a first suggestion for case study selection during February 2015, together with the First Interim Report. A final decision on case study selection must be made latest by April 2015, while the pilot case study will be selected by February 2015.

4.4.4 Conducting a pilot case study

The detailed methodology for the pilot case study will be developed after case study selection. Since the methodology depends on the activities of Task 2, it will be developed gradually throughout Task 1 and Task 2.

The roadmap will follow the structure introduced in Section 4.4.2. The draft methodology will be reviewed by the Independent External Experts, and will be shared with the Commission for discussion. The draft methodology is planned to be circulated by March 2015 and to be approved by **April 2015**.

The pilot case will be carried out under the close supervision of the Core Team. They will explain the methodology to the Country Team, select focus Operational Programmes, participate in key meetings, help Country Teams carry out pilot activities and help them document findings.

The pilot case study will result in a short report on the Member State and a summary. The results will be provided for the Commission review and discussion. Following that, the Core Team and the Country Teams will internally discuss the experience of the case study in order to identify potential areas for improvement as regards organisation of field work, conduct of interviews, completeness of information, assessment and validation of findings, template structure, and form of presentation.

Commission feedback on the pilot case study will be subject to internal discussion within Core Team, as well as three key Independent External Experts. The external validation of analysis is to be facilitated by the iterative discussion process of the Core Team and the Country Team. The Core Team will be also responsible for the harmonisation of the narrative style of the case studies and coherence of presentation.

The whole process will be completed by the end of **May 2015**.

4.4.5 Conduct the remaining case studies

The methodology will be refined as a result of the pilot case study. The Core Team will prepare **methodological fiches** for field teams that include practical step-by-step information on carrying out the case studies, specifying

- aims and background of the exercise
- definition of key terms
- the case study procedural steps
- the proposed focus Operational Programmes (can be updated by the inputs of the Country Teams)
- the indicative list of stakeholders to contact
- hypotheses developed
- interview guidelines (topics, questions)
- templates to record information
- documentation template (short report, summary)

Subsequently, the eight Key Local Experts will gather for a **joint training organised by the Core Team**. They will go through the elements of the methodological fiche, discuss remarks and questions of the field teams, and initiate changes if required. During the process, team members also develop a common understanding of terms, which will be key in providing consistency of results.

As a result, field teams will be able to kick-off case studies in the next step. The training will be completed by the end of **May 2015**.

The case studies will be carried out by the Country Teams, following the guidelines of the methodological fiche.

The Core Team will supervise the work, act as a help desk for Country Teams, and answer any questions raised during the process. If necessary, they will travel on the field, and participate in key meetings to facilitate the process.

In particular, the Core Team will check the quality of progress at the following control points:

- final list for stakeholder analysis, stakeholders to be contacted
- final hypotheses to be tested
- results of interviews with key stakeholders
- final documentation (short report, summary)

The process will result in a **short report** and **summary** for each country. Case studies are expected to be completed until **July 2015** (leaving August for internal discussion).

The aim of the summary is to present the main conclusions on effectiveness and efficiency of the different Delivery Systems. The performance of each element will be evaluated according to the criteria of legality and regularity, accountability, result orientation, timeliness, responsiveness and administrative costs to both Member States and beneficiaries. Conclusions will be presented in a structured and concise manner. The summary will also highlight good practices, examples of malfunctioning, and assess the strengths and weaknesses associated with the application of simplified cost options.

Country case studies will be finalised following a critical review by the Core Team (including team leaders for each selected country), with harmonisation of the content across countries. This might require minor additional field work at country level, typically in the form of follow-up questions to interviewees and clarification questions regarding the various phases and aspects of the individual implementation systems.

The outcome of Tasks 3 (and 4) will be documented in the **Third interim report**, to be delivered by **September 2015**.

A provisional list of information sources and stakeholder can be found in Annex 6.3

4.5 Task 4 – Developing a set of options to enhance effectiveness and efficiency

Objectives:	The objective of Task 4 is to outline a set of options for the enhancement of effectiveness and efficiency of the Delivery System, for each element. These options will form the basis for discussion with the Steering Group on ways to improve the performance criteria. Potential trade-offs between the identified options, as well as their strengths and weaknesses, will be highlighted and discussed.
Outputs:	A discussion paper sketching out proposed practical changes for each element of the Delivery System, their strengths and weaknesses, possible trade-offs. Interim Report, Progress Report.
Key team members involved:	Core Team together with the Independent External Experts.
Timing / Days dedicated to task:	Within 10 months / 81 days allocated.

Overall approach

The aim of this Task is to develop a set of options outlining possible interventions to improve the efficiency and effectiveness of the Delivery System, in light of the performance criteria as identified in the Tender Specifications, and as operationalised in Tasks 1, 2 and 3.

For each element in the Delivery System, we will aim to suggest options that are pragmatic, relevant, and coherent:

- Pragmatism: our recommended improvements will be driven by practical considerations to ensure that changes can be implemented. This has to dimensions. The first one is the question under which conditions in general the options can be implemented regarding the legislative background, structures and capacities needed or strategy of the Operational Programmes. The second one is an assessment from a Member State perspective. This is about judging whether certain changes could be implemented regarding the socio-economic, administrative or cultural background.

- Relevance: we do not aim at providing one-size-fits-all solutions. Options for improvement outlined by our evaluation will be tailored by clustering countries and regions according to relevant criteria (e.g. quality of governance and administrative capability as identified in Task 1, sector of activity, objective of the programme, delivery set-up). The context in which our options are relevant will be specified case by case.

- Coherence: elements in the Delivery System of Cohesion Policy are linked to each other, and changes in the set-up of one can affect the performance of another, both positively and negatively. Hence, while every option identified under this task shall aim at improving weaknesses of the element under consideration, this should not worsen or jeopardise effectiveness and efficiency of other elements. When this is not possible, trade-offs will be clearly identified and discussed.

In conducting the analysis, we will adopt the analytical approach described broadly in section 3.2. The analysis of the views of experts and stakeholders set the ground for an assessment of good and bad performance and enable us to understand strengths and weaknesses of the system. Findings on influencing factors, mechanisms and processes can be used to explain these performance differences and hints at where to tackle implementation failures. Synthesising this will lead to a set of options for amendments of the Delivery Systems in different context conditions, outlining the benefits and trade-offs of each option. As explained in the previous sections of the report, this

strategy will guide us in our approach for conducting interviews, web-survey, discussions and case studies but will also serve for an overall analysis of the findings throughout the different tasks.

It is premature to put forward definitive options at this stage of the study. However, it is useful to consider how these options will be presented and discussed.

Element	Possible Options		Trade-Offs		Necessary Conditions	
	from…	to…/versus	potential advantages	potential disadvantages	Within the Delivery System	External Factors
Programming						
Project Selection						
Compliance						
Financial Management/ Control						
Monitoring						
Evaluation						
Reporting						

Figure 14: Type of options that can be explored in the evaluation

For each of these options the mechanisms underlying them will be explained, as, for example, how a narrow set of indicators can contribute to more accountability. Success factors within these mechanisms will be identified - for example - a clear and common understanding of the indicators' definition on all administrative levels. As different options might be suitable in one context and not in the other, we will discuss how the different external factors variables influence these options and which option is suitable for which conditions, referring to the contextual framework elaborated during Task 1 (see section 3.4). For example, a very narrow, standardised set of indicators might be the best solution in regions or Member States where the administrative system is much centralised and the scope of the funds is limited compared to national spending in the respective policy fields. On the other hand, a very broad set allowing for specific indicators might be appropriate in a more decentralised setting, where funds spending make up a large part of the budget for this policy field. Thereby it is crucial to differentiate between factors that could be changed by the European Commission within regulation or by other means and factors that must be accepted as given conditions.

Process for development

The set of options will evolve from the evidence gathered during tasks 1 to 3 as described in section 3.2. However, we are assuming that the very broad scope of the evaluation will produce a wide variety of options. Therefore, the main challenge in Task 4 will be to a pragmatic, relevant and consistent set of options. This will be done by the following steps:

- **Summary of all options on Member State Level:**
  The Country Teams will prepare an overview of the options mentioned at Member State Level together with an assessment of possible bias or interests of the stakeholders regarding these options.

- **Synthesis of options**
  The summaries provided by the Country Teams will then be synthesised by the Core Team, if possible clustered for elements and/ or specific external factors of the Member States

- **Systematic assessment of the options**
  The broad set of options will systematically be assessed in an internal workshop by the Core Team and the Independent External Experts. We will apply various criteria that will serve as a filter to narrow down the broad range of answers to a feasible set of option. This criteria will include at least:

  – evidence from existing information regarding the option

  – frequency of survey and consultation answers referring to the option

  – assessment of potential nature and potential bias of respective responses

  – assessment of potential risks and challenges when implementing this option

  – assessment of potential costs for the option

  – assessment of potential effects of the option

- **Reflection with Country Teams:**
  The resulting set of options will then be discussed in smaller groups of Country Teams to discuss if and under which conditions these options will be transferable to Member States. The Country teams will be asked to assess the different options. We will apply an approach of systematic option evaluation based on the criteria of feasibility of implementation regarding the socio-economic and the potential for improvement in the Member State. If needed we modify the set according to the feedback of the Country Teams.

- **Reflection with the Commission**
  Finally the draft version of the discussion paper on the set of options will be discussed with the Steering Group to integrate the Commission's perspective as well.

Reporting

The outcome of Task 4 will be documented in a separate discussion paper, which will also be presented and discussed in a Steering Group meeting.

Task 4 will provide important input for Task 6 (final report), especially for the mini-case studies, as we will select the two good practice examples for each element based on this discussion paper.

Development and reporting on options regarding Task 5 (technical assistance) are described in Section 4.6.

4.6 Task 5 – Assessment of capacity building financed by technical assistance

Objectives:	To review the performance of administrative capacity building financed by technical assistance in selected Member States.
Outputs:	Short reports for each case study (Bulgaria, Romania, Greece, Poland, Italy, the Czech Republic and Slovakia) and a summary. Progress Reports.
Key team members involved:	Core Team, Country Teams, Brussels coordination
Timing / Days dedicated to task:	Within 11 months / 107 days allocated

Under General Regulation 1083 of 2006, Article 4 (3), ERDF, CF and ESF funds may finance *"the preparatory, management, monitoring, evaluation, information and control activities of operational programmes together with activities to reinforce the administrative capacity for implementing the Funds within the following limits: (a) 4% of the total amount allocated under the Convergence and Regional competitiveness and employment objectives; (b) 6% of the total amount allocated under the European territorial cooperation objective"*.

Technical assistance may therefore support a wide range of activities including planning selection, monitoring evaluation and control activities, together with measures to reinforce the administrative capacity of implementing bodies.

The Regulation also allows for variable architecture in how technical assistance is programmed, i.e. in a single Technical Assistance Operational Programme or within sectoral Operational Programmes (normally as a priority) or a combination of both.

The task aims to identify relevant issues concerning the use of technical assistance, and to assess the performance of administrative capacity building financed by technical assistance in 7 selected Member States, i.e. Bulgaria, Romania, Greece, Poland, Italy, the Czech Republic and Slovakia.

4.6.1 Methodological approach

We apply the definition of Boeckhout et al (2002) for **administrative capacity**:

"the ability and skill of central and local authorities to prepare suitable plans, programmes and projects in due time, to decide on programmes and projects, to arrange the co-ordination among principal partners, to cope with the administrative and reporting requirements, and to finance and supervise implementation properly, avoiding irregularities as far as possible."

