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signed by Mr Jordi AYET PUIGARNAU, Director

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To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of  
the European Union

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Strategic report 2017 on the implementation of the European Structural  
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**COMMISSION STAFF WORKING DOCUMENT**  
*Accompanying the document*

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE  
COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE  
COMMITTEE OF THE REGIONS**

**Strategic report 2017 on the implementation of the European Structural and Investment  
Funds**

{COM(2017) 755 final}

**STAFF WORKING DOCUMENT**  
**ACCOMPANYING THE 2017 STRATEGIC REPORT**  
**ON THE EUROPEAN STRUCTURAL AND INVESTMENT FUNDS**

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## 1. INTRODUCTION

This Staff Working Document accompanies the Strategic Report 2017 on the implementation of the European Structural and Investment Funds. It provides a complementary descriptive narrative on the implementation of the 2014-2020 ESI Funds' programmes and of the evaluation work conducted in order to assess the impact of the programmes.

**PART I**, as a complement to the synthesis provided in the 2017 Strategic report, presents a more detailed narrative on the key financial and indicator values provided by national and regional programmes covering the period to the end of December 2016 (unless stated otherwise). It has been drawn up based on the **data available to the Commission as at 6 November 2017**, as notified by the more than 530 programmes.

To coincide with the adoption of the 2017 Strategic Report the **ESI Funds Open Data Platform**<sup>1</sup> has been updated to show in detail the following information:

- **Indicator values on implementation, notified by the Programmes**: There may be some variations between the values in this document and the values on the Open Data platform. This is because the 6 November values included preliminary values not yet finalised. A number of the programmes were still replying to queries raised by the Commission and were correcting and completing the values, with impacts on the aggregate values. The Commission intends to update the Open Data Platform monthly from 2018 with any final corrections made by the ESI Funds' programmes to their 2016 Annual Implementation reports.
- **Financial data reported under ERDF, ESF, Cohesion Fund and EAFRD programmes to the end of Autumn 2017**: These data are refreshed regularly to take account of any corrections transmitted by the Member States. The next transmission will be made by 31 January 2018 covering financial data to the end of 2017. The Commission services intend to publish those data by early March 2018.
- The Open Data Platform provides access to the detailed data notified to the Commission and aggregation and visualisations of the data described in the 2017 Strategic report (and in this document) at all levels of funding as follows:
  - At EU level;
  - By thematic objective;
  - By country and programme level;
  - By Fund.

**PART II** presents a synthesis of the evaluation work that has been undertaken by the Member States and the Commission services.

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<sup>1</sup> <https://cohesiondata.ec.europa.eu/>

## **2. OVERVIEW NARRATIVE ON IMPLEMENTATION**

The volume of planned investments and expected achievements from the ESI Funds were presented in the December 2015 Article 16 report summarising the adoption of the programmes<sup>2</sup>. The 2017 Strategic Report has already provided an overview in terms of the financial volume of the projects selected and progress in contracting and delivering common outputs and results drawing on the contents of the more than 530 programme annual implementation reports to the end of 2016 as well as summarising the Member States 2017 progress reports.

The sections below provides a more detailed narrative on progress by thematic objective in implementing the programmes in the period 2014-2016 in terms of the financial volume and rate of project selection reported in the programmes' annual implementation reports received in June 2017. In relation to the physical achievements the Commission services compare below the reported contribution expected from the selected projects and implemented values reported under the common indicators for each fund (where available). Specific examples of projects – large and small - already supported and delivering direct benefits to citizens and enterprises are also provided.

As noted in the Strategic report, it is too early to provide an assessment of expected impacts (policy results), which will only be possible after evaluation (see Part II).

### ***Box 1: Overview of support to enterprises across ESI Funds***

Support to enterprises - including farm and fishing enterprises - is planned mainly under the dedicated thematic objective to improve SME competitiveness but also, under the research and innovation, digital economy and the low carbon economy themes. All ESI Funds target enterprise support. Progress in supporting enterprises by end-2016 has accelerated as reported in the annual reports received in June 2017.

- A total of 793 500 firms are targeted by selected operations by end 2016. That represents 39% of the target of 2 million firms to be supported by the end of the period.
- Almost half of those targeted – 330 000 enterprises - have already fully benefitted from support.

Table 1 provides a detailed overview by fund of the total number of enterprises planned and so far targeted. The following sections detail how the support to enterprises is being delivered under the different relevant thematic objectives.

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<sup>2</sup> COM(2015) 639 final.

**Table 1: Overview of progress in implementing ESI Funds support to enterprises to the end of 2016 (as at 6 November 2017)**

Fund	Indicator	Target	Decided by end of 2016	% decided	Implemented by end 2016	% implemented
ERDF	Enterprises supported	1 097 000	452 600	41%	84 600	8%
EAFRD	Investments in physical assets in farm holdings	332 500	79 400	24%	36 300	11%
EAFRD	Young farmers	178 400	59 450	33%	11 300	6%
ESF	Micro, small and medium-sized (social) enterprises	377 600	197 500	52%	197 500	52%
EMFF	Operations supporting SMEs <sup>3</sup>	64 500	4 540	7%	750	1%
	<b>Total</b>	<b>2 050 000</b>	<b>793 490</b>	<b>39%</b>	<b>330 450</b>	<b>16%</b>

### **3. R&I, ICT AND SME COMPETITIVENESS: IMPLEMENTATION NARRATIVE ON PROGRESS**

About EUR 181.4 billion in total investments are planned in these areas in 2014-2020 mainly from the ERDF and the EAFRD. At the end of 2016, projects worth an estimated EUR 51 billion had been selected<sup>4</sup>, representing 28% of the planned total allocation (a fourfold increase from the 7% selected at the end of 2015).

Three thematic objectives provide the programming structure for the ESI Funds in this area as set out below.

#### **3.1. Research, technological development and innovation**

An estimated EUR 16.8 billion has been allocated to specific research and innovation projects under the ERDF and EAFRD programmes to the end of 2016, representing 26% of the EUR 65.8 billion planned – a sharp increase from 6% at end 2015.

Several common ERDF indicators of research investment are showing encouraging trends with 26% of the budget allocated by end 2016: 7 900 new researchers are supported by selected research operations (27% of the target); 20 600 researchers will benefit from new RTD infrastructures (29% of target).

In terms of promoting RTD and innovation in enterprises and cooperation with research institutes, 67 000 firms were targeted by selected ERDF schemes by the end of 2016 (over 50% of the target). Given the initial slow rate of selection of projects for support before 2016

<sup>3</sup> Data taken by the Commission from INFOSYS, the common monitoring and reporting tool for the EMFF (indicators not reflected on the ESIF as of December 2017).

<sup>4</sup> This figure includes an estimated share of the investments selected under multi-thematic objective priority axes related to this thematic objective.



it is not a surprise that support to only 4 800 firms was completed by the end of 2016. The completion of support should now be rising during 2017.

Amongst the two main forms of support 19 400 firms are targeted with grant support for innovation (32% of target) and 25 900 firms are targeted for innovation advice (62% of target). It is also very encouraging that selected innovation projects forecast 18 250 jobs to be directly created in firms (40% of the target), while 23 000 firms are targeted by cooperation with research institutes (32% of target). Finally under the indicators “new to the market products” 8 150 new products are being already targeted (53% of the target). While implemented values are still very modest these indicators will be closely watched in future reports to see if demand will actually outperform the targets set as economic conditions appear to be changing.

Projects supported by EAFRD aim to foster innovative solutions for competitive and sustainable farm and forestry sectors by enhancing economic resilience supporting investments, and fostering knowledge-building, co-operation, and innovation. By the end of 2016, the value granted to selected projects amounted to 3.2 billion euro. In the area of R&I, the European Innovation Partnership for agriculture is becoming an effective vehicle for innovation, bringing farmers, researchers, advisors and businesses together in more than 3 000 practical innovation projects. These projects hold an important potential for creating innovative solutions that will make farming smarter, more efficient and more sustainable. They cover a wide range of themes, from water and soil management to control of pests and diseases, from food quality to fertilisation and nutrients efficiency, fitting well into the European and global agenda for sustainability. The results of these projects are pooled in our EIP-AGRI platform, providing many new ideas and inspiration for the farming community. By the end of 2016, 350 interactive innovation projects were launched, which represents 11% of the envisaged target value.

The EMFF aims to stimulate innovation in fisheries, developing or introducing new or substantially improved products and equipment, new or improved processes and techniques, and new or improved management and organisation systems, including at the level of processing and marketing. EMFF is an important instrument to support innovation linked to the conservation of marine biological resources. The EMFF contributes with EUR 353 million to initiate innovation and innovative technology in fisheries and aquaculture sector. By the end of 2016 the MAs have selected 50 operations supporting innovation and new technologies with an EMFF contribution of around EUR 19.8 million.

#### **Project Examples**

- *In Germany, the EU is investing EUR 2.5 million in a research project looking to enable dementia patients to live independently at home for as long as possible through a safety system relying largely on imaging sensors. Today as many as 1.6 million Germans have dementia and this number is set to reach 3 million by 2050. The project aims to provide one response to improve quality of life for people with dementia while life expectancy rises.*
- *In the university city of Coimbra, Portugal, the TecBIS project has set up a specialised infrastructure to foster innovation and help tech-based companies during the vital post-incubation phase. Through the project, Coimbra consolidates its position as a recognised innovation centre with strong bonds linking research, technology and industry in the region. The ERDF co-finances the total cost of over EUR 8 million with investment of EUR 7 million.*
- *The SRIP project - Support for Strategic Development and Innovation Partnerships – represent a new governance model of public support for RDI activities in Slovenia, with investment of EUR 10 million of*

*EU and national funds. More efficient and knowledge-based investment into RDI is the objective by entrusting the governance of Smart Specialization to businesses, research institutions and NGOs stakeholders. With over 500 stakeholders already involved, the project will allow future public investments in RDI to be directed towards real needs and opportunities for growth and higher competitiveness.*

- *The project Sohjoa in Finland is introducing autonomous small electric buses in Helsinki, Espoo and Tampere as part of a pilot innovation. The small buses have the potential to deliver mobility as a service over the last mile, to reduce operating costs, to lower overall emissions and to offer better service to the customer. The project tests and develops new technologies to provide digital public services to citizens. The cost of the pilot is EUR 560 000 with ERDF support of EUR 375 000.*
- *A group of young farmers in France have started an initiative to collect and share low-tech farm solutions. This has now become a digital open platform for disseminating innovative ideas in the form of detailed articles and technical tutorials. It has gathered more 50 plans for innovative low-tech agro-ecological farming practices. The project costs €0.6 million out of which EAFRD provides 40% financing.*

### **3.2. ICT access and exploitation**

An estimated EUR 3.9 billion has been allocated by the end of 2016 to digital economy projects under the ERDF and EAFRD programmes to the end of 2016, representing 19% of the EUR 20.7 billion planned<sup>4</sup>. This is a significant increase from only 4% selected at the end of 2015 with more than 5 700 project now supported. While project selection in this thematic area was still lagging at the end of 2016 (compared to the overall average of selection of 28%) the latest data from the ERDF programmes to the end of September 2017 shows a further catching up with the overall average across all themes.

Within the ERDF programmes supporting broadband investment, under the national broadband plans required by the relevant ex ante conditionality, the main indicator of population covered by 30 megabytes has now begun to see selection activity with 915 000 citizens (6% of the target) now targeted by selected projects (mainly in FR, GR, HR, HU, IT, LV, SK and UK).

The other main activities supported include e-government actions and e-commerce in SMEs. In the area of e-government the main actions in reforming delivery of public services and e-procurement are showing selection rates of 20% (no common indicators was defined). E-commerce actions in SMEs are lagging somewhat at 14% of the planned investments with 5 000 SMEs so far targeted for support (out of the intended target of 78 000).

Overcoming the digital divide between rural and urban areas and developing the potential offered by connectivity and digitisation of rural areas is among the priorities addressed in Rural Development Programmes (RDP). Support under the EAFRD aims to improve access to ICT services and infrastructure for 18 million rural citizens. This is done through 4 400 investment projects. So far, 36% of funds earmarked for improving ICT services in rural areas have been allocated to projects and 1 268 000 rural residents (6% of the respective target value) are already benefiting from improved services.

#### ***Project Examples:***

- *The Croatian "e-Schools project" will increase information and communication technology (ICT) use in the schools systems by providing ICT equipment and educational tools for schools and teachers. Following a pilot scheme to end in 2018, total EU investments of EUR 25.5 million ERDF and EUR 8.5 million ESF will enhance teachers' professional development, improve the quality of education in 700 primary and secondary schools (50% of all schools) and increase students' employability. (Project fiche)*

- *A rural "web school" for digital transition supported by EAFRD in the Dordogne, France, provides local businesses with the tools to better organise their work and market their services and products. Personalised reports were delivered to 120 small rural businesses giving a comprehensive analysis of their digital status, including recommendations for digital business development in organising work, communication and marketing. EAFRD support amounted to EUR 30 000 out of a total budget of EUR 62 000.*

### **3.3. Improving SME competitiveness**

An estimated EUR 29.6 billion has been allocated to improve the competitiveness of SMEs projects under the ERDF, EAFRD and EMFF programmes to the end of 2016, representing 31% of the EUR 95 billion planned<sup>4</sup>. This represents a threefold increase compared to the 9% selected at the end of 2015.

ERDF financing was granted to projects supporting 322 000 SMEs (40% of target). Amongst those decided projects

- 157 000 of those companies will be supported with advice and counselling (42% of target);
- 75 000 are targeted by financial instruments (42% of target) with already 33 400 firms already having received complete support;
- 68 000 start-ups are forecasted (49% of target) with 16 800 already completed.
- By the end of 2016 131 400 jobs were expected to be directly created in the supported firms (38% of target).

Comparing the decided allocations with the indicator forecasts and targets, it appears that a significant number of programmes may exceed the targets linked to outputs from business support activities. This is likely to result from a combination of 1) cautious target setting at the beginning of the period (linked to the experience of the post-2008 economic crisis and subsequent slow recovery) and 2) the inherent difficulties of predicting business demand of public support programmes over such a long time period (i.e. until 2023). These trends will be closely followed with the next reporting cycle.

#### ***Box 2: Implementation of Financial Instruments under the ESI Funds***

Under the ESI Funds, increasing the use and improving the effectiveness of support delivered using financial instruments has been a particular priority in the preparation, and now the implementation, of the 2014-2020 programmes. The annual "summaries of data on the implementation of financial instruments", as reported by the programmes, is being made publicly available separately<sup>5</sup>. In terms of the thematic objective, the main use of financial instruments occurs in support of the competitiveness of SMEs, followed by the low carbon economy and innovation and research thematic objectives.

To coincide with this year's annual summary of data, a dataset has been published on the ESIF Open Data platform<sup>6</sup> presenting key financial information on the implementation of each of the specific financial instruments approved by the programmes by the end of 2016. That dataset will continue to be updated with any corrections made by the programmes.

<sup>5</sup> The summary will be available on [http://ec.europa.eu/regional\\_policy/en/funding/financial-instruments/](http://ec.europa.eu/regional_policy/en/funding/financial-instruments/)

<sup>6</sup> Financial instrument datasets on the ESIF ODP: <https://cohesiondata.ec.europa.eu/browse>

The EAFRD supports solutions to encourage entrepreneurship and employment in farming and rural businesses and improve their economic viability and resilience. By the end of 2016,

- more than 36 000 farm holdings received investment support to facilitate restructuring and modernisation and achieve productivity gains (11% of the target) and more than 34% of the budget allocated to start up aid and support for investment in non-agriculture activities in rural areas was committed.
- 11 700 young farmers who bring new energy and have the potential to exploit the full benefits of technology in terms of increased productivity and sustainability received support for setting up.
- 63 500 farm holdings received support in the form of risk management tools to reduce the uncertainty about the future that can compromise farmers' competitiveness.
- Around 50 000 farm holdings were helped to participate in quality schemes.

The EMFF supports operations with a total investment of EUR 370 million to enhance the competitiveness of SMEs and of the fisheries and aquaculture sector, SMEs make up 98 % of the enterprises in the fisheries sector supported by EMFF. By the end of 2016 MAs have selected operations with an EMFF contribution of EUR 135.9 million. The fisheries and aquaculture sector has a high rate of macro, small and medium sized enterprises. The majority of operations supported by the EMFF are addressing directly and indirectly SMEs, single fishermen, production organisations and aquaculture farms. Out of the 6428 selected EMFF operations 4540 address SMEs or private persons.

**Project Examples:**

- *In Greece, an Equity Fund of Funds was set up in December 2016 to boost entrepreneurship by unlocking equity potential. Its main objective is to attract private funding for a range of investments ranging from start-ups to mature growth companies. It will also support technology transfer funds and kick-start investments into accelerator funds. Some EUR 200 million from ESI Funds combined with EUR 60 million from the EIF and EFSI are managed by EIF to support innovation and business opportunities.*
- *In Latvia, a company used EAFRD funding to set up the commercial production process for a new healthy diet food. The project included the purchase and installation of the new production and supply lines, the creation of new jobs and conclusion of distribution agreements with 19 other companies. EAFRD support amounted to EUR 24 990 out of the total budget of EUR 165 000.*
- *The project "Visit Arctic Europe" is an Interreg project supporting cooperation between SMEs in Finnish and Swedish Lapland, Northern Norway and Sápmi (the region of the Sami population). Through networking, development and marketing efforts, the project aims to increase the level of business collaboration across borders by developing new and innovative cross-border tourism concepts for distribution in selected markets.*
- *An innovative EMFF project in Denmark supports the expansion, commercialisation and internationalisation of whelk (sea snail) fishing. There are large deposits of whelks in Danish waters where salinity is sufficiently high. The whelk fishery started from zero in 2016 and is expected to generate a turnover of EUR 1.4-2 million in 2017. The project supports secure sales of whelks at a fixed price with sales in countries such as South Korea, China and Vietnam.*

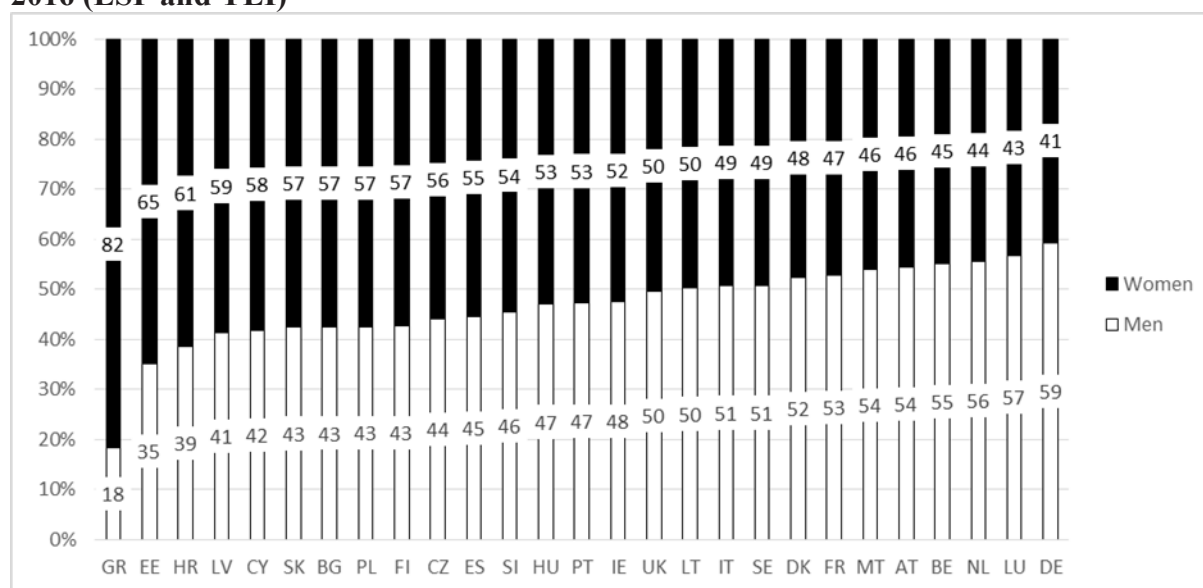
#### 4. EMPLOYMENT, SOCIAL INCLUSION AND EDUCATION: IMPLEMENTATION NARRATIVE ON PROGRESS

Over EUR 168 billion in support is planned in this area, particularly from the ESF, with ERDF, EAFRD and EMFF also investing. At the end of 2016, projects amounting to an estimated EUR 48 billion were selected, representing 29 % of the planned total allocation (an increase of more than twofold compared to the 12% rate of selection at the end of 2015).

