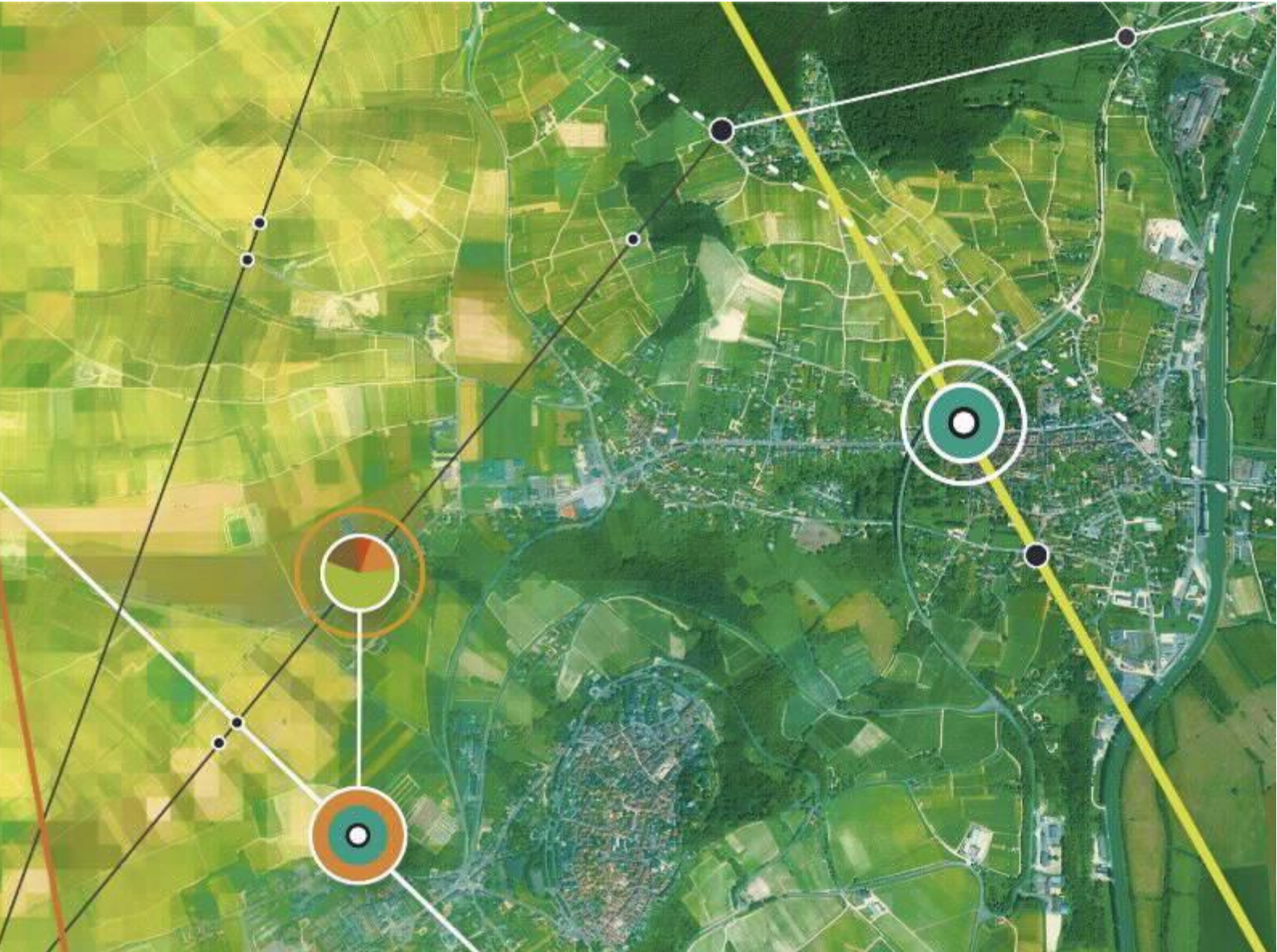




Région
Provence
Alpes
Côte d'Azur



EUROPEAN UNION



Implementation Evaluation of the ERDF Programme

Synthesis – 03 avril 2018

Teritéo
TERRITOIRES EN MOUVEMENT

In partnership with

ASTER Europe 
Appui stratégique et technique à l'action européenne en région

THIS RESEARCH IS CO-FINANCED BY THE OPERATIONNAL PROGRAMME ERDF-ESF PACA

What is the ERDF ?