Administrative capacity building is understood as the purposeful activity of enhancing this specific ability and skill of the institutions involved in delivering Cohesion Policy. It implies that financing day-to-day activities, or the development of general administrative capacity is not considered as capacity building. Typical examples of capacity building projects include:

■ enrolling staff in professional trainings (related technical trainings, e.g. on-the spot checks, skill and competence based trainings – e.g. communication training for front desk officers);

■ facilitating exchange of experience and knowledge sharing;

■ hiring new, additional employees dedicated to Cohesion Policy delivery;

- contracting a pool of external experts (for public procurement, audit, evaluation, legal representation, external communication etc.);
- expanding advisory networks;
- developing monitoring IT systems;
- re-organising processes and organisations;
- developing or improving rules and procedures;
- developing governance structures of the involved organisations.

We interpret the **performance** of administrative capacity building as

1. spending resources in the right fields
2. implementing effective and sustainable projects.

We apply the above-referred study's classification (Boeckhout et al, 2002) to define fields of capacity development, which are as follows.

*"**Structure** relates to the clear assignment of responsibilities and tasks to institutions, or better at the level of departments or units within these institutions. This assignment refers to a range of Structural Funds tasks, including management, programming, implementation, evaluation & monitoring and financial management & control. Structure also relates to supervisory and ancillary bodies, such as Monitoring Committees, auditing tasks, partnership, etcetera.*

***Human resources** relate to the ability to detail tasks and responsibilities at the level of job descriptions, to estimate the number and qualifications of staff, and to fulfil the recruitment needs. Securing the timely availability of experienced, skilled and motivated staff is a key success factor in the management of the Structural Funds. […]*

***Systems and tools** relate to the availability of instruments, methods, guidelines, manuals, systems, procedures, forms, etc. In brief, these are all job-aids that can enhance the effectiveness of the functioning of the system. Systems and tools enable organisations to transform tacit and implicit knowledge (within the heads of individual people) into explicit knowledge that can be shared across organisations. Systems and tools therefore make organisations less vulnerable (e.g. when key staff is leaving), reduce the risk of malfunctioning and enhance overall effectiveness."* [20]

To ensure consistent terminology across Tasks, we use a simple **administrative capacity grid** (as also proposed by the above study), matching the three categories above and the seven elements of the Delivery System. The aim is not to apply another complex structure, but to ensure that the different aspects of capacity building are consistently taken into consideration throughout the exercise.

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[20] It should be noted in the present context that this typology as originally designed relates to the overall management and implementation system and not specifically to Technical Assistance. Our approach to its use in this specific context will therefore be to classify the potential aspects of the wider system benefiting from Technical Assistance into these three categories.

	Structures	Human resources	Systems and tools
Programming			
Project selection			
Compliance with EU and national law			
Financial management and control			
Monitoring			
Evaluation			
Reporting			

Figure 15: Administrative Capacity Grid

Source: KPMG, Prognos

> For instance, a well-functioning evaluation system requires **structures** (designated evaluation responsibilities), **human resources** (availability of independent evaluation expertise), and **systems and tools** (standards, evaluation procedure). If both Commission officials and external evaluations criticise low quality evaluations, the grid helps us identify that "Evaluation/Human resource" is a relevant issue. Following that, the evaluation will analyse whether the identified issues and the supported technical assistance projects show similar patterns.

Identifying relevant issues concerning the use of technical assistance as a means of improving the delivery system

The evaluation will start with desk research and interviews with Commission officials (DG REGIO and DG EMPL). During this process, the 'Competence Centre Administrative Capacity Building; Solidarity Fund' will be consulted to further elaborate the findings of the interview carried out in Task 1. Reports commissioned and provided by the competence centre, together with the series of interviews and the outcomes of previous Tasks will be the main sources of evidence regarding the relevant issues concerning technical assistance. During the discussions, the evaluators will look for factual and anecdotal evidence on the practice of different Member States.

The administrative capacity grid will be used to organise the evidence specifically related to administrative capacity. These will include the issues raised by Commission officials, the capacity gaps identified in the concerned Operational Programmes (and intervention logics, if included), the outcomes of Task 2 (on-line survey, interviews) and Task 3 (case studies), and the findings of evaluation reports, studies and other relevant literatures.

Assessing whether technical assistance resources have been spent in the right fields

Managing Authorities are required to ensure that capacity building activities financed from technical assistance contribute to the relevant fields identified above (i.e. structures, human resources, systems and tools).

The outputs of the interviews and the desk research will help us classify capacity development projects in the seven case study Member States, the list of which will be requested from Managing Authorities, for a project level analysis (in the ideal case, fields include beneficiary name, project title, contracted amount, total project value and contact person). The classification might require that the evaluators contact the Managing Authority for further details on the projects if project titles are not found as helpful indications for content.

The evaluators will compare the relevant issues identified before and the implemented project portfolio, and analyse whether projects have attempted to address those critical issues. Following that, the Managing Authorities of technical assistance programmes will be interviewed.

The Core Team will perform **two detailed capacity building project overviews** for each of the seven case study countries. The aim is to gain a deeper understanding of certain interesting issues related to capacity building. Since these will only be known after the previous steps are finished (project lists are analysed, problematic areas are known), the selected sample of projects will be proposed during the performance of Task 5. In principle, the purposive samples will include different types of capacity building projects related to the three dimensions: structures, human resources and tools. The projects will be selected with a view to providing information on both the successes and failures of capacity building activities. To gain specific information, project documentation will be reviewed and interviews will be carried out with project co-ordinators. The detailed overview will also cover the aspects of effectiveness and sustainability (see below).

Analysing the evidence above, and the stated objectives of the programmes, the evaluators will judge whether the activities funded were relevant for capacity building in the seven case study Member States.

Assessing whether capacity building projects have been effective and sustainable

If relevant activities were implemented, technical assistance funds are expected to result in improved capacities at the targeted organization(s). In addition, these effects should last long and are embedded in the organisational structures.

Effectiveness and sustainability of capacity building projects are often difficult to measure by objective means. Therefore, we apply a mixed method approach, building on multiple information sources.

Firstly, wherever such data might exist, indicators of relevant technical assistance projects are examined (this is expected not to be available for a high number of the case countries though). Information might be found in internal monitoring reports, or latest project progress reports (which are expected to be made available by Managing Authorities).

Next, similarly to the previous topic, evidence from literature and previous tasks will be reviewed.

Third, Managing Authorities will be asked to prepare a simple **self-assessment** regarding the improvement of administrative capacities. We will select the 8-10 most relevant issues for the Member State, and ask the Managing Authority to evaluate the "pre" and "post" programme situation on a scale, while highlighting the role of the financed projects in this change, and its sustainability. Being aware of the bias of such an assessment, the information gained will be contrasted with the

- factual evidence available on administrative capacities (e.g. headcounts, number of qualified in-house personnel in a specific subject);
- reports and interview outcomes of the Competence Centre (e.g. salaries study), including country level factual and anecdotal evidence;
- outcomes of other Commission interviews;
- findings of evaluation reports and studies concerning technical assistance and administrative capacities;
- lessons learnt from the 2 in-depth project overviews;
- outcomes of Task 1, Task 2 (especially the on-line survey) and Task 3; and
- further interviews at local level, if triangulation of the information gained is not possible.

Wherever a positive or negative impact is recorded, supporting evidence is asked for (this may be any documentation, data, evaluation report, etc.). The assessment is not primarily meant to record the absolute changes in certain variables, but to record directions of change and the role of technical assistance projects.

The outcomes will be discussed with the Managing Authority in the form of a semi-structured **interview**. We surface explanations behind the evidence and possible options for the future.

Outline of the case studies

Following from the questions above, the schematic content of the seven case studies, their respective information sources, and the links with other tasks are summarised below.

Case study content	Information source
Administrative capacity building in Cohesion Policy programmes	
Use of technical assistance for capacity building in Cohesion Policy programmes (separate Operational Programme and/or part of sector or regional Operational Programmes)	Web sites of implementing organizations (Managing Authorities, Intermediate Bodies)
Description of the supported project portfolio related to administrative capacity building (number, value, timing etc.)	Project list provided by the Managing Authority Managing Authority (interviews) Evaluations, studies, reports
Description of the projects selected for detailed overview, reasoning of selection	Project list provided by the Managing Authority Managing Authority (interviews)
1. Were the funded activities relevant for capacity building?	
Key issues in administrative capacity building (for the country)	DG REGIO, DG EMPL officials Evaluations, studies, academic papers Managing Authority (interviews)
Fields supported by capacity development projects	Project list provided by the Managing Authority Managing Authority (interviews)
Concepts of funded projects and evidence on their relevance for capacity building	Project list provided by the Managing Authority Managing Authority (interviews) Project documentation Outcomes of the detailed overview of selected projects
Conclusion on the relevance of spending on capacity building	*All the above*
2. Have capacity building activities been effective?	
Main concerns regarding the effectiveness of capacity building activities	DG REGIO, DG EMPL officials Evaluations, studies, academic papers Managing Authority (interviews)
Self-assessment of authorities	Managing Authority (self-assessment, follow-up interview)
Concepts of funded projects and evidence on their relevance for capacity building	Project list provided by the Managing Authority Managing Authority (interviews) Project documentation Outcomes of the detailed overview of selected projects
Conclusion on the effectiveness of spending on capacity building	*All the above*

Case study content	Information source
3. Are the achievements likely to be sustainable?	
Main concerns regarding the sustainability of capacity building activities	DG REGIO, DG EMPL officials Evaluations, studies, academic papers Managing Authority (interviews)
Self-assessment of authorities	Managing Authority (self-assessment, follow-up interview)
Concepts of funded projects and evidence on their relevance for capacity building	Project list provided by the Managing Authority Managing Authority (interviews) Project documentation Outcomes of the detailed overview of selected projects
Conclusion on the sustainability of spending on capacity building	*All the above*

Case study countries

The list of Task 5 Member States is already pre-defined in the Tender Specifications, in contrast to Task 3. The Technical Assistance case study methodology will benefit from development and **piloting** in a single Member State. Our proposal is that the choice of this Member State be the same as the Task 3 pilot case study, i.e. that the Tasks 3 and 5 pilot Member State be chosen jointly and be the same. This would create useful synergy between the piloting of the two Tasks as well as synergy in the actual implementation of these two elements of the work programme.