In aggregate terms the ESF and YEI programmes have already delivered support to:

- 7.8 million participants<sup>7</sup>, including 4.2 million unemployed and 2.1 million inactive;
- 1.6 million participants were long term unemployed;
- Amongst those participants 787 000 were in employment following an ESF or YEI operation, 820 000 had gained a qualification upon leaving an ESF or YEI operation;
- 276 000 participants were in education or training thanks to ESF or YEI support;
- 458 000 disadvantaged participants, including people with a migrant background, in ESF or YEI-funded operations were engaged in job searching, education/training, gained a qualification or were in employment, including self-employment.

**Figure 1 Relative share (%) of (fe)male participation across Member States over 2014-2016 (ESF and YEI)**



Source: Synthesis Report of ESF 2016 Annual Implementation Reports, Fondazione Giacomo Brodolini for the Commission, Based on AIR data

<sup>7</sup> One individual may participate in several ESF funded operations and therefore 'participants' should be understood as participations.



The number of women and men supported under ESF and YEI support is almost equal at EU level, despite some differences between Member States. Women are however overrepresented in certain groups, for example in participants who live in a single adult household (70%) and in participants with tertiary education (64%).

The distribution of the participants according to the form of labour market, social inclusion or training or education support is further detailed below.

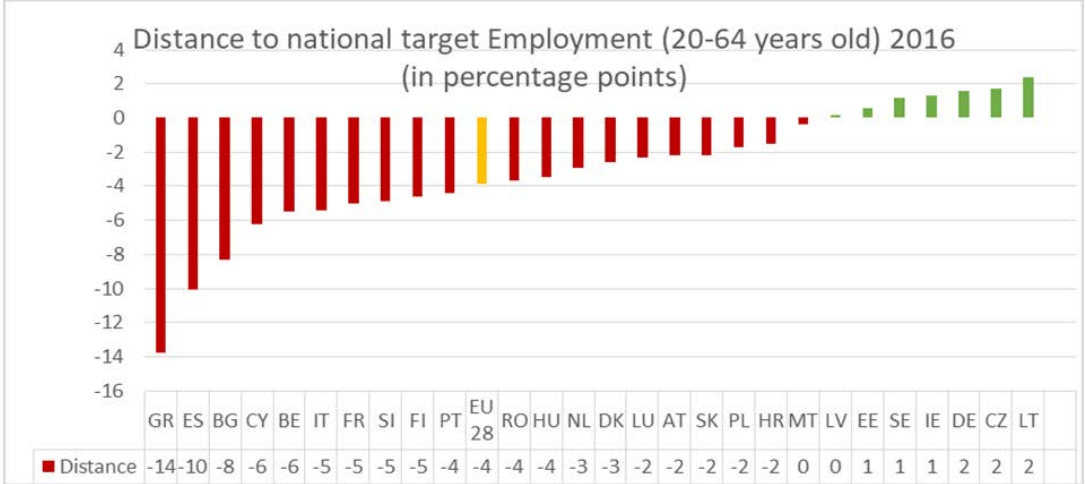
**4.1. Employment**

The socioeconomic context in the EU has improved since the start of the current programming period. The increase of GDP at EU level and the decrease of unemployment rates evidence this. However, the unemployment rate in the EU was still at 7.8% in May 2017. Progress towards the Europe 2020 employment target is stable but slow and some Member States might not be able to meet their national targets by 2020 (see figure below). Investing in human capital is paramount to stimulate growth and employment.

An estimated EUR 17.7 billion has been allocated to sustainable and quality employment projects<sup>4</sup> predominantly from the ESF and Youth Employment Initiative to the end of 2016, representing 31% of the EUR 56.4 billion planned. By the end of 2016 under this objective:

- 4.1 million participants have been supported
- 284 000 participants have gained a qualification
- 551 000 participants were in employment, including self-employment

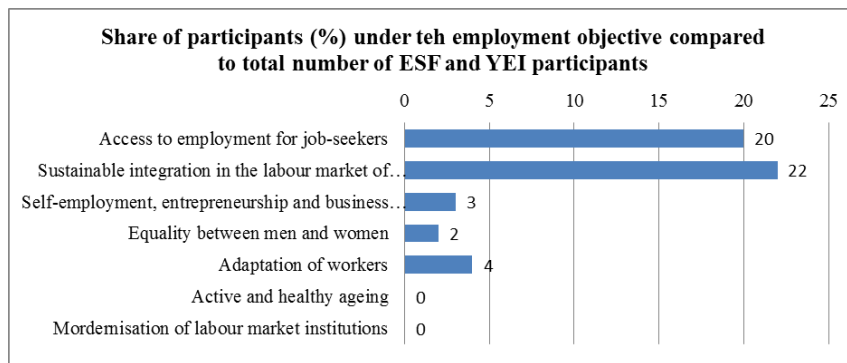
**Figure 2: Headline target national Employment (20-64 years old) - 2016 – distance from national target (%)**



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)

The ESF under this objective has supported primarily people who are not in the labour market providing them with the opportunity to find a job. Indeed, 84% of participants were unemployed or inactive. Around 666 000 employed participants have also been supported by upskilling or reskilling measures to improve their job opportunities and adapt to labour market changes.

**Figure 3**



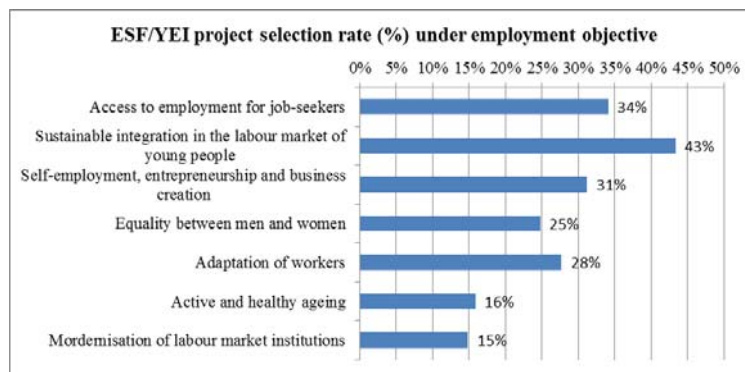
Source: Synthesis Report of ESF 2016 Annual Implementation Reports, Fondazione Giacomo Brodolini for the Commission, Based on AIR data

51% of all ESF and YEI participants have been supported under the employment objective for the period 2014-2020. This can be explained by several factors:

- The frontloading of YEI resources, which encouraged Member States to start with operations as early as possible;
- The scope of the investment priorities (IPs): the majority of the IPs under this objective focuses on supporting people;
- The fact that employment measures are the core of ESF activities.

The low share of participants under some Investment Priorities (IPs) should however be analysed carefully. Indeed it does not necessarily mean that activities have not started under these IPs. A relatively small number of Member States (6) have, for example, selected the IP on 'active and healthy ageing'. Moreover, some IPs such as 'modernisation of labour market institutions' focus on support to structures and are, therefore, not represented in the figure above. The project selection rates for these two IPs are respectively 16% and 15%, which is below the EU average but shows that projects are underway.

**Figure 4**



**Box 3: ESF Support to the Work-Life Balance Initiative**

The ESF also contributed to support actions in line with the **Work-Life Balance Initiative**. Under the dedicated investment priority 165 000 participants have been supported by end 2016. Measures under this priority include the provision of quality childcare, individual guidance for women, vocational training, arrangement at the work place to reconcile work and private life, development of tools and instruments, awareness raising programmes for employers, change management in organisations, and financial incentives. Actions for work-life balance are also mainstreamed under other investment priorities.

EAFRD support encourages employment inside and outside agriculture, promotes social inclusion, and fosters lifelong learning and vocational training in agriculture and forestry. By the end of 2016, over 50 million EUR were spent to address these priorities.

The EMFF contributes with EUR 49.5 million to thematic objective 8. By the end of 2016 the MAs have selected 34 operations supporting the promotion of human capital and social dialogue - training, networking and social dialogue with an EMFF contribution of around EUR 4.2 million (excluding CLLD actions).

**Project examples:**

- *In Germany, the ESF Förderprogramm IQ helps people with a migration background to get full recognition of their qualifications obtained abroad and to acquire an employment position adequate to their education. Activities include the extension of counselling structures, qualification measures in recognised professions, adaptation qualifications in the field of dual VET and bridging measures for academics; preparation for the related formal exam in case of non-recognition.*
- *In France, the Business incubator "A petits pas" in Hauts-de-France region is devoted to sustainably boosting employment in rural areas by supporting project promoters. They receive enhanced support as well as a support of legal specialists, accountants, consultants in communication or in personal development. In doing so, they creators can test and secure their project for three years. Since 2013, the ESF project has welcomed 51 project promoters.*
- *In Malta an ESF project focuses on both the people currently not in employment or training (NEET) as well as on those at risk of becoming NEETs or young unemployed through a mix of interventions tailor-made for the specific cohorts. Additional initiatives are embedded in YG2.0 to facilitate the transition from education to employment. In 2017, various activities were implemented including the NEET activation scheme, the IT level 2 and ECDL courses for ALP students, preventative actions; and a work exposure scheme. In total 1 782 persons under the age of 25 have been supported under various activities (977 men and 805 women) by October 2017.*
- *In Poland, the project 'in the courtyard of a career' increases the employability of young people, including disabled, who do not participate in education or training. The ESF project was developed having in mind the young inhabitants of mountain and sub-mountainous areas, mainly from Podhale in the Malopolska region. The participants are offered various forms of support: individual advisory support in building an educational-occupational development path, occupational training and internships.*
- *In Finland, one NGO is using EAFRD funding to develop activities for and a network of nature-based service providers. EAFRD funding for "GreenCareLab" was used to mentor new businesses with more than 100 'Green Care' service providers participating in its activities during the first year. Dozens of business start-ups participated in the platform to test and develop business ideas and services. Four thematic groups for animal, farm, garden and nature-related 'Green Care' services were launched. (Project Fiche)*
- *Improving the incomes of coastal fishermen in Bornholm, Denmark is being addressed by a project supporting direct marketing events and encouraging local demand. The project is expected to increase the share of catch through direct sales or sales to local processing companies with the objective of improving fishermen's incomes, local consumption, job creation and boosting coastal fishing in general.*

**Box 4: Youth Employment Initiative (YEI)**

*By end 2016, the number of young NEET people that have participated in YEI-supported projects that boost their skills or allow them to have a working experience tripled compared to end 2015. Among them, **707,000 unemployed and inactive participants** not in education or training have completed a YEI-funded intervention. Of these, **345,000 unemployed and inactive participants** not in education or training have moved into education/training, or gained a qualification, or are in employment (including self-employment), upon leaving the intervention. This points to an average of 49% of positive outcomes immediately after the end of the operation and thus demonstrates that the actions financed by the YEI are achieving results.*



To date, over 70% of the total financial resources under the Youth Employment Initiative have been allocated to selected projects across the eligible Member States and regions. The assessment of many Member States is that the Youth Employment Initiative is having significant **impact on the coverage and design of employment policy** in their country.

As regards coverage, **Italy and Spain** that still face high youth unemployment have mobilised a significant number of young people not in education or training (NEETs) through YEI actions. Concerning policy reform, following the first YEI evaluations, **Slovakia** shifted the focus from public works schemes for young people towards more effective measures such as increased provision of professional training. In **Italy**, a counter-factual evaluation showed that new innovative policies largely supported by the YEI increased the occupational chances of young people by 7.8 percentage points, despite significant regional differences. In **Portugal**, YEI co-financed entrepreneurship programmes proved more successful than higher education measures, while **Greece** has identified the need to review its voucher system for youth employment and training.

In terms of **outreach and impact**, **Portugal** has reported that over half of NEETs targeted by the YEI did not have a higher education diploma and a majority were supported before becoming long term unemployed. In **Poland**, 62% of YEI participants received an employment offer, training, or education, with an overall high level of participants' satisfaction.

As main **implementation challenges**, Member States point to difficulties in reaching inactive NEETs and those not registered with the Public Employment Services and in 'keeping' these young people engaged in YEI measures (e.g. Romania, Croatia, Belgium, Cyprus). Member States also **highlight** the challenge linked to the late launch of YEI implementation arrangements and procedural delays (e.g. Spain, Czech Republic, Hungary, and Lithuania). Some Member States also note that the overall improvement in the youth employment situation also impacts on initial programming by reducing the overall target group (Ireland, Latvia, and Lithuania).

By September 2017 preliminary information from Member States to the Commission show that the YEI had supported approximately 1.7 million young NEETs.

YEI Project examples:

- In Portugal the Programme RETOMAR promotes the return to education and training in the context of higher education of young NEETs who have previously dropped out of training, study programmes or wish start a different academic path. The objective is to combat early school leaving in higher education, taking into account criteria of social inclusion and employability. Scholarships are given each year to students to motivate them to complete their studies and to prepare for labour market demands. 196 beneficiaries were reached during the academic year of 2014-2015 and 250 were reached in 2015-2016.
- In Italy the project Crescere in Digitale, implemented under the National Youth Employment Initiative with public and private partners (the Italian Chambers of Commerce and Google), offers training and traineeships for young people to support businesses in the digital economy. The programme offers 50-hours of free online training to young people are registered under the Youth Guarantee Programme, an online test where graduates are selected for a traineeship, local job matching to match graduates with SMEs and a 6 months paid traineeship for each of the selected young people.

## 4.2. Social inclusion

Building a more inclusive and fairer European Union is one of President Juncker's key priorities, which has been translated in the proposal for a European Pillar for Social Rights<sup>8</sup>. This proposal strives to reaffirm and further strengthen relevant rights and principles in support of equal opportunities and access to the labour market, ensure fair working conditions and social protection, as well as enhance social inclusion.

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<sup>8</sup> A reference framework to screen the employment and social performance of participating Member States, the European Pillar of Social Rights sets out 20 key principles to support fair and well-functioning labour markets and welfare systems.

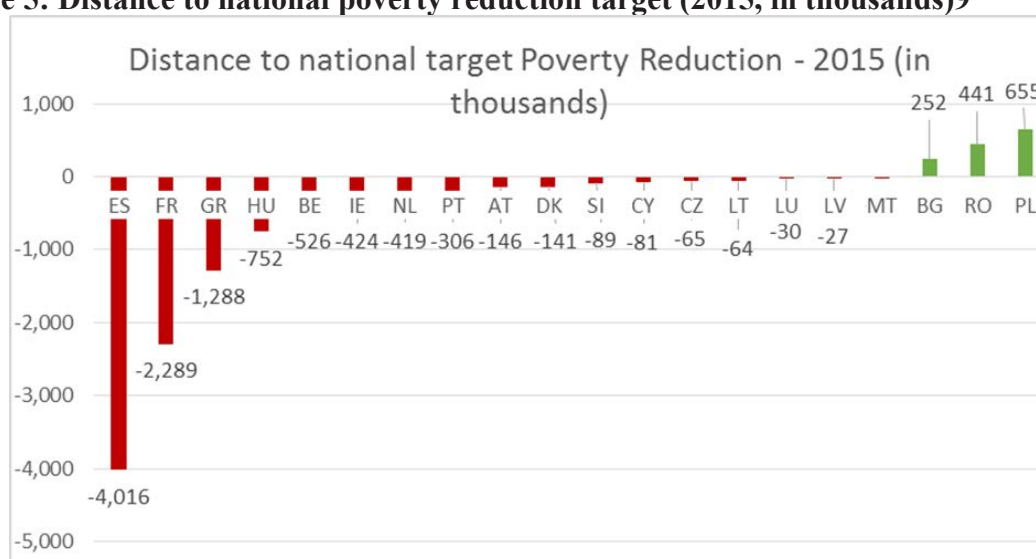
Despite improvements in terms of growth and employment rates in the EU, the number of people at risk of poverty and social exclusion remains high. Some Member States are facing challenges to reach their national poverty target (see figure below). The ESF, with more than 25% allocated to social inclusion for 2014-2020, should play a key role in supporting fair and well-functioning labour markets.

An estimated EUR 16.4 billion has been allocated to projects addressing social inclusion to the end of 2016, representing 26% of the EUR 62.7 billion planned<sup>4</sup> predominantly funded by ESF programmes, with ERDF support to health and social infrastructures.

By end 2016 under this objective:

- 1.7 million participants have been supported under this objective by ESF;
- Between 44 and 94% of participants came from a disadvantaged background.

**Figure 5: Distance to national poverty reduction target (2015, in thousands)<sup>9</sup>**



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)

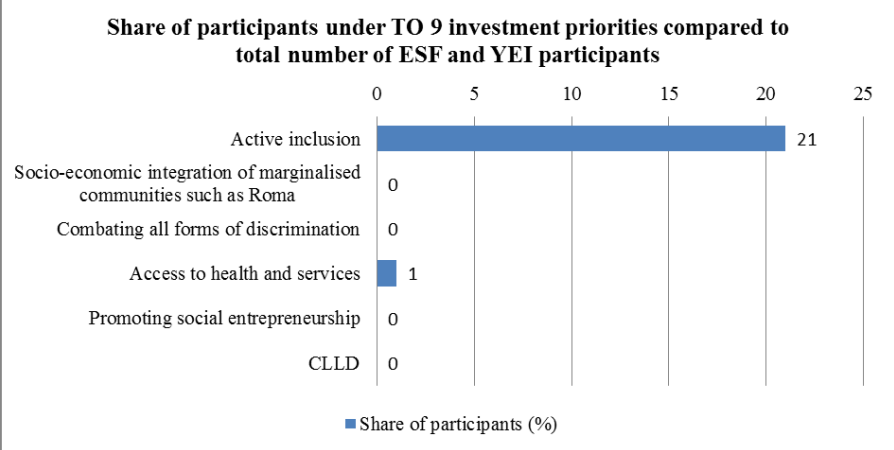
Thanks to ESF support 77 000 participants gained a qualification and 188 000 participants were in employment, including self-employment. Out of 464 000 inactive participants, 90 000 engaged in job-searching. Even though results to date seem rather low it can be explained by two main factors. The first one, which also applies to other objectives, is that results are only measured once ESF support has ended. For people being out of the labour market operations can last longer, which delays results. The second one, also applying to other thematic objectives as well, is the length of data validation delaying the reporting of positive achievements. Indeed, altogether, more than half of the investment priorities have not reported any achievements by far.

The ESF also pays particular attention to people with disabilities. Non-discrimination and accessibility are horizontal principles under the ESI Funds. Across all objectives, the ESF has supported 634 000 participants with disabilities.

<sup>9</sup> Limited data (about half of Member States) available for 2016 at the time of drafting this report.

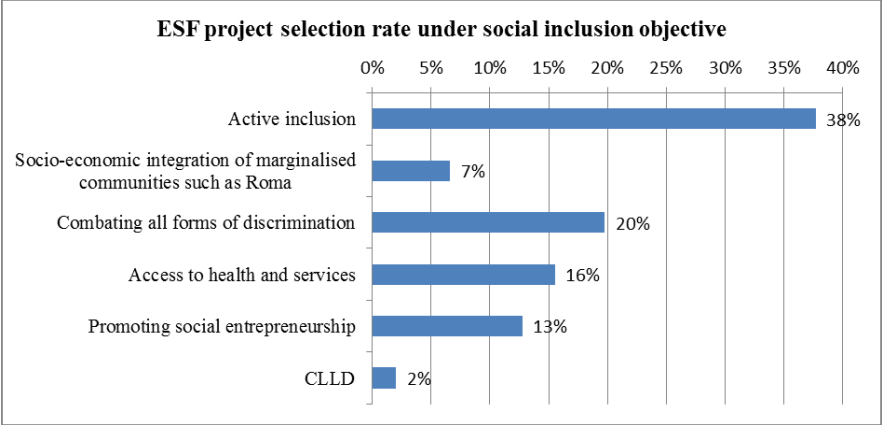
Under the social inclusion objective, the relatively high share of participants (22%) depends almost exclusively from actions under the active inclusion investment priority (IP). Investments under the other priorities have started but show important discrepancies between the IPs. Project selection rates per IP range from 38% for social inclusion to 2% for community-led local development (CLLD). Activities for the socio-economic integration of marginalised communities such as Roma are also lagging behind.

**Figure 6**



Source: Synthesis Report of ESF 2016 Annual Implementation Reports, Fondazione Giacomo Brodolini for the Commission, Based on AIR data

**Figure 7**



The ERDF complements ESF programmes in this area through support to various social and health investments, in particular through integrated development strategies for deprived urban areas. ERDF projects, linked to health systems reforms, are now supporting health services and infrastructure improvements that target 11.5 million citizens (28% of the target) with 20% of the budget for health infrastructure allocated to projects. In urban areas a population of 3.9 million will benefit from integrated social inclusion strategies (30% of the target) including building and housing renovations and improvements to urban spaces to improve quality of life.

