



**Evaluation Report of the
objectives / outcomes and
compliance with the
Performance Framework of
the ERDF Operational
Programme 2014-2020 of
Castilla and León**

SUMMARY

Year 2019

Final Report



FONDO
EUROPEO DE
DESARROLLO
REGIONAL



CONTEXT OF THE EVALUATION OF OP FEDER 2014-2020 OF CASTILLA AND LEÓN

The European Regional Development Fund Operational Programme (ERDF) of Castilla and León 2014-2020 was approved by Decision C(2015) 4921 of July 14 of the European Commission and has a rescheduled budget of €627,884,594.00¹. Having Castilla and León category of more developed region has a co-financing rate of 50%.

The programme gives response to the needs of the region, regulatory and planning framework, and to the process of joint reflection that allowed defining 5 challenges that served as strategic guidelines:

- **Challenge 1:** To promote “Innovation” as an engine of regional development that contributes to a change in the productive model of Castilla and León.
- **Challenge 2:** To promote the development of information and communication technologies (ICT) as a commitment to a clear strategy in the area of information society that allows competing as a region in the new European digital single market defined by the Digital Agenda for Europe and in the new knowledge economy as a way for a sustainable economic recovery.
- **Challenge 3:** To promote the sustainability of companies, especially those with a high innovative component, as well as the creation of new companies both through the development of investment projects and facilitating access to the financing of these projects.
- **Challenge 4:** To increase the use of indigenous renewable energy resources, reduce energy consumption, and improve the efficiency of said consumption, with the objective of generating economic activity based on technology, as well as reducing the energy bill of individuals and companies increasing competitiveness of the latter.
- **Challenge 5:** To contribute to the conservation and protection of the environment through improved water management, recovery and environmental revaluation as well as the enhancement of cultural and heritage resources in the region.

In this intermediate stage, and in accordance with the normative of application of the ERDF, the following evaluation contents are defined:

- Evaluation of the **implementation** of the OP December 31, 2018.
- Evaluation of fulfilment with the **Performance Framework** (2018) and progress in achieving the objectives of the OP (2023).
- Evaluation of progress in **achieving the results** of the OP.
- Evaluation of the **contribution of the OP to the Union's strategy** for smart, sustainable and inclusive growth.
- Evaluation of **progress in horizontal aspects**.
- Evaluation of the **contribution of the OP to climate change**.

For the evaluation, quantitative and qualitative techniques have been used, so that the fieldwork has been aimed to obtain the information that allows contrasting, deepening and complementing the analysis of the available information. The following interviews have been conducted:

<p>Intermediate Bodies:</p> <ul style="list-style-type: none"> • GD Budgets and Statistics (Ministry of Economy and Finance) 	<p>Managing Bodies:</p> <ul style="list-style-type: none"> • GD of Universities and Research (Ministry of Education). • GD of Educational School Policy (Ministry of Education). • GD Infrastructure, Equipment and Services (Ministry of Education). • Agricultural Technology Institute of Castilla and León (ATICYL) (Ministry of Agriculture and Livestock).
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¹ By Commission Decision C (2015) 4921 of July 14, modified by Commission Decision C (2017) 8954 final, dated 19 December 2017, a reprogramming of the Castilla and León 2014-2020 ERDF Operational Programme was carried out (Technical Review). The evaluation is carried out according to the reprogrammed amounts.

	<ul style="list-style-type: none"> • Institute for Business Competitiveness of Castilla and León (IBC) (Ministry of Economy and Finance). • GD of Industry and Competitiveness (Ministry of Economy and Finance). • GD of Energy and Mines (Ministry of Economy and Finance). • Regional Energy Entity (Ministry of Economy and Finance) (REE). • General Secretariat of the Ministry of Economy and Finance. • General Intervention (Ministry of Economy and Finance). • Public Employment Service (Employment Counselling). • GD Cultural Heritage (Ministry of Culture and Tourism). • GD Planning and innovation. Regional Health Management of Castilla and León (SACYL) (Ministry of Health). • GD Telecommunications (Ministry of Development and Environment). • GD of Roads and Infrastructures (Ministry of Development and Environment). • GD of Quality and Environmental Sustainability (Ministry of Development and Environment). • GD Public Society of Infrastructure and Environment.
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CONCLUSIONS ON PROGRAMME EXECUTION

In order to implement the strategy foreseen in the ERDF Castilla and León 2014-2020 OP a total of 53 actions managed by 16 managing bodies and 3 actions in the Technical Assistance axis have been developed, responsibility of the Intermediate Bodies and the General Intervention, which represents €627,884,594.00 of programmed expenditure and €79,907,791 of certified expenditure.