Summary of approach

In view of the sections above, the logical sequence of reaching conclusions is summarised below.
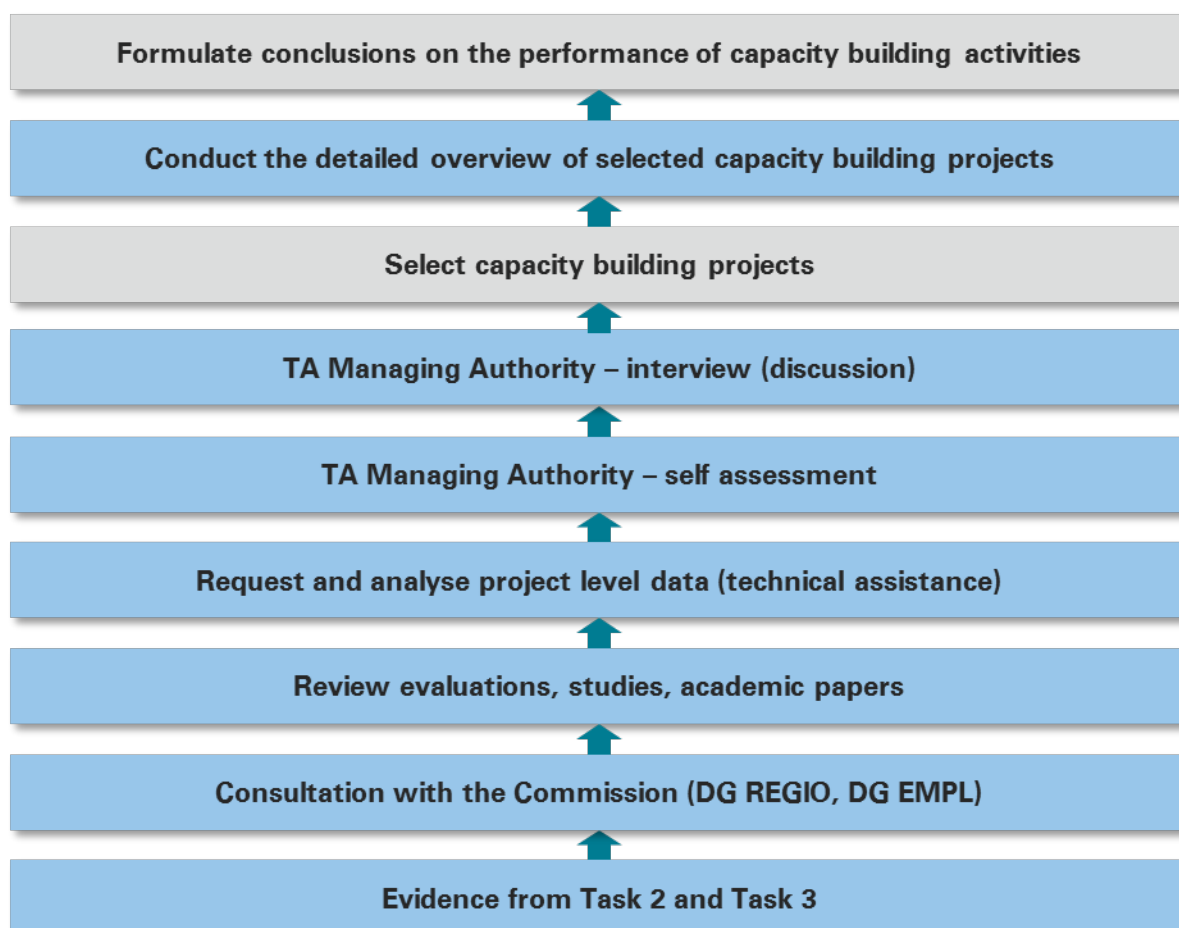
Figure 16: Approach for Task 5: reaching conclusions
Source: KPMG, Prognos

4.6.2 Consultation with the Commission

As a first step, meetings will be organised with DG REGIO and DG EMPL. The purpose of these meetings will be to identify the relevant issues concerning the use of technical assistance as a means of improving the delivery system, and to develop a clear understanding of the overall requirements, of the Commission perceptions of the seven case study countries, and of the reasons for their pre-selection as technical assistance case studies. The meetings will also discuss relevant information and data sources, as well as anecdotal evidence.

Consultation with the Commission officials will focus on identifying key issues and perceptions concerning the use of technical assistance, with a focus on administrative capacity development. Interviews will address how capacities have changed over time, i.e. whether issues around programming have been successfully tackled or not. The discussions will be structured along the administrative capacity grid, introduced in the previous section.

It is envisaged that this sub-task may require additional follow-up interaction with the Commission, including access to availability of basic information. A challenge of dealing with technical assistance is that there were no requirements for Member States to provide detailed reporting on the use of Technical Assistance to the Commission during the 2007-13 period.

This task will be performed by the Core Team.

4.6.3 Literature and project data review

The EU level and national evaluation reports and the academic literature will be reviewed for further evidence, especially as regards local challenges, and the effectiveness or capacity building activities.[21]

We will collect and present information on technical assistance expenditure at Member State programme level during the evaluation period. This will be sought from the seven individual Member States. Aggregate data will be available from Annual Implementation Reports.

In addition to that, we request project level data of Technical Assistance Operational Programmes, as explained in previous sections. Wherever such data is available, it will be reviewed, analysed, and projects will be classified along the administrative capacity grid cells. It is foreseen that local authorities will need to be contacted to provide additional detail on certain projects.

Finally, we request data on any indicator that might have been set for technical assistance measures or projects (although as expected, this will not be available for all countries, especially at project level).

Throughout this task, we will focus on the Operational Programmes dedicated to Technical Assistance in the seven countries.

By the end of this task, we will develop hypotheses on the relevance, effectiveness and sustainability of capacity building activities.

Establishing local contacts, data requests and literature review will be carried out by Country Teams under the close supervision of the Core Team. Review of cross-country literature, data aggregation and analysis, and co-ordination will be done by the Core Team.

4.6.4 Self-assessment of Technical Assistance Managing Authorities, triangulation of the outcomes

As explained before, 8-10 issues will be selected for each country for assessment by Managing Authorities. It will primarily be used to assess the effectiveness and sustainability of the capacity building activities.

This approach will minimise administrative burden, and will embed for productive subsequent personal interviews. The selected issues will be those considered to be the most critical, problematic or interesting based on the outcomes of previous steps.

The self-assessment will be preceded by a telephone call and an introductory letter. It will take a simple spreadsheet form, and require less than 30 minutes to fill in. To mitigate bias, results will be contrasted with other evidence, as listed in Section 4.6.1, and findings will be based on such triangulated information.

The methodology and the selection of issues will be done by the Core Team. They are also responsible for the communication with the Managing Authorities and the organisation of the further steps for data collection.

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[21]METIS, *Co-Financing Salaries, Bonuses, Top-Ups From Structural Funds During The 2007-13 Period,* Final Report to DG REGIO, 2014.

4.6.5   Interviews with Technical Assistance Managing Authorities

This will involve a series of consultations within the Member States regarding technical assistance and its impact. The focus will be on the relations between administrative capacity building and the performance of the delivery system elements (relevance, effectiveness, sustainability), and also the lessons learnt and possible options for the future.

These will involve the use of a semi-structured interview guide, which will be shaped by findings of previous steps, including the self-assessment, the country-specific findings of the Competence Centre, and other information sources. The interview guide will be developed based on the administrative capacity grid.

The interview will include the discussion of the selected capacity building projects for detailed overview.

Interviews will be carried out by Country Teams, guided by the Core Team.

4.6.6   Conduct capacity building project overviews

Two detailed capacity building project overviews will be carried out for each of the seven selected Member States, with each representing one supported capacity building project under technical assistance.

Project overviews will focus on the relevance, effectiveness and sustainability of these projects, with special focus on details that further explain or enrich the findings made in previous tasks, or provide examples for good practice or lessons learnt for the future.

Projects will be selected using a purposive sample, once information from previous steps become available. As a principle, the selected projects are expected to shed light on both the successes and failures of the use of technical assistance.

The project overviews will be summarised in a narrative form, not longer than 1 page each.

Project investigations will be carried out by the Country Teams, under the co-ordination and supervision of the Core Team.

4.6.7   Synthesise and write-up

This will involve the write-up of the seven case studies to a format to be agreed with the Commission (short reports). This can also be co-ordinated with the format of the write-up of the main programme case studies. Based on these case studies, overall conclusions on options for improvement of administrative capacity building will be drawn. Furthermore, general learning points for all Member States will be identified. This will be done in an internal workshop of the Core Team. The report will be drafted by Country Teams, with central oversight provided by the Core Team.

The final product will be the Fourth Interim Report to be submitted by 18 October 2015.

4.7   Task 6 – Final Report

Objectives:	To synthesise the findings of all previous tasks, provide conclusions and to answer the evaluation questions.
Outputs:	Draft final report and Final report
Key team members involved:	Core Team, Key Technical Expert, Independent External Experts
Timing / Days dedicated to task:	Within 15 months / 63 days allocated

The objective of this task is to collect findings from case studies, literature review, research, interviews, and all other tasks. The final report will mainly consists in a summary of the three interim reports and the discussion paper following the structure proposed in the tender specifications (p. 15).

Proposed table of contents and formal requirements

The following is a draft table of content that we developed based on our understanding of the Tender Specifications, and on what we foresee the work to look like. It will be reviewed during the inception meeting and finalised in the course of the contract based on our findings.

Draft table of contents for the Final Report
1. Abstracts
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Figure 17: Draft table of contents for the Final Report

As required by the Terms of Reference, we will provide hard copies and an electronic version of the final report (CD, word format and PDF format or equivalent) in the desired amount. The report will conform to the corporate visual identity of the European Commission and will include appropriate disclaimers. Presentation material (in PowerPoint format or equivalent) for the final report will also be provided in English and, at request, in French and German.

4.7.1   Drafting of mini-case studies on examples of good practice

An important task in finalising this evaluation is to compile mini-case studies to showcase our findings and describe examples for successful approaches in implementing and managing the Delivery System of Cohesion Policy. The Tender Specifications set at 14 the required number of mini-case studies, corresponding to two examples of good practice for each element of the Delivery System. The purpose of such studies is to communicate results of the evaluation to the broader audience. Hence, our consultants will pay particular attention to structuring information in a clear and concise fashion, and to ensure each mini case study delivers one unequivocal message regarding the element of focus.

In the context of this task, mini-case studies can be interpreted as studies which focus on a single actor, programme, or in this case, a single performance criteria or process particularly relevant. Relying on a story-based approach, each mini-case study investigates a purposively selected

individual case to an in-depth extent, explores underlying reasons and context, surfaces impact mechanisms and causal chains, and attempts to map direct and indirect outcomes, as well as wider benefits of the EU support. The examples that we present at this stage will be selected based on Task 4. In our mini-case studies, we will go deeper in our analysis and describe all useful aspects that help the institutions to learn from these examples.

The selection, drafting, and finalisation of mini-case studies will integrate in the overall methodology of this evaluation in the following way:

■ Firstly, our evaluators will agree on a unique outline for presenting mini-case studies. We propose the following draft structure:

Preliminary structure for mini-case studies
1. Summary box The box is intended to present the main message in a concise form, highlighting features of the good-practice example and communicate policy learning. **2.** Introduction Context and background Brief description of the element of the Delivery System object of analysis Rationale for inclusion as good practice **3.** Discussion Performance against identified Performance Criteria Success factors Description of details (Structure, HR, System and tools) Interlinks with other elements **4.** Conclusions Overall appraisal of delivery set-up Policy learning and identification of potential practical changes (who can do what) External validity of findings (where can it be repeated and under which conditions)

Figure 18: Preliminary structure for mini-case studies

■ Secondly, the selection of mini-case studies will draw on materials made available for case studies conducted under tasks 3 and 5. Criteria will be the following:
  – On a first level, we will look at results identified in task 4. These will highlight practical changes to improve the efficiency and effectiveness of the Delivery System. At this stage, our evaluators will have a clear idea of good practice in managing and implementing Cohesion Policy. Accordingly, they will isolate a model of good practice for each element of the Delivery System.
  – As a second step, evaluators will draw on case-study materials collected for tasks 3 and 5 to match identified models of good practice with concrete examples. Partly, materials will already have been collected at this early stage with the aim of drafting mini-case studies in mind. This will have involved, for instance, drilling-down into details whenever examples of good-practice were identified in tasks 3 and 5. Having identified a preliminary structure for mini-case studies will be very beneficial in this sense. While we will fill-in gaps in knowledge with ad-hoc research, selection of mini-case studies will partly be influenced by availability of materials as well.

- Thirdly, it is important to highlight that selection of mini-case studies will take into account differences in implementation set-ups. Accordingly, identification of good practice examples will be informed by clustering criteria discussed previously in this proposal.

- While there will be two mini-case studies for every element of the Delivery System, it would be ideal that every Member State object of case study would be covered by a mini-case study too. However, considering the focus of the latter on good-practice, we are aware that this criterion cannot be binding, as case studies presented in tasks 3 and 5 are selected and drafted with a different purpose in mind. Nonetheless, we will strive to cover as many different Member States as possible.

- Further criteria guiding our selection could be innovation brought about by the examples, ability of the identified approach to be repeated under similar circumstances, and ability of the approach to be adopted in the course of the current programming period to maximise the contribution of this evaluation to improving Cohesion Policy early on.

■ Following the selection of mini-case studies, any necessary further research will be conducted in each selected Member State by our network, based on a structure elaborated in advance by the Core Team and finalised taking into account the opinion of the European Commission. Large amounts of materials will already be available thanks to case studies conducted under tasks 3 and 5. Input from country-level research will subsequently be reviewed, organised and edited by the Core Team to ensure consistency in output.

