REGIO Evaluation Network Meeting - Minutes
Brussels, 20-21 May 2019

Agenda

∗ Monday May 20, 2019 ∗

Venue: ALBERT BORSCHETTE Conference Centre, rue Froissart 36, Brussels – CCAB – Room 4D

09:00 – 09:30: Registration* and coffee

1. MORNING SESSION

9:30-9:45 *Welcome and agenda*

9:45-11: 00 *Indicators Policy Objective 5 and Horizontal*

11:00-11:15 **COFFEE BREAK**

11:15-12:30 *Horizontal issues for indicators*

12:30-14:00 LUNCH BREAK

2. AFTERNOON SESSION

14:00-15:30 *Reporting templates*

15:30-15:45 **COFFEE BREAK**

15:45-17:30 *Guidance and template for indicator fiche*

17:30-19:00 **DRINKS**

∗ Tuesday May 21, 2019 ∗

Venue: ALBERT BORSCHETTE Conference Centre, rue Froissart 36, Brussels – CCAB – Room 4D

09.00 - 09.30: Registration* and coffee

3. MORNING SESSION

9:30-11:00 *Changes implied for Annex I (ETC included) + II ERDF Regulation*

11:00-11:15 **COFFEE BREAK**

11:15-12:00 *Alignment of intervention fields 2021+*

12:00-12:30 *Next steps + AOB*

* Registration of the persons who confirmed participation as indicated on the invitation letter.

REGIO B.2 welcomes the participants, thanks them for the participation in the consultations, and invites them to approve the agenda for the current meeting. The agenda is approved and the unit announces there will be also an intervention from DG EMPL to clarify the status of the ESF common indicators.

The unit explains the process about the work on the indicators and the respective Annex I and II: the unit will provide the revised annexes to the Council by May 22 in view of the Structural Measures Working Party meeting on the May 27. In this forum, the Council will discuss the changes in indicator names implied by the comments received from the MS.

The unit informed the participants all the minutes and materials of the previous meetings concerning PO1, 2, 3 and 4, the MS comments on PO5 and horizontal indicators, horizontal issues, and intervention fields, and the revised Annexes I and II (for PO1-4) are available already on CIRCABC.

PO5 and Horizontal Indicators

REGIO B.2 introduces the work on the indicators for the Policy Objective 5 and Horizontal indicators.

Objectives of the meeting:
- Agree on the names of the indicators included in Annex I
- Discuss the definitions, measurement, and other metadata included in the indicator fiches – to be included in the guidance for the indicators. On these issues, there will be further opportunities for refinement when the unit and the MS discuss the guidance (after the adoption of the legislative texts).

Rationale
- Rationale for the extension of the list of common indicators: 1) increase policy coverage by common indicators; 2) introduction of common indicators for direct results, in the same logic as for the EMPL indicators. These will prove useful for the analysis of the effectiveness of the policy. It will enhance our (common) ability to communicate on the achievement of the policy.
- The unit invites a reflection on how these changes proposed will interact with monitoring systems and with the evaluation of the impacts of the future programmes.

Process:
- The meeting is dedicated to policy objective 5 and Horizontal indicators, horizontal issues and the Annexes I and II.
- By specific objective, the unit takes each indicator at a time and discuss the comments received from MS, and possible solutions (if needed).
- For PO5 – 32 pages of comments received for 8 indicators, from 14 Member States. For Horizontal indicators – 20 pages of comments received for 5 indicators, from 11-13 Member States.
- All comments received from MS are shared via the working group on CIRCABC.
- For the meeting the REGIO B2 groups and synthesizes the key issues from the comments received.

- The unit takes on board the issues discussed during the meeting, and it will discuss them further with colleagues in the Commission.
- Based on ratings for the RACER criteria received from MS, for each of the indicator the unit calculates the share of respondents (MS) who assigned high and very high scores to each of the criteria.

The unit thanks and expresses appreciation for the comments received from the Member States during the consultations.

Policy Objective 5. A Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives

The unit highlights that PO5 can use any of the indicators discussed for the previous policy objectives (regardless whether they have a * or not).

SPECIFIC OBJECTIVE 5.i Fostering the integrated social, economic and environmental development, cultural heritage and security in urban areas

OUTPUT INDICATORS SO5.i

RCO 74 – Population covered by strategies for integrated urban development
RACER criteria: Relevant for 71%, Accepted by 79%, Credible for 71%, Easy for 79%, Robust for 79%

Issues raised:
- Some MS state that this indicator could be useful also to the SO5.ii and propose to rename it "Population covered by projects in the framework of strategies for integrated territorial development".
- Population: which type of population is included: residents? tourists? people benefiting from strategies?
- Indicator type: output or result? One MS considers this indicator a result.
- Scope: a MS proposes to introduce RCO74 both for urban and for rural, inner and coastal areas. Other MSs propose renaming the indicator more generally in terms of such that it can be used in both specific objectives in PO5. A MS states that there is a discrepancy between the title (population covered by strategies) and the definition (population living in areas covered by supported projects implementing the strategy). Some MS comment that if we measure the population covered by the strategy and not by supported intervention, the indicator is no longer useful.
- General comments on double counting:
  - if values for all projects will be added, the total values will not show much.
  - another comments states that, based on the experience in the current period, no tool has been identified for removing double counting of population in the areas of intervention. Therefore, it is recommended that the indicator should be replaced by an indicator that measures the people using specific infrastructural objects located in these areas.
  - another MS argues that a strategy can be implemented through projects included in different policy and specific objectives. Therefore, the proposal to include the possibility to use the indicator for all policy objectives.
  - one MS asks whether the removal of double counting implies that in a given area mentioned in the development strategy only one project covering one type of investment can be implemented in that area?

- Definition: one MS asks for methodology to assess whether interventions succeed "integrated urban development." Which type of strategies for integrated territorial development can be included?
- Method of calculation: if the project is implemented in a district, should the district population be counted? One MS states that, if necessary, the MA should cap the size of the population at the appropriate level.
- Data sources: one MS points out that the data source cannot be the project since all ERDF projects implemented in territory X would be targeted at the same population.
- Clarification of the time of measurement.

Additional issues raised:
- A MS asks for clarifications about what it should be measured and which type of data we should take into account: the data from the strategies, or those from the projects. Moreover, it should be considered that the population of a city fluctuates and it is difficult to capture the population supported by the investments and the strategies.
- Two MS ask for clarification on the population to be considered, namely whether they should take into consideration the people living in the municipalities where the strategies are implemented, or the people who benefit from the projects.
- A MS assesses it prefers including the population living in the areas where projects are implemented, instead of counting the people benefiting from projects, following the current indicator. If we consider the people benefitting from projects, the method of calculation will be difficult to find and apply, and the methodology could be not robust and reliable.
- A MS proposes to split this indicator and the RCO77, as well as the result indicator for the strategies, based on the current experience of 2014-2020 period. The MS supports the idea to include the resident population.
- Proposal to split the indicator in one output and one result indicator: in the output, the entire population of the municipality where the strategy is implemented should be counted, while in the result the indicator should assess the number of people benefiting from the projects financed.

B2 replies:
- We agree with the change in terms and the suggestion for a new name. In this case, we could propose that all indicators proposed for specific objective 5.i apply also to 5.ii. In any case, we not add an * since this would imply the use of this indicator in other policy objectives – which would generate significant issues of double counting across policy objectives (and the indicator loses relevance).
- We want to measure the population which benefits from the projects we are financing, not the population covered by the wider strategy because this cannot be considered as a proxy measure for what we finance. The output indicator is meant to measure the extent of interventions, and therefore not the entire strategy (which may or may not be created in the context of the programme). We prefer to take into account only people benefiting from the project also due to the fact that in this current period in some cases all the resident population has been taken into account and it has invalidate the reliability of the indicator. Therefore, we agree with the name proposed "Population covered by projects in the framework of strategies for integrated territorial development".
- We will leave the MA to decide which population take into account. We propose not to limit the indicator to the resident population, as well as for all the other indicators where population is considered.
- Indicator type: No, the indicator is an output because the population covered by strategies is meant as a proxy measurement for the scope of the work on the strategy financed by ERDF. It is true that the population may benefit, but the actual achievements are better measured

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in terms of concrete results if possible (such as users, tourists, passengers of public transport, etc.).

- We interpret this as an issue of double counting. Firstly, the extent of double counting will depend on the distribution of projects. If 10 projects are implemented only in one district of a city, then the double counting is significant. If, on the other hand, the projects are distributed territorially, then this may not be a serious issues. Nevertheless, we clearly need a rule for removing double counting such that population in projects implemented in the same area is not counted repeatedly. For previous indicators, the solution of GIS systems was proposed, but we should explore further alternative methods employed by Member States for addressing this issue. We propose to eliminate the rule of double counting at the level of this specific objective.

- The aim of the indicator is to track projects supporting strategies in PO5. If we open the indicators to all POs this will imply tracking all projects for the strategy and eliminate double counting at programme level. In our view this would generate a significant administrative burden for the Managing Authorities.

- On whether the removal of double counting implies a limitation of investments across areas, the answer is clearly. As emphasized in previous meetings, the Managing Authority should first focus on the need and objective of an investment, and then choose the appropriate indicators.

- We agree with the MS statement: "methodology is needed to assess whether interventions succeed in "integrated urban development," but this is not an issue of monitoring but evaluation. With the output indicator, we measure the scope of the projects implementing the strategy, while the effectiveness of the interventions (from the perspective of integration) should be assessed in ex post evaluation.

- We are proposing to include all types of strategies for integrated territorial development.

- Method of calculation: In principle the project itself should provide an estimate of the target population for the intervention, based on the resources that are planned to be invested. The MA will have to remove double counting across projects implemented in the same areas. One could consider a demarcation rule based on districts, administrative areas etc.

- Data sources: We would imagine that projects have different objectives, different sizes, and can cover different target groups. For this reason, we think that the best source of data for estimates of the population targeted are the projects, and the issue of double counting is tackled by the MA. In any case, in our view, an indicator established at the level of the intervention is unlikely to be measured based on statistical data at the level of the territory.

- Time of measurement – we would propose the same rule as for partially implemented operations in the current period. MS can count the outputs achieved even if the project/ operation is not completed.

- Instead of splitting the indicator, we propose to call it "Population covered by projects in the framework of strategies for integrated territorial development". If you prefer to distinguish the urban from other territories, it is possible to include sub indicators in the national system.

