

Final Report

**Co-financing salaries, bonuses,
top-ups from Structural Funds
during the 2007-2013 period**

Authors:

Alice Radzyner

Alexandra Frangenheim

Herta Tödting-Schönhofer

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Abbreviations

AIR(s)	Annual Implementation Report(s)
CF	Cohesion Fund
EC	European Commission
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	European Union
FTE	Full-Time Equivalent
IB(s)	Intermediate Body/Bodies
MA(s)	Managing Authority/Authorities
NSRF	National Strategic Reference Framework
OECD	Organisation for Economic Cooperation and Development
OP(s)	Operational Programme(s)
SF	Structural Funds
TA	Technical Assistance
WP	Work Package

Member States

AT	Austria	IE	Ireland
BE	Belgium	IT	Italy
BG	Bulgaria	LV	Latvia
CY	Cyprus	LT	Lithuania
CZ	Czech Republic	LU	Luxembourg
DE	Germany	MT	Malta
DK	Denmark	NL	Netherlands
EE	Estonia	PL	Poland
ES	Spain	PT	Portugal
FI	Finland	RO	Romania
FR	France	SE	Sweden
GR	Greece	SI	Slovenia
HR	Croatia	SK	Slovakia
HU	Hungary	UK	United Kingdom

Glossary

Bonus	A sum of money given to an employee in addition to the employee's usual compensation. In the context of this study, a bonus is a one-off remuneration given to a person for managing or implementing ERDF/CF programmes.
Central Coordinating Unit	Authority at central level (usually located in a national Ministry), which coordinates the Structural Funds OPs for the whole country. The nature and location of this authority is different for each country and it is therefore defined at the beginning of each country fact sheet.
Civil servant	The term 'civil servant' is to be understood in a broad way as its definition can differ depending on the national context. Whenever the term 'civil servants' is used in the study, it is based on the results of the survey carried out where respondents were asked to choose between the types of contracts 'civil servants', 'temporary agents' and 'contractual staff'. In this study, civil servants therefore refer to persons employed in a public institution with long-term contracts (at least for the period of a political cycle); persons working in the civil service; government workers; or public officials.
Contracts of limited duration	Employees on a fixed term contract or whose employment duration has a time limit.
Contractual staff	Persons managing or implementing the ERDF/CF programmes through a service contract with an external organisation (e.g. a consulting firm).
Eligible staff costs	Staff costs eligible for co-financing from EU Structural Funds.
ERDF/CF management and implementation structures	Bodies and authorities involved in managing and implementing the OPs. These include the Central Coordinating Authority, the Managing Authority, the Certifying and Audit Authorities as well as Intermediate Bodies.
Full-Time Equivalent (FTE)	FTE is a unit that indicates the work load of an employed person, making it comparable across various contexts. An FTE of 1.0 means that the person is equivalent to a full-time worker; while an FTE of 0.5 signals that the worker is only half-time employed/contracted.
Salary	Fixed compensation for services, paid to a person on a regular basis. Salaries do not include top-ups or bonuses.
Staff costs	Gross salaries/wages including other costs linked to the salary payments, incurred and paid by the employer,

	such as employment taxes and social security (including pensions depending on national legislations and the organisation's practices).
Staff fluctuation	In this study, staff fluctuation (staff turn-over) refers to the variation of the number of staff over the period from 2007 up until 2013.
Temporary agents	Staff employed for temporary tasks and for a given duration of time.
Top-up	A sum of money that is given in addition to the employee's usual compensation in a regular manner. In the context of this study, a top-up is given to a person in remuneration for working on the management and implementation of ERDF/CF programmes.

1 Introduction

This is the Final Report of the study “Co-financing salaries, bonuses, top-ups from Structural Funds during the 2007-2013 period”. In view of improving the administrative capacity, the resources made available to Member States under Technical Assistance (TA) can also be used for financing salaries, bonuses or top-ups of the employees directly involved in the implementation of the European Regional Development (ERDF) and Cohesion Fund (CF). The main objective of this study is hence to “identify the extent and modalities of the use of TA funds by Member States for different forms of staff salary support in the 2007-2013 period”.

Previous studies have examined the administrative capacity as well as the administrative costs across the European Union (EU)¹. In contrast, the present exercise is unprecedented in the sense that it presents information about the staff costs of persons managing and implementing the ERDF/CF across the EU, taking into account that – as shown in this report – the Member States do not systematically monitor or hold information about staff costs. A survey has therefore been carried out in view of collecting information and data on the use of TA for staff costs in the EU Member States and ERDF/CF implementation structures. The data set is stand-alone and differs from the existing sets of data because it focuses on a specific sample, which includes staff involved directly in the ERDF/CF.

The results have been analysed and summarised in 28 country fact sheets. 27 fact sheets focus on the programming period of 2007-2013, identifying the implementation structures where staff costs are co-financed (Coordination Bodies, Managing Authorities (MAs), Intermediate Bodies (IBs), Certifying Authorities, Audit Authorities and other relevant bodies) as well as the corresponding budgets and the number of co-financed staff split by type of contractual arrangement (civil servants, temporary agents and contractual staff). The information collected on the staff costs includes gross salaries/wages depending on national legislations and the organisation’s practices. Moreover, the regulatory and administrative frameworks for staff working in ERDF/CF implementation have been analysed, including issues such as the availability of action plans or strategies for staff management, the types of contracts used, the trainings offered to Operational Programme (OP) authorities, and so forth. In addition, one fact sheet has been developed for Croatia. It describes the country’s plans for 2014-2020 regarding staff-management and co-financing after its EU accession in mid-2013.

After describing the followed methodology to collect the data and a description of the sample at hand, the report analyses how and to what extent TA is used for co-financing staff costs across the EU as well as how this is monitored. The report finds that in fact, all analysed Member States use TA for co-financing staff costs.