4.7.2 Formulate findings, conclusions and options

In parallel to the drafting of mini case studies, the Core Team formulates draft answers to Evaluation Questions, using a wide evidence base and the triangulation of information sources. Based on this material, a draft final report will be prepared In particular, the draft report will include:

■ a brief description of the adopted methodologies;

■ a summary of the interviews, structured discussions, surveys, case studies, and generally of evidence gathered throughout the carrying out of the contract;

■ initial findings and recommendations, including examples of good practice;

■ draft mini-case studies, as they become available from the parallel sub-task

■ preliminary open questions to help launching the discussion during a validation workshop (see next sub-task).

Findings, conclusions and answers to Evaluation Questions will include clear indications whether they are applicable for ESF and/ or ERDF/CF funded programmes.

4.7.3 Conduct internal validation workshop, finalisation and reporting

Following the finalisation of mini-case studies and draft findings, outputs will be presented by the evaluators at a validation workshop in presence of the Core Team and the three Independent External Experts. The aim of the internal validation workshop is to check the validity of the preliminary findings and to propose amendments before submitting the draft final report.

As regards the timing of the validation, we will take into account that it should allow sufficient time-buffer to incorporate comments of the Core Team into the draft final report.

Following the internal drafting and finalisation processes (including quality and language review), the draft final report will be distributed to the project sponsor, relevant parties to be defined and the three Independent External Experts of the project for final review. Any comments and further

recommendations for the amendment of the report will be welcome. The final report, incorporating comments and suggestions by all interested parties, will then be submitted by the 15th month of execution of the contract.

4.7.4   Presentation of evaluation results (tentative)

After the finalisation of the evaluation, the contractor will provide presentation material for each of the reports. A personal presentation of the final results to the Member States and the Commission services can be held upon the request of the Commission.

5 Organisation of the work

5.1 Overview of main tasks and deliverables

Reference to tasks	Report	Deadline	Meeting with SG
Task 0 – Inception	Inception report (R0)	18 December 2014	9 January 2015
Task 1 – Tasks of Delivery System 2007-2013	First interim report (R1)	4 March 2015	
Task 2 – Interviews, structured discussions and survey	Second interim report (R2)	18 June 2015	
Task 3 and 4 – Case studies and identifications of improvements	Third interim report (R3)	18 September 2015	week 40, 2015
Task 5 – Assessment of capacity building financed by technical assistance	Fourth interim report (R4)	18 October 2015	
Task 6 – Draft final report	Draft final report (DF)	18 January 2016	week 4, 2016
Final report	Final report and mini case studies (FR)	End March 2016	

Figure 19: Overview of main tasks and deliverables

5.2 Project organisation

ENGAGEMENT PARTNER

Olaf Buske
"I will be responsible for KPMG's relationship with the EC and will provide high-level QA support throughout the study."

KEY TECHNICAL EXPERT

Michael Astor
"I will guide a dedicated team of specialists and review all deliverables"

PROJECT MANAGER

Franziska Altmann
"I will be responsible for the management of the project"

INDEPENDENT EXTERNAL EXPERTS

Dr. Jiří Blažek
Department of Social Geography and Regional Development, is Associate Professor at Charles University in Prague.

Prof. Edoardo Ongaro
Professor of International Public Services Management, joined Northumbria in 2011.

Prof. Dr. Javier Revilla Diez
Professor and Chair of Economic Geography at the University of Cologne. Expert for methodological issues

CORE TEAM

András Kaszap
Evaluation, project selection

Anda Berényi
EU coordination and support

Sybille Knerr
Financial man. and control, compliance

Ralph Rautenberg
Programming, monitoring, and evaluation

Kristina Stegner
Programming, monitoring, reporting

Dr. Jan-Philipp Kramer
Evaluation, technical assistance

Anja Breuer
Programming, monitoring, evaluation

Frank Sottou
Reporting, monitoring, technical assistance

Susanne Volz
Financial management and control, compliance

Jim Fitzpatrick
Monitoring, evaluation, project selection

KEY LOCAL EXPERTS

Jan Filkuka
Compliance, financial management and control

Nicoletta Minto
Programming, project selection, monitoring, TA

Vasiliki Papasouli
Programming, project selection, reporting

Dóra Major
Evaluation, reporting

Antoaneta Neykova
Evaluation, financial management and control, TA

Anna Skweres
Evaluation, financial management and control, TA

Iulia Farcaş
Evaluation, reporting, TA

COUNTRY TEAMS

Holger Bornemann	Fulvio Pastorelli
Bart Walterus	Anda Drozina
Jivomira Gaydova	Dalia Katinaité
Daniel Lenardić	Patrick Wies
Andreas Athanassiades	Mark Bamber
Martin Kavka	Casper Staal
Jacob Lehman	Miroslaw Proppé
Karin Rätsep	Nuno Costa
Carina Hedberg-Kivistö	Gabriel Simien
Yves Vandensbeele	Marian Furik
Holger Bornemann	Katjuša Arko
Dimos Konstantinos	Francisco Javier Moreno Muñoz
Gábor Cserháti	Larry Ribbeklint
Liam McKenna	Gerard Campbell

Figure 20: Organisational chart

Source: KPMG, Prognos

Coordination, quality management and overall responsibility

As our high-level QA partner and KPMG's Lead Partner for the European Commission, Mr Olaf Buske will sign the contract and assume overall project responsibility. His role will be to ensure client satisfaction and quality services. His main responsibility will include:

- Supporting the team with ad-hoc issues where his involvement is needed;
- Performing ad-hoc and regular quality reviews of deliverables to ensure the work is carried out in accordance with the highest standards;
- Participating in key meetings with the Commission Services to ensure that he has a clear view on the EC's expectations and that he can intervene any time to meet those expectations.

The Project Manager, Ms Franziska Altmann, will be the main point of contact on our end of the project. Supported by her team, she will be responsible for project planning, timing and budget

control, and will deal with day-to-day management tasks, such as handling information requests, dealing with administrative matters, managing any staff-related issues and ensuring continuous service and the required progress of the project. She will cooperate closely with Michael Astor, Kristina Stegner and the entire Core Team to ensure seamless provision of services throughout the contract. Her activities will include:

- Ensuring that tasks are appropriately assigned;
- Planning the work, monitoring the progress and keeping the project on schedule, to ensure the team can anticipate issues that may arise in order to resolve them quickly and efficiently;
- Maintaining continuous contact with the country teams and helping answer their questions
- Organizing and overseeing on-going quality control of these activities for all tasks;
- Mobilising team members and facilitating regular meetings/updates;
- Following up on meetings, targets and deliverables;
- Based on the team's input, reporting to the Commission Services.

Michael Astor will act as Key Technical Expert. He will lead the Core Team and will be responsible for planning, overseeing project delivery and quality control of the services delivered, thus ensuring a critical vision of the data collected throughout the evaluation (in particular on perceptions from different stakeholders), as well as the findings and conclusions drawn from this data. Kristina Stegner, who is part of the Core Team, will support him directly.

We understand that the significant volume of data collected will not automatically generate assessments. We expect many different and even contradictory perceptions regarding the performance of delivery system elements. It is therefore crucial to ensure an open but critical view of assessments based on thorough knowledge and robust experience. This approach will consist of the following elements:

- The heart of our work, including conducting key interviews, analysing information gathered throughout the various steps of the evaluation and continuously developing potential options, will be performed centrally by the Core Team. The work among Core Team members will be distributed according to elements and main task phases (such as country interviews, survey, case study approach, etc.). Our Core Team includes experts for the different elements. Franck Sottou will focus on programming and reporting; Susanne Volz will give continuous detailed feedback on all financial management-, control- and compliance-related matters; while Jim Fitzpatrick will be responsible for the project selection, monitoring and evaluation elements. Despite these specific assignments, Core Team members will have frequent calls and meetings to jointly discuss all major questions. These discussions will be led mainly by the Technical Leader.

- Michael Astor is the Technical Leader for the Core Team, who will perform the overall quality control of the tools for data collection and analysis as well as of all deliverables to ensure consistency of content and approach across various elements and the different text sections. He will give timely feedback to the Core Team, who will be responsible for improving the tools and reports.

- Key local experts from seven additional Member States will be more closely involved in the evaluation. All selected key local experts have deep insights in the functioning of delivery systems in their respective countries. Their expertise covers both monitoring and evaluation as well as audit- and controls-related topics. Their views will ensure a European approach, where assessments cannot afford to be biased should Core Team members be more familiar with the situation of certain countries than of others. It will add value to the evaluation as local aspects will be considered not only through local data gathering, but also throughout the analysis.

- Independent External Experts will contribute with their expertise and knowledge from an overall perspective by challenging the methodological approach as well as the key findings and conclusions.

- Michael, as Technical Leader, will ensure that all tools, findings and conclusions are challenged by an additional level, where necessary. As it is hardly possible to designate only one single person with the right level of detailed knowledge concerning all elements of the delivery system, familiar with the different settings in the Member States and having an understanding of the methodological approach, we propose a more differentiated solution. We will bring in topic experts from the Core Team for issues regarding the various elements, key local experts in case of country-specific features and Independent External Experts for methodological and technical questions as well as for an overall assessment of the key findings.

- In order to ensure focused and efficient involvement of these experts, we will use a formalised tool encompassing an "inventory of main findings and open issues". The main evidence from our analysis will be described here in terms of how it was analysed (data source), why it is relevant for our report and how it will lead to our conclusions in the report. Moreover, we will point out contradictory or unexpected findings as well as open methodological issues. This will serve as the basis for Michael Astor's review. He will decide whether to engage Independent External Experts, Element Experts from the Core Team and/or Local Key Experts for additional critical review, depending on the necessary knowledge and perspectives. Within each task, existing already tracked evidence and open topics will be updated. Potential new main findings of the analysis resulting from the actual task as well as new methodological issues will be added. With the finalisation of each task, the review procedure using the described process will be repeated.

- Prior to finalising the report, the remaining findings and potential options will be conclusively reviewed and discussed by a panel consisting of the Technical Leader, Lead Partner, Core Team Members and external as well as Key Local Experts before they are ultimately presented to the Commission.

- The final step of all review phases will be a thorough language check performed by an English native speaker with appropriate qualifications.

Core Team

The Core Team will consist of seven experts who form the heart of the technical work in terms of the evaluation approach. They will work closely together with the Country Teams and are also responsible for writing the evaluation reports and consolidating input from Country Teams. The Core Team has been set up in a way to ensure the right combination of skill sets and based on the following principles:

- All team members have practical knowledge of quantitative and qualitative research methods. They are familiar with evaluation projects and have conducted similar studies before.

- All members have experience with Cohesion Policy on an EU and / or national level. This experience ranges from management of Operational Programmes, through technical assistance support and training of Managing Authorities, to evaluating or controlling programmes funded by the European Regional Development Fund, Cohesion Fund or European Social Fund.

- They have combined insight and expertise in evaluation, monitoring, financial management and control, programming and project selection, legal assessment and procurement rules, compliance reviews, reporting, design of IT systems, organizational and performance reviews and system restructuring.

- All team members are used to conducting their work in English.

Key Local Experts As some tasks, such as tasks 3 and 5, require more intensive participation from selected countries, we have formed a team of seven Key Local Experts representing seven different countries to support the Core Team in providing local knowledge. Depending on the selected case studies, this team can be increased to include experts from additional countries.

Independent External Experts

The three Independent External Experts will be involved in this evaluation and advise the Core Team in order to support them with specific insights related to the subject matter and the methods used. They will bring a wealth of experience and knowledge, as well as academic capacities to this evaluation. Three Independent External Experts: Professor Edoardo Ongaro, Professor Jirí Blažek and Professor Javier Revilla Diez have confirmed their participation.