- As to the idea to split the indicator for population covered and population benefitting, it is an interesting idea, but we would like to measure which are results of our investments, and to limit the number of indicators.

RCO 75 - Integrated strategies for urban development
RACER criteria: Relevant for 64%, Accepted by 79%, Credible for 79%, Easy for 86%, Robust for 71%

Issues raised:
- Scope: extend beyond PO5; extend to PO5.ii.

- Target setting – One MS notes that target setting is difficult at programming stage if the strategies are not yet ready.
- Proposal to introduce a reference document for strategies for integrated territorial development.
- Definition: proposal to remove "with projects supported"; are the studies included in this indicator?
- Double counting: "a strategy should be measured once during the programming period regardless of the number of projects implementing it"; proposal to monitor and measure the indicator at programme level.
- No dynamics, adverse incentives: One MS comments that the indicator is lacking dynamics, as it tells nothing about the qualitative aspects of the strategy. A MS notes that there could be adverse incentives to split strategies in order to obtain large numbers for the indicator.
- Data sources: Data source should be filled.
- Time of measurement: A MS proposes completion of at least one project.
- Additional comment (more general): urban should be clearly defined.

Additional issues raised:
- Clarification on double counting.
- Clarification on the case the strategies are updated: should we count them or not?
- Open the indicator to other POs: some MAs could decide not to use PO5, but they could decide to put in place territorial investments integrated in other programs' priorities. In this case, without the *, the EC and the MS will not have relevant information on these type of investments. As to the definition of "urban", it is different from a MS to another, and it risks over specification.
- Clarification on the possibility to include projects supported by ESF+ in the framework of a strategy in this indicator.
- If a MS will implement sustainable urban development strategies in ITI financed by other OPs, it will be difficult not to apply this indicator meant to be for urban development.

B2 replies:
- This indicator aims at measuring the number of strategies we are financing.
- On the comment to extend beyond PO5, we think it will generate a significant administrative burden, such as the creation of a monitoring system just for the integrated strategies. We propose not to open it to the program and remove double counting at the level of PO5. We agree to extend it to SO5.ii. In principle, we agree to have common indicators to both specific objectives, both for results and outputs.
- We agree that investments in the other POs could contribute to integrated territorial development, but we are not convinced that we need to use PO5 indicators to measure them since the financing will be allocated to those POs and not to PO5. If we extend the indicator to other POs, it tends to lose relevance due to high risk of double counting, and it also carries the risk of serving as an easy substitute for thematic, more concrete indicators which are more informative about the output of the intervention.
- As for its application for PO5.ii, we agree with the new name proposed, as "Strategies for integrated territorial development" with the possibility to use it also in PO5.ii. In addition, we would add the word "supported" in this case in order to clarify that we do not count strategies in general, but rather the ones for which we finance projects.
- Target setting: We agree, but we hope that the experience cumulated in the current period will help in this process. There is the possibility to revise the information on strategies, once they will become more precise.
- For the reference, we can add the recent REGIO study (winter 2018) taking stock of integrated territorial strategies in the current period.

- Definition: a) On "supported projects" – this expression defines the scope of the indicator. This indicator is meant to count the strategies for which ERDF and Cohesion Fund support projects in PO5, not the number of strategies in general. <mark>Therefore, we would like to keep it.</mark> B) We would prefer not to include studies in the indicator since they do not constitute genuine implementation of a strategy for integrated urban development. We would propose to use a programme specific indicator for studies to distinguish between them.
- We would say that the indicator is measured at the level of the policy objective, but some data needed for its calculation should still be collected from projects since that where we learn to which strategies the projects contribute. In our view, the MA should keep track of projects implemented for given strategies. <mark>We would propose to introduce a rule to remove the double counting at the level of this policy objective only, and not to extend further.</mark> The MA should know the number of the strategies supported in PO5, therefore a mapping with all the projects contributing to PO5 should be available. What needs to be recorded from projects (for this indicator) is the strategy to which the project contributes such that the MA understands how many strategies are being financed at the level of the specific objective. This is the reason why we prefer to keep the indicator at the level of PO5. Therefore, if strategies are financed through other objectives than PO5, they will not be counted.
- Lacking dynamics: We agree, that this is simply a counting exercise, although we think it is informative to learn how many strategies (and for which territories – urban or otherwise) we finance in a programme.
- Adverse incentives: there is no financial incentives to meet the target of the indicators. More concrete details for the investments can be measured with the thematic indicators proposed for the other policy objectives. In addition, we would hope that the authorities would be rational policy makers, designing strategies as needed for the territory, especially since there is no financial incentive linked to the indicator.
- Monitoring system: <mark>we will include "the monitoring system."</mark> We are not very clear why surveys are relevant in this case since sampling the projects would in any case require a mapping of projects into strategies.
- <mark></mark> We propose the time of measurement as soon as the outputs from at least one project implementing the strategy are achieved. A MS proposes completion of at least one project: this would not be in line to the more general rule of partially completed operations discussed. <mark>We consider, however, providing more flexibility by including "no earlier than."</mark>
- <mark></mark> As to opening the indicator to other OPs: it would be ideal to determine the number of strategies financed at the program level and the population covered by them. You should map them, this could imply administrative burden. <mark>This is the reason why we propose not to open to other OPs. If you are willing to do it, we can open.</mark>
- <mark>We have proposed to include the definition of "urban" because some MS asked for it, but we will reflect on it.</mark>
- No, the strategies supported by the ESF+ cannot be counted here.

RCO 76 – Collaborative projects
RACER criteria: Relevant for 50%, Accepted by 64%, Credible for 71%, Easy for 71%, Robust for 79%

Issues raised:
- Relevance: MS state that all projects are collaborative; the indicator is not descriptive enough and it is too general. Several MS propose to remove this indicator since it is not useful.
- Scope: extend to PO5.ii. It could be applied to integrated territorial development, and therefore used in both specific objectives.
- Definition: suggestion to provide a clear definition of stakeholders (same as in RCR76?); Are they expected to be involved in the preparation of the strategy, in the implementation of

the projects? Do we include beneficiaries or other stakeholders? Stakeholders from two or more strategies?

- Data sources: proposal to use ad hoc survey. One MS comments that the indicator cannot be at project level since it would always be 1.
- Proposal to clarify the definition of urban.

Additional issues raised:
- Two MS ask for clarification on the definition of stakeholders and the type of works they can undertake.
- A MS assesses this indicator is at the program level and not at the project level.

B2 replies:
- We would like to measure the number of projects which integrate several types of stakeholders (public authorities, private actors, NGOs), or cover different administrative territories (municipalities) or different sectors. We will explain this in the definition. A project would be counted if it fulfils at least one of these conditions, and it can be considered as an integrated project. In order to clarify this, we propose a change in name: "Integrated projects for territorial development"
- Scope – same as for previous indicators.
- Definition: the stakeholders could be public authorities, private actors, NGOs. As to the stakeholders' involvement, MS can count the ones participating in the implementation of the projects. The key aspect is to take into account the stakeholders from at least two different groups (ex: one public authority and one NGO) should participate in the project. We would introduce a clearer definition in the fiche.
- We would like to measure integrated projects, thus we would include it in the name and in the definition.
- On data source, if ad hoc surveys are considered relevant to collect information, we will include them. It is an indicator calculated based on the data collected in the monitoring system at MA level. It is necessary, however, to collect data on whether the projects are integrated. In our view, the collection of this data can be done at the time of signing the grant agreement, but the time of measurement should be when the operational objective of the project is achieved.
- The project can be considered "integrated" if it combines two municipalities cooperating, or it covers two different investment fields, or it involves stakeholders from different interest groups. We will explain it in the fiche.
- The indicator is at the level of the strategy and we agree on the fact that target setting could be difficult, but you can rely on the previous experience.
- As to the urban definition, under specific objective 1, territorial focus can be any kind of urban area, including urban-rural linkages. The following territorial focus categories can be used for this specific objective, which will be automatically part of urban earmarking: -Urban neighbourhoods (areas within an urban administrative unit), -Cities, towns or suburbs (single urban administrative units, TERCET methodology is recommended to define urban administrative units); -Functional urban areas (multiple administrative units of the city and the surrounding area, and thus can cover both urban and rural administrative units, TERCET methodology is recommended, but not obligatory to define FUA strategies).
- In order to be eligible, investments must support integrated territorial or local strategies.

RCO 77 - Capacity of cultural and tourism infrastructure supported
RACER criteria: Relevant for 80%, Accepted by 71%, Credible for 79%, Easy for 64%, Robust for 71%

Issues raised:
- Proposal to add an *, and some MS would like to have the possibility to use this indicator in other POs, because there are possibilities to invest in cultural and tourism infrastructures also in other POs. proposal to extend to PO5.ii.
- Proposal to have separate indicators for culture and tourism. There is a lack of indicators relevant for culture in other SOs, therefore carrying the risk of limitations for the implementation of culture projects. Some other MS, on the other hand, mention that it is sometimes difficult to have a clear demarcation between culture and tourism, given the importance of cultural tourism nowadays.
- Difficulty of measuring the capacity of sites for which there are no seats (such as natural sites, historical monuments, galleries, theme parks, open space etc.). Some MS state that this is not a robust indicator. MS raise the question whether the natural sites are included. In case of open parks, how can we measure the capacity?
- Proposal for alternatives: a) "cultural and tourism sites"; b) "number of culture and tourism infrastructure"; c) "cultural heritage artefacts/ attributes with increased attractiveness".
- One MS considers that there may be situations where the target should be zero, since there could be new sites.
- Double counting.

Additional issues raised:
- If we expand this indicator, we would have administrative burden.
- MS asks for clarification whether the indicator should measure the number of sites or their capacity.
- Proposal to count the number of visits, as it can simplify the problem related to double counting.
- Proposal to include joint natural, cultural and natural heritage, sport and urban and tourism infrastructures.
- These indicators seem to be not at the project level, but at the program level.