Although the level of budget commitment is 100% of the programme, the degree of execution for the certified expenditure for which the reimbursement has been requested follows a lower rate, reaching only 12.73% of the programmed expenditure.

This low level of certification is due to the delay and difficulties that some promoters are finding for the development of the actions. During the fieldwork carried out with the promoting bodies and the intermediate bodies, the main obstacles for achieving a high degree of execution have been identified, which are, among others: late approval of the OP, the regulatory and administrative management complexity, greater control, verification and audit requirements, discontinuity and lack of predictability in the implementation of the aid lines, on the offer of intervention instruments on a small group of target population, extended time periods of project execution, early closing of the budget and lack of resources for the processing and management of the funds.

For the analysis of the execution of the programme, a three-level path has been followed:

Level 0 analysis path: The Institute for Business Competitiveness (IBC), as of December 31, 2018, presents the highest volume of certified expenditure, although the level of execution in terms of certified expenditure on schedule is low (15.26%).

Especially critical is the situation of some managers who at December 31, 2018 have failed to certify any expense, such as the case of GD Infrastructure, Equipment and Services, due to problems in the contracting processes, GD Planning and Innovation, due to difficulties in the definition of the projects for the tender, and ATI, also due to the definition of the projects, or of the REE with a little 0.17%, due to the modifications in the regulations that have delayed the execution.

Level 1 analysis path: The highest concentration of actions is given in TO 2 (Axis 2), followed by TO 4 (Axis 4), TO 1 (Axis 1), TO 3 (Axis 3), although in financial terms, the planned expenditure is mostly concentrated in TO 1, 3 and 6, which shows that the priority of the OP's intervention is focused on

enhancing R&D, improving the competitiveness of SMEs and conserving and protecting the environment and promoting efficiency of the resources.

Level 2 analysis path: execution by specific objectives within each axis:

- Axis 1 (TO 1): In the distribution of programmed and certified expenditure, it is greater for the SO 1.2.1., highlighting the priority of the actions to strengthen the R&D institutions, creation, consolidation and improvement of the scientific and technological infrastructures.

The actions that contribute to SO 1.1.2 have a low level of certification since they started in 2018, or even 2019, and in the case of SO 1.2.3, despite the low level of certification, managers do not show problems for execution, since the low certification is due to the life cycle (more than 1 year) of the projects.

- Axis 2 (TO 2): The distribution of expenditure is distributed relatively proportionally among all the specific objectives, and the progress in the execution is compromised by the low volume of certification of most of the actions.

In the case of the 11 actions that contribute to the SO 2.3.1., only the one developed by the GD of Telecommunications certifies some expense, and the remaining 10 actions have failed to certify for having delayed its execution, having been cancelled, or suffer a significant delay due to the difficulty of the functional and technical definition of projects. The action developed by IBC for the achievement of SO 2.2.1 has a low degree of execution due to the low demand for applications and the duration of the projects themselves.

The actions developed for the achievement of SO 2.3.2. have certified the highest proportion of expenditure, representing 77.74%, of the entire TO, and in SO 2.2.1 an important progress in execution has also been achieved. In both cases it has been due to the actions managed by the Telecommunications GD.

- Axis 3 (TO 3): The expenditure budget of this Axis has been focused on the specific objective 3.4.1., which has also achieved almost all the TO's expenditure as of December 31, 2018 (99.55% of the Axis certified expense), for the actions developed by the IBC: Programme for the promotion of technological investment to SMEs, Financial guarantee instrument and Aid to the AEI or Cluster.