In rural areas, EAFRD supports local development strategies promoting social inclusion, reducing poverty and fostering economic development within the LEADER approach. To date, 47% of people living in rural areas (representing about 90% of the target) are under the

umbrella of over 2 000 local development strategies implemented by Local Action Groups (LAGs) that benefited from 21% of the available public funds.

**Project examples:**

- *In Bulgaria, an ESF project on "Independent living" supports vulnerable groups (old people and disabled of all ages) providing them with integrated social and health services in all 28 regions of the country. The service includes access to social and health care facilities, to specialised vehicle, to professional psychological counselling and to rehabilitation procedures. 23 954 old people and persons with permanent disabilities and inability to self-service have been supported by the end of 2016.*
- *In Denmark, the project RUMMELIG IMIDT creates job openings for citizens on the margin of the labour market in the Central Denmark Region. This is done mainly by the development of innovative integration processes, the creation of social-economic businesses and strengthening the involvement of the social partners, companies and municipalities in social inclusion. Job openings for the target group are identified by reconciling municipalities' cross-sector competencies, resources and knowledge.*
- *In Poland, ESI Funds have combined with EFSI to support the modernisation and extension of the Rydygier Regional General Hospital in Torun equipping it with new wards for infectious diseases, psychiatry, invasive cardiology, surgery, a new emergency department, four bed wards with 318 new beds and a new hospital pharmacy. The project, costing EUR 165 million (EUR 40 Million from the ERDF) will make the hospital the most modern in Poland.*
- *In Italy, the ERDF invests EUR 25 million in a major urban regeneration project in the city of Milan. Twelve buildings and 400 residential units will be demolished and reconstructed in the district of Lorenteggio, which is affected by socio-economic and physical degradation. These resources combine with investments from Region Lombardia and the City of Milan to improve local services and refurbish the district. Complementary ESF measures in cultural mediation, support to disadvantaged families, and preparation for new job opportunities will accompany the physical regeneration.*
- *In Sweden, a group of small enterprises used EAFRD funding to establish a Work Integrated Social Enterprise which helps migrants learn about entrepreneurship through practical work and supports them to develop their business ideas. Participants attend workshops on business and food, get hands on experience by working at an organic shop and participate in study visits. EAFRD support amounted to EUR 28 000 out of the total budget of EUR 60 000.*

**Box 5: Integrated urban development**

*Integrated urban development strategies are being developed and implemented across thematic objectives with a view to support investment in policy responses that are adapted to the different urban contexts found across Europe. The following elements give a cross thematic overview of the progress reported by the ERDF programmes under urban development:*

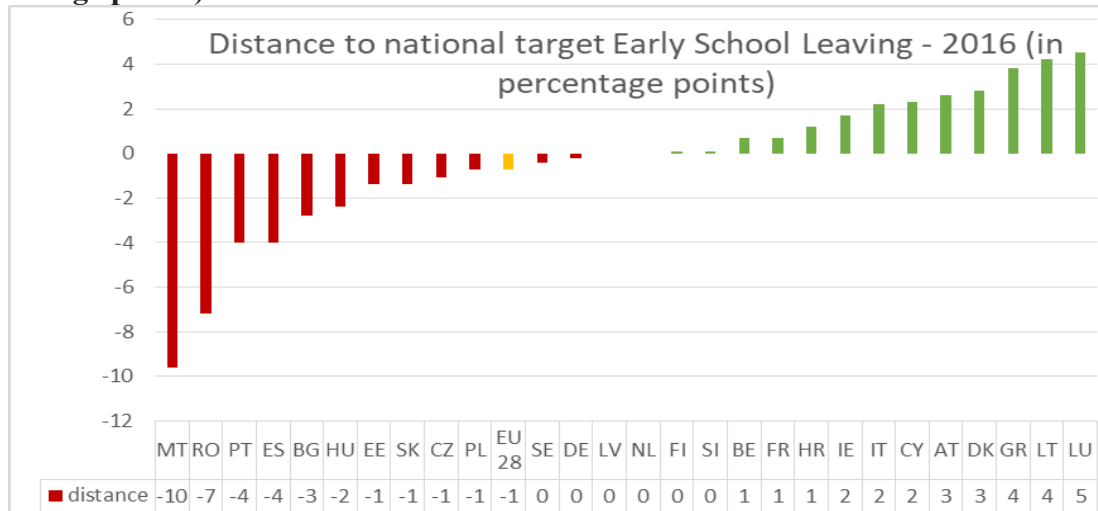
- *A population of 13.6 million (33% of the target) will benefit from selected integrated strategies (mainly so far in DE, FR, IE and SK) addressing mainly low carbon, environmentally sustainable and socially inclusive urban development;*
- *More than 538 hectares of urban open space (18% of the target) is being renovated (mainly so far in BG, DE, LT, PL and PT) to improve quality of life and security in urban areas, mainly under social inclusion and environmental sustainability themes;*
- *364 000 square metres of urban buildings (16% of the target) are being renovated mainly so far in BE, BG, DE, HU and PT with a view to contribution to social inclusion objectives.*

### **4.3. Education**

Reducing early school leaving below 10% and reaching 40% of 30-34 year-olds with tertiary education are two of the Europe 2020 targets. Despite some significant progress some Member States are at risk of not meeting their national target by 2020 (see the two figures

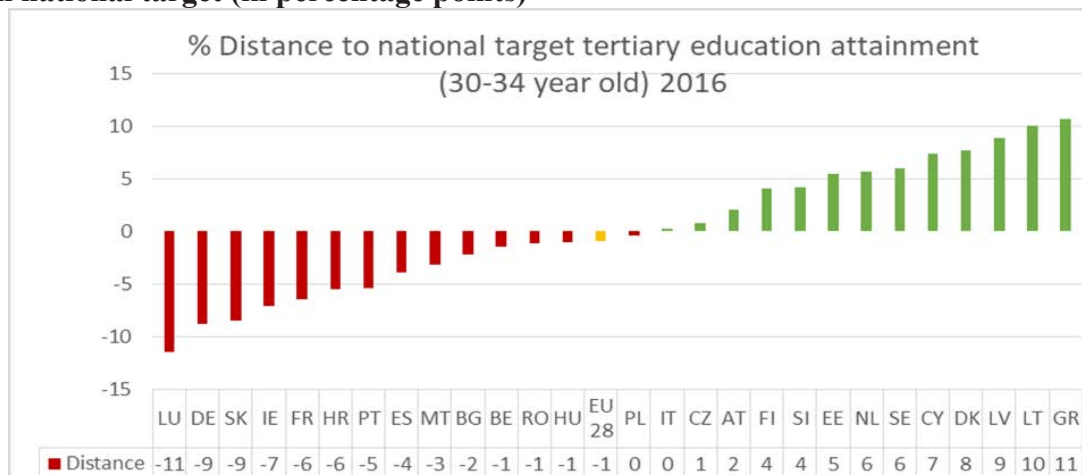
below). Investing in people's education and training to ensure they are equipped for the labour market is at the heart of this objective.

**Figure 8: Headline target Early School Leaving – distance from national target (in percentage points)**



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)  
 Note: the UK has not set a national target.

**Figure 9: Headline target tertiary education attainment (30-34 year old) 2016 – distance from national target (in percentage points)**



Source: Eurostat (<http://ec.europa.eu/eurostat/web/europe-2020-indicators>)  
 Note: the UK has not set a national target; DE's national target includes post-secondary non-tertiary (ISCED 4) graduates, who however are not included in the attainment rate measured for 2016; LU set the highest national target in the EU (66%), also reflecting the high share of tertiary educated people in its young population, regardless of their place of study (its attainment rate in 2016 neared 55%).

In its Communication of June 2016 for a 'New Skills Agenda for Europe'<sup>10</sup> the Commission highlighted that 'skills are a pathway to employability and prosperity. With the right skills, people are equipped for good-quality jobs and can fulfil their potential as confident, active citizens.'

<sup>10</sup> COM(2016) 381 final.

With an ever-changing labour market people need to have the opportunity to train and improve their skills throughout their lives. The ESF supports people from childhood education to life-long learning.

An estimated EUR 14.6 billion has been allocated to projects addressing education and vocational training to the end of 2016, representing 30% of the EUR 49.2 billion planned, predominantly funded by ESF programmes, with ERDF support to education infrastructures.

By end 2016, under this objective:

- 1.9 million participants have been supported under this objective by ESF
- out of which
  - o 60% of participants were under 25 and 6% were above 54
  - o 522 000 were disadvantaged participants, e.g. migrants, minorities or people with disability
- 410 000 participants have gained a qualification,
- 122 000 participants were in education or training and
- 48 000 participants were in employment, including self-employment following support

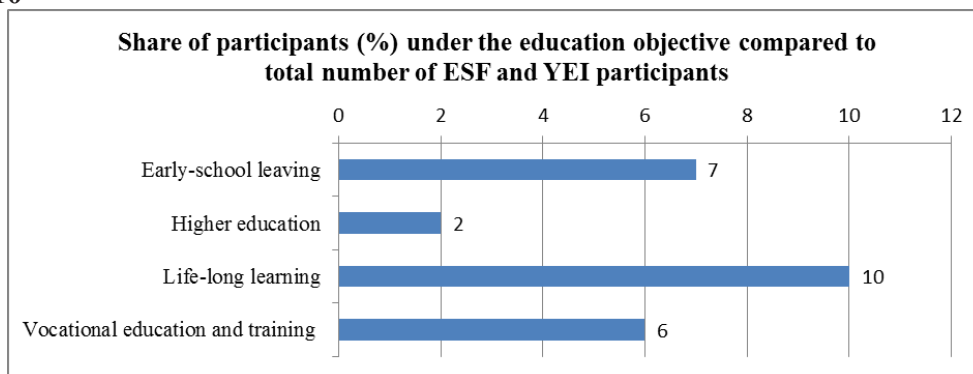
**Box 6: ESF Support to the New Skills Agenda**

*In line with the New Skills Agenda for Europe the ESF plays a key role in supporting low-skilled people in Europe.*

*By end 2016, across all objectives, the ESF and the YEI have supported 3.4 million people with lower than upper secondary education attainment. Under the education objective in particular 1.1 million low-qualified participants have been supported, which corresponds to 57% of all participants.*

*This shows that the ESF manages to reach those most in need of support and plays a key role in supporting the 73 million low-qualified people in the EU.*

**Figure 10**

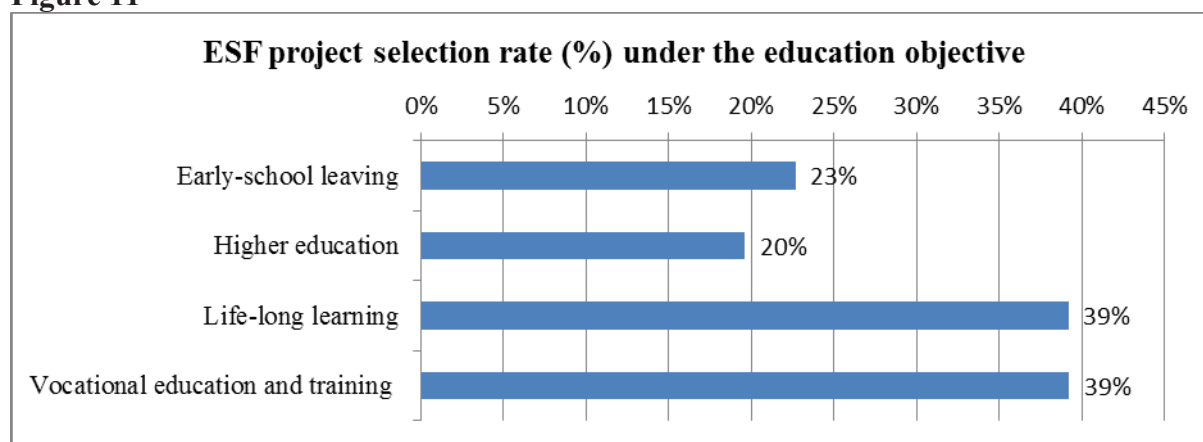


Note: Investment Priority Early-school leaving: Reducing and preventing early school-leaving and promoting equal access to good quality early-childhood, primary and secondary education.

The share of participants under the education objective is more evenly distributed. It shows progress in all the areas. This is confirmed by the project selection rates below.



**Figure 11**



The ERDF complements ESF programmes in this area through support to various investments, for example, in different school infrastructures and equipment. Education infrastructure improvements already selected will benefit 4.4 million students (66% of the target).

**Project examples:**

- *In Finland an ESF project is creating a new concept for maritime, port and logistics training to increase the responsiveness to labour market demand, quality and relevance of adult education. Two themes have been selected for pilot training in the development stage: training of container crane drivers and training for oil spill control. The project is co-funded by the ERDF project SCAROIL Simulators, which finances the purchase of equipment.*
- *In Slovenia, the ESF project called 'We include and activate' spurs social activation of target groups through integration in cultural actions. It connects 2 groups of people – those who are stigmatised on one side (vulnerable groups: people with mental health disorders and mental disabilities, people serving prison sentences scheduled for release, and people participating in drug rehabilitation programmes) and those who have experience working with vulnerable groups and are at the same time experts in fields such as literature, art, creative writing, digital literacy, public speaking, etc. The objective is to equip vulnerable people with specific knowledge to bring them closer to the labour market and reduce the risk of social exclusion. It is expected that 200 participants will be included by end 2019.*
- *In the small town of Põlva in Estonia the ERDF supported the construction of a public secondary school building which is almost completely energy neutral. The school was conceived as a demonstration of energy and resource efficiency combining innovation with education. For instance, it uses environmentally friendly furniture and is fully accessible for people with physically disabilities. The school hosts up to 272 students and teachers and cost EUR 5.7 million of which the ERDF financed EUR 4.9 million. (Project Fiche)*
- *In Italy the National Education programme has allocated 31% of ERDF funding and selected projects that will deliver infrastructure improvements for 4 million students (47% of the programme target).*

## 5. LOW CARBON ECONOMY, CLIMATE CHANGE, ENVIRONMENT AND TRANSPORT AND ENERGY NETWORKS: IMPLEMENTATION NARRATIVE ON PROGRESS

More than EUR 262 billion in investment is planned into the areas addressing sustainable development from the ERDF, Cohesion Fund, EAFRD and EMFF<sup>11</sup>. At the end of 2016, an estimated EUR 73 billion was already allocated to specific projects, representing around 28% of the total amount (an increase of threefold in selection compared to the 9% selected at the end of 2015) across all funds that directly contribute.

### **Box 7: Mainstreaming of climate action into ESIF 2014-2020:**

*In the context of the 2014-2020 Multi annual Financial Framework political commitments were made<sup>12</sup> to increase the proportion of climate related expenditure to at least 20 % across the EU budget over the period, with contributions from different policy fields. Through the legislation governing the ESI Funds methodologies for the tracking of climate related expenditure were laid down<sup>13</sup>. During programme preparation thematic concentration requirements and discussions on the needs and financial allocations led to important allocations to climate action under the different ESI Funds contributing substantially to the EU budget objective.*

*The 2017 Strategic Report recalls the planned amounts allocated by fund to climate action (Annex 3 of that document) and compares the relative progress in project selection of climate relevant actions with the average rates of project selection. From that data the rate of allocation to climate actions under the EAFRD, ESF/YEI and Cohesion Fund is keeping pace or ahead of the overall average rate of selection. On the other hand the selection of climate related actions under the ERDF and EMFF programmes are lower than the respective average rates of selection for those funds. Within each fund the rates of selection also vary by country. It should be borne in mind that the objective is to achieve the required investments by the end of the period (i.e. there are no thematic targets year to year). Through the annual monitoring arrangement the implementation of climate related investments will continue to the tracked and reported in detail through the ESIF Open Data Platform.*

### **5.1. Low carbon economy**

An estimated EUR 13.3 billion has been allocated to projects addressing low carbon economy objectives under the ERDF, EAFRD and EMFF programmes to the end of 2016, representing 21% of the EUR 64.1 billion planned<sup>4</sup>. While that rate of selection is lower than the overall average, it shows a sharp improvement and a "catching-up" since the rate of 4% selection reported for the end of 2015.

Energy efficiency improvement in enterprises is an objectives pursued in this field by the ERDF. Of the target of 57 000 firms to be supported by the ERDF investment (mainly in the UK) the programmes have reported that selected operations are already targeting 54 000 enterprises (95% of the target).

In relation to progress with other sustainable energy indicators, the programmes have reported the selection of projects planning to 2 600 megawatt of renewable energy capacity (34% of target); 148 600 houses with improved energy efficiency performance (16% of target) and 655

<sup>11</sup> The ESF contributes to sustainable development objectives, i.e. green skills, through the secondary objectives of support under thematic objective 8 and 10 in particular.

<sup>12</sup> European Council Conclusions of 1-8 February 2013 (ref. EUCO 37/13) and the Commission's proposal for MFF 2014-2020 - COM(2011) 500 final.

<sup>13</sup> Commission Implementing Regulation (EU) No 215/2014 (OJ L 69, 8.3.2014, p. 65).



gigawatt / hours of energy savings in public buildings due to efficiency renovations (13% of the target).

In rural areas, EAFRD supports the production of renewable energy and carbon conservation and sequestration in agriculture and forestry. Support under the EAFRD includes investment measures, land management measures, as well as knowledge transfer and advice. By the end of 2016, 41% of the actions aiming at carbon sequestration and conservation in agricultural and forest land were completed, which represents a level of achievement of 7.5% of the corresponding target. 4.6% of the projects in the area of renewable energy, for which the target is EUR 2.7 billion were approved.

The EMFF supports actions to mitigate the effects of climate change and improve the energy efficiency of fishing vessels by modernisation and replacement of main and ancillary engines, prioritising small-scale coastal. It also supports investments in equipment aimed at reducing the emission of pollutants or greenhouse gases and increasing the energy efficiency of fishing vessels. The EMFF aims to support 4 270 projects related to energy efficiency and climate change with a total investment of EUR 117 million between 2014 and 2020. By the end of 2016 the MAs have selected 48 operations supporting energy efficiency with an EMFF contribution of around EUR 438 000.

#### **Project Examples:**

- *Public lighting causes around six percent of global CO<sub>2</sub> emissions with conventional lighting needing replacement by energy efficient solutions. The Interreg "Dynamic Light" project supports city authorities to develop strategic plans for low carbon public lighting and is testing new approaches. The project partners are from AT, CZ, DE, HR, IT, PL and SI, with a project budget of EUR 3.5 million (2.9 million from the ERDF). (Project website)*
- *The second phase of the energy interconnection of the Cyclades Islands, linking to the Greek national transmission system, is a strategic investment to improve the security of supply for the islands, and tap the potential of local renewable energy sources. It will help the replacement of high-cost, environmental harmful thermal plants or generators now used on the islands.*
- *The "H<sub>2</sub>-Share" project aims to build and demonstrate a 27 ton hydrogen fuelled truck with a mobile hydrogen (H<sub>2</sub>) refueller. It will support the development of a market for low-carbon heavy-duty vehicles, run on hydrogen (H<sub>2</sub>) and demonstrate the readiness of hydrogen technology for heavy-duty applications in real life conditions. The total budget of this Interreg project, implemented by partners in BE, DE and NL, is EUR 3.5 million (EUR 1.7 million of ERDF). (Project website)*

## **5.2. Climate action and risk prevention**

An estimated EUR 16 billion has been allocated to address climate resilience and disaster risk prevention mainly under the ERDF, Cohesion Fund and EAFRD programmes to the end of 2016, representing 39% of the EUR 41.2 billion planned<sup>4</sup>.

Of the available EU indicators, two in particular capture the main ERDF investments now taking place to reduce climate related risks. By the end of 2016 a population of 4.6 million was targeted to benefit from flood protection measures (35% of the target) while 2.9 million were targeted by forest fire protection measures (30% of target).

In rural areas, EAFRD supports the production of renewable energy and carbon conservation and sequestration in agriculture and forestry. Support under the EAFRD includes investment measures, land management measures, as well as knowledge transfer and advice. Actions

targeting carbon sequestration and conservation in agricultural and forest land, which were completed by end-2016, represent a level of achievement of 7.5% of the corresponding target. 4.6% of the projects in the area of renewable energy, for which the target is EUR 2.7 billion were approved.