The European Regional Development Fund (ERDF) aims to improve the attractiveness of territories by developing their digital accessibility and promoting sustainable development. It supports economic changes, particularly by stimulating research and development expenditures in SMEs. This fund is contributing to economic and social cohesion within the European Union. In short, with 284M€ of EU funds for the period 2014 to 2020, the ERDF finances:



- Direct aid to investments in companies (in particular SMEs) to create sustainable jobs
- Infrastructures linked notably to research and innovation, telecommunications, environment, energy and transport
- Financial instruments (capital risk funds, local development funds, etc.) for regional and local development and fostering cooperation between towns and regions.

A. The goals of the evaluation

METHODOLOGY



Performance and data-analysis of the programme;



Interviews with managers, partners, and around forty beneficiaries, including those whose project has been abandoned or not selected;



Working groups with stakeholders

The PACA Region wished to achieve a mid-term implementation evaluation of the ERDF-ESF Programme, driven by external evaluators (Teritéo and Aster Europe), in order to analyse:

- The progress of the Programme
- The quality of the support to beneficiaries and their overall satisfaction
- The reliability and effectiveness of management procedures
- The quality of monitoring and the progress towards the strategic objectives of the ERDF-ESF Programme.

B. State of progress: a quick start and the enhancement of structuring projects

This mid-term review points out a very satisfactory financial dynamic on the ERDF-ESF Programme. With a global programming rate of 45% on the 30th of September 2017, PACA shows the stronger dynamic among french regional ERDF-ESF-YEI programmes. The region ranks second specifically on the ERDF programming.

These positive results can be explained by original implementation choices, compared to usual practices of managing authorities:

- Clearly identified and important human resources have been allocated to promote the programme priorities across the Region and to give support to candidates all along the application process;
- The selection process relied exclusively on call for proposals with fixed dates for submission. Although more demanding for beneficiaries, this logic made it possible to reinforce the visibility of the funds on the territory and raised a very strong dynamic of applications;

ON THE 30TH OF SEPTEMBER 2017



78 selected projects



127,6 million of euros of

European funds



2nd rank among French

Regions

- The Managing authority is assuming a cutting-edge selection among on the projects, based on their expected impacts, in consistency with the programme strategy and financial objectives.

These choices have played a significant part in these positive first steps. They helped putting the programme in a favourable position towards the “decommitment procedure¹” rule which encourages financial discipline in the MS’ implementation of their OPs by decommitting any part of the amount that has not been used for payment within the timeframe set by the European legislation.

C. Mid point review: a quick start and progresses towards strategic objectives

The interim review reported encouraging first results, but also some investment priorities lagged behind, on which the efforts will have to be increased.



A rapid implementation of **research, innovation and business development priorities**, has been ensured: 14 research infrastructures have already been supported, such as the INRA 3A platform, the CNRS OPTIMAL platform or the development of a research demonstrator for the ENSAM. 75 regional companies have been supported for developing innovative products, services and processes. The actions taken to promote business creation have benefited over more than 120 structures and some 50 regional SMEs were also supported in their development projects, either as a subsidy or as financial instruments (venture capital).

Concerning access to information and communication technologies, the programme supported the roll-out of very high-speed broadband services with nearly 65.000 FTTH outlets over 30Mbps and the spreading of new services and uses. The ERDF supported the deployment of 22 new services or products, such as « Big Data » projects with an environmental purpose.