The actions carried out in the other SOs of this Axis have almost failed to certify any expenditure, which is especially relevant for the action included in SO 3.1.2 that had greater representativeness in the total axis. The managing body points out the difficulty of executing the action due to the low level of entrepreneurship in the region. For the action approved for the development of SO 3.4.3, despite not having been able to certify expenditure, no incidents are identified for its correct execution.

- Axis 4 (TO 4): The budget allocation focuses on actions to improve energy efficiency in the building sector and public infrastructure and services (SO 4.3.1). The financial execution of this axis is also affected by the low volume of expenditure that is certified in the actions of the executives with greater representativeness.

The SO that has managed to certify more spending until December 31, 2018 has been 4.2.1., due to the action of Subsidies for the actions on energy efficiency of the business sector, which nevertheless has a relatively low weight in the total Axis budget.

In the case of the actions developed for the achievement of SO 4.3.1, the main problem has been the incidents in the recruitment and the status of beneficiaries of the recipients of the Grants. On the other hand, in SO 4.3.2, which is carried out through 5 actions, only REE has been able to certify expenditure, but in a very small proportion. The rest of the actions of GD

Energy and Mines, REE and GD Infrastructure, Equipment and Services, a problem of design of the actions has been detected, which manages to mobilize demand, restrictions of legislation and problems in contracting.

- Axis 6 (TO 6). The budget allocation is concentrated in the actions of SO 6.2.1 and SO 6.3.1 for the protection, promotion and development of cultural heritage, and the Axis's certified expenditure has also been distributed proportionally among the actions of the three SOs.

Although the action contributing to SO 6.2.1 has a significant delay in the certification of expenditure, it is expected to be recovered, as is the action that contributes to SO 6.4.1. as the execution progresses at a good pace.

In the case of the action developed for the SO 6.3.1., an important delay in the execution is noticed, motivated by the necessary adaptation of the contracting to the new regulations. However, it is expected to comply with the provisions.

- Axis 13. Technical Assistance. Budget sharing and certified spending have been focused on SO 1, which aims to achieve an effective implementation of the OP supporting the management and control activity and capacity development in these areas.

CONCLUSIONS ON THE PERFORMANCE FRAMEWORK AND PROGRESS IN ACHIEVING THE OBJECTIVES OF THE PROGRAMME

Axis 1 and 6 have managed to meet the performance framework by reaching the productivity indicator and the financial indicator values above 85% compared to the milestones planned for 2018.

The rest of the axis (Axis 2, 3 and 4) have not met the performance framework by not having reached at least one (in the case of 2 indicators on the axis) or two (in the case of three indicators in the axis) of the axis indicators 85% with respect to the 2018 milestone. In addition, this breach is **Serious** since one or two of the axis indicators have not reached 65% for the 2018 milestone.

Compliance with the Axis Performance Framework 1. It is considered that **YES**, the expected Performance Framework for Axis 1 of the OP has been fulfilled.

- The achievement of the CO27 productivity indicator is due to the action developed by the IBC within the framework of the SO 1.2.1: *R&D projects in companies: Performance Funding for lost funds*.
- The achievement of the productivity indicator E021 contributes to the good result of the action included in the SO 1.2.3., *Calls for support to research projects, from the DG of Universities and Research*.

The fulfilment of the PF is classified as **MEDIUM** considering the progress towards the 2023 goal of the productivity indicators (5.56% and 29.90%), compared to the financial indicator (8.48% and 0.63%). According to the assessment of the managing bodies of the actions associated with the PF of this axis, no serious incidents affecting its execution have been detected.

Compliance with the Axis 2 Performance Framework. The planned Performance Framework for Axis 2 of the OP has **NOT** been met, and it is **SERIOUS**. Only one indicator has reached 85% of the 2018 milestone (E051), and the remaining four have not reached 65% of the 2018 milestone, three with values at 0.00%.

The good result of the action included in the SO 2.3.1., *Consortio Bucle Support* of the GD of Universities and Research, contributes to 60.48% of the planned target by 2018. The rest of the actions of the GD

of Universities and Research that contribute to the PF register 0.00% with respect to the degree of compliance to 2018, since they have begun to be executed after the date of 31-2-2018.