**Project examples:**

- *In Hungary, flood prevention is of the utmost importance given the country's geographical location. The Tisza-Túr reservoir, along the Tisza river, a major Danube tributary, is proposed for financial support from the Cohesion Fund for a project to directly protect 130 000 people from the risk of floods and reduce the negative impact of climate change. The total cost of investment is EUR 88 million.*
- *In Spain, EAFRD support is used to promote renewable energy and management plans covering energy management, forest management and biomass and climate change. Activities include promoting the benefits of using energy plans, developing software that allows small enterprises to monitor and optimise energy use, organising courses on biomass boilers and carrying out studies and pilot projects. The energy management agreed so far will bring about €250 000 in cost savings. Total budget of the first phase project is €466 000 with the EAFRD providing €200 000.*
- *The Interreg project DiveSMART focuses on improving cross border disaster preparedness in the event of a marine incident that places large numbers of people at risk in the Baltic Sea. The partners from FI, PL, SE, DK, LV, LT and EE are engaged in joint training, mapping resources and drawing up common guidelines. The ERDF is provides more than 75% of the EUR 2.2 million being invested. (Project fiche)*
- *In Spain, a large integrated marine conservation project has been set up with the support of LIFE, EMFF, ESF and national resources. The main objective of the INTEMARES project is the innovative and integrated management of Natura 2000 marine areas, with the active participation of the sectors concerned. The aims include improving the level of knowledge, ensuring maintenance of good conservation and surveillance, capacity building, increasing opportunities for employment in the Blue Economy and promoting adaptation to climate change.*

### **5.3. Environment and resources efficiency**

An estimated EUR 25.6 billion has been allocated to projects under the themes of environmental protection and resource efficiency under the ERDF, Cohesion Fund, EAFRD and EMFF programmes to the end of 2016, representing 31% of the EUR 85.5 billion planned<sup>4</sup>.

Under the programmes supported with ERDF and the Cohesion Fund a number of key indicators capture the bulk of planned investments:

- 3.5 million citizens will benefit from improved drinking water supply (28% of target);
- The waste water of 5.4 million citizens will see improved treatment reducing environmental impact (32% of the target);
- 1.3 million hectares of habitat are now targeted with conservation measures (20% of the target);
- The urban environment is also the subject of important investments: 4.2 million citizens are covered by sustainable integrated urban strategies (38 % of target); 400 hectares of urban space are targeted to improve the quality of life and security (23% of target).

Under other indicators, project selection still has to accelerate to deliver expected benefits (i.e. only 184 000 tonnes of waste recycling capacity per year is so far selected for support - 3% of the target expected, with progress reported in GR, PT, RO and SK only).

In rural areas, the EAFRD is the main funding tool for environment and climate action. It provides support for preserving and enhancing biodiversity, improving water and soil management, reducing greenhouse gas and ammonia emissions from agricultural production. A minimum of 30 % of each rural development programme is earmarked for actions benefiting the environment and climate change mitigation and adaptation. However, the actual amounts which Member States have programmed in this area exceed this minimum by far, with an EU average of 57.6 % having been allocated to environment and climate related measures.

According to the Member States' reports on output indicators, EAFRD has so far supported 23.5 million hectares of agricultural land to improve biodiversity (75% of the target). Altogether 20% of the total agricultural land is covered by climate and environment related actions. Moreover, 17% of EU farm land is envisaged to come under management requirements for biodiversity, 15% of the farm land should be subject to better soil management and 15% for better water management. This far, 23.5 million hectares of agricultural land are receiving support to improve biodiversity (75% of the target); and 25% of funds dedicated to improving the efficiency of water use in irrigation have been allocated and already completed on 14% of targeted land area. Significant progress has also been made with respect to achieving the target of covering 3% of agricultural land with management contracts aiming to reduce greenhouse gas and ammonia emissions: more than 1% of land (i.e. a third of the target) is already covered. Similarly, good progress towards the target of 0.7% of live-stock being subject to investments helping to reduce greenhouse gas and ammonia emissions has been made with a completion rate of 11%.

The policy framework of the EMFF is the Common Fisheries Policy which aims to ensure that fishing and aquaculture are environmentally, economically and socially sustainable and that they provide a source of healthy food for EU citizen. The EMFF contributes to the achievement of the objectives of the CFP. Particular focus is made on the protection of the marine environment, in particular its biodiversity and marine protected areas such as Natura 2000 sites, and the sustainable use of marine and coastal resources and to further define the boundaries of the sustainability of human activities that have an impact on the marine environment, in accordance with the objectives of achieving and maintaining a good environmental status as required by Directive 2008/56/EC<sup>14</sup>. The EMFF contributes with EUR 766.5 million EMFF to sustainable fisheries and aquaculture. By the end of 2016, 2 200 projects were selected with an EMFF contribution of EUR 82.9 million.

**Project Examples:**

- *In the Trenčín and Nitra regions of Slovakia, the upgrading of three waste-water treatment plants, a new sewage collection system and 47 pumping stations are being built to ensure that treatment systems comply with EU requirements for urban waste-water treatment. These works are part funded by the Cohesion Fund with EUR 47 million. They are part of the second phase of the upgrading to improve environmental quality and to connect a population of 100 000 to compliant treatment by 2022. (Project Fiche) Europe faces real challenges in managing an estimated 3 million polluted brownfield sites. GreenerSites is an international partnership to develop nine regional action plans and test 11 innovative solutions to clean up and regenerate industrial areas. Project partners come from DE, HR, IT, PL and SI. The total budget is EUR 3.89 million (EUR 3.1 million of ERDF). (Project website)*

<sup>14</sup> The Marine Strategy Framework Directive (OJ L 164, 25.6.2008, p. 19).

- *Farmers in Auvergne, France, used EAFRD support to preserve 823 hectares of peatland and wet meadows in two Natura 2000 areas used for grazing. The project combines different measures to implement agro-environmental climate measures for more sustainable farming practices. EAFRD support allowed extensive breeding practice that favours maintenance of biodiversity. (Project fiche)*
- *In Portugal, a wine and olive oil producer applied an integrated management plan, guided by social, environmental and economic sustainability objectives, to improve resource efficiency. The action plan involved a geological study of the plots, redefining the irrigation plans and installing irrigation monitoring and controlling equipment. The project resulted in the 12.7% decrease of water consumption of between 2015 and 2016. EAFRD support amounted to EUR 29 000 out of the total budget of EUR 34 400.*
- *The SWELL Project - Shared Waters Enhancement and Loughs Legacy – aims to improve the water quality status of Carlingford Lough and Lough Foyle. It brings together key state-owned water companies from Northern Ireland and Ireland for the first time to conduct a detailed joint investigation into the causes of water pollution in the Loughs and ways to prevent it. The INTERREG VA Programme Ireland-NI-Scotland is financing the project with ERDF of EUR 2.8 million*

#### **Box 8: Progress in investment in major projects**

*Under the ERDF and Cohesion Fund, major projects are cornerstones of the ESI Funds' contribution to implementing European policies, mainly in transport and the environment but also in the areas of research, productive investments, low carbon economy and energy. Over 600 major projects are identified for 2014-2020 and intensive work on their preparation and implementation continues<sup>15</sup>, also with the vital support of technical assistance initiatives such as JASPERS<sup>16</sup>*

*Among the over 600 major projects identified the majority relate to transport infrastructures. However, 15 will be directly targeted on addressing climate change related risks such as flood and risk prevention and 11 will be in energy efficiency and renewable energy sources. In a pioneering innovation for 2014-2020, all major projects need to demonstrate consistency with climate change related objectives. That includes taking account of climate adaptation and mitigation considerations, disaster resilience, resilience to current and future climate variability and information on whether climate change related expenditure was integrated in the project costs. These issues must be addressed in all projects even if their primary objective is not climate change related (e.g. transport, RTDI, broadband, health and energy projects must all be 'climate vetted').*

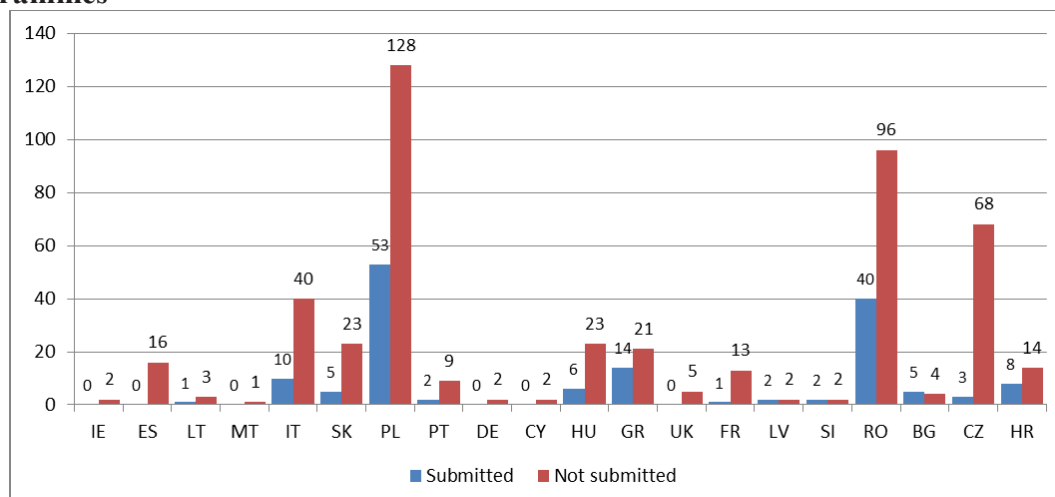
*The Commission is now publishing details of the list of planned and the approved major projects on the ESIF Open Data Platform and is regularly updating that list to reflect progress in the preparation and approval of this pipeline of key strategic projects<sup>17</sup>. By October 2017 the Commission had received 168 major projects (see Figure 10 below) representing a total cost of EUR 37.6 billion of which projects – with an EU co-financing of over EUR 12 billion – had been approved. The major projects submitted included 91 projects that represent follow on phases of projects already started during the 2007-2013 period (such as the three Extreme Light Infrastructure projects). The 2017 Strategic Report highlights that further mobilisation is needed to speed up investment on the ground. Comparing the programme lists with the submitted list, that message is relevant in particular for major projects expected to contribute directly or indirectly to climate action in fields such as railway investment, and low carbon economy.*

<sup>15</sup> [http://ec.europa.eu/regional\\_policy/en/projects/major/](http://ec.europa.eu/regional_policy/en/projects/major/)

<sup>16</sup> [http://ec.europa.eu/regional\\_policy/en/funding/special-support-instruments/jaspers/](http://ec.europa.eu/regional_policy/en/funding/special-support-instruments/jaspers/)  
<http://jaspers.eib.org/>

<sup>17</sup> <https://cohesiondata.ec.europa.eu/EU-Level/ESIF-2014-2020-ERDF-CF-Major-Projects/sjs4-8wgi>

**Figure 10: Progress in the submission of the ERDF/ CF major project listed in the programmes**



Source: ESIF Open Data (as at 15/9/2017) - <https://cohesiondata.ec.europa.eu/EU-Level/ESIF-2014-2020-ERDF-CF-Major-Projects/sjs4-8wgj>

#### 5.4. Strategic networks

An estimated EUR 16.6 billion has been allocated to network infrastructure projects in transport and energy under the ERDF and Cohesion Fund programmes to the end of 2016, representing 31% of the EUR 71.4 billion planned<sup>4</sup>.

In relation to rail related investments the principal objective is the reconstruction of important part of the existing networks. The already selected projects will modernise nearly 989 kilometres of railway (14% of the target) mainly in HU, LT, PL and SE. Within the selected projects, more than 687 km of TEN-T railway lines will be reconstructed (15% of the TEN-T rail target) so far mainly in HU, LT, PL.

In relation to improving accessibility across the European, national and regional road networks, over 1 970 km of road will be reconstructed under already selected projects (20% of the target), of which more than 550 km are part of the road TEN-T network (67% of the target). The largest values linked to selected projects mainly occur in BG, CZ, GR, LT, PL and SK. An important volume of new roads are also planned, essentially in less developed regions, with 1 200 km already selected (39% of target) including 850 km of new TEN-T roads and motorways (42% of target).

##### **Project Examples:**

- *EU funding is supporting a first project stage to install and test the Global System for Mobile Communications – Railway (GSM-R) on 935 km of track on Hungary's railways. The Cohesion Fund contributes EUR 51.6 million for this stage. The overall project aims to improve communication between trains and control centres on to ensure implementation of GSM-R on 3 064 km of Hungarian TEN-T railway. (Project Fiche)*
- *In Eastern Slovenia, the Cohesion Fund is investing over EUR 63 million to support the building of 14 km of new motorway from Draženci to the international border crossing at Gruškovje and 13 km ancillary local roads. As part of the EU's TEN-T network Baltic-Adriatic corridor investment this section of motorway will improve connectivity on the E59 between Slovenia, Croatia and Austria, leading to reduced congestion and travel times, less pollution and reduced accidents. (Project Fiche)*



## 6. STRENGTHENING INSTITUTIONAL CAPACITY AND EFFICIENT PUBLIC ADMINISTRATION: IMPLEMENTATION NARRATIVE ON PROGRESS

An estimated EUR 1.9 billion has been allocated to 123 projects addressing institutional capacity and reforms to the end of 2016, representing 29% of the EUR 6.5 billion planned<sup>4</sup>, predominantly funded by ESF programmes (with ERDF support also in EE, IT, RO and in Interreg programmes). The projects selected so far are found mainly in IT, GR and Interreg.

The 301 projects selected target public administrations or public services under ESF with support to training, exchange of good practices, study visits, reorganising offices, ICT diffusion, outsourcing and integrating salaries. Some 70 000 employees have been supported under this objective by ESF. 33 projects for capacity building of social partners have been selected in 4 Member States (BG, EE, PL, SI).

### ***Project Examples:***

- *In Greece, human resources are reinforced by the ESF in the public administration by upgrading basic horizontal skills and facilitating a permanent mobility scheme through continuous vocational training in order to better meet the needs of both the public administration and the citizens. 140,000 participations are foreseen throughout the programming period.*
- *In Cyprus, the ESF supports the new Service for the management and payment of the Guaranteed Minimum Income in the context of the new social policy and the reform of the social welfare system. The action relates to the strengthening of the administrative capacity of the Welfare Benefits Management Service in terms of staff, training, IT, accounting, control and technical support with a view to quicker and more efficient services.*
- *In Poland the Public Services Monitoring System (System Monitorowania Usług Publicznych - SMUP) aims to create a publicly accessible database containing information on the quantity, quality, availability and cost-effectiveness of public services provided by local government units. The SMUP will collect integrated data allowing for an overall analysis of the situation in terms of the provision of a selected service or group of services in a given local government unit and against a background of a comparable group of local government units. It can thus become an effective service management tool based on benchmarking mechanisms and the identification and use of good practices.*

## **PART 2: THE EVALUATION OF ESIF PROGRAMMES**

### **7. EVALUATION OVERVIEW**

For 2014-2020 a stronger emphasis is placed on the need to evaluate the effects of the policies co-financed through the ESI Fund programmes. The programmes define objectives that are specific and articulate the change sought by the investments. Evaluations are essential for confirming whether those changes take place and whether the contributions made by the programmes contribute to their specific objectives.

It was clear from the summary of evaluation plans presented in December 2016<sup>18</sup> that the bulk of the national and regional evaluations to be conducted on the 2014-2020 programmes would take several years still to bring conclusions. As implementation on the ground is now under way there will be time lags until the impacts of those investments can be properly evaluated. In particular, the evaluation at EU level to assess overall effectiveness, efficiency and EU added value of the ESIF investments will mainly be conducted at the end of the programming period (drawing on national evaluations) and ex post.

On the other hand, both the Commission and many Member States have in the last 12 months delivered ex post evaluations of the 2007-2013 programmes (the ex-post synthesis on the rural development programmes 2007-2013 will be finalised by the end of 2017). That work provides important insights into the contribution to policy objectives made by the 2007-2013 programmes while also demonstrating the time lags that are typically involved in assessing complex multi annual investments.

In the sections that follow the following elements are provided for each of the ESI Funds:

- An update on the planned evaluations expected of the period 2014-2020;
- An update and synthesis of the evaluations concluded by the Member States and the Commission.

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<sup>18</sup> SWD(2016) 447 final - [http://ec.europa.eu/regional\\_policy/sources/how/strategic-report/swd\\_esif\\_annual\\_summary\\_2016\\_en.pdf](http://ec.europa.eu/regional_policy/sources/how/strategic-report/swd_esif_annual_summary_2016_en.pdf)

## 8. ERDF AND COHESION FUND

### 8.1. Update on evaluation plans 2014-2020

Based on regulatory requirements, all the operational programmes must submit to their monitoring committees an evaluation plan within one year from adoption. All ERDF/CF and multi-fund operational programmes have met the deadline (with one exception the Italian Research and Innovation Operational Programme, which was submitted with a slight delay). By 31 August 2017, four evaluation plans were updated and submitted for further review.

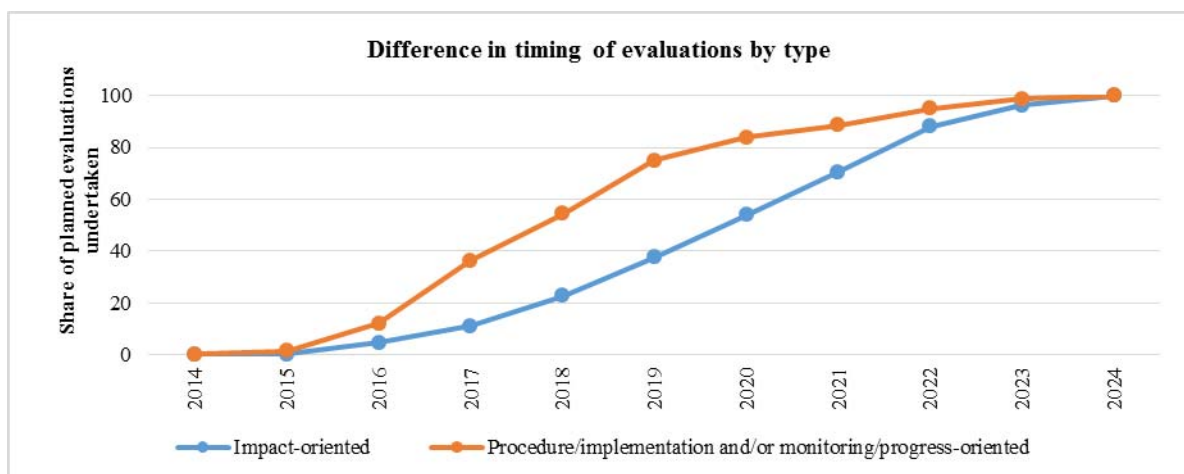
It is now possible to have a complete picture of the characteristics of the plans and the foreseen evaluations. The majority of the evaluations foreseen will assess the effectiveness of the programmes (figure below).

**Figure 12 Breakdown of planned evaluation by type**

	ERDF+CF		multi-Fund		Total	
	nb	%	nb	%	Nb	%
Impact-oriented	294	38	344	47	638	43
Impact and procedure/implementation and/or monitoring/progress-oriented	184	24	150	20	334	22
Procedure/implementation-oriented	120	16	107	14	227	15
Monitoring/progress-oriented	91	12	84	11	175	12
Procedure/implementation <i>and</i> monitoring/progress-oriented	30	4	36	5	66	4
Other	46	6	19	3	65	4
<b>Total</b>	<b>765</b>	<b>100</b>	<b>740</b>	<b>100</b>	<b>1,505</b>	<b>100</b>

Nonetheless, for the next two years the focus will still be on the assessments of implementation and monitoring progress (figure below).