Country Teams

Offering full geographical coverage, team members in the 28 Member States not only understand the local issues and languages, but also possess a comprehensive skill set, including evaluation, research and analysis, organization and process reviews, regional policy, management and control experience. They will be in charge of carrying out the empirical work in their respective countries. This involves contacting local stakeholders and collecting relevant and comparable local data for the analysis, collecting and reviewing existing country literature only available in the local language and providing local knowledge and expertise in the execution of the case study research in close cooperation with the Core Team.

5.3   Allocation of tasks

The table below gives a short overview of the specific tasks and responsibilities of key team members, which will be assigned based on the knowledge, skills and availability as well as according to their special areas of expertise.

Name	Role	Country	Tasks
Olaf Buske	High Level QA Partner	DE (BE)	See description in 5.2
Michael Astor	Key Technical Expert	DE	Michael will guide a dedicated team of specialists and will challenge and review the work and results throughout the process. See description in 5.2
Franziska Altmann	Project Manager	DE	See description in 5.2
Anda Berényi	Core Team, EU Coordination and Support	HU (BE)	Brussels-based local contact to support coordination between the EC and our team. Supporting the Core Team in designing the methodology and reviewing deliverables. She will also play a key role in developing an innovative online survey for Task 2.
Anja Breuer	Core Team, expert in monitoring	DE	Anja will contribute her expertise in monitoring and evaluation. She will participate in the analysis work related to Tasks 2 and 3 and will support the preparation of deliverables.
András Kaszap	Core Team, expert in evaluation	HU	András will contribute his expertise in evaluation and monitoring. He will play a key role in planning the overall evaluation process and in elaborating the methodology, with a special focus on case studies. He will also have a role in writing deliverables and training country teams, especially for the interviews.

Name	Role	Country	Tasks
Sybille Knerr	Core Team, expert in evaluation and financial management	DE	Sybille will contribute her expertise in financial management and control. She will take part as a key expert in the overall analysis and in writing the interim and final reports.
Dr Jan-Philipp Kramer	Core Team, expert in evaluation and regional policy	DE	Jan will take part in the designing the overall evaluation and as a key expert in the overall analysis, in discussions and workshops as well as in training country teams. He will help develop the interview guide for Task 2 and play a key role in analysing the interview results. He will take part in writing the interim and final reports.
Ralph Rautenberg	Core Team, expert in programming, monitoring	DE	Ralph will contribute with his expertise in programming, monitoring and impact analysis related to ERDF/ESF. He will continuously be involved in the evaluation process, primarily the review and interpretation of findings and option development.
Kristina Stegner	Core Team, expert in European Social Fund, monitoring, evaluation, programming	DE	Kristina will contribute her expertise in monitoring and evaluation methods, particularly in the field of labour market policy and the European Social Fund. She will take part as a key expert in the overall analysis and in writing the interim and final reports. She will closely support Michael Astor in his role as Technical Leader.
Dr Jim Fitzpatrick	Core Team, expert	IE	With his broad experience in evaluating EU-funded programmes (incl. ERDF, ESF and CF), Jim will mainly contribute to tasks 1 and 4 and support the interview process in Ireland in task 2.
Franck Sottou	Core Team, expert in monitoring and reporting	FR	Franck will contribute to the Core Team's work with his expertise in monitoring, reporting and technical assistance. He will have an important role during Task 1 and contribute to the evaluation with his insight on major challenges, also related to ETC programmes. He will take part in discussions and review all deliverables.
Susanne Volz	Core Team, expert in financial management and control	DE	Susanne will contribute her significant expertise in financial management and control related to Structural Funds. She will have a major role in Tasks 1 and 4, will continuously track the evaluation process and take part in formulating assessments and conclusions.

Figure 21: Management and Core Team members

Name	Expertise	Country	Tasks
Jiří Blažek Associated Professor at Charles University in Prague in the Department of Social Geography and Regional Development	Expert on EU Cohesion Policy and insights on Central and Eastern Europe	CZ	Prof. Jiří Blažek will provide the team in charge of the evaluation with independent scientific input; review and critically comment (as independent academic expert) on the deliverables.
Edoardo Ongaro Professor of International Public Services Management of Northumbria University Newcastle	Expert on governance and public management reform in EU Member States	UK/IT	Prof. Edoardo Ongaro will provide the team in charge of the evaluation with independent scientific input; review and critically comment (as independent academic expert) on the deliverables.
Javier Revilla Diez Professor and Chair of Economic Geography at the University of Cologne.	Expert on regional economics, applied economic geography and impact assessment	DE/ES	Prof. Javier Revilla Diez will provide the team in charge of the evaluation with independent scientific input; review and critically comment (as independent academic expert) on the deliverables.

Figure 22: Independent External Expert

6　Annexes

6.1　Elements of the Delivery System

6.1.1　Programming

Definition

As stated in the general provisions on the Structural Funds and Cohesion Fund, the activities of the Funds in the Member States shall take the form of Operational Programmes within the National Strategic Reference Framework. The objectives of the Funds shall be pursued in a multi-annual programming system organised in several stages: an analysis of the economic situation in the Member State or region in question, the identification of regional needs and the prioritisation of funding priorities, the setting up of objectives and corresponding indicators, the allocation of financial resources, and the design of management and control systems.[22]

Each Operational Programme is drawn up by the Member State or any designated authority, in cooperation with the partners. Programming is the administrative mechanism to develop this framework, coordinate it with the main stakeholders, and record it in a strategic document (at national or regional level).[23] Revisions of Operational Programmes are possible under certain conditions.[24]

The focus of the 2007-13 regulations for programming was a stronger link to the renewed Lisbon Agenda as well as to other strategies of the European Union. One significant new feature therefore was the earmarking of expenditure, ensuring that at least a minimum proportion of spending would be dedicated to RTD and Innovation, enterprise support and other "Lisbon" themes. The Community Strategic Guidelines on Cohesion[25] and the National Strategic Reference Framework[26] formed the starting point of the programming process and were designed to ensure that Operational Programmes and Funds complement each other. For the 2014-2020 programming period the strategic framework underlying the programming process is made up of the Common Strategic Framework issued by the Commission and a Partnership Agreement elaborated by each Member State and adopted by the Commission.

Main actors

Programming is a complex element of the Delivery System due to the high number of stakeholders involved in the process. The main actors in programming are

- the **Commission** by setting and overseeing the legislative and strategic framework, reviewing and approving the programmes,

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[22] Council Regulation (EC) No 1083/2006 Art. 10

[23] http://ec.europa.eu/regional_policy/glossary/programmeming_en.cfm

[24] Council Regulation (EC) No 1083/2006 Art. 33

[25] Council Regulation (EC) No 1083/2006 Titel II Chapter I

[26] Council Regulation (EC) No 1083/2006 Titel II Chapter II

- the **national governments** by setting up the National Strategic Reference Framework
- the **Managing authorities** by being responsible for programme development as a whole and by involving the different partners,
- the **implementing bodies at national, regional or local level** by delivering input to the programme regarding the design of interventions, the indicators and targets to measure them as well as for the programme's contribution to the horizontal objectives,
- **external service providers** by supporting the MAs in the Operational Programme development and/or conducting ex-ante-evaluations,
- **partners** (economic and social partners, representatives of horizontal principles, NGOs, civil society) by reflecting on the strategy and intervention logic of the programme and giving recommendations for improvement.

The programming process strongly reflects the partnership principle at a horizontal level as well as between the Member States and the Commission. Within the described strategic framework[27] the development strategies laid down in the National Strategic Reference Framework and Operational Programmes were designed by the Member States. All relevant stakeholders including representatives for horizontal principles and civil society were to be involved in the process. The Operational Programmes describes how the different actors work together during the implementation and **defines the functions** of the different bodies according to articles 58-62 and 70-71 of the General Provisions.[28].

Main function

Following the strategic approach of the programming process, regions have to prioritise which of their socio-economic needs should be addressed by European Cohesion Policy. They create a coherent multi-annual development strategy that ensures consistency and continuity of investments over a seven-year programming period. This is beneficial for targeting gradual and longer-term structural changes and a timely implementation of the Structural and Cohesion funds. By developing and publishing this framework, a benchmark is set up against which actual implementation progress can be compared. This contributes to the accountability of Cohesion Policy. By involving regional stakeholders, programming assures that the priorities and objectives are aligned with the regional needs and enhances acceptance of Cohesion Policy in the region.

Critical factors

One of the fundamental challenges in programming is to focus the funding on objectives that are in line with the European and national strategic framework and that are well underpinned by a thorough analysis of the specific issues and needs of the region. A clear intervention logic with a coherent set of goals, objectives, priorities and actions needs to be set up. Yet in a multi-level governance system many interests have to be considered. This can considerably blur the clear design of a programme or slow down the programming process. How these actors cooperate can be crucial especially with regard to the implementation of the Funds later on. Another challenge results from the nature of a multi-annual Operational Programme. On the one hand, it needs to represent a clearly and bindingly outlined development strategy. On the other hand, many internal and external factors can considerably change the development needs or the context of the implementation. Therefore,

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[27] The strategic framework for the 2007-2013 programming period comprises the Community strategic guidelines on cohesion proposed by the Commission and the National strategic reference framework elaborated by each Member state in line with these guidelines.

[28] Council Regulation (EC) No 1083/2006 Art. 58-62, 70-71.

programming needs to provide a consistent and binding framework while ensuring sufficient flexibility and adaptability. .

Overlap with other elements of the Delivery System

Sound programming is the essential base for the smooth running of all other elements of the Delivery System. It includes the set-up of the management and control systems. The criteria and mechanisms for project selection are roughly described there defining the basis for these processes throughout the funding period. The financial planning, basis for financial management and control is laid out in the programming phase. Indicators and objectives established in the Operational Programmes are used for monitoring and evaluation.

Definition for the purpose of the analysis

Programming covers the whole process of identifying priorities, through reference to the Community Strategic Guidelines, and within the context of the National Strategic Reference Framework. It includes the policy and partnership processes developed for generating programmes. It refers also to the analysis of needs and problems being addressed, the financing structure of the programme, and the system of management and control that is established.

6.1.2   Project selection

Definition

Project selection is the procedure of designing and applying certain criteria with a view to identifying the operations to be supported by a programme.

Project selection starts with a decision on the principles, procedure and timeline of the selection process, in line with the objectives of the Operational Programme. Project selection can be organised in several ways, ranging from competitive open calls to closed procedures for pre-selected applicants (e.g. for large infrastructure development projects or global grants). Following that, the responsible authorities invite prospective beneficiaries to submit formal applications. To facilitate the process, the authorities provide information on the conditions of support in the calls for applications and in funding guidelines.

Applications, either for open or closed calls, usually consist of standard forms and various supporting documentation. Applications are reviewed for completeness, administrative compliance and eligibility, which may call for amendment procedures, or result in rejection. In many competitive selection procedures, applications are further evaluated through selection criteria, which result in project ranks and selection thresholds. The selection procedure ends with deciding on the list of supported applicants, and their subsequent contracting.

In the 2014-2020 period, project selection will be largely influenced by increased result orientation. Higher pressure to attain policy objectives is likely to induce more purposeful choice of project selection methods, and a gradual shift towards the use of selection criteria based on project quality. Furthermore, integrated programming will require harmonised project selection approaches across different Managing Authorities.

Main actors

Project selection can involve a wide range of actors depending on the design of the processes, including Managing Authorities, Intermediate Bodies and even wider socio-economic partners. Sometimes specific committees are set up to decide on projects, composed of representatives from regional or local administrations or welfare, business and other associations. Hence, depending on the specific arrangement of the country or region, the actors have different responsibilities and work in different co-operations. A rough framework for the set of actors involved is the following:

- **Managing Authorities and Intermediate Bodies** are key actors in project selection. The former are responsible for the design of the project selection system, while the latter can implement it in practice (provide guidance for potential beneficiaries, manage applications, etc.). Managing Authorities are the bodies to formally give project approval.
- **Monitoring Committees** play a role in the discussion and approval of project selection procedures.
- **Ministries and government departments** are often consulted in the preparation process.
- Evaluation and selection of projects is often done by **project selection committees** organised by Intermediate Bodies. Project Selection committees vary greatly in terms of representation, but are supposed to reflect a partnership principle. In some countries, project selection and evaluation are two different steps, whereby evaluation teams make recommendations to project selection committees.
- Also, in some instances **external evaluators** or other subject matter experts are responsible for the evaluation of project appraisal with the advantage of having special technical knowledge.