B2 replies:
- We would like to propose this indicator since it could be perceived the EC is ignoring these sectors of interventions, and for urban development these are relevant domains.
- We agree and we will add *. We would like to recall that the availability of common indicators should not be an impediment for investments. There is always the possibility of using programme specific indicators.
- We prefer maintaining both in the same indicator: it would simplify issues significantly for the MAs to not create additional rules for demarcation for indicators and we would propose the same for result indicators.
- On the proposal to extend to PO5.ii, we agree.
- A) As to the alternative proposal to change the indicator to the number of sites supported by the projects, we think the indicator is less informative in terms of the size of the intervention, but it is indeed more robust and easier to monitor. B) With regards to the proposal to measure the number of infrastructures supported, we state the definition would require our specifying what type of infrastructure – which may prove unfeasible given the large diversity of possible interventions. In addition, it may be that we are not financing only infrastructure, and therefore it may be too limiting. Therefore, we would prefer the first alternative proposed. C) The third alternative proposed is interesting, but it is more of a result indicator. Using such an indicator would require a measure of increased attractiveness which could be reflected by a change in the name of the users/ visitors of the site.

- Target: this could be the case, for instance where quality improvements would have no effect on the capacity. This is an output indicator, and therefore measures total capacity. In any case, we propose to change the indicator to the number of sites supported.
- Since we count the number of number of sites, double counting should be not a problem anymore. There will be a rule for double counting at the level of specific objective. We will include a double counting addressing the possibilities of combined forms of financing (grants and financial instruments) or several projects contributing to the same site. The indicator will be opened at the level of program, and double counting will be removed at level of PO5.
- We are proposing to count the population at the level of the project and not at the level of the strategies because this is an output indicator. We will propose to include the resident population.
- We propose to use "users", so we can count people benefitting from different services several times. Double counting will remain for financial instruments.
- We will propose to count the number of tourism and culture sites, since measuring capacity is difficult to determine.
- This is an indicator at strategy level, as the MA will need to track which projects contribute to which strategy such that they remove double counting at the level of the specific objective. The indicator, however, does not need to be included in each project – only the information on the strategy to which the project contribute will need to be collected.

General comments:

- A MS asks whether PO5 can be planned autonomously, outside the ITI strategy, regional planning or local development strategies. It need therefore independent criteria for cultural sites in order to plan innovative interventions. Independent criteria can better contribute to territorial planning.

B2 replies:
- No, they can't. Policy objective 5 is an objective for integrated territorial development, so the regulatory requirements for integrated territorial development needs to be fulfilled.

RESULT INDICATORS SO5.i

RCR 76 – Stakeholders involved in the preparation and implementation of strategies of urban development
RACER criteria: Relevant for 40%, Accepted by 57%, Credible for 57%, Easy for 71%, Robust for 64%

Issues raised:
- Indicator type: output or result? This is more of an output rather than a result indicator since involvement of stakeholders is a method not a result.
- Scope: extend to PO5.ii.
- Definition: proposal to count the share of stakeholders participating in the processes. Do we consider stakeholders involved in preparation and/or implementation?
- Clarification on double counting.
- General comments: this is an indicator at the level of the strategy; a MS asks what we want to measure with this indicators: the number of developed strategies and their characteristics or the projects contributing to these strategies and additional information on strategies to which they contribute.

B2 replies:
- We agree with the comments on the type of indicator. In addition, we already have an output indicator for stakeholders in PO1. Therefore, we propose to move it to output indicators.
- Scope: extend to PO5.ii. We agree, and we will rename it in terms of "strategies for integrated territorial development".
- As explained for previous indicators, the measurement unit cannot be in %, since we cannot aggregate values at EU level on that basis. We can explain in the definition that it can be both or either, depending on what we finance. We will be more specific in terms of stakeholders participating in projects for the preparation and implementation of the strategies. Costs with the preparation, consultations, updating and implementation of strategies will be eligible, to the extent ERDF finances these type of works. Therefore, it is the same principle as established for the indicator for smart specialisation, namely counting how many times institutions participate in the works.
- We agree with the comment that this is an indicator at the level of the strategy. The MA will need to know which projects contribute to which strategy and the meetings financed. We want to measure the contribution of ERDF to these strategies (whether they are created in the context of the programme or not). Therefore, we do not aim at collecting data at strategy level (ex: all population covered by the strategy, all stakeholders involved etc).
- As to the double counting: If we adopt the same approach as for smart specialisation, then we would count participations of stakeholders in the process of planning (updating included) and implementation of strategies.

RCR 77 – Tourists/ visits to supported sites
RACER criteria: Relevant for 93%, Accepted by 86%, Credible for 79%, Easy for 50%, Robust for 64%

Issues raised:
- Add an *.
- Scope: extend to PO5.ii.
- Clarification on the demarcation between RCR77 and RCR78.
- Name: tourists, visits or users?
- Method of calculation.
- Comparison with CO09.
- Baseline: is a baseline required for updated/ renovated sites?
- Double counting.
- Other comments: Projects cannot be considered as a data source as it is supposed to be completed by the time of measurement. Forecast is difficult when the achieved values are based on estimated data. The forecast value refers to projects selected.

Additional issues raised:
- A MS asks for clarification on the proposal to merge RCR77 and RCR78, on double counting: people can benefit from several touristic and cultural sites. The MS proposes to count every time people benefit from the services.

B2 replies:
- We agree with the proposal to open it up for other POs. This means it will be used also for PO5.ii.
- As to demarcation between RCR77 and RCR78, we propose to merge them such that we count the users of cultural and tourism sites.

- Several comments expressed different preferences, with the more frequent ones for visits and users. We propose to use "users" such that it can apply to different types of sites supported for tourism and culture, and it can also include users from the local population. The implied measurement unit is users/ year. Therefore, the new name: "Users of cultural and tourism sites supported."
- On the method of calculation, we proposed counting the number of users based on tickets sold and, if tickets are not available, a reliable estimate of the number of users annually. This is because the indicator combines different types of investments. The exact counting is not possible for natural sites, but estimates are possible (this is usually done by the management of those sites).
- As regards the comparison with CO09 (current indicator for tourism), this is calculated based on an ex ante estimate. Both from the study and from the workshops organised last year, we learned from MS that this is not a result indicator since it tells nothing about the actual achievement of the project (an ex ante estimate may or may not be confirmed ex post). Therefore, we propose to measure or estimate the number of users ex post. In cases where complete counting is not possible, a survey method will be necessary, and therefore the value recorded would be an estimate.
- Baseline: Yes, for all supported sites. If the goal of the investments is to increase the number of users you need a baseline to monitor what is happening. The projects should tell the MA what is the use of the site before the intervention, and what is the result after the intervention. If the goal is not to increase the number of users, but just to improve the conditions for users, then you will consider the achieved value.
- For double counting, we propose the same rule as for RCO77: for combined forms of support (grants and financial instruments), and for several projects in the same site. We will agree to remove double counting at the level of the policy objective.
- Other comments: The time of measuring should be one year after completion of physical output. On the other hand, it is not always the case that the project is completed by the time of measurement. In any case, it is for the MA to understand what is the best option to ensure the measurement of the result.
- If the field of "data source" is maintained in the fiche, we can add surveys.
- As to forecast comments, if the comment refers to the target, then it will have to be an informed value based on past experience.

RCR 78 – Users benefiting from cultural infrastructure supported (users/ year)
RACER criteria: Relevant for 86%, Accepted by 79%, Credible for 86%, Easy for 57%, Robust for 71%

Issues raised:
- Proposal to include all cultural sites not just cultural heritage.
- Are "Cultural service" defined according to the Common International Classification of Ecosystem Services (CICES)?

Additional issues raised:
- As to the indicators RCR77 and RCR78, we should take into account the local population, since we are talking about tourism and sustainable measures, and we do not understand the reason why we are limiting this indicator by not taking into account the infrastructures specifically designed for the local population.
- Proposal to include exclude natural sites.

B2 replies:
- Most comments are similar as for RCR77. As explained, we propose to merge RCR77 and RCR78.
- ==We agree to include all cultural sites supported.==
- ==We propose to include all eligible operations for cultural sites.== Therefore, we would prefer not to include precise definitions for cultural services, cultural sites since that may lead to over specification.
- The indicator is specifically focused on tourism and culture, because the aim is to measure the investments in these two areas, but this does not mean that there could not be other investment benefitting the local population. We hope that the majority of the investments will be measured by the thematic indicators we have.
- ==Yes, we can include natural sites==.

New indicators proposed by Member States

1. Indicators on status / degree of implementation/ fulfilment of the strategy.
2. Indicator on long-term sustainability (including environmental, knowledge or other) and diversification of supported activities/ projects in the field of tourism and cultural and natural heritage.
3. Indicator on development of sustainable public spaces.
4. Open space created or rehabilitated in urban areas (m2)
5. Public or commercial buildings newly built or renovated in urban areas (m2)

1. These are similar indicators to the key implementation steps we have in this current programming period. We do not propose the inclusion of key implementation steps. This, however, does not prevent the MA to define them in the monitoring system for internal use.
2. These indicators on long-term sustainability would be very interesting, but it implies the measurement of the long-term sustainability – which goes way beyond the one year of measurement we are proposing. This type of data could be very useful to collect and analyse in evaluations.
3. ==For sustainable public spaces – we would like to better understand what is the definition proposed for sustainable public spaces.==
4. ==Open space created or rehabilitated in urban areas (m2) – we would include it but we should reflect on the measurement unit.==
5. Public or commercial buildings newly built or renovated in urban areas – we have this in the current period. For renovated building, the main priority will be to improve energy efficiency, therefore, we can use the indicator of energy efficiency. For new buildings, we propose to use program specific indicator.

SPECIFIC OBJECTIVE 5.ii Fostering the integrated social, economic and environmental local development, cultural heritage and security, including for rural and coastal areas through community-led local development

Output indicator 5.ii

One MS notes that the policy objective should be renamed according to the agreement reached in the Council on "cultural heritage, tourism and security in areas other than urban areas."

RCO 80 – Community-led local development strategies for local development

RACER criteria: Relevant for 64%, Accepted by 71%, Credible for 79%, Easy for 86%, Robust for 86%

Issues raised:
- Overlap with RCO74
- Add a *?
- Definition: strategies with at least one project supported.
- MS ask whether PO5 can be planned autonomously, outside the ITI method, regional planning or local development strategies".
- MS point out this is an indicator at strategy/ programme level.

Additional issues raised:
- Possible overlapping between RCO75 and RCO80.