**Figure 13 Differences in the timing of planned evaluations by type**

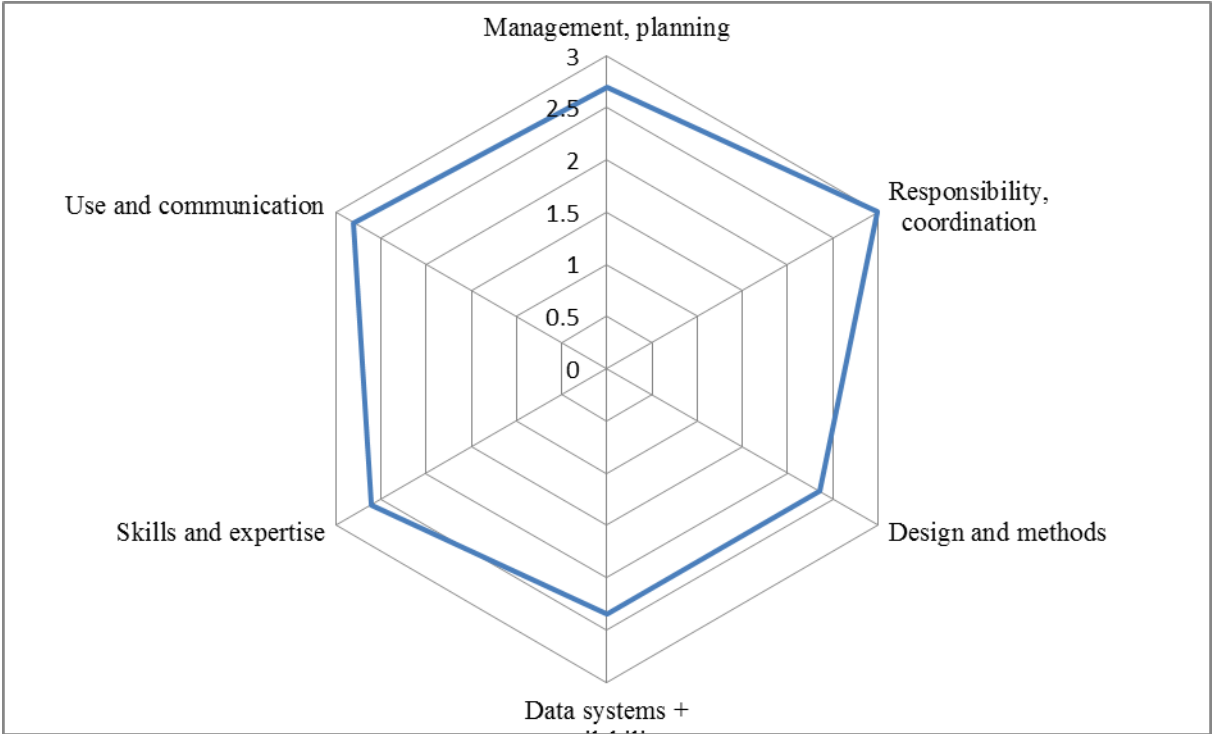




It cannot be excluded that the future revisions of the evaluation plans foresee the concentration of the number of evaluation, through cross programme evaluations or cross thematic evaluations.

In line with the synthesis presented in 2016<sup>19</sup>, each evaluation plan has been rated in terms of their completeness and their coherence and appropriateness. Ratings have been applied to the main focus areas that need to be covered by the plans: 1 - Management and planning, 2 - Responsibility and coordination, 3 - Design and methods, 4 - Data availability and data systems, 5 - Skills and expertise, 6 - Use and communication. The ratings range from ‘4’ very complete/very appropriate and coherent (i.e. very little room for improvement) to ‘1’ very incomplete/very inappropriate and lacking coherence (considerable room for improvement). The figure below shows the average ratings in each focus area as well the average rating for the plans as a whole (each area being weighted equally).

**Figure 14 Overall characteristics of ERDF/CF and multi fund evaluation plans**



In general, the overall assessment confirms the trend identified last year: the plans tend to be relatively complete and coherent with regard to the division of responsibilities and coordination, the use to be made of evaluation findings and the communication of these as well as management and planning and, slightly less so as regards the skills and expertise available. The elements related to the design of evaluations, the methods to be used and the data requirements are still on average weaker and indicate the areas in which the future revisions of the evaluation plans should concentrate.

<sup>19</sup> See footnote 17.

The evaluation plans are expected to be “living documents” that accompany the development of the programmes and it has been recommended that "the monitoring committee reviews the implementation of the evaluation plan at least once a year"<sup>20</sup>.

## 8.2. Synthesis of evaluation work completed by the Member States

The national and regional programmes devoted considerable attention to the topic of evaluation. The majority of the evaluations identified since January 2015 are ex-post evaluations of the 2007-2013 programming period.

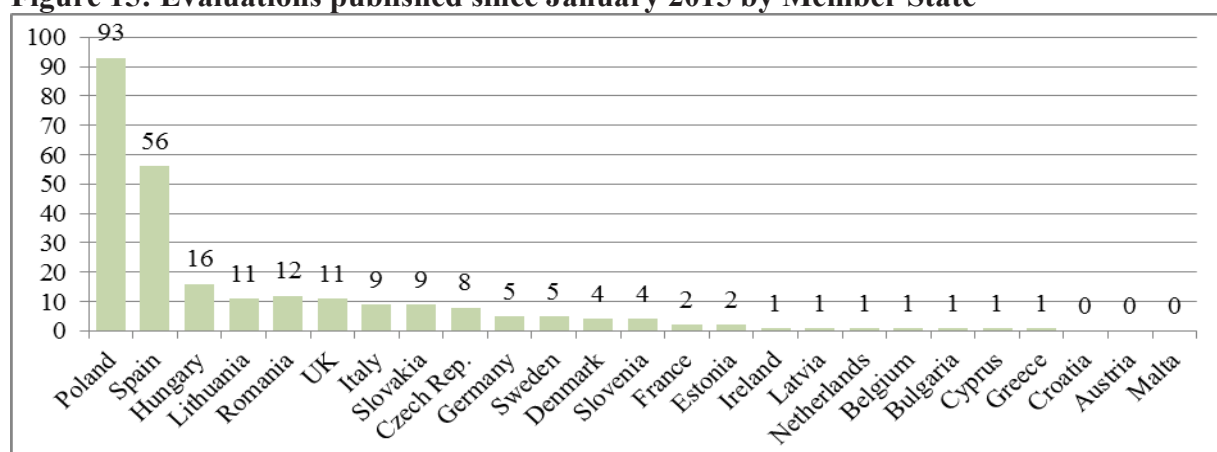
Concerning the 2014-2020 period, 65 of the 91 evaluations identified are process/implementation oriented. The remaining 26 look mostly at the progress of the programmes and do not yet allow the assessment of the contribution of the programmes to the expected results. For this reason, the following paragraphs will dwell mostly on the 2007-2013 evaluations. As indicated previously in figure 13, it is expected that evaluation evidence from the programmes on the 2014-2020 programming period will arrive starting in 2018.

**Table 2: Evaluations published since January 2015 on Cohesion policy interventions; breakdown by programming period**

	ERDF+CF	Multi-Fund	Total
2007-2013	139	24	163
2014-2020	63	28	91
<b>Total</b>	<b>202</b>	<b>52</b>	<b>254</b>

The evaluation effort is concentrated in some Member States. In particular, Poland (93), Spain (56), Hungary (16), Lithuania (11), Romania (12), UK (11), Italy (9), Slovakia (9) and Czech Republic (8) make up almost 90% of all evaluations identified.

**Figure 15: Evaluations published since January 2015 by Member State**



<sup>20</sup> Monitoring and Evaluation of European Cohesion Policy - Guidance Document on Evaluation Plans: [http://ec.europa.eu/regional\\_policy/sources/docoffic/2014/working/evaluation\\_plan\\_guidance\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docoffic/2014/working/evaluation_plan_guidance_en.pdf)

Although an attempt has been made to identify so far as possible the main common features of the evaluations reviewed and to bring the key messages out which are relevant in each of the four broad policy areas, the specific nature of the initiatives evaluated and the variety in evaluation approaches make it difficult to do this at present since most of the planned evaluations are still to come. However, as more evidence becomes available in the coming years, the summary is likely to become more consistent and to the point. Such a review, in other words, is an ongoing task and an update will be carried out as new evaluations are published.

### *8.2.1. Synthesis of ERDF/Cohesion Fund evaluation by theme*

**R&D and innovation (TO1)** is one to the thematic objectives which has most often been the subject of evaluation up to now. Three among these used counterfactual methods.

- The evaluation of the Lombardia regional OP 2007-2013 found evidence of a positive and statistically significant effect of R&D support on the survival rate of enterprises and employment, in particular for micro and small enterprises.
- The evaluation of the Competitiveness and Economic Growth OP 2007-2013 in Slovakia found that support for R&D and innovation had a positive impact on the net-added-value of the firms receiving funding and to a lesser extent on their employment, though there was a negligible effect on their net revenue.
- The evaluation of the Inno-vouchers co-funded by the ERDF in the 2007-2013 period in Lithuania concluded that the vouchers were effective tools for promoting cooperation between SMEs and public research organisations but they did not help to increase R&D expenditure in SMEs per se and they had no effect on productivity and competitiveness.
- Using a mix of quantitative and qualitative methods, the evaluation of the effects of R&D support for 2007-2013 going to firms in Toscana found that it helped enterprises to enter new markets or to strengthen their position on the markets where they were already active.
- Other evaluations reviewed assessed the effects of supporting cooperation between enterprises and university research centres. For example, the evaluation undertaken in Wales of the ASTUTE project co-financed by the ERDF in 2007-2013 period, providing support to the aerospace, automotive and high technology industries, found that the project was successful in establishing a network of external support organisations. Support of High Performance Computing also in Wales in 2007-2013 period was also found to have helped to establish cooperation between universities and enterprises.

A few evaluations focussed on the different forms of finance to support R&D and innovation and to identify those which are most efficient.

- The evaluation of the interventions supported by the Economic Development OP 2007-2013 in Hungary, for instance, assessed the effects of refundable and non-refundable support for research and innovation in enterprises and suggests that both

had a positive effect on employment and investment but not on profits and productivity except when very large amounts of support were involved.

- The evaluation of the Lomardia OP 2007-2013 concluded that the financial instruments set up to support RDI investment had a larger leverage effect than non-refundable grants. They were more efficient than grants in supporting technological development and competitiveness.

Most of the evaluations that relate to the broad policy area of research and innovation were not only concerned with the effects on R&D activities as such but also with the **effects on SME competitiveness (TO3)**. The main findings of the evaluations reviewed are listed below.

- The evaluation of the Invest NI Design Service project which was carried out between 2008 and 2014 in Northern Ireland found that it produced a positive return on investment and that there was only limited deadweight.
- The evaluation of the ‘Supporting innovation centres’ project funded by the Innovative Economy 2007-2013 OP in Poland, and aimed at tackling the lack of innovation centres in the country, concluded that the technological parks that were supported helped not only to improve research infrastructure but through the business and technology incubators set up led to start-ups being created.
- The interventions supported by the ERDF in Wallonia in the 2007-2013 period helped to increase the visibility and reputation of the research centres of the region according to an evaluation reviewed. This also found that 53% of enterprises receiving support experienced an increase in turnover but that deadweight was relatively large in that only 14% of the research projects would not have been carried out without the support of the ERDF.
- An evaluation assessing the measures implemented by Enterprise Estonia to improve the business environment and support enterprises and start-ups in the 2007-2013 period found that the firms supported performed better on average than non-supported ones in most of the areas covered by the evaluation. But it also found that deadweight in some areas was relatively large and this needed to be tackled in the future.
- An evaluation of 14 projects undertaken as part of the growth forum in the Midtjylland region of Denmark, co-financed by the ERDF and ESF in 2007-2013, found that there was an increase in employment and revenue in the enterprises that participated. It estimated that overall the projects created 18,000 new jobs. Positive effects on job creation were also found by an evaluation of the 45 projects supported by the ERDF in Syddanmark (Southern Denmark region) in the same period.
- An evaluation assessing the effects of support provided in 2007-2013 to investment in business infrastructure and industrial parks in Hungary, mainly in Northern and Southern Great Plain regions, concluded that the interventions were generally effective in increasing employment and turnover in enterprises though there were large differences in the extent of the increase between regions.

- A few of the evaluations reviewed were more specifically concerned with assessing financial instruments (FI). An evaluation on the use of FIs to support SMEs in Hungary concluded that they led to the growth of a significant venture capital sector in the country. At the same time, the evaluation pointed to the fact that EU supported instruments (JEREMIE) and similar instruments funded by domestic sources overlapped to some extent. It also highlighted the need for public officials be trained to manage FIs efficiently and for more effective information to be provided to firms on the funding available.
- Another Hungarian evaluation assessed the Venture Capital schemes funded in the 2007-2013 period by four Jeremie programmes as well as the Széchenyi Capital Investment Fund (SZTA) implemented by the Economic Development OP and the regional OPs. It found that the different investment strategies were consistent with the objectives pursued and that all programmes on average had positive effects on the turnover of enterprises after 2-3 years. There was also an institutional learning effect from the support in that it helped a group of institutions and entrepreneurs to develop in the area and the Venture Capital market in the country to consolidate.

Only a few evaluations reviewed focussed on **ICT (TO2)**.

- The evaluation of the broadband project in Wales (Superfast Cymru) co-financed by the ERDF in 2007-2013, found that the project had positive economic, social and environmental effects. It estimated that for each EUR of public money invested, EUR 6.70 of net economic benefits were generated, that 1,050 jobs will be created by 2024 and that CO<sub>2</sub> emissions will be reduced by 33 kilo-tonnes a year.
- A Polish evaluation of the measures implemented by the Innovative Economy OP 2007-2013, aimed at improving e-systems for government and creating ICT infrastructure, found that they helped to improve services and public administration but that the effects as regards the business sector were modest. Another Polish evaluation of the impact of EU co-financed programmes on the development of the information society in Poland concluded that they helped to develop internet access and improve ICT skills. It also, however, drew attention to a number of deficiencies in the way the programme was implemented, such as a lack of coordination at the central level and the need to better target measures to develop e-skills and promote e-inclusion. In addition, e-entrepreneurship measures could have been complemented with training.

Only a relatively small number of evaluations reviewed activities focused on the shift towards a **low-carbon economy (TO4)**. Those assessing interventions to support this broad policy area mainly focused on investment in renewable energy and energy efficiency. The main findings are set out below:

- The evaluation of the Environment and Energy OP 2007-2013 in Hungary supporting renewable energy and energy efficiency measures found that most projects concerned the modernisation of buildings, nearly two thirds of them implemented by local authorities and the rest by private enterprises. It highlighted that SMEs lacked professional support for project preparation and implementation, especially in less developed regions and that projects were not sufficiently sustainable.

- The evaluation of the regional ERDF OP Lombardia 2007-2013 concluded that the projects supported helped to improve safety at facilities and ensured more accessibility of urban spaces as a result of the renewal of lighting systems.
- The evaluation of the regional ERDF Toscana OP 2007-2013 found that reduced access to credit as a consequence of the economic and financial crisis was a strong limiting factor for enterprise to participate in energy efficiency projects.
- A horizontal evaluation undertaken in Poland to assess progress in shifting towards a low-carbon economy indicated that over the period 2009-2015 there was an increase of 28% in the share of electricity from renewable sources and of 10% in the share of renewables in gross final energy consumption in heating and cooling.

Another evaluation reviewed on **environmental protection and preservation (TO6)** assessed the impact of projects, supported by the Infrastructure and Environment OP 2007-2013, to protect the Polish sea coasts which are subject to erosion. The evaluation concluded that the projects have helped to stabilise the shoreline and to reduce the risk of floods, while indirectly supporting tourism.

For **transport (TO7)**, the evaluations reviewed were mainly on infrastructure projects in the EU12 Member States in the 2007-2013 period. They found little evidence of impact since the effects needed time to materialise. A number of issues, however, were identified as regards project selection and management. These related to the burden involved in preparing applications for funding which is seen as disproportionate and the excessive weight given to the price in project selection. Some evaluations also highlighted the fact that, due to the crisis, prices fell and many projects were therefore completed at lower cost than originally planned.

A Hungarian evaluation assessed the effects on social inclusion and poverty reduction of integrated urban development plans that were implemented by the 7 regional OPs in 2007-2013 (TO9). It indicated that 77 social urban renewal projects were carried out and living conditions and access to public services were improved as a result, but it failed to identify any significant impact on employment or social conditions. It found that the partnerships put in place to develop and implement the plans involved officials from municipalities as well as local stakeholders were not permanent but created *ad hoc*. The evaluation pointed to the need for more integrated development strategies among these and for more account to be taken of the specific needs of the communities concerned and the local business sector.

In addition, a number of recommendations were made to improve the management of transport for the 2014-2020 programming period:

- continue the reconstruction of the rail network and develop alternative modes of transport;
- link transport infrastructure more closely to the needs of economic development in the areas involved;
- reduce operating costs to improve the financial sustainability of public transport;
- develop more intelligent transport systems;



- take careful account of the need for maintenance of infrastructure and vehicle needs in project planning;
- pay due attention to the sustainability, competitiveness and energy efficiency of public transport.

### **8.2.2. *Synthesis of the quality of the evaluations undertaken***

#### 8.2.2.1. Clarity and suitability of the evaluation design

In general, the structure of evaluation reports included the main elements required, in particular, the purpose of the evaluation and the research questions, the methods and data used, the results obtained and the policy implications.

The majority of the evaluations reviewed set out the research questions and where they were not spelled out, the purpose was usually made clear. Nevertheless, in some cases, the research questions were not listed and the purpose of the evaluation was specified only in broad terms, which made it difficult to assess whether the methods applied were suitable.

In some cases, the research questions were not in line with the purpose of the evaluation (or only partly), particularly in respect of evaluations aimed at assessing impact. In some cases, the questions had more to do with implementation issues than with the effects produced.

#### 8.2.2.2. Appropriateness of techniques applied and use of mixed methods

In the majority of cases, the evaluations reviewed mainly used qualitative and quantitative methods based on desk research, interviews and focus groups and to a lesser extent case studies, combined with analysis of primary data from surveys and of monitoring and official statistical data, where available. There was, therefore, a prevalence of simple evaluation methods, which in principle may be suitable for the questions asked but when applied alone do not in many cases produce robust results. The application of more complex methods together with the principle of triangulation was limited. One of reasons for this seems to be related to the lack of reliable and complete data, as highlighted in many cases by the evaluators themselves.

Nevertheless, even where quantitative data were scarce, it would have been worth considering the use of other methods, such as theory-based ones, possibly combined with detailed case studies, to obtain a better understanding of the effects of the measures examined (in terms of intervention logic and the mechanisms by which interventions were supposed to achieve their objectives).

For some policy areas, the lack of data was a particular concern, such as in the case of transport, environmental infrastructure, renewable energy and energy efficiency. In addition, given that the effects of investment in these areas are often only measureable with a delay, the estimated results may in some cases be very different from the actual ones. A more intensive use of cost-benefit analysis and benchmarking techniques might, nevertheless, have helped to produce more useful evidence.

In general, the use of theory-based, counterfactual and cost benefit analysis was limited and concerned to a large extent *ex post* evaluations carried out on the 2007-2013 programming period. These methods were combined, in many cases, with other qualitative and quantitative methods.

#### 8.2.2.3. Data quality

As noted above, the lack of data represented a major limitation for many of the evaluations reviewed. Limitations were also encountered for those interventions which were implemented across an entire country, essentially because of a lack of homogenous data for the regions, measures or OPs covered.

In some cases, the evaluation results were based on surveys where the response rate was too low for robust conclusions and which made it difficult to generalise the findings.

Interviews remain one of the main data sources for qualitative methods but the reliability of the responses is an inherent concern since they are liable to be biased by their subjective nature. In some cases, the preparation of well-structured interviews or holding multiple interviews with different actors helped to reduce the importance of this factor.

In other cases, detailed information on the way data were analysed was not included in the report or annexes (or sometimes, even if provided, annexes were not available for assessment) and this made it difficult to assess whether and to what extent data were suitably processed and/or adjusted.

#### 8.2.2.4. Validity of findings and of conclusions

Overall, there were no major shortcomings in the evaluations reviewed so far as regards the conclusions and policy implications and the way that they followed from the results of the analysis. In a number of cases, however, they could have been presented in a clearer and more coherent way to help readers to assess them more easily and to see how they were linked to the foregoing evaluation.

In many cases, reference was made to the external factors which were at play and which could have affected the outcome of the intervention being examined, but there was often no detailed consideration of their effects.

### **8.3. Synthesis of ERDF/Cohesion Fund evaluation work by the Commission**

The ERDF and Cohesion fund 2007-2013 *ex post* evaluation was finalised in late 2016 and was extensively presented<sup>21</sup> at the time.

Following completion of the 2007-2013 *ex post*, the Commission launched a major communication effort on the results of the Policy on the ground. This included the production

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<sup>21</sup> The summary and full details of the ERDF/CF 2007-2013 *ex post* evaluation package is available on [http://ec.europa.eu/regional\\_policy/en/policy/evaluations/ec/2007-2013/](http://ec.europa.eu/regional_policy/en/policy/evaluations/ec/2007-2013/)



of short Member State specific videos, showing key achievements of the policy in each Member State. In order to provide the latest available information, the content was elaborated to refer to preliminary figures from the 2007-2013 closure reports received in late March 2017.