Main function

The main function of this element is the selection of the right projects (or operations) that are likely to contribute to achieving the set of programme objectives in the particular region or for the particular sector or community, thereby contributing to the **delivery of results**.

Well-designed selection processes also ensure an efficient selection of projects, hence, reaching the targets with the "least resources and without delays"[29]. Consequently, project selection plays a central role for the **timeliness** of the implementation, and also for evaluation, monitoring and reporting activities.

Project selection procedures can be flexibly changed during the programming period, adapting to the changing socio-economic context and demand for support. It is therefore an important mean of programme **responsiveness**.

Finally, project selection is a resource-intensive stage of the project life cycle, especially for programme beneficiaries. This makes project selection particularly important in assessing overall **administrative costs** of the Delivery System.

Critical factors

The key challenge is to find the right project selection system for each individual programme intervention. Some of them can benefit most from competitive, open calls with quality-based

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[29] Ramboll (2012), "Comparative study of the project selection process applied in cohesion policy programmes 2007-2013 in a number of member states – Final report".

selection criteria, while others can best work through closed procedures with pre-selected applicants and pre-agreed application content. The success of project selection depends on how well these procedures are tailored to the specific case of each intervention.

Another challenge is the creation of awareness of funding opportunities among the right target group. Targeted and efficient communication is vital for most programmes – if the wrong people are addressed or if information is scarce, the selection process is already hampered before it really starts.

It is difficult to meet the aims of efficiency, effectiveness and transparency simultaneously in a project selection system. Hence, it may be that a procedure is effective and meets the objectives of the Operational Programme successfully, but at the same time, this may constitute a disproportionate administrative burden and slow down the actual selection.

The quality and suitability of the eligibility and selection rules, the associated administrative burdens and costs, as well as the complexity and length of the assessment process are necessary to attract the right projects to be implemented in the programmes.

Overlap with other elements of the Delivery System

Programming already sets a rough framework for the project selection processes. Within some funded projects, subcontractors are commissioned for specific tasks, whereby EU and national law on public procurement have to be complied with. Sometimes requirements concerning the financial management, monitoring or evaluation provisions have to be included already in the project descriptions and tenders.

An indicative list of major projects was included in each Operational Programme. As programmes were implemented, application forms had to be submitted to the European Commission for approval, which implied that various studies and analyses had already been conducted. Adequate planning procedures and time delays were critical issues for many programmes and have affected the success of many delivery systems.

Definition for the purpose of the analysis

Good programmes require good projects. Effective and efficient project selection procedures are therefore key to absorbing funds and achieving results.

Project selection shall be taken to include all steps from the selection of target groups and priority sectors or fields, publicity and information procedures (both legal requirements and methods used), procedure for receipt of proposals, through to selection of and the contracting of selected applicants.

One exception is the issue of public procurement, which will be analysed under "compliance". In addition, the specific requirements on projects relating to financial management, monitoring or evaluation will be analysed under those respective topics.

6.1.3 Compliance with EU and national law

Definition

Compliance with EU and national law means to assure the regularity of the operations falling under the common provisions of Structural and Cohesion funding e.g. by defining irregularities and executing financial corrections of the operations concerned, where necessary, as well as executing appropriate administrative measures and judicial procedures. In the EU Structural and Cohesion Fund implementation, practice compliance is ensured by meeting the expectations of the EC towards management and control systems of the Operational Programme implementation (which also includes financial management and control described in more detail as a separate element of the Delivery System).

Compliance with public procurement and state aid rules were lately discussed as a major risk as a lot of cases of non-compliance occurred. However, compliance refers to the full legal setup for Structural and Cohesion Policy.

Main actors

Ensuring compliance of an Operational Programme and its operations is a true joint effort:

- The **Managing Authority** and **Intermediate Bodies** are responsible for ensuring that operations are selected for funding in accordance with the criteria applicable to the Operational Programme and that they comply with applicable Community and national rules for the whole of their implementation period.
- The **Certifying Authority** and **Managing Authority** are responsible for the expenditures spent legally and the respect of the rules at operation level.
- The **Audit Authority** is responsible for auditing whether the programme implementing bodies (MA, CA, IBs) ensured compliance with the national and EU rules in a reliable way.
- **Any other institution of a Member State's public administration** can also be a relevant actor as they are sometimes involved in project selection or procurement procedures when those fall within their competencies, in administrative procedures or judicial proceedings, when it comes to dealing with irregularities.
- The **European Commission** is responsible for assessing cases of non-compliance (irregularities) defining financial consequences, ideally in cooperation with the Member State (Managing Authority, Certifying Authority).
- In addition, compliance with public procurement legislation and State Aid is assessed by the national courts, the European Court of Justice and the European Court of Auditors.

Our analysis will mainly focus on these actors that are directly involved in the Delivery System. Actors in the wider system (public administrations, courts) will only be included, if their performance has significant impact on the effectiveness and efficiency of the Delivery System.

Main function

Controlling for compliance with EU and national law is the main condition for ensuring legality and regularity of operations, and finally of the operational programme as a whole. It contributes to avoiding fraud and misuse of the funds, both threats to the effectiveness of the programmes as a whole.

Critical factors

A significant challenge of this element is to ensure compliance with EU and national regulations while minimising administrative costs. For example, public procurement regulations are usually considered to be overly bureaucratic, which leads to potentially unreasonable usage of financial and administrative resources proportional to the amount of funding. State aid rules, which require careful assessment of project applications and effective verification during and after implementation, up to the involvement of legal experts, are another example[30]. In order to minimise administrative costs, the functions of the bodies concerned in management (i.e. supporting beneficiaries during operation implementation in order to prevent non-compliance) and in control (i.e. verifying compliance) should be clearly defined and allocated in respect of the principle of the separation of functions (system descriptions) and with sufficient personnel capacities in order to allow for a quick and qualitatively good support and control of beneficiaries. On the other hand, beneficiaries are interested in a clear and as simple as possible legislative framework with easy-to-follow procedures, both of which should ideally be self-explanatory.

During the programming period, EC and Member States worked to clarify rules that left room for interpretation, and to define financial consequences for non-compliance[31]. This hints at the risk of disagreement on compliance issues and financial corrections between Member States and the EC: there can be disagreement on interpretation of the rules and on the consequences that should be established in cases of "non-compliance". Under shared management, the EC depends on the Member States and programme implementing bodies for enforcing EU regulations. Hence, "the Member States are recommended to apply the same criteria and rates when correcting irregularities detected by their own services, unless they apply stricter standards[32]" as the EC. In cases of disagreement, the EC can issue payment interruptions or suspensions for a particular Operational Programme and finally define financial corrections (Articles 92, 99, 100 Regulation (EC) No. 1083/2006), effectively using this tool to impose its interpretation of the rules. Analysing cases of suspension of payments and financial corrections issued by the EC may support the definition of factors of success or failure for smooth delivery of Operational Programmes. Considering that irregular expenditure withdrawn can be used for other operations, a good management of irregularity procedures can have an impact on absorption.

Compliance – or rather cases of non-compliance – will become even more critical in the process of closing operational programmes. The level of uncorrected irregularities will directly influence the Audit Authority's final opinion in the closure declaration[33] and therefore has a direct influence on the final amount of EU Funds contribution to the operational programme(s) concerned. Hence, the capacity of the management and control system to deal with irregularities in a quick and reliable way, whether they are one-time errors that need correction or whether they are systemic irregularities that need further investigation, will be decisive.

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[30] On programme level, Managing Authorities may be required to assess specific state aid schemes and need to act in cases that require single notification to the EC.

[31] E.g. C(2013) 9527 final COMMISSION DECISION of 19.12.2013 on the setting out and approval of the guidelines for determining financial corrections to be made by the Commission to expenditure financed by the Union under shared management, for non-compliance with the rules on public procurement, which replaced COCOF 07/0037 /03-EN Guidelines for determining financial corrections to be made to expenditure co-financed by the Structural Funds or the Cohesion Fund for non-compliance with the rules on public procurement
[32] 1.1. C(2013) 9527 final, Annex No. 1.1.

[33] Commission Decision C(2013) 1573 final of 20.3.2013 on the approval of guidelines on the closure of operational programmes adopted for assistance from the ERDF, the ESF and the CF (2007-2013); COCOF 11-0041-01-EN of 7.12.2011 Guidance on treatment of errors disclosed in the Annual Control Reports

Overlap with other elements of the Delivery System

Compliance is rather a horizontal element of the Delivery System, as it is relevant at almost every step of programme implementation, and also because of cross-cutting policies such as environment, gender and non-discrimination rules that should be respected. It is the basis for financial control (management verification and audit) and the close interaction of these elements of the Delivery System is a fact. Compliance requirements shape financial control procedures. The move to simplified cost options, which represent new compliance requirements, was pursued as an attempt to reduce heavy paper procedures for the beneficiaries as well as for officers working in financial control.

A close relation exists as well for project selection. Effective selection procedures should include first compliance checks, e.g. for state aid issues, horizontal policies and in relation to Art. 13 1 (EC) No.1828/2006).

Definition for the purpose of the analysis

Our analysis will look at the Managing Authority's process for ensuring compliance with EU and national law and for dealing with cases of irregularities and related (financial) consequences, especially cases where there is disagreement between the EC and the Member State. We will consider all aspects of compliance (eligibility issues and environmental rules, equal opportunities, public procurement, state aid etc.) However, the Tender Specification requires a focus on the public procurement rules.

6.1.4   Financial management and control

Definition

Financial management normally refers to the financial planning, the flow of finances in programmes and the accounting of all expenditure within operational programmes. This accounting is an essential element of a good audit trail, leading to certified statements of expenditure being submitted to the Commission - containing only eligible expenditure. This expenditure can then be traced back to the initial invoices or other supporting documents, through the various levels of aggregation (or: institutions or agencies involved in the financial management).

Financial control usually refers to the management verifications (sometimes referred to as first level control). It comprises administrative verification and on-the-spot checks at beneficiaries' sites. Some elements of project selection can be seen as management verification work. It is the basis of certification. Audit can be seen as second level financial control, consisting of system audits and audits of operations.

For the 2007-13 period, there were a number of important developments in the regulations. Member States had to nominate a new, independent Audit Authority, reflecting the greater responsibility being placed on Member States. This body would also provide an opinion with each Annual Control Report. Highly significant was also the introduction of a Compliance Assessment process, whereby the Commission had to approve, ex ante, the Management and Control Systems in place for each and every Operational Programme. On top of these developments, an Action Plan was instigated in 2008, "to strengthen the Commission's supervisory role under shared management of structural actions". This Plan identified actions to increase accountability and financial control and was completed by 2010.