B2 replies:
- Even if redefine RCO74 such that it can be used in this specific objective, we still need to have an indicator dedicated to RCO80 since not all strategies in this SO will be CLLD.
- On opening this indicator for other POs, we would rather not for the same reasons as explained for RCO74.
- On at least one project supported, this is implied already by the definition. The support has to come from ERDF in order to be counted (even if it is a multi-fund strategy).
- This is an indicator at strategy level, as the MA will need to track which projects contribute to which strategy such that they remove double counting at the level of the specific objective. The indicator does not need to be included in each project – only the information on the strategy to which the project contribute will need to be collected.
- We would like to count the CLLD strategies where ERDF contributes. We should reflect on the possible overlapping between RCO75 and CLLD strategies. We could propose to count CLLD strategies in RCO80 and the others in RCO75.

Horizontal indicators

General comments:

MS raise several general issues for these indicators, and especially for the indicators on the average time for implementation.

Additional comments:
- The value added for the indicators for average time is not clear.
- MS / programmes comparison? A MS is sceptical on the use of the indicators, because they are not showing the achievements, they are demonstrating the efficiency of the system or how it is working. The MS proposes to remove them. Moreover, art.17 of CRP sets the legal basis for this request: "Indicators are set out for each specific objectives and specific objectives are set out for priorities, except for technical assistance". There are grounds to delete all the horizontal indicators. Moreover, there are several factors that could distort the information, The public can misinterpret the values. Another MS assesses these indicator represent a simplified way to measure effective implementation, it is more a way to measure the performance.
- EC mid-term evaluation or MS mid-term review? A MS states it will not use these indicators in the mid-term review. How can the Commission carry out the mid-term evaluation if these indicators are not available for the ESF for this purpose? The horizontal indicators relates to the efficiency of Cohesion Policy, why don't you propose indicators related to the other 4 aspects, namely effectiveness, coherence, relevance and new added value?

- Administrative burden ?
- A MS understands the importance to monitor the efficiency, but it is not the right methodology to do it, also because the horizontal indicator should be not be list in the same with the other OPs. We could split them.

We would like to start by clarifying these issues before moving on to the calculation method for each indicator.

- From the comments received, we understand that there is an implicit assumption that we would use these data to judge administrative capacity. This assumption is not true. We are aware of the fact that timing of implementation can be influenced by a variety of factors, including the type of intervention, the scope and complexity of the projects, as well as specific circumstances of MS and regions. Therefore, our intention is not to make a ranking/ comparative judgement of MS and regions on the basis of this indicators. It would be counterproductive, since the values of these indicators cannot be interpreted automatically, reflecting the administrative capacity. We do not want to generate adverse incentives for the MAs in terms of timing of implementation. For this reason, we have also proposed not to report these data on the Open Data platform. In order to be assured that these data will not be used to rank specific MS and programmes, MS could propose to mention in the annex that these indicators will be reported at EU aggregate level.
  We introduced these indicator since we think they will give us and our stakeholders insights on the timing of the policy.
  A frequent criticism we receive is the fact that the policy is very slow in implementing, especially during the first half of the period. For the Commission, at least at the time of the mid-term evaluation, we will need to explain the current state of implementation (progress in project selection, and achieved values both financially and for the indicators). The narrative that could be use is explaining it, by emphasizing that selection and implementation take time, depending on the field of investment and the type of projects. For this purpose, we need data on this timing. In addition, we expect also to have requirements for reporting (to the EP and Council) also before the mid-term evaluation, and therefore we would find these data very useful. In terms of frequency reporting, we already mentioned that reporting these data once a year would be sufficient.
  What we are interested in is the distribution of the time by specific objective in order to answer question such as "does it take longer to implement projects in enhancing R&I capacities than TEN-T projects?".
- Some Member States are apprehensive that there could be consequences of collecting these data on the mid-term review. The EC needs these data in order to carry out a meaningful mid-term evaluation. Secondly, we have no intention to interfere in the mid-term review expected to be carried out by the MS – there are legal provisions for the mid-term review of MS included in the Regulation, and the introduction of these indicators does not add any additional condition/ requirement for this process. We stated clearly that the data is to be used by the Commission in the mid-term evaluation. Finally, there are no penalties linked to the findings of an evaluation.
- As to the comments about the possible additional administrative burden to collect these data, we think these data should be already collected, since time management is a key dimension of project management. Secondly, given monitoring systems are nowadays fully digitalised and these data should be already available in the monitoring systems, these indicators should not create an additional burden. In fact, we imagine that the MAs have information on the timing of implementation steps (also due to regular requirements of reporting from beneficiaries), but at EU level we require only essential information, on main stages in the process and not all intermediate steps.

RCO 95 – Staff financed by ERDF and Cohesion Fund
RACER criteria: Relevant for 62%, Accepted by 69%, Credible for 69%, Easy for 85%, Robust for 69%

Issues raised:
- Which staff is to be included? Not all people working on the programmes are financed from Technical Assistance. It will be difficult to distinguish which staff works for which specific objectives, since some people work on horizontal tasks at the level of the MA.
- Level of reporting.
- Target setting: clarification on whether targets would be necessary for this indicator.
- It is not clear how this indicator would be used in case of using flat rates for Technical Assistance.
- Method of calculation.

Additional issues raised:
- This is not the first discussion about the indicator, and MS had controversial positions about it. Common indicators should be coherent in terms of methodology and goals; the list of horizontal indicators is designed to demonstrate the effects of Cohesion Policy. It proposes to remove it. There are situations where the indicator can be used in a simplified and counterproductive ways.
- One MS highlights this indicator was removed from the annex of CPR during the negotiations of the SMWP, thus it does not exist anymore. It proposes its removal.
- A MS states it can accept the indicator on certain conditions: it should be reported annually, the definition should be clarified including examples, and it should be clarified that the median values will be used. Moreover, it asks the reason why there is this type of indicator for the ERDF and not for the ESF.
- A MS asks for clarification on the method of calculation, arguing that in the current period they have found out the methodology is not robust (average of annual value); therefore, they have changed it, by using the cumulative value. The method of calculation is not clear.
- A MS asks to put it at the OP level.
- A MS assesses it cannot distinguish the staff working for ERDF and ESF, moreover the indicator does not provide value added.
- A MS asks whether the indicator should include the staff working in the intermediate bodies.

B2 replies:
- We introduced this indicator since, in the current period, we learnt that many MS use technical assistance to finance staff working on ERDF and CF programmes. These MS also use programme specific indicators to calculate the FTEs financed for this purpose, these indicators are very similar although the approach is uneven and data is not comparable at EU level. From the Commission perspective, this indicator is useful since we are asked frequently by the EP how many people we finance to work on managing the Funds.
- The Structural Measures Working Party (SMWP) in the Council has decided to remove the reporting table proposed for this indicator at programme level in Annex VII of the CPR. Therefore, the only choice left is reporting at specific objective level. This reporting will be included in Table 3 in Annex VII for all common output indicators for ERDF and Cohesion Fund. Therefore, the implication is that the MA will report this indicator, when relevant, at the level of the specific objective.

- <mark>Our intention is to follow your suggestions and calculated average FTEs per year according to employment contracts. We will need to address the details with examples in a future meeting.</mark>
- As to the staff to be included, the indicator should count the FTEs financed by technical assistance from ERDF and Cohesion Fund. ESF is not included since this is a common indicator proposed for ERDF and Cohesion Fund. This indicator is not meant to measure all people working on the programmes, but rather the FTEs financed by ERDF. We do not require data on administrative costs, since technical assistance can be used for many other purposes, and therefore there is no direct link between Technical Assistance and the values reported for FTEs.
- There is a difference between the justification of costs (flat rates, RCOs etc.) and the use of output and result indicators. Even when using Simplified Cost Options, programmes still need to measure outputs of interventions. Therefore, we do not see an issue.
- <mark>On the method of calculation, we need to continue the conversation we started in the previous meeting when we addressed this issue.</mark>
- This is an output indicator, and therefore both milestones and targets will be required.
- Yes, the indicator was removed. We are in a process and we have done a first reading of our proposed indicators fiches from all the indicators listed in the Commission proposal. The draft-revised list of indicators we are discussing is not the EC proposal, but a list of indicators which should help the Romanian presidency in the Structural Measures Working Party. The Council can develop its own position.

Result indicator - horizontal

RCR 91 - Average time for launch of calls, selection of projects and signature of contracts
RACER criteria: Relevant for 50%, Accepted by 50%, Credible for 50%, Easy for 75%, Robust for 67%

General comment:
We broke down the process of implementation in three main phases:
- Phase zero of launch of calls, selection and assessment of applications, and signature of grant agreements / letter of offer.
- First phase – it refers where there is an intermediate body (ex: Ministry) which further distributes the support to various actors. In case of financial instruments, we have the Implementing Bodies, but the projects are implemented by enterprises receiving the support. This phase would not apply, for instance, in situations of SMEs support, where the MA signs grant agreements directly with the SMEs.
- Second phase - actual implementation time for projects

Issues raised:
- Measurement unit: months is not an appropriate measurement unit.
- Average or median? – why is average / median necessary?
- Why constantly running calls, direct assignment, retrospective projects are not included?
- Measuring the time taken with assessment of applications and assignment of support to projects may induce adverse incentives by shortening application deadlines.
- The name refers to "signature of contracts" while the definition mentions "signature of financing agreement or acceptance of letter of offer."
- Proposal to take the selection of projects as starting point.
- Can the phases be adjusted according to internal management system?
- Proposal to provide a reference value in order to understand what is an acceptable result.
- Clarifications on the reporting forecast and achieved value.
- Source of data.

Additional issues raised:
- Comment applied to RCR91, RCR92, RCR93: providing these information would cause administrative burden and costs. If you do not want to compare the data, which is the goal to obtain these data, what type of conclusions can be drawn from these data?
- Proposal to consider time from submission of project applications and not the launch of calls. The goal is to have good projects and to avoid timing rush. The MS favours the use of median.
- A MS agrees to use the indicators RCR91, RCR92 and RCR93 and highlights the national monitoring system is developed enough to obtain these data. It proposes to share its own methodologies.
- The indicators can be perceived as performance indicators; these have consequences at the national level.
- Clarification whether the indicator refers to the MA, and whether these indicators (RCR91, RCR92 and RCR93) can be applied in case of state aid and financial instruments.
- Clearer definitions and terminology.