Also in 2017, the Commission launched an evaluation to complement previous ex-post evaluations. The objective of the latest evaluation of major projects, supported by ERDF and the Cohesion Fund between 2000 and 2013, is to analyse the long term contribution (direct and indirect, as expected and unexpected) of major investment projects on economic and environmental development, quality of life and well-being of citizens. The policy areas to be evaluated include transport, environment, energy, information and communication infrastructure and research reflecting the importance of major projects as an instrument in those areas in two programming periods (2000-2006 and 2007-2013). The first study under the contract is a one-year study (signed on 15 May 2017) focused on 10 ERDF or Cohesion Fund transport projects. This overall contract may be renewed up to three times by 12 months provided the Commission is satisfied by the quality of work delivered. The policy areas to be covered by the subsequent 12 months contracts will be: Environment (2018); Energy (2019); Information society and Research and development infrastructure (2020).

During the 2014-2020 programming period, the main evaluation work undertaken by the Commission will relate to the accumulation of evidence from Member States' evaluations. To this end, the Commission has launched an "Evaluation Helpdesk" contract (ERDF/CF and ESF) to identify and synthesise, among other tasks, the evaluations carried out by MS. Within its annual reports, the helpdesk provides an overall synthesis of the quality and the findings of the evaluations reviewed, organized by thematic objective and investment priority where possible. That report feeds the Commission's annual summary report and synthesis (set out for 2017 in this document).

To provide support to the Member States, the Commission, through the Evaluation Helpdesk, organises evaluation training for the Member States through "summer schools" for managing authorities and others involved in the evaluation of programmes. The first such training in 2016 focused on the design of evaluations and the development of good quality terms of reference. The second event in 2017 focussed on theory-based impact evaluation. These trainings are practice-oriented and interactive in nature, providing valuable occasions to discuss evaluation issues and exchange of experience.

## **9. ESF AND YEI**

### **9.1. Update on evaluation plans 2014-2020**

By 30 June 2016, 128 ESF (including multi-fund) Evaluation Plans were submitted to the monitoring committees for assessment and approval, corresponding to three-fourth of the ESF resources<sup>22</sup>. By August 2017, evaluation plans have been submitted for all OPs. Consequently, the total number of plans for ESF OPs, has increased to 183.

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<sup>22</sup> See footnote 17.

**Table 3- Breakdown of the evaluation plans by Fund (number)**

	<b>Cumulative number of evaluation plans</b>
ESF + YEI	82
Multi-fund	101
<b>Total</b>	<b>183</b>

Note: Evaluation plans covering ERDF OPs and ESF OPs are considered in the table as multi-Fund plans.

The total number of ESF programmes (187) compared to the number of evaluation plans involving ESF (183) implies the common pattern has been one plan covering not more than one ESF OP. This is in contrast to the relatively high number of plans covering more than one fund.

Because of the required approval by Monitoring Committees of all evaluation plans within one year after the adoption of the operational programme and the subdued start of programme implementation, many elements of the originally submitted plans have been complemented and updated. This has also allowed further specifying the plans. Consequently, this second phase of planning has come with an improvement in the quality of the plans, in particular of the updated plans. In the assessment of the Evaluation Helpdesk, a service run by the European Commission to assess evaluation plans and monitor evaluations, the average quality of the 15 revised evaluation plans has improved by 0.5 to 2.9 on a scale of 4. At the same time, the average score of all evaluation plans is 2.6.

In line with the main findings of the previous year, the evaluation plans tend to be relatively complete and coherent with regard to the division of responsibilities and coordination, the use to be made of evaluation findings and the communication of these as well as management and planning and, slightly less so as regards the skills and expertise available. The main areas of weakness concern the design of evaluations, the methods to be used and the data requirements. Aspects where weaknesses are most common as regards evaluation design, selection of methods and data are failure to:

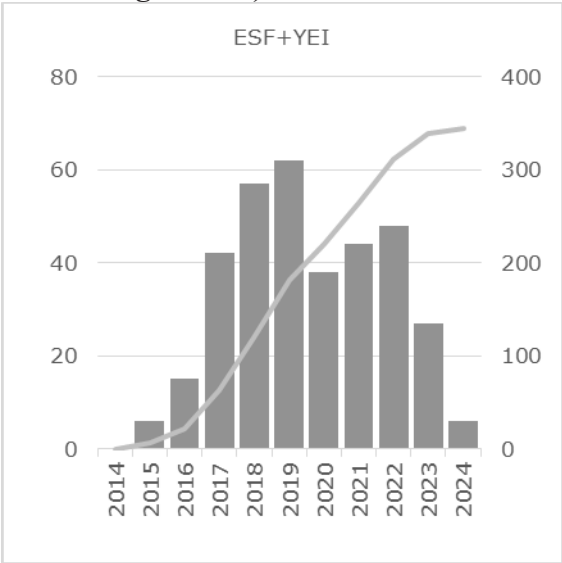
- use existing evidence from past evaluations and research to identify main gaps in knowledge about effect of programmes and measures supported;
- set out for each evaluation, key evaluation questions to be investigated and justify why; and to limit the number of questions;
- identify most appropriate approaches or methods to address each evaluation question and to provide the rationale for choice;
- identify the data required in enough detail to be able to define data sources and check availability; as well as
- formulate a timely plan to fill gaps in data and correct deficiencies.

With the completion of evaluation planning and the evidence gained from the analysis of the plans, efforts have to focus, on the one hand, on the improvement of the plans. The evaluation plan is "a strategic document which will accompany the programme throughout its life and

support its result orientation". Therefore it has been recommended that "the monitoring committee reviews the implementation of the evaluation plan at least once a year"<sup>23</sup>. The areas for improvement as identified in the assessment will be important references for the reviews.

On the other hand, the attention has to shift towards the implementation of the plans, in particular the quality of the evaluations. Indeed, out of the planned ESF evaluations for the 10-year period of 2014-2023, almost 40 percent is planned to be carried out in the forthcoming 3 years.

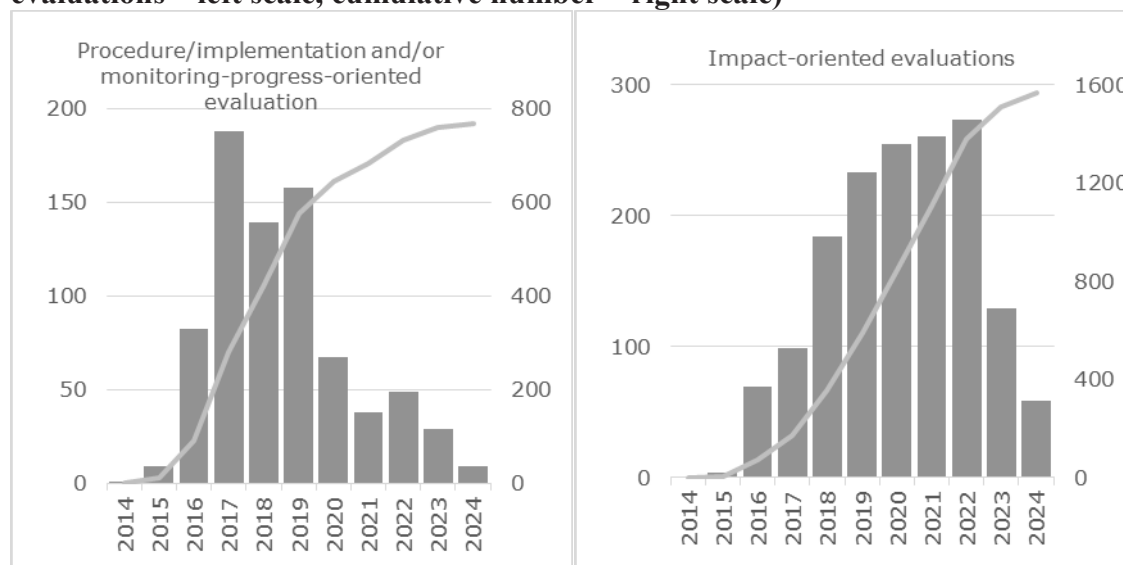
**Figure 16 – Scheduled completion date of planned evaluations (number of evaluations – left scale, cumulative number – right scale)**



Understandably, procedure/implementation and/or monitoring/progress-oriented evaluations are expected to peak in the coming years in particular; whereas the majority of impact oriented evaluations are planned to the later years of implementation. The later implementation of the methodologically more complex impact evaluation provides some opportunities for additional preparations to be able to carry out good quality evaluations.

<sup>23</sup> Monitoring and Evaluation of European Cohesion Policy - Guidance Document on Evaluation Plans: [http://ec.europa.eu/regional\\_policy/sources/docoffic/2014/working/evaluation\\_plan\\_guidance\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docoffic/2014/working/evaluation_plan_guidance_en.pdf)

**Figure 17 – Scheduled completion date of planned evaluations by type (number of evaluations – left scale, cumulative number – right scale)**



In addition to the scheduling of the planned evaluations, their thematic distribution has to be considered too. As shown last year (SWD(2016) 447), the thematic coverage of the evaluations was supposed to be broadly in line with the financial distribution of the thematic objectives, i.e. 34% of the planned evaluations will address 'promoting sustainable and quality employment and supporting labour mobility' (TO 8) and 10% will deal with 'enhancing institutional capacity of public authorities and stakeholders and efficient public administration' (TO 11). However, with the adoption of the final set of plans, the distribution has changed in favour of the social inclusion thematic objective (TO 9). Social inclusion evaluations are especially numerous in the multi-fund programmes, in which ERDF invests heavily in social infrastructure.

**Table 4 – Distribution of planned evaluations by thematic objective and fund**

	ESF+YEI		Multi-fund		Total		Budget
	Number	Share (%)	Number	Share (%)	Number	Share (%)	Share (%)
TO8	93	40	178	28	271	31	39
TO9	54	23	246	39	300	35	25
TO10	54	23	162	26	216	25	32
TO11	32	14	49	8	81	9	4
<b>Total</b>	<b>233</b>	<b>100</b>	<b>635</b>	<b>100</b>	<b>868</b>	<b>100</b>	<b>100</b>

These plans at national and regional levels have to be contrasted with the thematic needs of the ESF. In particular, evaluation has to provide evidence how the ESF is contributing to the implementation of the new policy initiatives, each of which can be associated with specific thematic objectives and investment priorities, such as the Work Life Balance package (IP

8.iv), the European Pillar of Social Rights (IP 9.i and 9.iv), the New Skills Agenda (TO 10). DG EMPL is going to map the evidence coming from the evaluations in the important policy areas, synthesise evaluation results and carry out meta-evaluations where necessary. A complementary tool in the monitoring of evaluation results is going to be the voluntary template for the reporting of evaluation results to be integrated in the AIR module. In addition to synthesis and meta-evaluation, DG EMPL also intends to gather evidence about impacts of the operations directly from implementation with its feasibility and pilot study. This study aims at, on the one hand, testing the applicability of the counterfactual method on the basis of datasets available in the authorities carrying out the programmes and in other administrative bodies. On the other hand, it is going to evaluate the sustainability of the selected ESF operations through a comparable set of measurements.

In addition to ensuring a thematic balance, the reliability of the findings is also essential for catering the necessary input to policy decision makers. With a view to improving the evaluation culture in the authorities responsible for the management of the ESF, DG EMPL (jointly with DG REGIO) has continued the peer reviewing of national or regional evaluations. The reviews, with a focus on impact evaluations, aim at identifying good practices to be showcased and disseminated. At the same time, the discussion between the reviewers, the authorities and the evaluators induce direct learning. The main findings have been presented to the ESF Evaluation Partners.

In addition to fostering evaluation culture through the peer reviews, particular attention has been devoted to ESF counterfactual impact evaluations (CIEs) since 2013. The capacities of the national authorities to carry out quality CIEs have been supported by the Center for Research on Impact Evaluation (CRIE), which is part of the Joint Research Center. CRIE supported four Managing Authorities<sup>24</sup> to get their data ready for future CIE. Four further Managing Authorities that already have suitable data<sup>25</sup> are being assisted to carry out CIE. CRIE has fostered the use of CIE by developing guidance materials (including video tutorials), organising seminars, facilitating sharing of experience through meetings and web platform and by providing customised support to the Managing Authorities. CRIE is also maintaining an archive of CIEs on ESF type interventions accessible to users in the Member States, research community and other stakeholders.

## **9.2. Synthesis of ESF/YEI evaluations completed by the Member States**

The majority of evaluations on employment carried out by Member States were essentially concerned with the effectiveness of the interventions co-financed by the ESF over the period 2007-2013. Some evaluations also dealt with the efficiency and impact of the programmes. The ESF ex post evaluation found that in many cases, the evaluation objectives were so broadly defined or too many, that the impact analysis failed to provide useful insights.

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<sup>24</sup> Human Capital interventions for young NEETs employment in Romania; Supporting institutions threatened with early school leaving in Hungary; Work Experience for Young people in Italy –Basilicata; Higher education scholarships and advanced training in Portugal.

<sup>25</sup> Youth Guarantee in Hungary; Work for Youth in Belgium; Youth Guarantee Vocational Training Programme in Latvia; Work Experience for Graduates in Italy-Umbria.

As regards the appropriateness of techniques applied in the majority of cases, the evaluations mainly used qualitative and quantitative methods based on desk research, interviews and focus groups and to lesser extent case studies, combined with analysis of primary data from surveys and of monitoring and official statistical data, where available. There was a prevalence of simple evaluation methods, which in principle may be suitable for the questions asked but when applied alone do not in many cases produce robust results. The application of more complex methods together with the principle of triangulation was limited. One of reasons for this seems to be related to the lack of reliable and complete data, as highlighted in many cases by the evaluators themselves.

During the 2007-2013 programming period, the first evaluations which employed counterfactual methods were carried out by Member States, notably thanks to the efforts of the Commission to promote the use of this method. Six of them present particular interest. They were concerned with public employment measures for job-seekers and people that were inactive including young people, long-term unemployed and those that were far from the labour market and initiatives to stimulate entrepreneurship (TO 8.i-8.ii-8.iii).

The counterfactual evaluations showed positive impact in the cases of the "*Bürgerarbeit*" programme, co-funded by the federal ESF OP in Germany, the "*JobBridge*" project co-financed by the ESF in Ireland and in two cases in the UK namely the "*ESF Jobs Growth Wales*" and the "*Redundancy Action Scheme*" (**ReAct phase I and II**) programme. In general, the programmes have been successful in improving the employability of the unemployed by giving them various kinds of activation support. However, in the case of the evaluation of the measures supported by the **Competitiveness and Economic Growth** OP in **Slovakia** in 2007-2013, it was observed that ESF support had a negative effect on the income of participants and reduced the likelihood of them finding a job, though this seemed to disappear after 24 months. The picture was also quite mixed in cases like the counterfactual evaluation of the **regional Sardinia** ESF OP 2007-2013, comprising active labour market measures for young people not employed and those receiving social support as well as a voucher scheme for work experience, as results varied according to the age of participants and those still in employment 12 months after the training tended to be in low quality jobs.

The evaluations from Member States were used by the Commission to the extent possible in the framework of its ex-post evaluation.

### ***9.2.1. Evaluations of the Youth Employment Initiative***

The majority of the evaluations carried out by Member States related to the YEI. This was anticipated since there was an explicit regulatory requirement according to which the first evaluation of YEI had to be completed by December 2015 by Member States. Despite the fact that YEI implementation was frontloaded, delays (mostly in designation and setting up of IT systems) have been reported which in turn affected the availability of evidence for the evaluations. In the cases that there was not sufficient data on the effectiveness of the supported YEI measures, the YEI evaluations focused rather on the implementation process providing recommendations for assuring effective and efficient interventions.

The process-oriented evaluations concluded that YEI interventions generally provided support to those areas that are in greatest need such as the long-term unemployed, the inactive, and discouraged young people and were expected to deliver a significant positive impact. More



specifically, positive outcomes have been reported, like in the case of Cyprus and Bulgaria, with 45% of participants being in employment after leaving the intervention. In France, it was concluded that the exit rate of participants was higher than expected. The evaluation in Italy showed that around 35% of the young who have completed the interventions are now in employment.

Another conclusion of several YEI evaluations was that the most effective interventions differed per specific target group; i.e. training, and guidance were considered as the most effective. Less effective interventions considered training for entrepreneurship and apprenticeship places as it turned out in the cases of Romania, Lithuania, and Italy.

The YEI also contributed to the launch of innovative actions such as the integrated training-accompaniment actions managed by the VDAB in Belgium). Overall, the best results were experienced where project partners and stakeholders like the Public Employment services, schools, and municipalities cooperate.

Some evaluations reported on differentiated **regional approaches** while implementing YEI interventions across regions, due to the regional set up of administration. For instance, the evaluation in Lithuania pointed to the fact that the selection criteria for YEI support are not homogeneous across municipalities. This was considered that might hinder participation of NEETs with the same characteristics in different municipalities. Similarly, the evaluation in Italy pointed on heterogeneity in the average effort of Public Employment services among regions in terms of taking on responsibility for beneficiaries while the evaluation in France pointed to the fact that the decentralisation of the management was administratively more demanding.

A specific challenge identified was the difficulty of approaching the NEETs, especially those belonging to the most vulnerable groups. Moreover, NEETS seemed to be a very heterogeneous target group and each target group needs another combination of interventions when considering the labour market needs. The evaluation in Bulgaria recommended that the interventions should be monitored on a regular basis to ensure that the interventions address the needs of the different target groups. Moreover, it was indicated that some target groups should be better addressed, like early school leavers and people with lower qualifications. The evaluations in Italy, France and Romania pointed to improvements to be made in the governance of YEI, improving the alignment between national and regional policies in Italy, increase employers' participation in Romania and Public Employment services in both countries.

### **9.2.2. Evaluations of the ESF**

Beyond YEI, few evaluations were carried out by Member States relating to ESF in 2016 (see below). This was expected given that the largest share of evaluations is planned for the coming years.

In the case of Lithuania, the evaluation concluded that there was a positive effect on job placement of participants from training on the job and on youth volunteer work (although not being statistically significant). Overall, employment measures that were closer to the labour market were, on average, more successful in getting the unemployed into work in the short term, than those that required the development of general skills and competences.

Similarly, a Dutch evaluation reported that the provision of the scheme was efficient, since the clear majority of participating organisations would otherwise have not implemented the project, or would downsize the scale and size of the project. The ESF succeeded in reaching a wide variety of small, medium and large enterprises in all sectors. Another evaluation in the Netherlands concluded that the financial progress made was considered positive and the first results showed that 20% of participants in the first two years of the programme were still employed at the end of the interventions. The most effective interventions in meeting the needs of employers, and so favouring integration into the labour market, turned out to be those featuring a mix of instruments.

A Polish evaluation at regional level showed that the division of tasks and responsibilities between the Managing Authority, the Intermediate Bodies and the certifying authority was appropriate ensuring an efficient implementation of the OP. Nevertheless, in terms of human capital, the lack of an incentive scheme and insufficient wages for the employees involved in the management and implementation of the OP was highlighted.

The evaluation of the project supporting unemployed or single parents in the United Kingdom reported positive outcomes on the way policy operates.. The flexible, person-led approach was welcomed by all stakeholders and participants. However, the foreseen employment outcomes were challenging particularly in rural areas which suffer from poor infrastructure.

In Germany, two evaluations were carried out with the first one concluding that targets were not achieved for 2016, and that the process of recruiting enterprises for the consultation was underestimated in terms of the high costs incurred and the time required. The evaluation recommended revising the indicator system and setting more realistic targets for the remaining period and improving the overall cooperation process. The second evaluation on women and careers provided a positive assessment of the counselling activities, as well as the data quality.

Finally, a feasibility study was conducted in the Netherlands showing that a quasi-experimental evaluation only seems meaningful for measures co-financed by ESF targeting the disabled.

### **9.3. Synthesis of ESF evaluation work by the Commission**

Evaluation work by the Commission in the last 12 months has focussed on the competition of the ESF Ex post evaluation and supporting the planning of evaluation for the 2014-2020 period.

A 2016 staff working document<sup>26</sup> presented the main findings of the ex post evaluation<sup>27</sup> of the European Social Fund operational programmes for the 2007-2013 programming period.

The main task for the Commission for 2014-2020 in relation to evaluation is to support the implementation of the evaluation planes of each programme, the synthesis of the findings

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<sup>26</sup> SWD(2016) 452 final.

<sup>27</sup> Full details of the ESF Ex post evaluation are available on <http://ec.europa.eu/social/main.jsp?catId=701&langId=en>

when they become available and to support the programmes. This is being carried out through the Evaluation Helpdesk, a joint contract covering ESF/YEI programmes as well as ERDF/CF programmes. See section 8.3 above for further details.