Main actors

Main actors for financial management and control are:

- the **Managing Authorities** and intermediate bodies involved in management verifications
  - Conducts first level financial control.
  - Is accountable that the statements of expenditure are in line with the rules.
  - In some cases, MA's use external auditors to support them in verification work.
- the **Certifying Authorities** and intermediate bodies supporting them (This could be budget units of administrations, as well as state owned banks or specifically set up Fund agencies) are responsible for issuing certified statements of expenditure and applications for payment to the EC, on the basis of information provided by the MA.
- **Audit Authorities** (in some cases supported by external auditors)
  - Main actors for second level financial control.
  - For ETC programmes, Audit Authorities of involved Member States cooperate via the Group of Auditors.
- Within the financial control and audit setup, the third level of control, the audits on behalf of the **Commission**, can be executed by Commission officials and by external auditors.
- **Beneficiaries**
  - Need to deliver good quality financial data in the required formats and using the required reporting channels (i.e. via electronic data exchange).
  - Need to support financial control, e.g. by providing information, access to documents and access to operation premises. Furthermore, for ETC Operational Programmes, in some Member States beneficiaries (Lead Partners or Partners) can choose their First Level Controller from a list of registered public or private auditors.
  - Beneficiaries mainly expect financial management and financial control to be cumbersome but necessary tasks, with a risk of increasing requirements via the backdoors of second and third level audits.

Main function

The main function of financial management is to enable transparency and traceability of the expenditure. Financial control/management verification seeks to prevent, detect and correct errors and irregularities in the declared expenditure of operations. Hence, the main function of financial management and control is to ensure that public money is managed efficiently and consequently, to ensure that the statements of expenditure are eligible. This contributes in big part to the legality and regularity as well as to the accountability of the spending. Short transfer times of funds downstream from the Commission to the CA, and between CA and beneficiaries facilitate the implementation process and ensure a timely implementation.

The main function of audit is to issue an independent audit opinion, and finally a closure declaration on the certified statements of expenditure and applications for payments of the CA. The audit opinion informs the EC on the reliability of the management and control system of the Operational Programme, and whether expenditure is materially eligible. It is therefore a main basis of the EC when deciding about a continuous contribution of the EU to the Operational Programme in question.

Critical factors

Whether financial management and control is actually a challenge to implementation varies greatly between Member States and operational programmes. This is because of significant differences in

governance set-ups, administrative traditions, available human resources, as well as the content of operations and the fragmentation levels of Operational Programmes.

Looking at financial management in a broad sense, monitoring spending levels and actively manage absorption can become crucial, especially in programmes that are faced with decommitments according to the n+2/n+3 rule. In most cases, the Managing Authority and the Certifying Authority need to work together in order to define and implement measures that ensure that sufficient eligible expenditure can be declared to the EC on time. It is a question of financial monitoring, which requires adequate financial data on Operational Programme level, as well as a challenge for personnel capacities of the Managing Authority.

One concrete challenge, especially for financial control (first and second level control), is to find the appropriate control and audit approach. This aims to employ efficient procedures in order to deliver the required assurance on eligible expenditure, while limiting the administrative burden to beneficiaries and programme implementing bodies alike. For example, discussions in the last few years within MA's and AA's were concerned with appropriate checks for simplified cost options and for Financial Engineering Instruments.

Another problem might arise when verifying the "products and services delivered", which is a central purpose of management verification, but where the definitions of desired outputs are incomplete. In this respect, financial control relies on the indicator framework set in the programming process and on the data collected for monitoring.

Successful financial management and control requires that beneficiaries support the management verification and audit. However, this obligation sometimes absorbs a lot of resources of the beneficiaries and is often seen as a heavy administrative burden, with the additional risk of "losing the funds" if errors or irregularities are detected. As some Operational Programmes have set time limits for financial reports of beneficiaries and subsequent management verification (usually administrative verification), a lack in cooperation of the beneficiaries may lead to delays. Consequently, it can be difficult for some authorities to ensure operations are completed on schedule and that eligible expenditures are co-financed.

Overlap with other elements of the Delivery System

The Financial Planning required during the programming phase provides the main framework for the overall budget plan, although only at the priority level. A big part of the data that is collected and analysed for monitoring the programmes' implementation refers to the spending of the funds measured by financial indicators. These indicators must be reported by MAs in their Annual Implementation Report.

As already mentioned, financial control and audit interacts with compliance in many ways. A further important overlap is with project selection, as some management verification procedures are already performed at this stage of the operation life cycle.

Definition for the purpose of the analysis

Financial management will include financial planning based on the programme financial tables and the efforts to manage the spending profile and avoid automatic decommitment. This covers also the flow of finances in programmes: advances, interim payment claims, project finance and payment claims. Financial management deals also with the accounting of all expenditure within operational programmes. This accounting is an essential element of a good audit trail, leading to certified statements of expenditure being submitted to the Commission - containing only eligible expenditure. This expenditure can then be traced back to the initial invoices or other supporting documents,

through the various levels of aggregation (or: institutions or agencies involved in the financial management).

Financial control usually refers to the management verifications (sometimes referred to as first level control). It comprises administrative verification and on-the-spot checks at beneficiaries' sites. Some elements of project selection can be seen as management verification work. It is the basis of certification. Audit can be seen as second level financial control, consisting of system audits and audits of operations.

6.1.5   Monitoring

Definition

Monitoring procedures gather aggregated information and reflection the progress of Operational Programmes' implementation. This is carried out by Managing Authorities and Monitoring Committees, set up by the Member States in agreement with the Managing Authorities. As laid down in Article 66 (2) of the Council Regulation monitoring makes use of financial indicators as well as output and result indicators. Implementation progress made for each priority axes is measured by contrasting achievements to specific targets defined in the Operational Programmes. The Commission suggests, where feasible, the use of a number of core indicators that enable aggregation of data and comparison between Operational Programmes and Member States.[34]

Monitoring is one of the issues constantly adapted from funding period to funding period. The indicative guidelines for 2007-2013 aim to present a more result oriented approach and emphasised for instance the importance of indicators in planning, monitoring and assessing implementation throughout the whole programming cycle. In the current 2014-2020 period, a more clear distinction between output and result indicators is required and a performance reserve is introduced to enhance systematic programme monitoring

Main actors

Main actors concerning monitoring are the managing authorities, the monitoring committee and the Commission. Further stakeholders are the certifying and audit authorities and beneficiaries providing and verifying information on the progress of implementation.

- **Managing Authorities** are responsible for making sure that relevant information from monitoring on the progress of implementation is provided through the monitoring system. This refers to the development of an appropriate set of indicators, to the design of data collection procedures and systems as well as to the distribution of information to the Monitoring Committee and the Commission

- **Monitoring Committees** are responsible for critically scrutinising the information provided by Managing Authorities, detecting implementation problems and thereby improving the quality of implementation. It has some further functions more closely related to other elements **e.g. the criteria for selecting the operations (approval required), progress towards targets, evaluation reports, annual and final implementation reports (approval required) and annual control reports**

- **Implementing Bodies** usually play a central role. Those responsible for the design and management of specific interventions are often strongly involved in the development of the

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[34] European Commission (2006): Indicative Guideline on Evaluation Methods: Monitoring and Evaluation Indicators (Working Document No. 2), p. 15

indicators. Moreover, they are usually responsible for the collection and analysis of the monitoring data and provide the technical systems used for this purpose.

■ **Beneficiaries** are often the ones to provide the actual data during the process of programme implementation. That is why the highest costs and administrative burdens related to Monitoring are often experienced on this level.

■ For the **Commission,** monitoring data is a way to check on the progress of Operational Programmes and to make sure that funding is spent in accordance with its defined purpose.

Main function

As Cohesion Policy funding is expected to be spent effectively and efficiently there is a need to monitor the progress of implementation of Operational Programmes. A good monitoring system should be able to detect implementation problems, for example, highlighting areas where financial absorption is lagging behind; where expected outputs are not being produced; or where outputs are being produced at unreasonably high costs. Good monitoring practices therefore serve as an "early warning" for expected results in jeopardy and induces further investigation on the causes. By revealing implementation difficulties monitoring helps to detect the necessity to adapt the Operational Programmes. Therefore, its functioning plays an important role in fostering the responsiveness of the Delivery System and assuring its result-orientation. Additionally, by detecting implementation problems in an early phase, monitoring helps to avoid delays.

Finally, good monitoring practices help to make progress and outputs of the funds more visible and easier to communicate, thereby enhancing accountability.

Critical factors

Monitoring systems must be carefully planned and set-up at the beginning of the programming period. Indicators need to be relevant, clearly defined and understood by all stakeholders (including beneficiaries); responsibilities and intervals for gathering and recording data must be agreed upon to ensure high data quality. Data quality is crucial for assuring the accountability function of the Monitoring System, which relies on aggregated data. However, Managing Authorities and Intermediate Bodies continue to face the challenge of getting timely and accurate information from beneficiaries. In order to foster sound monitoring practices it is also important that objectives and desired targets for outputs and results are clearly stated in the Operational Programme. Otherwise there is nothing the achieved outputs and results can be checked against, and judgment on the delivery of results becomes arbitrary.

Whether Monitoring contributes to a continuous improvement of programmes' implementation depends on the use of the data, more specifically, on how information and data are distributed and reflected upon, and what follow-up-actions the implementing actors agree upon.

Monitoring serves a valuable purpose, but providing, gathering and managing monitoring data also requires financial and administrative resources. Good monitoring practices balance informational needs and resources to be dedicated, taking into account the financial volume of the Operational Programme. An often challenging aspect of gathering monitoring data is that a good part of the information on outputs and results, e.g. jobs created or patent applications filled, has to be delivered by the beneficiaries. It is therefore of great importance that beneficiaries understand and accept monitoring indicators and are willing to report. A good balance must be found between satisfying information and accountability needs and keeping the monitoring system simple, requiring reasonable cost and burden for data gathering and maintenance.

Overlap with other elements of the Delivery System

As pointed out previously, the development of indicators and the respective target setting was to be done in the programming phase. Moreover, monitoring includes the collection and analysis of financial indicators and therefore overlaps with financial management and control. The same is true for evaluation, as evaluation relies partly on the data produced by monitoring. Besides, the analysis of monitoring data should also point to potential needs for further investigation. However, in practice, monitoring has sometimes focused on technical compliance (absorption, implementation problems etc.) rather than on effectiveness issues, especially those relating to the assessment of effects and impacts. Finally, monitoring is closely related to reporting, which feeds it with relevant data and consists mainly of the presentation and discussion of monitoring information.

Definition for the purpose of the analysis

Monitoring will include those activities implemented by the managing authority and the Programme Monitoring Committee which involve checking on the progress and performance of operational programmes. It includes collecting and checking data for financial, output and result indicators. Monitoring also covers many aspects of programme management, such as relations with projects and sectors, generating early warning signs and responses, making recommendations to and following recommendations from the monitoring committee regarding programme implementation.

Questions of how monitoring provides input for evaluation either regarding the data collected or the formulation of evaluation questions is included in the evaluation topic.

6.1.6   Evaluation

Evaluation assesses interventions in terms of their results, impacts and the needs they aim to satisfy. Policy interventions are evaluated so that they provide useful and timely information regarding programme strategies, programme implementation and policy outcomes in order to **account for** the public spending, to **improve** future policies, and to **learn** about what works, why and in which context. According to the General Regulation, "evaluations shall aim to improve the quality, effectiveness and consistency of the assistance from the Funds and the strategy and implementation of Operational Programmes with respect to the specific structural problems affecting the Member States and regions concerned".

Evaluations can be differentiated according to their **intended use**. They can be for instance of a strategic or an operational nature, or combine both strategic and operational features. Based on the focus of analysis, impact evaluations can be distinguished from implementation or process evaluations, which focus on inputs, outputs and efficient programme delivery. There are thematic evaluations that concentrate on a specific industry, theme of cross-cutting issue. Synthesis evaluations are meta-evaluations concern two or more other evaluations.

Apart from that, the legislative framework differentiates evaluations according to their **functions in the policy cycle**; i.e. ex ante evaluations (to improve programming), interim evaluations (to assist implementation and provide feedback), and ex post evaluations (to review and learn from outcomes).

Member States were recommended to draw up an evaluation plan, serving as a road map for evaluation activities in the period.