B2 replies:
- This is perceived as a relatively easy indicator to measure.
- The indicator RCR91 is meant to measure the length of Phase 0.
- As to the measurement unit, the value can be 0.25 months. We though that deadlines for project applications are usually set in months. There is a possibility to consider weeks; if we adopt "months", we should consider one months as having 30 days.
- Our preference would be median, but we proposed average since we thought that communication in terms of medians is not so well understood by a non-specialised audience. We will reflect on that. The advantage of medians relative to averages is that they are not affected by extreme values. A median counts the time for 50% of the projects with lowest values for the time taken with these procedures. If we decide to use median, we can reflect on how to communicate it efficiently to a non-specialised audience.
- On constantly running calls – we propose not to include it since it distorts the indicator and they are not comparable with the competitive calls, which have a finite period for assessment and selection of project applications. Direct assignments should be included since we can measure the time between the MA decides to allocate the support to a given investment and the time when the financing agreement with the beneficiary is signed. We should reflect on the terminology to use. We propose to exclude all retrospective projects from these indicators.
- As to the adverse incentives, we are not planning to make value judgements on median time taken with this process. We all acknowledged that time is specific to the type of intervention, domain of investments etc. Therefore, these indicators will not be used to target and single out MAs.
- We agree with the comment on the indicator name and we can replace it with: "Average time for launch of calls and signature of financing agreement" with the understanding that acceptance of letter of offer is assimilated to a signature of the financing agreement.
- On the proposal to take the selection of projects as starting point, we would like to take into account the entire process from the moment of launch of calls, since projects applications cannot be assessed unless the call is launched, and the time for application differs across MS.
- The indicators should measure comparable processes.
- First, we would not consider that there are "acceptable" values, as this would imply there are also "inacceptable" ones. Second, we cannot offer a reference values since we never

measured these processes before. Once we can see the distribution of values across projects in the EU at the level of specific objective, we will all see the diversity across the Union.

- In order to simplify measurement, we proposed a baseline 0. This is to avoid asking the MA to make an estimate on the time it took with these phases in the current programming period. For RCR91, the forecast could refer to the expected time for project selection for the calls launched. We would like that you report us these data once a year in order to help us to build a narrative.
- The source of data is the monitoring system.

RCR 92 – Average time for tendering (from launch of procurement until signature of contracts)
RACER criteria: Relevant for 36%, Accepted by 36%, Credible for 27%, Easy for 45%, Robust for 36%

Issues raised:
- Are retrospective projects included?
- Procurement may start before the financing agreement is signed.
- Forecast values would not be credible since schedules are modified many times during project implementation.
- What does forecast mean for selected projects?

Additional issues raised:
- Proposal to delete it, since it is not relevant and it is costly.
- Clarification on the time (January) to report the data, and proposal to change it, since January is a busy period for the MA.
- It is not easy to monitor and it generates the administrative burden. It proposes to delete it.
- Clarifications whether the indicator refers to beneficiaries, and why the indicator does not refers to procurement. What happens if we have negative values? In case of state aid, it should be zero.

B2 replies:

- The intention is to measure the intermediate phase: where an intermediate body signs the financing agreement with the MA, and then signs grant agreements (or subsequent financing agreements) with the projects implementer. We would like to emphasize that the indicator is not meant to measure the procurement of services/ works. We agree with your comments in the sense that this may not always imply a procurement procedure. Therefore, we need to find a new name. We can propose: "Average/ median time for assignment of support to the project implementer" and explain in definition what we mean with it.
- Several comments refer to the fact that procurement may start before the financing agreement is signed. This is most probably the case of retrospective projects, for which projects may be already in the phase of implementation when they are included in the OP. In order to simplify measurement, we propose not to include these projects in these indicators. For other situations, we would leave it to the MA to decide what is the starting point for this measurement, based on the documentation available.
- As to the forecast values, if we choose median instead of average, then problem is less acute, since even the forecast would refer to typical projects for the specific objective.
- Forecast for selected projects is the expected median time which will be needed with the assignment of support by the intermediate body to the project implementer.
- The remaining comments – similar to the previous indicator (measurement unit, median, factors influencing values etc).

RCR 93 - Average time for project implementation (from signature of contract to last payment)

RACER criteria: Relevant for 50%, Accepted by 42%, Credible for 42%, Easy for 83%, Robust for 58%

Issues raised:
- Some project may last for the entire programming period while other may be very short.
- Last payment or last payment claim?
- One MS proposes the indicator "Median time for payment" as a substitute for this indicator, in order to show delays in payments.

Additional issues raised:
- Proposal use the median instead of average/ In addition, it is more interesting to measure the time between the submission of the project and the date of payment of MA.
- Does the last payment claims refer to the declaration of expenditure to the EC?

B2 replies:
- This indicator refers to actual project implementation, from the moment the financing is assigned in some form (grant / financing agreement, letter of offer accepted etc.) and until the moment of last payment claim from the project implementer to the MA.
- We proposed last payment claim based on the assumption that there is not much of a difference in time between the payment claim and the payment. We are open, however, to consider last payment made by the MA to the beneficiary if other MS agree.
- In our view, this is one aspect of project implementation, but it does not reflect the time taken with the implementation of the projects. We do not propose to measure delays in payments made by the MA to the beneficiary since this is an internal issue for the MA to consider.

RCR 94 – Single bidding for ERDF and Cohesion Fund interventions

RACER criteria: Relevant for 25%, Accepted by 25%, Credible for 42%, Easy for 50%, Robust for 33%

Issues raised:
- One MS states that this is already examined through the Single market scoreboard as the proportion of contracts awarded where there was just a single bidder.
- The indicator could be better monitored at MS level.
- Target setting is difficult. A more relevant indicator would have been the proportion of contracts with single bidding in all contracts (as in the scoreboard).
- Forecast difficult.

Additional issues raised:
- Proposal to remove it.

B2 replies:
- This indicator is contested by many MS. In addition, the monitoring of this indicator is supposed to be fulfilled by the MS in the framework of the enabling condition on public procurement. Therefore, the proposal is to measure it at the level of the MS not the OP level.
- We agree on the comments about forecast.
- Therefore, given its reduced relevance when expressed in absolute terms, and the fact that in any case MS need to follow this indicator due to the enabling condition, we propose to remove it.

DG EMPL Intervention

The ESF proposal was published at the same time of ERDF proposal.
In the ESF 2014-2020 period, there have been many changes in the requirement. The new data collection system has been set up with many new requirements, more common indicators, with more common definitions and guidelines.
For the post 2020 period, we would like to have stability and simplification: according to our assessment, made in the study we carried out for the preparation for the new programming period, it has shown that the rules and conventions we put in place for the data collection worked, but the main concern was related to the administrative burden generated. For this reason, we would like to stick for two principle: stability and simplification.
As to the conventions above mentioned, we have agreed that the output indicators refer to the situation of ESF participants at the starting point, before the support; while the result indicators refer to the change in the situation of the participants after the support. We intend to stick with it.
In terms of simplification, we aim to reduce the number of indicator- in the ESF proposal, there are 23 common indicators, compared to 41 of the previous programming period, we should enable MAs to collect data from administrative registries.
The main concern regards administrative burden. The participants were sometimes discouraged to take part in the schemes, and perceived data collection burdensome. If we could manage to collect the data in the administrative registries, we could reduce the administrative burden. The intention leads to our discussion about the evaluation of ESF: even the data are collected from these registries, even if they do not fulfil all the requirements, will be accepted. We had the first discussion with the evaluation partners in February, the second round will be in June, and then we think we can sort out all the specifications. As regards the guidance, what we have in current guidance will probably remain in the future version, more in a simpler and more transparent way, and translated in all the EU languages.

MS Questions:
- Administrative burden: the method to simplify and reduce the administrative burden is appreciated and it would important that this concept could be reported to the audit authorities, at the EU and national level.
- When we talk about "integrated urban and territorial development", we are used to refer to certain infrastructures or some interventions supported by ERDF or/and completed by ESF, or the opposite. Why don't we use common indicators?
- Indicators in PO4: there are overlaps between ESF and ERDF support in some projects. It could be useful to share methods, because we are going to monitor the same projects and interventions.

DG EMPL and DG REGIO B2 reply:
- Yes, we agree. The intended simplification has to be implement in all functions, also in audit. The simplification we are proposing will related to the next programming period. In the current programming period, we have a set of common definitions and regardless of the data collection method the same common definition apply: each criteria in the description of definition will be implement in all the data collection. The simplification refers to the fact that if the data are coming from registries, they could lack of some criteria included in the guidance. We will accept them because data are more reliable than the ones collected from participants, and in order to reduce administrative burden. We expect more comparability and more reliable data.
- Yes, it is true. We do not know to what extent the MS invest the funds in the same project. For the future we are following the ESF approach, namely having the indicator at the level of the interventions, they will be aggregated from the projects. If the funds are combined in

the same project, we can use specific indicators for ERDF, and the ones specific for the ESF intervention.

- Yes, we can work with DG EMPL to find common methodologies.

Horizontal issues on indicators

The unit presents the comments received and comments them.

- **General Principles**

  The EC proposal is to program, in terms of rationale, by specific objectives. When the MS look at their programs, they should identify needs, regional development needs allied with specific objectives. For each need, the MS should think the change they want to generate to help and support the final beneficiaries – the proxy for that are the common result indicators.

  When talking about the outputs of the investments, the MS should think about the budget they need.

  Given the MS question whether these indicators are mandatory or not, the unit assesses they are mandatory to make the data comparable, within bounds explained in indicator fiche. If the MS decide to use the common indicators, we assume you are following the methodologies we have agreed on. MS may decide to use national indicators, but the indicators should be restrictive, not broader.

  As to the coverage of indicators: in principle, they cover all categories of expenditure 1) payments based on expenditure, 2) Simplified Cost Options, 3) payments not based on expenditure. There are not exclusions foreseen in the Regulation. For the payments not based on expenditures, MS may need national indicators.

  Because of the wide variety of actions and investment, the Regulation does not say that all action must be covered. It reports that indicators or specific indicators should cover a high proportion of all actions. (CPR Art. 12)

  With regards the performance framework, the article 13 (CPR Art 13) deals with the methodology documents: it can explain choice of indicators, data, coverage, calculation of targets and milestones, etc.

  The cost of implementing the indicator system and the collection data are eligible cost, either by programme of by beneficiary.

  MS ask whether the common indicators are mandatory for all Members states. The unit states they are not complusary, but they should be used when relevant (and proportionate).