## **10. EAFRD - EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT**

### **10.1. Period 2014-2020**

#### ***10.1.1. Progress in implementing evaluation plan***

RDP evaluation concepts have been fine-tuned, including the revision of timing as well as modifications of evaluation criteria and methodologies. In total, 49 modifications of evaluation plans (EPs) were mentioned in 22 annual implementation reports (AIRs) submitted in 2017 by seven Member States (MS), namely in Estonia, Finland (1 RDP), France (7), Germany (3), Italy (8), Spain (1) and the UK (1). In more than half of these EPs, only one sub-section was modified. Modifications concentrate on the following areas:

- Changes/updates in the evaluation timeline, e.g. due to delays in the implementation of the programme;
- Update/ change of units, procedural changes, additional human resources;
- Updates of judgement criteria, indicators, development of a detailed evaluation concept;
- Selection and contracting of RDP evaluators.

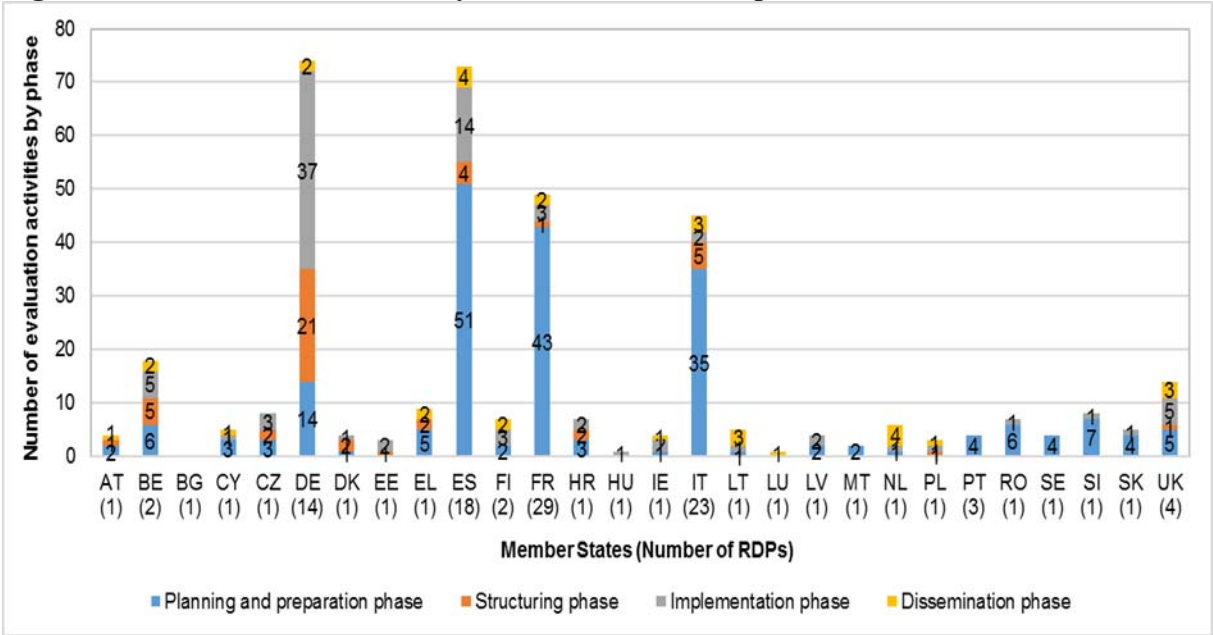
The merging of the French regions Basse-Normandie and Haute-Normandie resulted in the creation of a common EP.

The number of reported evaluation activities has doubled compared to the previous reporting period. The main progress concerns activities in relation to the planning and preparation phase of evaluations. A total number of 374 evaluation activities were reported in 105 of the AIRs submitted in 2017. Compared to the activities reported in the AIR submitted in 2016 this is more than double. The number of evaluation activities by Member States is illustrated in the figure below and can be described as follows:

- The reported evaluation activities mainly concern the planning and the preparation of evaluations. With regard to these two phases, 205 activities were reported in 2017, including the preparation of Terms of Reference and tendering procedures, as well as the set-up of administrative arrangements etc.;
- 48 activities are related to the structuring phase, e.g. the review of evaluation questions and indicators and the development of an evaluation approach and methods;
- 89 evaluation-related activities concern the implementation phase and 32 activities the dissemination phase, representing together one third of the total number of evaluation activities. This is significantly more than in the AIR in 2016, where only one out of seven activities was related to these two phases. Evaluation topics include cross-priority topics, RD priority 4 and RD priority 5.

34 of the 374 evaluation activities are related to the ex-post evaluation. Reasons for not reporting evaluation activities include delays in the implementation, delayed tendering procedure for the selection of evaluators or insufficient implementation data.

**Figure 18: Evaluation activities by Member States and phase**



Source: Screening of AIRs submitted in 2017 (Evaluation Helpdesk for Rural Development, 2017)

Managing Authorities have considerably progressed in contracting independent evaluators for carrying out evaluation activities. Almost 80% of the AIRs submitted in 2017 provide information about contracting evaluators. In some RDPs this information is not available yet, as e.g. in IT-Puglia and PT-Acores, where the tendering procedure for the selection of evaluators was opened only in 2017.

Reported monitoring and data management is in many programme areas still in the phase of setting up and adaption of the monitoring systems. Data management activities were reported in 109 of the AIRs, most of which concern the setting-up of the monitoring system and ensuring data provision and collection. 13% of the reported activities are related to the collection of data.

Difficulties in relation to data management refer to monitoring problems such as related to indicators calculations, the lack of definitions, baselines, target values, and difficulties in the reliability of calculations as resulting from lacking data.

**Table 5: EAFRD reported activities related to data management**

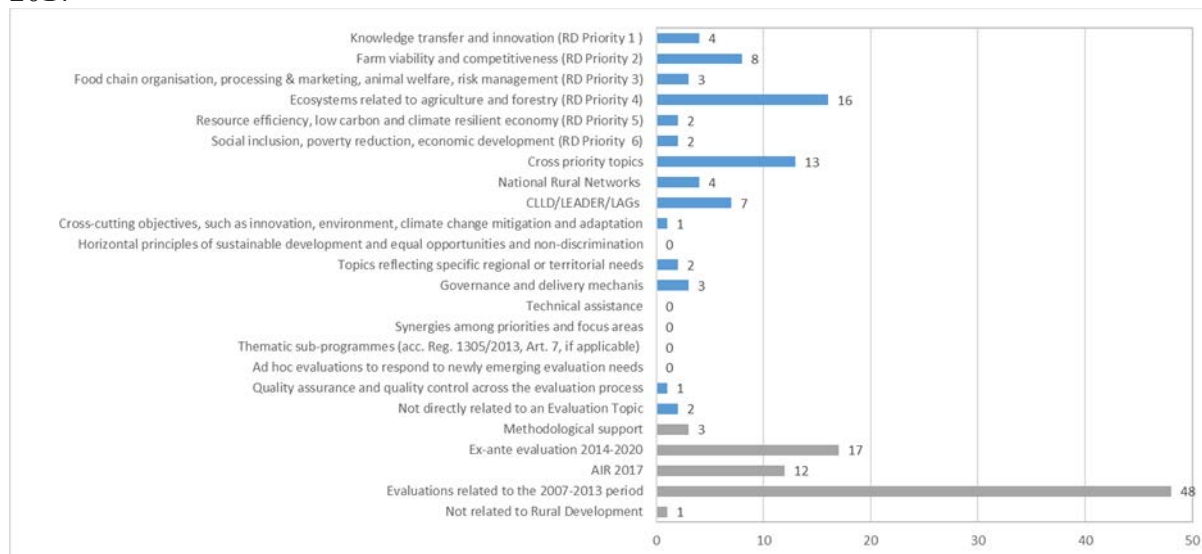
Type of data management activity	Number	Share	Information provided in the AIRs
Set up of the monitoring system (in administrative and technical terms)	98	35%	Adaption and fine-tuning of the monitoring system and applications; definition of the operations database; Contracting of IT services; national working group / steering group on monitoring and data collection;
Screening data and information sources/providers	26	9%	Assessment of data needs and availability; Description of main information sources; Identification of supplementary data to be provided; Linking sources, methods and activities
Ensuring data provision	81	29%	Agreements with data providers; Description of how specific data (e.g. farmland bird index); guidelines including definition of process and tasks of actors; training
Collection of data (beneficiaries, non-beneficiaries)	37	13%	Elimination of shortcomings in the data acquisition; Retrieving of data; data collection methods (e.g. survey); development of data collection and management systems; implementation of new dashboards;
Arrangements to fill data gaps	13	5%	Identification of other information sources; monitoring and evaluation working group; incorporation of new indicators; signed agreements
Quality control of collected data	13	5%	Plausibility checks by technical departments; meetings between evaluators and PA; agreement with data provider to collect data on land characteristics of the farms
Management of data protection issues	4	1%	Signed agreements between involved actors;
Other	9	3%	Presentations, methodological development; Guidelines, working group on new processes to improve data collection;
<b>Total number of data management activities reported</b>	<b>281</b>	<b>100%</b>	

Source: Screening of AIRs submitted in 2017 (Evaluation Helpdesk for Rural Development, 2017)

The number of completed evaluations increased significantly, indicating major progress in the implementation of EPs. Specific topics of evaluation studies concern mainly RD Priority 4, cross priority topics and priority 2. While a number of 150 completed evaluations (AIR in 2016: 66) was listed in 64 AIRs, about one third concern ex-post evaluations of the previous programming period 2007-2013.

16 evaluations concern specifically RD Priority 4 (ecosystems). Saxony (DE) carried out several studies related to LEADER/LAG and LDs and Spain conducted several methodological studies on the calculation of indicators. Several studies and evaluations were completed referring to RD Priority 2 (economic impact), with some focus on specific sectors. In Germany, an evaluation was completed, comparing four German RDPs on aspects such as finances, support measures, target groups and implementation. Reports with a methodological focus include the assessment of the M&E system and the provision of methodological support on e.g. how to calculate result indicators. 107 of the completed evaluations were published online.

**Figure 19: Evaluation topics of the completed evaluations listed in the AIRs submitted in 2017**



Source: Screening of AIRs submitted in 2017 (Evaluation Helpdesk for Rural Development, 2017)

Evaluation-related communication activities tripled in number compared to the previous reporting period and reached more than 800,000 stakeholders. 280 evaluation-related communication activities were reported, of which the main communication channels were multi-events (e.g. conference, seminars, workshops, excursion) (98 activities) and the website (52). Regarding the specific evaluation topics, the majority of the communication activities refer to cross-priority topics and CLLD/LEADER. Other activities are not focussing on specific evaluation topic (e.g. presentation of the MC, status meetings, conferences, etc.). 45 of the communication activities are related to the programming period 2007-2013, which includes press releases and the dissemination of the ex-post evaluation.

In total, 856,902 stakeholders were reached, mainly through website visits and the participation in meetings, workshops, etc. The number of stakeholders reached through online channels is reported to be difficult to monitor and therefore most likely underestimated.

#### ***10.1.2. The progress towards achieving the objectives of the 2014-2020 rural development programmes***

This section describes progress in implementing RDPs as derived from 21 common evaluation questions (CEQ) included in chapter 7 of the enhanced AIRs submitted by 30 June 2017.

The majority of the RDPs have systematically dealt with evaluations even at an early stage of programme implementation. Managing Authorities took the opportunity to address the common evaluation questions (CEQ). For example, in 90% of all cases, the important focus areas 2A (economic performance) and the financially significant priority 4 (ecosystems) were addressed. Only a small share of Managing Authorities did not treat the CEQs although operations were completed in the reporting period in the respective focus area.



Achievements are consistently reported, though with various degrees of detail. Some of the RDPs also report on concrete achievements. A high proportion of Managing Authorities reported achievements in relation to focus area 2A (economic performance), 6B (local development) and in the P4 (ecosystems). Some of the achievements are based on ex-post evaluation findings of the 2007-2013 period which were extrapolated to the current programmes.

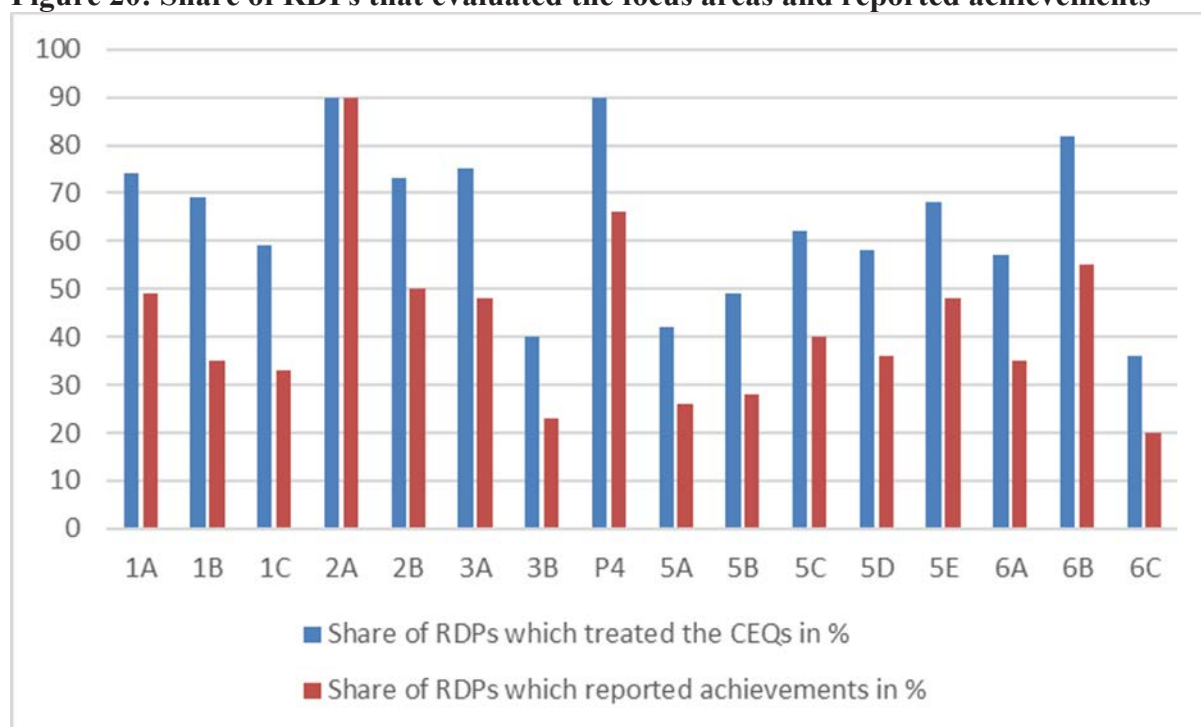
The evidence-base for RDP achievements, expressed in quantified common result indicators, varies across programmes and focus areas and does not necessarily correlate with the level of uptake. The quantification of common result indicators varies by focus area. A high degree of quantification was achieved for focus areas 2A (economic performance), 4A (biodiversity), 4B (water management), 4C (soil management) and 6B (local development). As regards priority 5 (resource efficiency) and focus areas 3B (risk prevention) and 6C (ICT), quantification remains limited. Complementary result indicators (such as R2 labour productivity) could only be quantified in a few cases.

**Table 6: Level of financial absorption and treatment of CEQs (basis n=115 RDP)**

Priority	P1			P2		P3		P4	P5					P6		
	1A	1B	1C	2A	2B	3A	3B	4A, 4B, 4C	5A	5B	5C	5D	5E	6A	6B	6C
Share of RDPs with realised expenditures in %	38			81	56	60	21	89	21	19	25	23	52	27	57	7
Share of RDPs which treated the CEQs in %	74	69	59	90	73	75	40	90	42	49	62	58	68	57	82	36
Number of RDPs which did not treat the CEQ despite of realised expenditures in %	4			4	2	8	5	1 (4A), 3 (4B), 3 (4C)	4	0	0	1	7	4	5	2
Share of RDPs which reported achievements in % (sub-section 6)	49	35	33	90	50	48	23	70 (4A), 63 (4B), 63 (4C)	26	28	40	36	48	35	55	20
Share of RDPs which quantified common result indicators in % (value>0)	T1 32	T2 13	T3 23	T4 62 R2 42 R13	T5 42	T6 19	T7 7	T8 26 T9 70 T10 60 T11 14 T12 57 T13 15	R13 3 T14 15	R14 2 T15 12	R15 9 R16 18	R18 10 R19 9 T17 7 T18 20	T19 37	T20 17	T21 47 T22 23 T23 20	T24 4

Source: HD screening of AIRs, extract of SFC 2014 database

**Figure 20: Share of RDPs that evaluated the focus areas and reported achievements**



Source: HD screening of AIRs, extract of SFC 2014 database

The following section provides information on the achievements measured by common output and result indicators and examples of achievements demonstrated for RDPs with a high output rate (high outputs are the precondition for effects), as reported in the AIRs submitted by the end of June 2017.

Aggregated information on the achievements is presented for each of the six Rural Development priorities in the **Annex**. The six priorities are further elaborated through 18 Focus Areas (FA) – jointly providing the basis for rolling out support under the EAFRD.

## 10.2. Ex-post evaluations 2007-2013

Member States submitted to the Commission the ex-post evaluation reports of the 2007-2013 rural development programmes by 31 December 2016. As set out in Article 87 of Council Regulation (EC) No 1698/2005 supporting the EAFRD<sup>28</sup>, supplemented by Article 18(2) of Commission Delegated Regulation (EU) No 807/2014<sup>29</sup>, a summary of the ex post evaluations is currently ongoing under the responsibility of the Commission and will be completed by the end of 2017.

<sup>28</sup> OJ L 277, 21.10.2005, p. 1.

<sup>29</sup> OJ L 227, 31.7.2014, p. 1.

## 11. EMFF - EUROPEAN MARITIME AND FISHERIES FUND

### 11.1. Period 2014-2020

EMFF programmes are at a very early stage of implementation and therefore only a limited number of evaluations took place. Nine Member States reported some evaluation activities in the AIR submitted 2017 (CY, CZ, DK, FI, HU, LV, PT, RO, SK). The activities include mainly the formation of an evaluation steering committee. But some Member States (CZ, FI, LV) have reported the start of evaluations such as process evaluations (i.e. in CZ) or sector analyses (e.g. in FI). Most of the Member States plan to start evaluation in late 2017 or the beginning of 2018.

The Commission has prepared an EMFF evaluation working paper which should support Member States with their evaluation process in order to address a demand from the Member States and programmes. The working paper and the toolbox are available on-line:

- Working paper on EMFF evaluation and toolbox

The Commission also issued working papers to guide the managing authorities on the indicators system (definitions and operationalisation of indicators) and to facilitate the implementation of the Infosys regulations. Both documents are on-line here:

- Working Paper on definitions of common indicators
- Working paper EMFF Article 97(1)(a)-reporting data requirements

These and other materials are available on the FAME website [https://ec.europa.eu/fisheries/cfp/emff/fame\\_en](https://ec.europa.eu/fisheries/cfp/emff/fame_en)

The following sections outline the EMFF evaluation plans and their different components.

#### *Evaluation plan*

Regulation (EU) No 508/2014 on the EMFF<sup>30</sup> underlines in Article 18 “Content of the operational programme” that the Operational Programmes (OP) will contain “the evaluation requirements and the evaluation plan referred to in Article 56 of Regulation (EU) No 1303/2013<sup>31</sup> and actions to be taken to address identified needs”. The evaluation plans are the Chapter 10 of the OPs. Annex I of Commission Implementing Regulation (EU) No 771/2014<sup>32</sup> provides the structure and minimum contents of the evaluation plans in section 10.

All programmes have fulfilled the formal obligation of drafting an evaluation plan as part of the programme. They have followed the guidelines of the OP template and the requirements of Regulations (EU) No 1303/2013 and (EU) No 508/2014.

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<sup>30</sup> OJ L 149, 20.5.2014, p. 1.

<sup>31</sup> OJ L 347, 20.12.2013, p. 320.

<sup>32</sup> OJ L 209, 16.7.2014, p. 20.

The evaluation framework of the EMFF is facing some specific constraints in the period 2014-2020, which set the Fund apart from the other ESIF. In a nutshell these are:

- The EMFF regulatory framework was finalised with some delay, hence leaving less time for the drafting of the programmes compared to the other ESIF (ERDF/ESF have more time to finalise the EP);
- The EMFF has introduced a new approach focusing on the establishment of a functioning Common Monitoring and Evaluation System (CMES) with a set of common indicators and emphasis on results. This new CMES has required the attention of the MAs in getting the OP intervention logic and the indicators set running, so less attention was given to the evaluation plan;
- The EMFF Programmes have a rather limited budget (at least in comparison to the other ESIF), hence evaluation approaches must be proportionate to the TA resources. Elaborated impact evaluation and counterfactual designs will be beyond means; instead a sound theory based evaluation (TBE) approach should be adequate.