The delivery system of the new programming period is characterised by increased result orientation. Member States must draw up an evaluation plan in the programming phase to better plan evaluation activities. They will receive more support and guidance on how to prepare for, and to carry out the evaluation of policy outcomes. That means not only the availability of monitoring and comparison

group data, but also the enhancement of evaluation capacities and exchange of good practices. Increase in result orientation was also reflected in the changing role of ex ante, interim and ex post evaluations in view of linking programme performance and thematic objectives.

Main actors

The main actors in the field of evaluation are as follows.

- The **Commission** is responsible for ex post evaluations. In addition, the Commission provides guidance on evaluation, facilitates the exchanges of experiences between Member States and may initiate further evaluations.
- The **Managing Authorities** are responsible for conducting ex ante evaluations, and evaluations during the programming period. It is also their job to distribute evaluation findings, involve relevant stakeholders to reflect on these findings, undertake follow-up-actions if necessary, and publish evaluation reports.
- The **Monitoring Committee** regularly examines the progress of implementation, receives information on evaluation results, and may propose revisions or examinations of the Operational Programmes.
- Internal or external **evaluators** carry out the evaluations
- Depending on the specific evaluation design, all **actors involved or concerned by Structural Funds Policy** might be a subject for the analysis and therefore contribute to the evaluation.

Main function

The objective of evaluations is to provide information on the implementation process and the impacts of Cohesion Policy. They should be a basis for learning and improvement of the effectiveness and efficiency of Operational Programmes. Similarly to monitoring, the main contribution of evaluation to improving effectiveness is to enhance the **delivery of results**.

Credible evaluations on the achievements of public-funded interventions also contribute to a high degree of **accountability** to European institutions and the taxpayer in general.

Evaluations analysing the changing funding needs throughout the funding period can be relevant for the **responsiveness** of funds implementation. Specifically, evaluations carried out in response to the financial crisis had an opportunity to provide reliable evidence to the improvement of programme strategies.

Critical factors

The utilisation of evaluation results is often reported to be a problem for Member States. Evaluations are primarily meant to inform programme management and to provide input to policy design. Beyond that, they are also expected to inform the public and facilitate knowledge sharing within the evaluation community. If they fail to meet these expectations, the human and financial resources can easily become net administrative burden for the actors involved. Reasons for not utilising evaluation results can be manifold, ranging from weak evaluation designs, wrong timing, limited stakeholder discussions, or the lack of commitment to the evaluation procedure.

Timing of evaluations, especially for interim evaluations, can be a challenge for Managing Authorities. On the one hand, implementation has to have made sufficient progress in order to allow for data gathering and sufficient experience with the interventions. Depending on the type of intervention and on its underlying logic, evaluations performed too early in the programme may not be able to capture results. On the other hand, ideally there should be enough time to apply the lessons learnt and

improve the interventions before the end of the programming period. Therefore, evaluation results often play a more important role for the upcoming period rather than for the on-going programming period. For the 2007-13 period, the timing of interim evaluations was particularly important, as the financial crisis hit EU economies to varying degrees and had an impact on the ability of programmes to spend and to produce results under all priorities.

Stakeholders expect evaluations to provide information about the impacts of Cohesion Policy (via impact evaluations), and to improve the effectiveness and efficiency of Operational Programmes (via implementation or process evaluations). In the light of accountability and the need to justify spending, some stakeholders might expect overly positive evaluation results and achievements that can easily be communicated to the wider public. These expectations may conflict with the need for independency and neutrality of the evaluations.

The number is impact evaluations has been growing in recent years. Despite the several good practices referred to by Commission guidelines, rigorous experimental and quasi experimental designs are difficult to be applied in the real world setting of Cohesion Policy. Reasons for that include the existence of numerous external factors, complex causal relationships, challenges around establishing control or comparison groups, concurrent receipt of financial support by beneficiaries, and other confounding variables.

A common shortcoming of evaluations is an overburdened scope of evaluation topics, which can severely limit the depth of the evaluation and the possibilities to draw meaningful lessons from its findings. Therefore, evaluations need to focus on a limited number of aspects and ask the right questions.

Depending on their designs, evaluations can utilise many information sources, especially when additional data has to be collected. Evaluations are usually carried out by external service providers, during which Managing Authorities, Intermediate Bodies, beneficiaries, and other stakeholders often need to contribute by gathering data or answering questionnaires and interviews. Ensuring their participation and co-operation is key to those evaluations.

Overlap with other elements of the Delivery System

The objectives and desired results (targets) are required to be stated in the Operational Programmes. Otherwise, there is nothing the achieved results could be measured against. This points to an overlapping of evaluation and programming.

Evaluators often use the information and data generated by the monitoring process, especially of complex monitoring systems. Evaluations might provide recommendations as to how to improve project selection processes, financial management and monitoring tasks. As evaluations are often carried out by external service providers, public procurement procedures are required to commission evaluations.

Definition for the purpose of the analysis

This element of the delivery system includes not only the ex ante, interim and ex post evaluations, but also any thematic or ad hoc evaluations.

The study focuses on main features of the delivery system related to evaluation, including functionally independent evaluation capacities, organisation of evaluation activities, the evaluation plan, Commission evaluation guidelines, the ex ante evaluations, on-going evaluations, ex post evaluations, other ad hoc evaluations (including impact evaluations), the Monitoring Committee's role of examining evaluations, as well as the communication, discussion and utilisation of evaluation results.

6.1.7 Reporting

Definition

Reporting in the context of Cohesion Policy implementation can be considered as the provision of structured information on the implementation of the Policy, presented in specified forms and prepared at specific time intervals. The delivered information serve as a base for feedback procedures of operations and programmes with regards to the objectives set and results to be achieved as well as progress towards the strategic goals set out on the European Level.

On the one hand, reporting refers to the data delivered by the single authorities of the management and control system on the implementation of an Operational Programme. Managing Authorities, Certifying Authorities and Audit Authorities report the information gathered during the monitoring process to the Commission (Council Regulation (EC) No 1083/2006, articles 60-62).

On the other hand, strategic reporting refers to the reports released by the Member States (Council Regulation (EC) No 1083/2006, article 29), as well as the Commission (Council Regulation (EC) No 1083/2006, article 30) in order to describe the contribution of Cohesion Policy to reach the objectives of the National Reform Programmes and the European Union.

Consequently, reporting takes place on different levels. On the European level, the Commission summarises the reports of the Member States. On the Member State level, the single countries report information on the contributions of the Funds. On the level of the Operational Programmes, the single authorities report data to the National Authorities responsible for Strategic Reporting on national level as well as to the Commission.

Main actors

The main stakeholders of the reporting element are the following:

■ The **European Commission** summarises reports of the Member States and draws up an Annual Progress Report and the Cohesion report.

   Member States report on the strategic contributions of the operational programmes in annual implementation report on their national reform programmes.

   On the level of the operational programmes and as part of the monitoring system, annual implementation reports are delivered by the **Managing Authorities**, certified statements of expenditure and applications for payment by the **Certifying Authorities** and the findings of audits carried out including possible shortcomings in the systems for management and control in annual control reports by the **Audit Authorities**.

■ The reports address **different stakeholders** on all levels (European and national authorities, partner organisations, regional and local authorities) including the wider public.

Main function

With the information delivered through the reporting practice, the current implementation can be assessed, corrective action can be undertaken if needed, and the further implementation can be planned ahead. Thus, the reporting element in essence ensures both, the successful completion of current Delivery System cycles as well as their constant improvement and enhancement in the future. The continuous strategic reporting from Member States to the Commission is the basis for general information on the implementation and achievement of the Structural Funds Policy. By making achievements and processes accessible to the public, reporting can contribute to a higher accountability on Member State as well as on European Level.

Critical factors

Strategic reporting faces the challenge of reporting on the contributions and objectives of a wide range of actions financed under the different Funds. A balance between drawing a clear picture and providing an indigestible amount of information needs to be maintained. For the reporting of monitoring data the quality of data and the possibility to aggregate data are of a vital role for producing conclusive reports.

On a separate note, reporting relies extensively on the IT system that facilitates the exchange of structured information. As such, quality in the design of this system can directly contribute to the performance of reporting. Clarity in each field of automatised reports, timely reminders integrated in the software, and validation of numerical values (detecting input errors) are all examples of elements that can contribute to improving the quality of reporting. In the 2007-2013 period, reporting between Member States and the European Commission relied on the software SFC2007[35].

Similarly, to Monitoring and Evaluation the way of how Reporting is used to inform and reflect on implementation is crucial. Very often Reporting is considered as an obligatory task to fulfil but not as a useful tool for critical assessment and improvement.

Overlap with other elements of the Delivery System

Reporting encompasses and exploits features of all the other elements aiming to close the feedback loop. The feedback given is of outmost importance for assessing the current situation and undertaking corrective action.

Definition for the purpose of the analysis

Reporting will include the formal submission of required reports from the Managing Authorities or the Member State to the European Commission, and the reporting system established for this purpose. It will cover the Annual Implementation Report and the Annual Control Report as well as the strategic reporting of 2007, 2009 and 2012.

Project reporting to programmes is included within the Monitoring element of the delivery system.

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[35] Further information on this tool is made available to users at the following address (support portal):
http://ec.europa.eu/sfc/en/2007/about-sfc2007

6.2 Literature list, specialised sources

6.2.1 General Background Literature

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ERDF Regulation: Regulation (EC) No 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999

ESF Regulation: Regulation (EC) No 1081/2006 of the European Parliament and of the Council of 5 July 2006 on the European Social Fund and repealing Regulation (EC) No 1784/1999

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6.3   Provisional list of information sources: stakeholders and documents (Task 3)

Case studies will build on a large number of national and regional **stakeholders**. Indicatively, those include (also involving stakeholders potentially contacted through the surveys in Task 2):

■ Managing Authorities (by departments)

■ Certifying Authorities (by departments)

■ line ministries

■ Intermediate Bodies (by departments)

■ other intermediary organisations (consultancy networks for beneficiaries, contact points)

■ Competent Authorities

■ Audit Authorities

■ organisations responsible for developing, maintaining IT systems for monitoring & control

■ organisation overviewing public procurements

■ trade associations, chambers, social partners

■ firms writing and managing project applications

■ institutions involved in construction projects (archaeology, public utilities, environmental agencies)

■ financial institutions (banks, insurers)

■ industry, Cohesion Policy and other academic experts

■ local evaluators

■ NGOs

■ direct beneficiaries of the programmes, segmented by types – a provisional list:
  – organisations owned by central government
  – local municipalities, city councils / organisation owned by local municipality
  – universities

- public schools
- kindergartens
- other education related beneficiaries
- hospitals
- other healthcare sector beneficiaries
- organisations implementing transport infrastructure projects
- vocational training organisations
- financial intermediary for Financial Engineering Instruments
- energy firms
- not-for-profit organisations
- public utility companies
- national parks
- large enterprises (overlaps with other elements in this list)
- SMEs (overlaps with other elements in this list)
- etc.

Written information sources will include (including also those investigated under Task 1 and Task 2):

- Local relevant policy documents and legal background
- Operational Programme (different versions, if changes/reallocations have occurred)
- Calls for applications, model grant agreements, application manuals, qualification criteria
  - eligibility
  - selection/award criteria
  - simplified cost options
- Procedures (Managing Authorities, Intermediate Bodies)
- Available tools and systems
- Minutes / outcomes of Monitoring Committee meetings, Selection Committee meetings
- Monitoring documents
- Beneficiary database(s)
- Analysis of information gathered through the web-based beneficiary survey conducted according to Task 2, for the element project selection this might be the following:
  - availability of information for applicants
  - co-operation with the relevant organisations/bodies in the various phases of the application process (frequency of consultations, quality, appropriateness, etc.)
  - contact with verification/audit/certification authorities and intermediate bodies during the application/implementation process (number of checks, time needed, impact of checks, etc.)
  - preferences regarding the competences of the institutional set-up responsible for the policy/programme implementation (availability, responsiveness, professional knowledge, etc.)
  - major obstacles during the application/implementation process

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