- **Output indicators**

  The first task will be to program, the identification of needs and objective, the results, the output indicators for action. MS will set milestones for all output indicators, in some indicators MS will be not able to set milestones, as discussed. We want targets for all indicators.

  In terms of the Performance Framework methodology document, MS can look at Art 13, where they could find criteria, data and evidence, calculation methods (i.e. of coverage, milestones, targets) factors and assumptions. It should be available on request to the EC. ON program modification, in the EC proposal there is the mid-term review and MS can modify the targets, updating the methodology document. In terms of monitoring, MS will collect forecasts, achieved values. As to the timing of reporting, for single operations, the achieved value will be reported at the end; while for complex operations with multiple projects, the MS should report intermediate achieved values.

  The common output indicators are well known thus the narrative will be familiar.

MS can use enterprise indicators everywhere, in multiple Specific Objectives. Nevertheless, they should apply rules for proportionality and materiality.

Programming of milestones and forecasts by Specific Objectives may be in "gross" terms.

It is possible beneficiaries receive multiple forms of support, therefore, MS should clarify it in PF Methodology.

No breakdown of targets by size of enterprise, other sub indicators

As to the multiple counting (i.e. population / areas), it should be dealt with in indicator fiche (and PF methodology).

- **Result indicators**

    The baseline result indicators may be zero, but in lots of cases it may be not zero. Milestones are not applicable, MS should estimate the targets. The unit suggests to correct the target in the mid-term review. The aim is to measure what is changing.

    The unit would ask to update the baseline based on pipeline, to regularly report forecast and achieved values (where relevant).

    The common result indicators are new elements for 2021-2027 ERDF/CF, therefore the narrative will be important for EC and MS.

    The EC already knows there can be delays in achievement, measurement and reporting of outputs and, even more so, of results for beneficiaries (cf. infrastructures).

    The EC will not require for RCR milestone values, targets could be modify in the mid-term evaluation.

    There could be the possibility that for some results will only be available at closure, and then some results may not be measured.

    The Timing of measurement and reporting by the operation may vary depending on the specific RCR indicator from 1) moment of submitting final claim, 2) after 12 months of operation; 3) first annual reporting exercise after completion. The monitoring requirement should be limited in time, not beyond 12 months.

    The EC would like that beneficiaries will answer one year after project completion: different strategies could be possible; registries for SMEs could be a solution for indicators dealing with them.

    On how to deal with possible data incompleteness, the unit and the MS should reflect more on it, i.e. defining which set of beneficiaries is covered, full or partial; representative samples, generalising of results

- **Follow up planned**

    We will consolidate the common indicators fiche in line with consultations, to address specific indicators' concerns, such as double counting of populations / areas.

    We are planning to deal with some issues in the next EVALNET discussion, and we would like to share and exchange of experiences.

    We would like to bring the IT service to improve synchronised data transmission.

    We are going to organise two workshops (dates will be confirmed as soon as possible) on measuring reduction in CO_2 eq. emission, and on measuring transport result indicators.

    The unit invites MS to submit short summaries of their existing methods by early September and identify experts.

    Additional questions:
- It is important to have a systematic approach. Is the use of the guidance compulsory? If so, it should be written in the Regulation. The MS assesses it prefers it is not binding. Moreover, it agrees on the willingness to aggregate data at the EU level, but it is not clear how we are going to proceed. The MS states that the regulation is binding, while the guidance no – it is implied in the name.

- The MS agrees with the previous MS. If in the documents is written that the MS should follow the guidance proposed by the EC, which are the space of manoeuvre of the MS? If the guidance becomes compulsory and it is included in the regulation, the space of manoeuvre for MS become limited.
- One the guidance, the MS suggests to include lots of examples, it is useful to have examples to make it more understandable with applied cases. Moreover, in some cases the data are not available for the MA, especially for the result indicators. We should clarify that the MAs should find partnerships to obtain data after the interventions. The target setting is different from the data collection and we need a discussion on this, and we ask to devote a part in the guidance for this element. We propose a workshop for the implementation indicators.

The unit replies:
- On the status of the guidance, the EC intention is to have a guidance document on the indicators, it will be a EC staff working document. It is not a compulsory document. The EC would like to check that how MS want to use common indicators, they cannot use it with different meaning. The methodology will frame it, with some deviations included. If MS are far away from essential element of Common indicators, they should use national specific indicators. About the auditors, to protect yourselves, it is advisable to frame and use the methodology document.
- On the examples, the unit will highlight and provide examples on many topics addressed; it will flag where similar issues arise, as how to avoid double counting. It will reflect on the organisation of other seminars. As to target definition, the target are not written in stone, especially for the result indicators.

Reporting templates

B2 presentation:
- The comments received from Member States on the reporting templates indicate that, based on the Annexes in the Regulation, the principles proposed for reporting on indicators are not well understood.
- Therefore, for these meetings, we prepared two examples in order to illustrate the reporting for output and result indicators proposed in Annex VII CPR. The examples considered are chosen to be a bit more complex in order to explain the reporting proposed for sub-categories of indicators and for result indicators with non-zero baselined.
- The first example refers to support to SMEs for innovation – a typical intervention for ERDF programmes. The intervention logic for this intervention entails the following: 1) establishing the objective of the intervention (i.e. support innovation in SMEs, 2) choosing a result indicator which reflects the objective of the intervention (ex: RCR03 for SMEs introducing product or process innovation), 3) deciding how the intervention will be supported and choosing the corresponding output (ex: RCO02 for grants to enterprises), and 4) allocating the resources and choosing the respective intervention fields.
- In programming, the Managing Authority will decide how many enterprises are likely to be financed based on the resources allocated. The programme will include 2029 targets for RCO01 and RCO02 (for support to enterprise) and for the result indicator RCR03. For the output indicators, 2024 milestones will also be included in the programme. Baselines for output indicators are always 0. The baseline for the result indicator is RCR03 since this indicator is defined with a baseline 0.
- In reporting, in Table 3 the output indicators are reported with values for selected and completed investments. Furthermore, for completed investments (i.e. upon physical completion of output, as agreed in previous meetings), the output indicator RCO01 is reported also with it sub-categories by size of enterprise (micro, small, medium, large). This

is one of the very few common indicators for which a breakdown by sub-categories is required in implementation. Note that in Table 3, the first columns are pre-defined as the data on 2024 milestone and 2029 target will be automatically filled in based on the data in the adopted programme. The Managing Authority will have to report the forecast (corresponding to project selection) and achieved (corresponding to completed investments).

- For the result indicator in this example, the reporting is simple since its baseline is always 0. As with the output indicator, the Managing Authority will report on forecast (corresponding projects selected) and on achieved value (corresponding to completed investments).

- The second example illustrates the reporting for result indicators with a non-zero baseline. Assume an intervention aiming at supporting improved energy performance of dwellings. The logic of intervention entails the following: 1) defining the objective of the intervention (energy performance in dwellings), 2) choosing a result indicator which reflects the objective of the intervention (RCR26 primary energy consumption), and 3) choosing the output indicator (RCO18 dwellings supported to improve energy performance), and 4) the resources allocated to the intervention represented by corresponding intervention field(s).

- In programming, the two indicator used will be RCO18 for output, and the result indicator RCR26 for annual primary energy consumption. For this result indicator, the Managing Authority will also need to estimate a non-zero baseline reflecting the annual primary energy consumption of dwellings planned to be supported before the intervention. Therefore, when comparing the 2029 target with the baseline, we can see that the planned reduction in annual energy consumption of supported dwelling is 17% (*note: see the numbers in the presentation*).

- In reporting, for the output indicator, the Managing Authority will report the forecast (corresponding to selected projects) and the achieved value (for investments completed).

- For results, in cases of indicators with non-zero baselines, the Managing Authority will report to sets of values in implementation: a) baseline and planned value for projects selected (called forecasts for baseline and achieved in the table), and b) baseline and achieved value for investments completed (called achieved for baselined and achieved in the table). We understand that this terminology may prove confusing (especially when we refer to forecast for baselines) and therefore we invite Member States to suggest clearer alternatives.

- The reporting of updated values for baselines for project selection and completed projects is necessary because the baseline estimated initially in the programme refers to the entire allocation over the programming period, while implementation is usually gradual. Therefore, project selection is most often a subset of the entire intervention planned for the period. In such situations, the baseline set in the programme will not be comparable with the data reported in implementation until the very end of the period when all planned projects are selected and implemented.

- The advantage of reporting result indicators with baselines and planned (forecasted) values for project selection is that it will allow analysis and communication in relative terms. In this example, we would report that the projects selected are forecasted to achieve a reduction of 17% in the annual consumption of primary energy. Similarly, for completed investments, the narrative would refer to an achieved reduction of 17% in annual consumption of primary energy.

- This is also an example of reporting of a result indicator with breakdown by categories. In this case, we assume that the intervention only refers to dwelling, and therefore this is the only sub-category with a non-zero value. Please note that the reporting of the indicator breakdown is required only in implementation.

- Please note also that, due to the principle of cumulative reporting adopted for ERDF and Cohesion Fund, MA will not need to keep track of project selection and projects completed

reported in previous year. Instead, it will simply recalculate (automatically) the totals for all projects selected and completed since the beginning of the period to date.

- We believe that this system of reporting is straightforward to the extent it relies on a monitoring system which calculates automatically the totals across all projects selected and completed. This is the reason why all common indicators are defined such that they can be aggregated from project level.

- As regards the remaining comments on reporting templates, many of them refer to the column titled "Based on Commission guidelines." We proposed this column in order to signal the comparability of data reported. Upon reflection, however, we understand that this may prove counterproductive, and therefore could agree to remove the column with the understanding that the values reported for the common indicators would be calculated and reported in line with the definitions agreed upon in the indicator fiches in order to ensure the comparability of data.

- Some Member States also questioned column 14 on "Comments." This column is proposed since we expect that, in absence of annual implementation reports, there may be a need for the Managing Authority to attach notes/ comments to some of the data points reported. Nevertheless, we hope that this will not be the case for all data points reported, and that the information provided in this column will be kept to a minimum. Therefore, we propose to keep this column.