For the rest of the productivity indicators of the PF, CO01, CO10 and E016A, the degree of compliance by 2018 is 0.00%, due to the problems they have had for their execution: lack of demand for the managed one by the IBC and delays due to the increasing complexity of the management of the ERDF.

Compliance with the Axis Performance Framework 3. The assessment of Axis 3 of the OP is that it has **NOT** met the expected Performance Framework and in a **SERIOUS** manner, since only one indicator, the financial one, has reached more than 85% of the milestone by 2018.

The value reached by the productivity indicator E021 is mainly due to the contribution of the action developed in the SO 3.4.1., Financial instrument of guarantees, of the IBC, which by 2018 achieves 86.27% compliance.

For the rest of the actions of indicator CO01, all managed by IBC, the degree of compliance by 2018 has been 0.00%, for the instrument of action, unattractive for companies, and the lack of target population that concurs to the help lines.

Compliance with the Axis Performance Framework 4. The expected Performance Framework for Axis 4 of the OP has **NOT** been met and in a **SERIOUS** manner, since none of the indicators has reached 85% of the milestone by 2018.

The value reached of the CO32 productivity indicator is due to the result of the action carried out under the SO 4.3.1., *Exemplary action for the renewal of the energy efficiency of buildings belonging to the assets of the administration of Castilla and León*, which achieves a degree of compliance by 2018 of 71.26%. The action of GD Energy and Mines linked presents a degree of compliance of 0.00%, due to the difficulties in its execution due to the design of the action.

The actions managed by the REE contribute to the productivity indicator E001Z: *Subsidies for carrying out actions in the area of energy efficiency improvement in the business sector of Castilla and León, and Subsidies for carrying out actions in matters of energy efficiency improvement in the building sector of Castilla and León*. The incidents in the execution of these actions, according to the valuations of the managing bodies, are related to the instrument of action and the complication of the management of the ERDF. It has also affected energy efficiency regulations.

Compliance with the Axis Performance Framework 6. YES, the Performance Framework envisaged for Axis 6 of the OP has been met. This achievement is classified as **HIGH** as the progress towards the 2023 goal of the productivity indicator is consistent with the percentage of the financial indicator, and since no serious incidents are observed in the execution of the actions.

The achievement of the PF CO19 productivity indicator is determined by the value reached in 2018 (89.91%) by the action included in the SO 6.2.1: *Execution of urban wastewater treatment infrastructure*, managed by the DG. Roads and Environmental Infrastructures and SOMACyL.

CONCLUSIONS ON THE RESULTS OF THE PROGRAMME

In general, the effectiveness in achieving the results of the ERDF OP 2014-2020 of Castilla and León as of December 31, 2018 can be assessed as “**HIGH**”, since in 3 of the 5 Priority axes (Axis 2, 3 and 6) the average has been high, and in Axis 1 and 4 it has been medium.

However, it is necessary to consider that they are statistical indicators that are affected not only by the OP, but also by the incidence of other policies and programmes that are developed in the territory.

Axis 1. The overall assessment of the effectiveness in achieving results of this axis is MEDIUM (91.87%).

The indicators linked to IP 1.1. have obtained only a **MEDIUM** value: **R001V**. *Percentage of publications of excellence derived from research of teams financed by the Infrared Program and the Institutional Strengthening Program of Excellence Research Structures in the thematic priorities of RIS3*, and **LOW**: **R001K**. *Expenditure on R & D & I of the Public Administrations*, mainly due to the delay in the implementation of the actions of this IP, so that at the date of the evaluation they have had little impact on the evolution of the indicators.

Progress in achieving the objectives has been greater for IP 1.2., especially because of the **HIGH** efficiency achieved by the **R002G** indicators. *Percentage of R&D expenditure executed by companies*, linked to SO 1.2.1. *Promotion and promotion of R&D activities led by companies and support for the creation and consolidation of innovative companies*, and **R003D**. *Percentage of publications of excellence in the Region in the thematic priorities of RIS3*, associated with SO 1.2.3., *Promotion and generation of border knowledge and knowledge oriented to the challenges of society and development of emerging technologies*, for which the indicated one is used.

Axis 2. The overall assessment of the effectiveness in achieving results of this axis is HIGH (109.78%).