The ERDF programme has already contributed to the shift towards a low-carbon economy, through the renovation and the energy efficiency upgrade of 1282 regional social housing. Besides, the programme supported the roll-out of collective public transports, development of exchange multimodal hubs (Exchange Hub of Nice Métropole, Hub of the Arcs-Draguignan rail station...). However, the project dynamic over renewable energies projects remains below expectations, mainly due to technical and legal difficulties.

As the European Social Fund does, the ERDF contributes to the issues on social inclusion through employment. Mostly, this priority is implemented through the Integrated Territorial Investments (ITI), by Toulon-Provence-Méditerranée Métropole, Nice Côte d’Azur and Aix-Marseille Provence Métropole.

¹ "The Commission shall decommit any part of the amount in an operational programme that has not been used for payment of the initial and annual pre-financing and interim payments by 31 December of the third financial year following the year of budget commitment under the operational programme or for which a payment application drawn up in accordance with Article 131 has not been submitted in accordance with Article 135." (Article 136 of the CPR defining the arrangements for decommitment)

D. Qualitative management procedures, but delays to improve...

This evaluation concluded that the implementation processes are of **very high quality**. The organization - set up to carry out the missions of animation, support, instruction and payment – relied on a specialization of the services which fostered a professionalization of the teams competence areas, as well as a qualitative support recognized by the beneficiaries.

The instruction and payment procedures were likely to guarantee a good level of security of the projects and to ensure the harmonization of implementing legislation. But, this instruction and payment system involved also an administrative complexity for instruction that can be demonstrated by very long delays during the process. Indeed, the beneficiaries pointed out that they were clearly dissatisfied about delays on these different phases. During the evaluation, some organization changes have been decided to make the management process more efficient, to reduce delays and to create the conditions for a better quality of applications as well as the reduction of drop-out and refusal rates.

The **system of calls for proposals** set up throughout the programme showed off some important assets :

- It made the ERDF priorities more clear and visible for beneficiaries ;
- It ensured a greater transparency of the selection procedures;
- It increased the selection of projects based on performance criteria;
- It was well recognized by the beneficiaries interviewed.

Nevertheless, this organisation has also led to management overload due to the large number of applications. It has also contributed to unbalance the ERDF-ESF Programme progress at the expense of other priorities with more limited funding. The lessons learned from the evaluation process argue for going on with these procedures, with some improvements based on evaluation feedbacks:

- Clarifying the actions and narrowing the priorities in the calls for proposals, to reduce the number of unselected projects we observed currently.
- Taking better account of the performance framework criteria in the selection process, to ensure that all priorities will achieve the 2018 and 2023 targets

The interviews conducted with the beneficiaries testified to a high level of satisfaction about the quality of support for the beneficiaries, both in the application and instruction phase. The animation and information tools set up by the management authority look like complete. Some suggestions have been made to improve the readability and the visibility of information tools.

E. Recommendations

10 recommendations have been made and broken down into 25 actions and within the 4 themes. At the same time, a deployment schedule was proposed to implement the operational and strategic recommendations. In addition, the recommendations have been discussed and prioritized with all the stakeholders.

Q0 – Stimulation of programming	Recommendation n°1 – Focusing more strongly the commitment strategy of the calls for application on the performance framework
	Recommendation n°2 – Clarifying the calls for proposal expectations in order to reduce the failure rates
	Recommendation n°3 – Undertaking an ERDF-ESF Programme review on the lagging investment priorities
Q1 – Support of beneficiaries	Recommendation n°4 – Strengthening the visibility of the call for proposals calendar for stakeholders
	Recommendation n°5 – Deepening work on information for the applicants
Q2 - Instruction / Management	Recommendation n°6 – Improving the procedures and the resource mobilization to reduce delays of instruction
	Recommendation n°7 – Working for a more efficient payment system
	Recommendation n°8 – Empowering the strategic management of Integrated Territorial Investments (ITI)
Q3 - Monitoring	Recommendation n°9 – Increasing the quality procedures on indicators and data collection performance review
	Recommendation n°10 – Launching a review of some performance framework targets