- Furthermore, Member States refer to the need to automatic data transfer from monitoring systems to SFC. There are two issues here: 1) uploading data into SFC, and 2) downloading data from SFC. We learnt that the first option is already available in SFC, but it has not yet become a common practice for all Managing Authorities. Therefore, we will continue to promote this system with all Managing Authorities. As for the second issue, we will work with out colleagues to ensure this will also be available for the next period.

- As regards Table 4 (Staff financed by ERDF), the SMWP Council has already agreed to remove the table from Annex VII CPR. Therefore, at this stage, we will not extend this discussion.

- As regards Table 5 on multiple support to enterprises, we explained that this would require the collection of unique identifiers for enterprises supported. Once these are available, the calculation of the net number of enterprises supported at programme level will be straightforward. We learnt that some Member States already implement this system even at country level.

- One Member State suggested also to merge "micro" with "small" in the sub-categories for enterprises. We would prefer to keep the sub-categories by size of enterprise as proposed since we know that some of our policy colleagues expressed a strong preference for the distinction between micro and small enterprises.

- Member States also asked when precisely is the size of enterprise to be determined since, during the course of implementation of a project, it is possible that an enterprise changes its size (ex: from micro to small). During previous meetings, we established the rule of determining the age of the enterprise at the time of application. Therefore, for size, we propose the same rule, i.e. to determine also the size of the enterprise at the time of the application.

Additional questions:
- It is important to maintain the same terminology used in 2014-2020 because that would be clearer for the Managing Authority. For example, the template in the proposal uses the term "forecast" while in 14-20 the corresponding term is "selected." Similarly, for "achieved", the corresponding term in 14-20 is "implemented." This applies to all the tables for reporting on indicators in Annex VII CPR.

- In Table 6, the need for column 11 (baseline updated) is not clear. - As regards the breakdown of number of enterprises by type of enterprise, it is not clear why this information is needed in two tables: Table 5 for the net number of enterprises supported, and in Table 3 for output indicators.

The unit replies:

- On the use of the same terminology, we agree with the comment that is is important to use the same terms as in the current period. We will consult out colleagues and consider the possibility to replace "forecast" by "selected", and 'achieved' by "implemented."
- The baseline updated in Table 6, column 11, refers to the baseline corresponding to selected projects. It is necessary only for result indicators with non-zero baselines. This information is needed in reporting for implementation since project selection usually constitutes a subset of all projects planned for the respective intervention for the entire period.
- In Table 5, the reporting refers to the net support to enterprises at program level, and it is applied only to achieved, implemented values. It serves the purpose of removing double counting of support to enterprises at programme level, and it is meant to be reported once a year. In Table 3 for output indicators, the indicators are reported at the level of specific objective in terms of values for selected and implemented projects. These data will be useful since it will be the basis for communication based on project selection at least during the first half of the programming period. Moreover, these data at the level of specific objective will most likely include double counting of support to enterprises over time.

Guidance and template for indicator fiche

The unit presents the template for the indicator fiche and the comments received by the MS.
The MS comments are the following:
- Each fiche should be independent of other fiche. They prefer avoiding requiring cross reading of several fiches to know what is exactly demanded.
- They would like to have precise, detailed fiches, with practical examples.
- They ask whether the Fiches can be adapted and promoted in national contexts.
- They ask the removal of Pt 10 "link to 2014-2020", and they ask to add "Link to other 21-27 indicators".
    - The unit claims that it will keep the link to 2014-2020 for internal use to cross reference the indicators.
- The Pt 11 link to Annex II is not necessary for MS.
    - The unit agrees with the comments, and it highlights it will keep it for internal use.
- The MS ask to merge Pts 12 +16.
    - The unit will reflect on that.
- The MS ask the unit to fill the Pt 13
    - The unit will reflect on it.
- As to the Pt 18, there are divided opinions: some MS want concrete examples, others do not want to be restricted.
    - The unit will reflect on it.
- The MS ask to add "aggregation" field, to include a "short title".
    - The unit will add the "aggregation" field, and it will reflect on the "short title".

The unit presents the comments received by the MS on the guidance:

- MS emphasized that the guidance for 2014-2020 was useful.
- MS ask for more clarity on intervention rationale/ logic.
- MS raise the issue about the Performance review: how the EC will take into account the issues lacking, what criteria, process, consequences will be involved.
- MS ask about the evaluation: Planning; scope of techniques; how the MS should meet the 5 EC criteria;
- Suggestion to clarify legal references, definitions, glossary.

The unit replies:
- Guidance is not generally planned as an extensive document: the EC takes seriously the need for simplification. The common indicators will be described and set out in indicator fiches and therefore the subject of guidance.
- In legislative process, explanatory fiche are produced where needed
- The interpretation of legislation will be conducted as needed (after adoption)
- The formal programming should address issues where there is any doubt, judgement, national context (i.e. PF methodology).

Additional questions:
- In the indicator fiche, some MS are not willing to introduce "link to 2014-2020"; while others highlight is very relevant to include it for transparency. It is significant to have the link between the Annex I and Annex II to know how the EC will report the implementation to the EP. Secondly, as to the guidance, the MS claims the data collection is important especially for the ERDF result indicators. Therefore, the guidance should provide the methods to use to gather data, particularly regarding the common result indicators.
- Evaluation is challenging for the MAs, if people do not have a guidance provided by the EC, the risk is to underestimate the evaluation work. Furthermore, it is relevant to have intervention logic framework.
- One MS raises the issues on the timing of the release of the EC guidance, asking when is possible to have it. As to the "link to other indicators" proposed in the fiche, the MS thinks could be relevant to add the link to the SDGs. The MS proposes to include examples in the fiches by family/ groups of indicators. It could be useful to have an indication about the category of intervention involved in each indicator. It could be relevant to have guidance on evaluation too, on the methods, techniques; and to add a criterion to guarantee independent evaluations.
- Other 2 MS agrees with the above-mentioned issues.
- One MS comments on the link to other indicators: it proposes to delete it because it is limiting and restricting.

The unit replies:
- The unit will reflect on the content of the staff-working document, in order to include all the issues raised by the MS. The unit would like to create a dataset where it would put also the link to the SDGs, and the other elements flagged by the MS comments. The actual fiche will be as long as necessary. The unit could create another support document. In any case, the unit has to reflect on it with other colleagues.
- On the need of guidance for evaluation, the unit appreciates it: from the Regulation, the provision on the evaluation have been shorten, but the EC is supporting the work on the evaluation through soft provisions.
- As to the timing on guidance, the unit is aware of that and the EC is reflecting on it. In the guidance, the unit will address issues by family of indicators, the use of surveys, how to

measure results. The unit will detail some of these elements and will reflect more on other issues.

- As to the importance of the evaluation, the unit would like to emphasize the relevance of the evaluation: although the wording is simplified in the Regulation, the EC attaches relevance and significance to the evaluation work. The unit is working to improve the evaluation. Guidance is not an enforcing method, it does not represent a method to involve the MAs to do evaluation; they should have developed the methodologies throughout those years.

What the unit is proposing is not the EC position, but the outcome of the exchanges we have had with the experts and specialists of MS. The unit is supporting the Romanian Council to forge its own position.

21 May 2019

Changes implied for Annex I (ETC included) and Annex II ERDF Regulation

The unit presents the revised Annex I and Annex II, thanks to the exchanges the unit has had with the MS. The Annexes are the results of your discussion; it is not the EC position.
We will focus the attention on the indicators and their name. Despite the agenda, we will not discuss the ETC indicators.

Annexes I and II ERDF Regulation
- The unit presented the process of consultation (schedule and content) with the MS for indicators for Policy Objectives 1 to 4, and Interreg (see presentation). It recalled that indicators with * are to be used in all POs, when needed. In terms of numbering, the unit will keep the current numbering of indicators in the proposal, with the intention of recoding them as soon as the final version of annexes will be adopted for the legislative text.
- The unit explained that the revised Interreg indicators were not included in the presentation due to the short time available after the second round of discussions for these indicators, which took place in Leuven on May 14. Nevertheless, it emphasised that there should be no surprises for the Member States with these indicators since the process of consultation was more advanced in the sense that Member States had the opportunity to revise the

The following elements are highlighted:

PO1: 18 MS replied and we collected 95 pages of comments for this PO. Currently we have 16 output indicators and 18 result indicators (starting phase: 18 output indicators, 22 result indicators).
PO2: 18 MS replied and we collected 119 pages of comments; currently we have 29 output indicators and 22 result indicators (starting phase: 27 output indicators 29 result indicators).
PO3: 20 MS replied and we summarized 69 pages of comments; we currently have 18 output indicators, 8 result indicators (starting phase: 16 output indicators, 9 result indicators). The unit has aligned the list of indicators according to the list agreed during the April meeting: Urban mobility, initially included in PO3, is now included in PO2.
PO4: 18 MS replied and we collected 44 pages of comments, we currently have 5 output indicators and 8 result indicators (starting phase: 8 output indicators and 10 result indicators).

The total number of output indicators decrease from 69 to 68, while the results decrease from 70 to 56 indicators for Policy Objectives 1 to 4.

The change discussed are the followings:

- Changes in names for clarification

Example: RCO101 SMEs investing in skills for smart specialisation (instead of skills development);

- Changes in scope of the indicator – also implies change in name

Example: RCO25 – scope confined to coastal strips, riverbanks and lakeshores, which could be measured in km;

- Changes in measurement unit – also implies change in name

Example: RCO18 – dwellings instead of households for energy performance; or RCO20 – change from euro to km;

- Clearer coverage of indicators and their relationship

Ex: Indicator on green spaces (for climate adaptation, urban and Natura 2000) – RCO26, RCO36, RCO37;

- Clarification of terms and concepts

Ex: upgraded vs modernized in TEN-T have now a clear meaning;

- Removal of indicators

Examples: RCR 38 (response time to disasters);

- Replacement of existing with new indicators

RCR46 (population served by waste recycling) replaced by Waste collected separately;

- Addition of new indicators, following the rule of 1 in 1 out as much as possible (and only for addition of new indicators, not for removal of existing indicators)

Example: RCO104 – new indicator of high efficiency co-generation units (proposed by a MS) – with 3 indicators removed from the results for the same SO.

- Shifts from results to outputs

Example: RCO103 High growth enterprises, initially proposed as a result indicator RCR16

-We discussed on general principles, such as time measurement, double counting, and we will continue to work on that.

The unit mentioned that it included also new indicators proposed by MS, but in principle it maintained the rule of "1 in 1 out" agreed upon in the first meeting.