The indicators associated with IP 2.1. have achieved a **MEDIUM** degree of efficiency for **R010** *Percentage of population (national, regional) with broadband network coverage speed greater than or equal to 30 Mbps*, and **LOW** for indicator **R011A** *Annual utilization rate of the Supercomputing Centre calculation system from Castilla and León*. The actions developed by the DG of Telecommunications have a good level of execution (three calls for assistance for the extension of high-speed broadband and 639 users benefited), even if they are late in the certification of expenditure.

The only indicator that can be evaluated associated with IP 2.2. is the **R020F**. *Percentage of SMEs benefiting from aid for incorporating ICT technology*, which has a **VERY LOW** efficiency level. The action managed by the IBC of Incentives for the adoption and use of ICTs is not attracting SMEs that develop this type of projects due to the lack of attractiveness of the instrument and the over-offer of other help lines on the same population.

The IP 2.3. is the one that achieves the best results with 4 indicators with a **HIGH** degree of efficiency: **R021E**. *Population accessing electronic education and digital literacy services*; **R023I**. *Scientific documents available in the institutional repositories of public CyL universities*; **R023E** *Percentage of electronic registration entries over the total registration entries* and **R023F**. *Effective working time by users in the Web application of management of educational centre STILUS teaches*, to which the actions developed within the specific objectives 2.3.1. *Promote digital literacy, e-learning, e-inclusion, e-health and digital solutions in these fields*, and 2.3.3. *Strengthen e-government, e-culture and trust in the digital field*.

Axis 3. The overall assessment of the effectiveness in achieving results of this axis is HIGH (108.23%).

The only indicator linked to this IP 3.2., **R030a** *National / regional survival rate of SMEs in the fourth year of life*, reaches a **MEDIUM** degree of effectiveness, despite the low execution of the action managed by IBC.

This result is due to the achievements in the indicators linked to the IP 3.4., **R036C**, due to the actions developed by the IBC under the SO 3.4.1, and **R031a**, especially due to the results of the Support Services to the internationalization, of the IBC, that is developed for the achievement of the SO 3.4.3.

Axis 4. The overall assessment of the effectiveness in achieving results of this axis is MEDIUM (93.04%).

The IP 4.2. is the one that has contributed the most to the Axis result, according to indicator **R044R**. *Final energy consumption in the industrial and service sectors* - which obtains a **HIGH** degree of efficiency. It highlights the contribution of the action developed by the GD of Energy and Mines, *Subsidies for the performance of actions in the field of energy efficiency improvement in the business sector of Castilla and León*.

In IP 4.3. the **R044S**. *Final energy consumption in the residential sector*, which has achieved a **MEDIUM** degree of efficiency, and the **R043F** indicator. *Electric power installed in Castilla and León from renewable energy sources*, has a **LOW** efficiency. The actions developed in this IP have had problems in contracting, which has meant the delay of the works, in the condition of beneficiaries of the recipients, in the design of the actions, which fails to mobilize the demand and restrictions of the legislation.

Axis 6. The overall assessment of the effectiveness in achieving results of this axis is HIGH (4,841.22%)

The high degree of effectiveness is due to the actions developed in the IP 6.3. which contribute to indicator **R0631I**, *Number of cultural assets intervened*, and in IP 6.4., for indicator **R064B**. *Population benefiting from the integral restoration of environmentally degraded areas in rural areas*, which achieve a degree of effectiveness.

The indicators of the IP 6.2. have a **VERY LOW** efficiency level; **R060H** *Percentage of compliance (national or regional level) of Article 4 (secondary treatments) of Directive 91/271 / EEC* and **MEDIUM**, **R060I**. *Percentage of compliance (national or regional level) of Article 5 (more rigorous treatment of spills in sensitive areas - ZZ.SS) of Directive 91/271/EEC*, affected by the action developed by GD Roads and Environmental Infrastructures and SOMACyL that has had incidents in its execution, which have delayed it.