Most plans were fairly detailed in this part. They focused on “pragmatic” short-term strategies (e.g. measuring performance and preparing the AIR). The most popular types were on “supporting evaluation activities in general”, “measuring performance”, “assessing effects” and “preparing data”.

This is also evident by cross checking with the addressed evaluation criteria; practically all plans (25) mention effectiveness and efficiency<sup>33</sup>. Relevance and impact are also mentioned but less often (8 and 16 times respectively).

Not surprisingly ES (which has the largest OP budget and regional settings) addresses the most evaluation criteria, including coherence and community added value.

However the objectives were not always supported with detailed activities, e.g. related to effects assessment. Instead the general impression was that the EPs were rather conservative and conventional, yet “fit for purpose” in the formulation of their objectives.

### ***Governance settings***

The governance settings related to monitoring and evaluation tasks described in the plans are also straightforward; the MA and MC combination is the mainstay. There are only two cases in which the MA is not responsible; in FI (Natural Resources Institute Finland) and in EL (where the OP is managed by a form of sub-MA, which has all the MA functions but not the status of an MA, yet it is not constituted as an Intermediate Body (IB)).

Partner and stakeholder involvement is also mentioned. In 12 cases there is an evaluation steering group either on an ad-hoc basis or in the form of an inter-ministerial body or critical reviewer. Also mentioned are; ad-hoc working groups, national coordination bodies, FLAGS, evaluators, the European Commission etc.

### ***Evaluation tasks, methods, activities and topics***

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<sup>33</sup> FI and FR don't refer to these criteria, but this is probably due to wording specificities and English translation rather than intention.

These two sections (tasks/methods/activities and topics) were indeed the poorest in the EPs; they were hardly any references to them in most OPs.

The most “popular” methods were simple performance/target comparison (26 cases) and review of the intervention logic (and a simple Theory Based Evaluation approach) in 12 cases. The validation of the result indicators was also mentioned 8 times. In average 3 methods were mentioned, however many referred only to one, namely performance/target comparison. Other methods mentioned quite frequently under the caption “other” were; ad-hoc workshops, consultations with stakeholders, brainstorming sessions etc. This could be interpreted as a preference for qualitative approaches.

Not many Member States outlined the evaluation topics they wanted to focus upon; although 10 Member States did not even mention any thematic focus.

There was some correlation between budget and number of topics mentioned; simply speaking the larger the budget the more topics were mentioned.

The most popular topic was the Common Fisheries Policy (CFP) implementation followed by the economic effects of EMFF support on enterprises and environmental impacts/sustainability. No Member States mentioned the “control and enforcement” and “data collection”. It would be interesting to examine what are the reasons for that; are these topics considered to be “alien bodies” to be evaluated by somebody else or are they somehow considered a routine “job”?

In the case of land locked countries (AT, CZ, HU, SK), the focus was obviously on aquaculture, economic and environmental effects and the viability of enterprises.

### ***Data and information strategy***

Overall this was the best developed part of the EPs. The programmes obviously rely on monitoring data in Article 97(1) of the “Infosys” Regulation (EU) No 508/2014 (mentioned 24 times), the application forms (mentioned 21 times) and official databases (mentioned 20 times). This also explains the “negligence” of advanced evaluation topics and the focus on a functioning monitoring system for efficient performance/target comparisons.

Less frequently EPs refer to surveys, contributions of research institutes, scientific publications, Article 77 outputs from data collection operations and data from local authorities. The use of these measures appears to happen on an ad-hoc basis. If the main sources mentioned above (e.g. Infosys, application forms etc.) fail, there is no specific process, pattern or motive for choosing an alternative e.g. for the purpose of triangulation.

The overall impression is that the MAs feel confident in this field; however they have an administrative approach. There is no awareness of the need to have a robust system and specific audits will take place to assess the functioning of the monitoring system, inter alia due to the importance of the Performance Framework.

### ***Resources, timelines, communication***

Overall the description of *resources* available for evaluation was very thin; most Programmes provided only imprecise qualitative information.

Only DK, IE, LT, LV, PT and SI made quantitative statements on personnel (values between 1 and 5 persons; it was assumed that they refer always to FTE positions).

Only BG, CY, CZ, FR, IT and SI indicated financial resources; although these are rough assumptions rather than calculations (with the exception of SI).

**Timelines** were also very basic. Exceptions were BE, CY, CZ, HR, LV, NL and PL where a logical sequence of activities was evident. DE, DK, EE, EL, IE and SE provided basic but sound baselines. All the other Member States mainly referred to important evaluation milestones (i.e. AIR 2017, AIR 2019, ex-post) with little other information whatsoever.

**Communication** was also superficially described. 26 out of 27 EPs mention the MA website explicitly, while seven EPs intend to use the FLAGs as message carriers.

Those EPs where communication was embedded in the OP communication plan had a good description of the communication activities. Others which aim to create an additional information channel were less precise and targeted. They usually mentioned the MC, the AIR and MA reports to the COM or national bodies, newsletters and press releases, working groups, seminars etc. In general one-way communication prevailed; participative tools were also mentioned (workshops, seminars) but in those cases communication was a by-product rather than the focus. An exception to the overall approach is EE, where the web was used in a more interactive way (utilising a blog and linking content to related sites).

### ***CLLD and horizontal issues***

Information on **CLLD** evaluation is also very limited; most Programmes consider the topic exhausted under Chapter 5. All those Programmes that activate UP 4 mainly discuss that they are planning to gather information on operations from FLAG level, while 14 of them also mention support to FLAGs to set-up M&E systems locally. How this is going to be done is not described however. 10 of the EPs mention self-assessment.

**Horizontal issues** are mentioned by all EPs either in some detail, or more often through referring to Chapter 9 of the OP. Only a few mention more than equal opportunities, environmental sustainability and climate change; 10 refer specifically to resource efficiency, 5 to innovation and 5 other topics (mainly disaster resilience and risk prevention and management and in one case the MSFD). In most cases the section on horizontal issues appears to be generic; exceptions are FR, IE and MT which offer very detailed and EMFF-relevant considerations.

## **11.2. Period 2007-2013**

The ex-post evaluation of the European Fisheries Fund (EFF) was undertaken in 2016 by an external contractor and is available on the EU Bookstore<sup>34</sup>. A Staff Working Document<sup>35</sup> presenting the main outcome of the evaluation was published in July 2017.

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<sup>34</sup> <https://publications.europa.eu/en/publication-detail/-/publication/f0ab224d-f34c-11e6-8a35-01aa75ed71a1/language-en>

<sup>35</sup> SWD(2017) 274 final.



The EFF was launched in 2007 at the onset of the global economic crisis. The ensuing decline in demand for fisheries products and drop in prices, as well as reduced access to private financing put the sector under high economic pressure. Despite this difficult situation, the following results were achieved:

- The EFF contributed to reducing overcapacity in many fleets, although imbalances still exist between fleet capacity and fishing opportunities.
- Competitiveness of the fleet was enhanced, through modernisation and, most importantly, support for changing fishing gears and methods. Ports and landing sites were improved, and investments in marketing and processing of fish increased its added value.
- For small scale coastal fisheries, EFF funds were made available for the management of fishing areas, the reduction of fishing effort, the organisation of production and innovation. However uptake of this measure was low as it was unfocused and competing with other measures encompassing all fleet segments.
- The contribution of the EFF to broader conservation objectives needs to be strengthened
- Due to lack of strategic orientation, EFF funds devoted to aquaculture had a marginal impact on EU aquaculture, whose production increased but at a slower pace than the global production. The EFF however contributed to the economic resilience of the beneficiaries, especially in the shellfish sector.
- The EFF contributed to maintain and create some 10,000 jobs across the board in the processing and marketing sectors.
- Support provided by the EFF for the local development of fishing depending communities was a considerable success despite a slow start. It allowed to maintain and create a large amount of jobs and tangibly improved the quality of life in these areas. It had however weak complementarities and synergies with other funds (such as LEADER)

Several shortcomings identified for the EFF were addressed by the EMFF (European Maritime and Fisheries Fund) which succeeded it for the 2014-2020 period.

## ANNEX

### EAFRD: PROGRESS TOWARDS ACHIEVING OBJECTIVES 2014-2020 SUMMARY BY UNION PRIORITY

#### Priority 1: Knowledge Transfer and Innovation

##### Focus

Under this priority the Rural Development Programmes (RDPs)

- provide stakeholders with a flexible package of soft measures related to advice, training, cooperation and knowledge transfer (FA 1A);
- support cooperation among rural development stakeholders and researchers in order to boost innovation in rural sectors (FA 1B), and
- foster lifelong learning and vocational training in the agricultural and forestry sectors (FA 1C).

##### Achievements

Around 10 % of RDPs (11) report on actions/operations supported (O3) in priority 1.

In a limited number of RDPs, it was possible to underpin achievements by quantitative data. The common result indicators (T1, T2, T3) were calculated in only 37, 15 and 27 programmes.

In a number of RDPs, the implementation of cooperation projects has started. Some problems have been reported concerning the implementation of projects (550 in total, T2) under the cooperation measure related to P1 (EU-28 target 15 235). PT Mainland shows a very high number of cooperation projects.

In a few cases, RDPs helped to establish and support operational groups for innovation partnerships (74, O16) almost all in the single RDP PT Mainland (EU-28 target: 3 175)

Around 220 000 participants (T3) were trained in 27 RDPs under P1 (FA 1C), a major part of it in BE Flanders (EU-28 target: 3 869 763).

DK, which is more advanced (T1), reports on significant contributions to innovation, cooperation and knowledge transfer in rural areas.

The following results were mentioned more frequently (frequency of major/medium achievements in relation to the judgement criteria) and show interesting aspects of the implementation:

- A variety of partners is involved in the EIP operational groups;
- The transfer of innovation to the final beneficiaries contributes to the development of innovation within farms / enterprises;
- Cooperation projects are innovative and based on developed knowledge;
- Cooperation operations between agriculture, food production and forestry and research and innovation for the purpose of improved environmental management and performance have been implemented;

- Long term collaboration between agriculture, food production and forestry entities and institutions for research and innovation has been established;
- The number of rural people who have finalised lifelong learning and vocational training in the agriculture and forestry sectors has increased.

## **Priority 2: Farm Viability and Competitiveness**

### Focus

Under this priority, the RDPs:

- provide farmers with a flexible package of investment measures backed up by advice, training, cooperation and knowledge transfer (FA 2A). This helps farms to overcome major structural problems, invest in farm equipment and technology, which improves their economic viability; and add value by investing in processing, marketing and product development:
- support young farmers with start-up aid and investments together with advice, training, cooperation and knowledge transfer (FA 2B) to encourage a generational change and innovative ventures in the agricultural sector.

### Achievements

Around 30 000 agricultural holdings were supported to increase farm performance through modernisation and restructuring (O4, FA 2A) (EU-28 target: 333 242).

In a limited number of RDPs, it was possible to underpin achievements with quantitative data. The common result indicators (T4 and T5) were calculated in 71 and 48 programmes respectively.

In a few cases (15), it was even possible to quantify the change in labour productivity on supported farms (R2), mainly based on gross effects.

In some cases, (e.g. EE, SK, ES – La Rioja) various effects of investment support were described in a quantitative and qualitative way.

Both positive and negative effects were found. For example, supported investments contributed to enhanced competitiveness through the increase of agriculture production, GVA and improvement of market participation. In some cases, investments had negative effects on capital profitability.

These findings are, however, often not statistically significant achievement due to limited number of completed activities.

Under priority 2, focus area 2B around 6 800 young farmers were supported to increase their skills and ease the entry into the agricultural sector (O4, FA 2B) (target: 175 777).

For some RDPs, it was possible to assess early effects. In one case, in which a high number of young farmers was supported (FR-Rhône-Alpes), it was demonstrated that the RDP contributed to generational renewal.

The following (non-representative) findings were mentioned more frequently (frequency of major/medium achievements in relation to the judgement criteria) and show interesting aspects of the implementation:

- The agricultural output per annual working unit of supported agricultural holdings has increased;
- Farms were modernized;
- Farms were restructured;
- Adequately skilled farmers entered into the agricultural sector;
- The share of adequately skilled young farmers in the agricultural sector increased.

### **Priority 3: Food Chain Organisation and Risk Management**

#### Focus

Under this priority, the RDPs:

- offer a combination of measures to improve the competitiveness of primary producers by better integrating them into the agri-food chain (FA 3A);
- help farms to prevent and manage various risks and to restore agricultural production damaged by natural disasters (FA 3B).

#### Achievements

Altogether 115 000 agricultural holdings received support in limited number of RDPs for participating in quality schemes, local markets, and short supply circuits, and producer groups/organisations (O4, FA 3A) (EU-28 target 296 810). The numbers are exceptionally high in Bayern and Austria.

Under focus area 3B, around 4,000 agricultural holdings participated in risk management schemes (EU-28 target: 644 487) provided in a very limited number of RDPs (4 RDPs PT, LV).

In a limited number of RDPs, it was possible to underpin achievements with quantitative data. The common result indicators (T6 and T7) were calculated in 22 and 8 programmes.

The RDP with the highest number of supported holdings (PT Continente) states that the support provided has been positively perceived, which shows a positive contribution from the RDP in encouraging farmers to engage in insurance premiums for risk management in farms.

The following results were mentioned more frequently (frequency of major/medium achievements in relation to the judgement criteria) and show interesting aspects of the implementation. These results are, however, not representative (anecdotal evidence):

- Implementation of quality schemes by primary producers has increased;
- The added value of agricultural products of primary producers has increased;
- Participation of farms in risk prevention and management schemes has increased.

## **Priority 4: Restoring, Preserving and Enhancing Ecosystems**

### Focus

Under this priority RDPs aim to:

- restore, preserve and enhance biodiversity, including in Natura 2000 areas, and in areas facing natural or other specific constraints, and high nature value farming, as well as the state of European landscapes (FA 4A);
- improving water management, including fertiliser and pesticide management (FA 4B);
- preventing soil erosion and improving soil management (FA 4C).

In a number of RDPs (e.g. in FR, DE, IT, AT, UK) large funds were allocated to Priority 4. From the set of applied measures, two are particularly prominent: Agri-environment-climate (AEC) payments granted to farmers and land-managers (M10), and payment schemes areas facing specific constraints (M13). A third important measure supports organic farming (M11).

In the integrated focus areas 4A, 4B and 4C, 89% of the RDPs realized expenditures.

Targets are area-based and aim at managing an increasing share of agricultural land and forest to support biodiversity, water management and/or prevent soil erosion.

### Achievements

For 74% of the RDPs (85 out of 115) reports referred to achieved management contracts related to agricultural land (T9, T10, T12), demonstrating in the three focus area that the measure has already been widely implemented. The results obtained, however, are highly diverse.

With respect of forest land, the implementation only started. For 28% of the RDPs (32) reports refer to achievements related to management contracts (T8, T11, T13) in the three focus areas.

The following results were mentioned more frequently (frequency of major/medium achievements in relation to the judgement criteria) and show interesting aspects of the implementation:

- Biodiversity on contracted land has been restored, preserved and enhanced;
- Water quality has improved;
- Soil management has improved;
- Soil erosion has been prevented;

## **Priority 5: Resource-efficient, climate-resilient Economy**

### Focus

Under this priority the RDPs offer a wide range of objectives aiming

- to increase the efficiency of water use by agriculture, mainly through physical investments in more efficient irrigation systems (FA 5A)
- to increase efficiency in energy use in agriculture and food processing mainly through physical investments in, for example, new or upgraded of machinery (FA 5B)

- to facilitate the supply and use of renewable sources of energy, by-products, wastes and residues, and other non-food raw materials for the purpose of the bio-economy (FA 5C)
- to reduce greenhouse gas and ammonia emissions from agriculture through various measures (FA 5D)
- to foster carbon conservation and sequestration in agriculture and forestry in many ways (FA 5E)

Complementary measures include knowledge transfer, training, advice, and cooperation.

### Achievements

Around 60% of the RDPs (74 in total corresponding to 64% of all RDPs) reports referred to results with respect to one or more common target indicators (T14, T15, T16, T17, T18, 19), including switching to more efficient irrigation systems, investments in energy efficiency and energy production, reduction of greenhouse gas and ammonia emissions, land under management to foster carbon conservation and sequestration.

The level of achievements is, however, very different from RDP to RDP. For example:

- the percentage land switching to more efficient irrigation system ranges from 61.4% in Romania to 0.16% in Greece (T14, FA 5A);
- 18 RDPs report investments for energy efficiency which make up for 93.6 million EUR, around 3% of the target value (T15, FA 5B);
- 26 RDPs report investments in renewable energy production which total to around 59 million EUR and which represents around 2% of the target value (T16, FA 5C);
- 7 RDPs report investments in live-stock management in view of reducing GHG and/or ammonia emissions (T17, FA 5D);
- 25 RDPs report results on agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions. The largest areas affected are in UK-Scotland, RO, IE and DE – Bayern (T18, FA 5D);
- 46 RDPs report results on agricultural and forest land under management contracts contributing to carbon sequestration and conservation (T19, FA 5E). Most of the area concerned is in UK – Scotland, DK and ES – Asturias.

For only a very limited number of RDP (21 in total or 18%), quantification was carried out concerning one or more complementary result indicator, mainly on basis of gross effects (R13, R14, R15, R18, R19).

For only 10 RDP, it was possible to demonstrate (by the end of 2016) the amount of renewable energy produced from supported projects (R15, FA 5C). In 12 RDPs reduced emissions of methane and nitrous oxide were achieved (R18, FA 5D).

The following results were mentioned more frequently (frequency of stated major/medium achievements in relation to the judgement criteria) and show interesting aspects of the implementation.

- Efficiency in water use by agriculture has increased
- Efficiency of energy use in agriculture and food processing has increased
- Supply and use of renewable energy has increased
- Greenhouse and ammonia emissions from agriculture have been reduced



- Agricultural and forestry land under enhanced management contract contributing to carbon sequestration has been enlarged
- Agricultural and forestry land under enhanced management contract contributing to carbon sequestration has been enlarged
- Carbon conservation and sequestration in agriculture and forestry has increased

## **Priority 6: Social Inclusion and Economic Development**

### Focus

Under this priority the RDPs offer a wide range of measures aiming to:

- facilitate economic diversification and the creation and development of small and medium sized enterprises as well as job creation. This is supported mainly through business start-up aid for non-agricultural activities in rural areas and investments in the creation and development of non-agricultural activities (FA 6A);
- foster local development in rural areas most prominently through CLLD/LEADER and investments for basic services and village renewal. This is complemented by a small number of other measures such as support for cooperation (FA 6B);
- enhance the accessibility, use and quality of information and communication technologies (ICT) in rural areas through support of broadband infrastructure, provision of access to broadband, public e-government solutions (FA 6C).

### Achievements

In the field of economic diversification (FA 6A), first projects were implemented. In 10 RDP, altogether 400 holdings received support for investment in non-agricultural activities in rural areas (O4, FA 6A) (EU-28 target: 54,552). Around 1 500 Jobs were created/planned in supported projects in rural areas (T20, FA 6A) (EU-28 target: 73 338).

As regards local development (FA 6B), the LEADER measure has already started very well in some programmes. In 22 RDPs, around 1 100 Local Action Groups were selected in order to implement CLLD/LEADER operations (O19, FA 6B), which is already 73% of the target value (EU-28 target: 2 515). Particularly high numbers were achieved in in RO and PL.

Around 1 300 CLLD/Leader projects have been supported in 11 RDPs (O20, FA 6B). LEADER projects lead to job creation, however, the reported numbers need further validation (T23, focus area 6B).

For 27 RDPs, reports refer to improved services/infrastructures which benefit the rural population (T22, FA 6B).

In focus area 6C (information and communication technologies), hardly any projects could be completed by the end of 2016. ES – Islas Baleares reports supporting 9 operations (O3) to enhance the accessibility, use and quality of information and communication technologies (ICT) in rural areas (EU-28 target: 4 366).

The following results were mentioned more frequently (frequency of stated major/medium achievements in relation to the judgement criteria) and show interesting aspects of the implementation.

- Small enterprises diversified their economic activity
- Access to services and local infrastructure improved in rural areas
- Rural territory and population covered by LAGs increased
- Rural people participated in local actions
- Employment opportunities were created via local development strategies
- Access of rural households to ICT increased.