As regards Annex II, there is a direct correspondence between Annex I and Annex II, as every indicator of Annex II represents an aggregation of indicators of Annex I. There are changes in language, adapted according to Annex I. The Annex II will be used by the Commission to communicate at the corporate level. The unit will develop simplified fiches also for the indicators in Annex II.

B2 Unit concluded by presenting the next steps (revision of indicator fiches by Sept 2019, organisation of two workshops for GHG and transport indicators by Dec 2019, plus further reflection on how to tackle remaining programming issues) and by thanking the Member States for their excellent cooperation and hard work during the process of these consultations. B2 Unit mentioned that the presentations and detailed minutes for the previous meetings and the revised fiches (PO1-4) have been shared with Member States on May 16 on CIRCABC.

Finally, B2 Unit assessed that these consultations contributed to establishing a common understanding and ownership of the common indicators proposed to the benefit of all programmes in the future programming period.

Additional questions:
- One MS whether fiches will also be published together with the revised Annexes sent to the Council. In addition, it stated that experts will have a near window to analysed what has been proposed. Would it be possible to publish all these documents one day earlier?

- One MS congratulated the Commission for running this consultation process. The process proved very interesting and useful for the participants. The knowledge accumulated in this process will help Managing Authorities to a significant extent. Clearly, there are still some issues which are not fully shared by all MS, and these comments will be sent to the Council, but overall the process was very useful for everyone.
- One MS thanked the Commission for the organisation of these meetings which proved very useful. The MS acknowledged that the process revealed different preferences across Member States on certain issues, but this is a normal feature of any process of negotiation. The net result of this process is an upgrade of the list of common indicators proposed. The MS appreciated working together on establishing a common culture on indicators for the policy, a process which is very useful. MS will continue working on this basis in order to adapt the common definitions proposed to national circumstances and explain them further to the Managing Authorities in the country. The MS proposes to share the knowledge accumulated in this process also with other actors involved in the negotiation and implementation of the programmes, such as auditors, desk officers, Managing Authorities etc.
- A specific comment referred to the indicator RCR16 "High growth enterprises supported" – why was it changed to an output indicator?
- One MS thanked the Commission and all colleagues in the Evaluation Network for this work carried out together. It was very interesting to learn the varying preferences across Member States on various aspects related to the indicators. This was an intensive process, and to some extent quite unique as it is not often practiced at this level in the context of the negotiations. The MS also appreciated the fact that the Commission did not impose a too long list of indicators to the Member States, leaving the flexibility for further use of specific indicators, when need by the programmes. The MS expressed the availability to continue working on further development of these common indicators in the near future.
- One MS asks how the process will continue for the indicator fiches.
- One MS explained that it is important to ensure that the desk officers negotiating the programmes are aware of the principles and issues discussed in the process of these consultations in order to ensure a consistent approach for all programmes.
- One MS expressed the availability to contribute to the translation of indicator names in national languages.

The unit replies:
- On the revised fiches for indicator, B2 Unit explained that it is only the revised Annexes which will be sent to the SMWP for the meeting on May 27 (as agreed). We will continue refining the indicator fiches with the members of the Evaluation Network in September.
- All the documents related to these consultations were shared with the Member States on CIRCABC starting with May 26. We are yet to prepare the minutes for the meeting today. All these documents will be published online by the end of the week.
- As to RCR16, we agreed during consultations that this indicator does not reflect a change, and therefore is more of an output indicators. We also recommended that the indicator be used only when supporting this type of enterprises is the objective of the intervention.
- B2 Unit agrees with the comment that there is a clear need to promote this knowledge to other actors involved in the process of programming and implementation.
- On the continuation of the work on indicator fiches, B2 Unit mentioned the intention to continue working with the Evaluation Network for the finalisation of indicator fiches such that they would be ready for a wider consultation with Member States when the legislative text is ready.

- B2 Unit explained that there is work ongoing in DG REGIO in order to prepare the desk officers as regards indicators in view of the informal and formal negotiations of the programmes. In this respect, an important event will be the meeting planned with the Member States on 14 June.
- The unit welcomes the offer of MS about the support in the translation. It will explore with colleagues from DGT whether this would be possible. As regards the indicator fiches, the intention is to provide them only in English.

Alignment of intervention fields 2021+

The unit presents the comments received on the categorization.
The intervention field code have been agreed in the Council SMWP concluded on CPR Block I (incl. CPR Annex I – categorisation) in December 2018. The unit asks the MS to comment it in April 2019, asking them to limit the comments on alignments. There have been changes made in ERDF/CF and ESF+ regulations, and these should be reflected in CPR Annex I.
The following types of comments have been collected:
- As to alignment, some MS ask to adjust the intervention fields,
- Proposal to add New intervention fields to cover gaps or for alignment purposes,
- Proposal to merge intervention fields to not have a long list,
- Clarifications on the Interpretation,
- Proposal to change the Climate coefficients: a minimum % to be devote to climate change.

The unit states that, at this stage, modifications are possible only if related to alignments with Fund specific regulations (ERDF/CF, ESF+).

The unit replies as to the comments on Alignment:
- In the EC proposal there some are fields limited to SMEs, the regulation (ERDF/CF Art.(4)(1)) does not exclude the other type of companies from funding, it assesses that productive investments can be provided to companies, other than SMEs. The unit proposes to duplicate the field related to SMEs to dedicate them for larger companies.
- The unit proposes to introduce an intervention field for the exception on airport infrastructure (security, safety...) (ERDF/CF Art.(6)(1)(e))
- The unit is willing to introduce intervention fields for the exception on gas-based heating system and natural gas (substituting coal) (ERDF/CF Art.(6)(1)(h))
- The unit explains the dimension "Form of finance" has been renamed as "Form of support" (CPR Art.47)
- A new category has been added as "Fully or partially repayable grants" (CPR Art.51a Grants under conditions). It is a repayable assistance.

The unit presents other comments not strictly associate to alignments and replies:
- The intervention fields in annex I are grouped under policy objective.
  - This system is just for a presentation, it does not create any limitation. The intervention field can be used in any PO. Grouping of intervention fields under policy objectives is only for presentation purposes, all fields can be used under all POs

- Proposal to merge intervention fields when they are split by type of beneficiary
  - The unit assesses that the categorization is used for reporting purposes. Splitting is needed for reporting purposes.

- Merge intervention fields when they represent project components

- o Intervention fields need to remain split for reporting purposes. There are two options for reporting: a) using the most prominent part of the operation to choose only one intervention field code; b) using several codes, allocated based on the approximate pro rata divisions of expected costs across different intervention fields.

- Clean urban transport infrastructure and rolling stock: the MS aims to remove the delimitation to "urban"
  - o The unit agrees to enlarge the scope of the intervention filed, and it proposes "clean urban and local transport infrastructure and rolling stock".

- Territorial planning
  - o As to integrated territorial method, if the MS decide to use a bottom up approach to implement the fund, the cost to draft the strategies and the cost associated to them are covered. Therefore, the unit has introduced a new intervention field: Territorial development initiatives, including preparation of territorial strategies.

- Proposal to increase of climate coefficients for some intervention fields
  - o The unit cannot propose to amend it at this stage, as it was agreed in Council in December 2018.

The unit proposes the document to the Romanian presidency, which will distribute the CPR Annex I to the participants in the SMWP.
The unit is not planning to come up with further interpretation of the intervention fields.
The principles of 2014-2020 remain valid: categorisation does not define eligibility; it is not an accounting system. The intervention fields aim to map how the expenditures is spent.
In the program, MS should provide indicative breakdown of the programme resources. The Commission insists that categorisation at the level of specific objectives is essential for planning, monitoring, reporting purposes.
During implementation, the unit asks to report 4 times a year the financial data on operations selected and expenditure declared by beneficiaries.

Additional questions:
- Table 3, concerning the territorial delivery mechanism: the MS asks where it can find the definition for sparsely populated areas. As to the Table 4 - economy activities: is there any link with NACE codes? As to the Table 5 - location: is this okay to use NUTS2 when reporting, otherwise it will be hard to compare data if there are not the same NUTS level? With regards table 7: MS have to report under these codes only the specific calls in these strategies or all the projects they are financing under this area? Considering the 2 possibilities they have: if MS use the pro rata, in the ESF this possibility will double the number of the projects. In the MS opinion, it is better to put the code with the biggest data.
- Is there a specific fiche for the support of environmental objective?
- One MS supports the fact that the intervention fields are open to all the specific objectives. Is it possible to add "productive investments for SMEs"?
- One MS asks for clarification on the 2 coefficients for climate change and for support for environmental objective. Finally, it asks what would be the working process in the SMWG.
- A MS did not find any code suitable for employment services, and it would like to add an intervention field.
- What kind of infrastructures are included in intervention field 14, i.e electricity and water supply?
- The code 15 could be used for productive investments for SMEs. The intervention fields are crucial also for audits.

- In the list, one MS asks whether there is an intervention field for SMEs development business focusing on low carbon economy, resilience and adaptation to climate change.

The unit replies:
- As to the adjustment of the intervention field to add productive investments for SMEs, it is not an issue of eligibility, it is already implied. The unit is not inclined to introduce it.
- As to the environmental objective: the funds have the goal to contribute also to environmental objectives, but there is a clear % set; while for climate objective there is clear % set. Therefore, we have to capture it, to monitor it. the unit is not planning to issue methodology for it. Rio markers should be used for both the objectives.
- Table 3: the definition is not a statistical one. If MS decide to use a bottom up approach, they have to tell what territory they cover, and they are free to define them. If they want to use for statistical purpose, MS should use the location dimension. What we are missing is a method to know the type of areas targeted. As to the location, NUTS2 should be used. The use of this dimension is only required for implementation. Table 7: macro regional strategies: if the project contributes to them, yes they should be reported. If they contribute to more, MS may report under several ones. MS can decide if splitting projects under more intervention fields.
- On the next steps, the EC is not changing is position, the Council has taken its own position, at this stage we should align the categorization with the funds specific regulation.
- As to the employment service, the code 97 can be used.
- Yes, the intervention field 14 can include also infrastructures related to electricity and water supply.
- The intervention fields list is for monitoring and mapping, the auditors do not use it for audit purposes. The list is not supposed to be an eligibility list.
- The code 24 is for SMEs business development focusing on low carbon economy resilience and adaptation to climate change.