

EXECUTIVE SUMMARY OF THE EVALUATION OF THE OBJECTIVES AND RESULTS OF THE STRATEGY OF FEDER GALICIA 2014-2020 FOR THE ANNUAL REPORT TO BE SUBMITTED IN 2017

June 2017

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Fondo Europeo de
Desenvolvemento Rexional
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galicia



1. EXECUTIVE SUMMARY

The evaluation strategy of the ERDF Operational Programme of Galicia 2014-2020 as set out in the “Specific Evaluation Plan of the ERDF Operational Programme of Galicia 2014-2020” envisages an evaluation of the programme’s objectives and results to be submitted together with the Annual Execution Report. The present document covers this evaluation of objectives and results.

The object of the analysis (selected, executed and/or verified operations) as well as the methodology (evaluation of implementation and theory-based evaluation) have been both influenced by the short time period for the execution of co-financed actions. This short period is the direct consequence of the delays in the approval of the programme and its procedures.

Departing from these restrictions, the analysis is structured with a view to effectively answer different evaluation questions that allow a deep analysis of the situation and general evolution of the programme. In this sense, the analysis goes beyond the minimum requirements of the Specific Evaluation Plan.

Evolution and relevance of the intervention logic. The regional evolution shows some signs of economic recovery after the hardest years of crisis. This translates in an improvement of the weaknesses on which the programme’s strategy is based. However, this improvement is not enough to overcome all the intervention needs. This fact confirms the relevance of the results of the programme’s ex-ante evaluation, especially in those fields where less progress is observed (business competitiveness, transitions towards a low-carbon economy and poverty and social exclusion).

On the other hand, the intervention logic, in accordance with the strategic nature of the programming, has not been modified during the first years of the Programme. This logic is still relevant and coherent in such a way that the expected results allow to address the challenges ahead.

Evaluation of the implementation. The implementation of the ERDF Operational Programme of Galicia 2014-2020 during the first years of the programming period (2014-2016) has been clearly influenced by the **difficulties linked to the approval and start of the programme. These difficulties have translated in a series of delays** such as: the delay in the programme’s approval and the necessary adaptation to manage the new actions lines; the delay in the approval of the rest of procedures in the field of management and their execution; the delay in the assignment of the Management Authority and the selection of Intermediate Bodies; the delay in defining the national rules for the eligibility of expenditure.

Nonetheless, during this initial launching phase of the OP there have been some relevant advances in the **definition and implementation of the systems that guarantee the effective implementation of the programme's strategy** as well as the selection of operations.

During the analysed period 2014-2016, the competences of the OP's Authorities have been defined and assigned. This involves the tasks of programming and defining the systems and procedures for management and control, the selection of operations and, partly, for the management of the OP.

Regarding the Intermediate Body, after its designation there has been a definition and description of systems and procedures, which constitute a benchmark to guarantee the efficiency in the development of selected operations. However, among its weaknesses, the delay in the approval might have added substantial uncertainty and deferrals in the execution of operations.

Its development is addressed in the corresponding Procedures Manual, which is waiting for approval. Nevertheless, the Intermediate Body has implemented transitional procedures that have reduced the negative effects of the delay although the public beneficiaries have missed more information about these procedures.

The general evaluation points to an appropriate definition of the systems, which benefit from an adequate cycle management and governance (that combines the efforts of the PO's Authorities and the different social and economic stakeholders as well as the potential beneficiaries) and a suitable communication policy.

Evaluation of the programme. The evolution of the programme as a whole and, consequently, of the output indicators, has been influenced by the above-mentioned delay in the approval and start of the OP, which has derived in a certain deferral in the output of the different action lines.

Therefore *there has not been any certification of expenditure during the period although 162 operations have been selected* with a total selected aid of EUR 376.006.785,08 euros. This quantity is slightly over the financial path included in the OP (105,97%) and represents, when calculated by linear extrapolation of the total budget for the period 2014-2020, a financial efficacy of 141,8%.

When regarding the executed and verified aid, the conclusions are less positive, as they account respectively for a 10,78% and a 14,43% of the total aid. This means that the tasks related to the management and verification of expenditure need to be accelerated in the coming years in order to comply with the N+3 Rule.