CONCLUSIONS ON THE CONTRIBUTION OF THE OP TO THE UNION'S STRATEGY 2020

On a theoretical and programmatic level, the degree of contribution of the value chain of the ERDF OP Strategy of the Autonomous Community of Castilla and León to the achievement of the objectives set in the 2020S observed is **HIGH**. The Programme responds clearly to the challenges identified in Objectives 1, 2 and 3 of the Europe 2020 Strategy, oriented towards the achievement of objectives related to employment, R&D and the contribution to climate change. The region has yet to make progress in achieving the objectives established in the Europe 2020 Strategy to which the ERDF OP of Castilla and León contributes.

CONCLUSIONS ON ADVANCES IN HORIZONTAL ASPECTS

The horizontal issues included in this analysis are partnership, administrative capacity, equality between men and women, equal treatment and non-discrimination, and sustainable development. Among the main conclusions, the following can be found:

- The degree of involvement and participation in the actions by the members of the Operational Programme is high; they play an active role, with coordinated actions in programming, execution, monitoring and evaluation.
- No progress has been made in administrative simplification; on the contrary, the perception of the managing bodies is a greater complexity for the management of the ERDF.
- Equal opportunities and non-discrimination were considered and promoted throughout the preparation of the Programme. The Programme has contributed to improving the status and position of women.
- The participation of the IO coordinator of the ERDF OP of Castilla and León together with the competent authority on equal opportunities in Castilla and León in the Equal Opportunity Policy Network between men and women, both individually and in groups of work, applying all the orientations and decisions taken in the mentioned Network, in the management of the OP.
- In the preparation and formulation phase of the OP, environmental protection requirements, resource efficiency, climate change mitigation and adaptation to it and biodiversity were promoted. In addition to describing in the Operational Programme specific measures to take into account these requirements in its implementation, a specific criteria related to sustainable development has been included among the criteria for the selection of actions, which must comply with all the actions selected, regardless of the priority of investment and the specific objective in which they fit.
- The participation of the OI coordinator of the ERDF OP of Castilla and León together with the competent authority on the Environment in Castilla and León, in the Network of Environmental Authorities, both in the plenaries and in the working groups, applying all the guidelines and decisions taken in the aforementioned Network, in the management of the OP.

CONCLUSIONS ON THE CONTRIBUTION TO CLIMATE CHANGE

Considering actions of the OP with expenditure executed until December 31, 2018 in the axes with influence on the contribution to climate change, which are priority axes 4 and 6, it can be concluded that investment priorities associated with the thematic objective 4 (IP 4.2 and 4.3) and the thematic objective 6 (IP 6.4) generate a positive impact on the fight against climate change and on the atmospheric quality due to the indirect reduction in the emissions of Greenhouse Gases.

The priority axis in which a greater contribution has been made is 6, for which the actions of closing and sealing illegal landfills have contributed greatly.

RECOMMENDATIONS

	Viability	Priority	Impact
R1. To strengthen the experience exchange activities between the Intermediate Organization and managers: Good Management Practices	High	High	High
R2. To strengthen actions aimed at reducing the administrative burden	Low	High	High
R3. Training and information actions for the target population of public aid (subsidy lines)	High	Medium	High
R4. To carry out a previous needs detection process for the design of intervention instruments	High	Medium	High
R5. To undertake a process of reflection of the system of indicators	Medium	Medium	Medium

R6. Reprogramming proposal

Following the analysis of compliance with the performance framework and the progress in achieving the objectives and results, it is recommended that the reprogramming for the allocation of the performance reserve is done in favour of TO 1 and TO 6, which are the ones that have demonstrated greater capacity for absorption, execution and certification of expenditure, through the following actions:

- Axis 1, TO 1:
 - SO 1.1.2: Non-economic R&D projects undertaken by the Technological Centres of Castilla and León - Institute for Business Competitiveness (IBC), and Network Infrastructure Programme of Castilla and León (INFRARED) - GD Universities and research.
 - SO 1.2.1. R&D projects in companies: Performance Subsidies with lost funds. - Institute of Business Competitiveness (IBC).
 - SO 1.2.2. University-Company Knowledge Transfer Plan (UCKTP) - GD Universities and Research.
 - SO 1.2.3. Calls for support for research projects – GD Universities and Research.
- Axis 6, TO 6
 - SO 6.4.1. Conserve and Protect the Environment and Promote Resource Efficiency - GD of Environmental Quality.