These elements have influenced the results in terms of productivity, as there is a high correlation coefficient between the level of financial efficacy and the share of output indicators with a medium-high efficacy by Investment Priority. While in general terms the indicators' evolution can be considered medium-high, as the indicators in these categories

account for 57,8% of the total, with a level of execution over 200%, which is influenced by a high standard deviation.

In particular, the situation presented by the **Performance Framework**, including the operations of the 2014-2016 period, is positive as for the compliance with the 2018 milestones unless problems of certification arise or the pattern in the selection of operations and executions is reduced.

However, at the end of 2016, the performance in Axis 3 and 4 is under the expected results and clearly requires an increase in the execution. The number of enterprises receiving financial support (C001) and the additional capacity to produce renewable energy (C030) must increase in order to guarantee the allocation of the performance reserve.

In general, the selected operations during the period 2014-2016 present a **high efficiency degree** that is particularly evident in the following Investment Priorities: 4b, 4e, 5a, 5b, 6b, 6c, 10a.

However, some aspects that qualify the positive corollary must be pointed out: on the one hand, 22,2% of the output OP's indicators do not show any progress and, on the other, 17,83% of the selected ERDF aid come within Investment Priorities that are partially or generally inefficient.

The analysis suggests that greater consideration is given in the future to the costs of those operations related to business competitiveness, energy efficiency in public infrastructures and houses and renewable energy as well as to investment in the waste sector.

The analysis of the **beneficiary groups** leads to several conclusions: first, the amplitude of operations has covered all the possible beneficiaries of the OP, including the prioritisation of those beneficiaries with higher potential to address the main challenges of the region and with more experience in the Cohesion Policy (Regional and Local administration and businesses) and also the population as a whole, which allows learning economies and an increase in results.

The results by Specific Objectives have faced in addition to the delays in the launching of the OP an additional difficulty because some indicators fail to reflect yet the positive changes in the general economic conditions.

As a consequence, although 42,86% of the Specific Objectives show a medium or high progress, there is a considerable percentage (38,10%) that show a negative trend and confirm a departure from the objective for 2023.

Those indicators that show a relevant progress present a wide thematic range including knowledge development and generation, the promotion of public digital services, business internationalisation, the use of renewables for heating and the improvement of the

energy efficiency of business, the development and improvement of natural areas and the investment in social infrastructure; and to a lesser degree, the promotion of risks management and the improvement of educational infrastructures.

Contribution to the Specific Objectives and general contribution of the OP. The contribution of the ERDF aid to the achievement of results is confirmed by the capacity that beneficiaries and management bodies allocate to this aid: 79,3% of respondents defend that the **selected projects could have not been implemented without the OP's support**. This influence is particularly reflected in the ambition of projects and the reduction in their implementation.

At the end of 2016 only few indirect non-expected effects of the OP are observed. However, from the negative side, there is an increase in the workload of management bodies that results from taking up new tasks, together with a proliferation of the bureaucratic procedures that applicants face. On the other hand, from a positive perspective, there is an increase of the interaction between private beneficiaries of business aid.

In particular, regarding the objectives of the Europe 2020 Strategy, during the first years of the OP, the contribution of the executed and certified aid has allowed a noticeable impact on the objectives related to the fight against poverty and social inclusion. This is the result of the concentration of the executed and verified expenditure in Thematic Objectives 9 and 10.

With regard to the contribution of the OP to the fight against climate change, the first steps of the OP reveal the difficulties to implement actions under to TO 4 and 5 and, to a lesser extent, under TO 6. The contribution is largely below the initial expectations that pretended to devote 20% to the climate-related issues.

Despite the fact that future perspectives improve when taking into account the aid allocated to selected operations, there is a need to step up efforts to approve and launch some actions, in particular those that fall under the areas of intervention 043 and 044.

Integration of horizontal principles. The OP's implementation complies with the requisites included in the ex-ante evaluation regarding the observation of the horizontal principles during the development phase of the OP, with only some exceptions related to the monitoring regime.

In general, there is broad consideration and observation of the horizontal principles. This observation can be qualified as general (all participant agents are included), multidimensional (it covers all management tasks but also the evaluation and communication) and adequate (as it represents a sufficient answer to the formal and legal requirements).