Then, the report compares the number and costs of co-financed staff across all management bodies and functions across the Member States. It finds, *inter alia*, that most staff is involved in the MAs or the IBs. The report also compared the number and costs of staff by types of contracts (civil servants, temporary agents, contractual staff) and the type of remuneration provided (salaries, top-ups or bonuses) across the Member States and OPs.

¹ See for instance: Böhme, K. (2010), Regional governance in the context of globalisation: reviewing governance mechanisms & administrative costs. Administrative workload and costs for Member State public authorities of the implementation of ERDF and Cohesion Fund. SWECO INTERNATIONAL, 16.06.2010, Stockholm; Dickinson, P. (2012), Study Measuring Current and Future Requirements on Administrative Cost and Burden of Managing the ESF, Final Report, DG EMPL, EPEC& COWI. June 2012.

Finally, the regulatory framework and the processes in place for managing staff, working in ERDF/CF implementation structures, are described, along with the system for defining the remuneration level, the recruitment processes applied, the staff fluctuation and the measures of professional development implemented.

2 Methodology

The objective of this project is to collect and analyse information on how staff costs have been financed under the ERDF and CF in the 2007-2013 period. The desk research as well as the field research have resulted in the development of 28 country fact sheets as well as the present overall analysis of the situation.

Given that the Member States are not obliged to report on how TA has been spent in 2007-2013 in detail, and due to the absence of complete information at EU-level, the overarching idea of this exercise has been to draw a picture of staff-related costs and management within the Member States rather than carrying out “an audit”. In order to do so, a methodology has been developed in the Inception phase whereby the Central Coordinating Authorities and the MAs of the ERDF/CF OPs have been asked to complete a quantitative and a qualitative questionnaire. These questionnaires are described below.

2.1 Questionnaires

Two types of qualitative questionnaires have been sent to 1) Central Coordination Units for an overall overview over all ERDF/CF programmes in the respective country; 2) the MAs of all ERDF/CF programmes. The qualitative questionnaires were sent out in the form of two online surveys² (one for Central Coordinating Units; one for MAs). These questionnaires are included in Annex 2.

Also, two types of quantitative questionnaires in the form of excel tables have been sent out to both 1) the Central Coordination Units for an overall overview over all ERDF/CF programmes in the respective country (see Figure 1); 2) the MAs of all ERDF/CF programmes (see Figure 2). Depending on the administrative structure of the Member States, it was not always possible for the authorities at national level to collect information for the whole country and/or for all OPs.

² Link to qualitative survey for Central Coordinating Authorities: <http://survey.metis-vienna.eu:65080/grafstat/formulare/befragung2/index.htm>; Link to qualitative survey for MAs: <http://survey.metis-vienna.eu:65080/grafstat/formulare/befragung1/index.htm>

Figure 1. Quantitative questionnaire for Central Coordinating Units

Management Function	Total number of staff working in the ERDF/CF programmes (FTE) in 2012	Total number of staff working in ERDF/CF programmes from 2007 until 12/2012 (FTE, cumulative)	Total eligible staff costs incurred in 2012 (in €)	Total eligible staff costs incurred from 2007 until 12/2012 (cumulative) (in €)	ERDF/CF contribution of total eligible staff costs incurred from 2007 until 12/2012 (cumulative) (in €)	Staff co-financed by ERDF/ CF							
						Civil servants			Temporary agents		Contractual staff		
						Total Number of civil servants (FTE) co-financed by ERDF/CF from 2007 until 12/2012 (cumulative)	Total eligible staff costs incurred from 2007 until 12/2012 (cumulative) (in €)	Please indicate A, B or C for each management function to specify whether ERDF/CF finances A) salaries, B) top-ups, C) bonuses	Total Number of temporary agents (FTE) working on the ERDF/CF OPs from 2007 until 12/2012 (cumulative)	Total eligible staff costs incurred from 2007 until 12/2012 (cumulative) (in €)	Please indicate A, B or C for each management function to specify whether ERDF/CF finances A) salaries, B) top-ups, C) bonuses	Total number of contractual staff co-financed by ERDF/CF (FTE) from 2007 until 12/2012	Total eligible staff costs incurred from 2007 until 12/2012 (cumulative) (in €)
Total													
Central Coordinating Unit													
All Managing Authorities													
All Certifying Authorities													
All Intermediate bodies													
All Audit Authorities													

(1) FTE= Full-Time-Equivalent

(2) Civil servants = public officials

(3) Temporary agents = staff employed for temporary tasks and for a given duration of time.

(4) Contractual staff = persons working for the ERDF/CF OP through a service contract with an external organisation (e.g. a consulting firm)

Source: Elaboration by Metis

Figure 2. Quantitative questionnaire for Managing Authorities

Management Function in the OP	Number of staff working on your programme (FTE) in 2012	Total number of staff working on your programme (FTE) from 2007 until 12/2012 (cumulative)	Total eligible staff costs incurred in 2012 (in €)	Total eligible staff costs incurred from 2007 until 12/2012 (cumulative) in €	ERDF/CF contribution of total eligible staff costs incurred from 2007 until 12/2012 (cumulative) (in €)	Staff co-financed by ERDF/CF							
						Civil servants			Temporary agents		Contractual staff		
						Number of civil servants (FTE) working on the ERDF/CF programmes from 2007 until 12/2012 (cumulative)	Total eligible staff costs incurred from 2007 until 12/2012 (cumulative) in €	Please indicate A, B or C for each management function to specify whether ERDF finances A) salaries, B) top-ups, C) bonuses	Number of temporary agents (FTE) working on the ERDF/CF programmes from 2007 until 12/2012 (cumulative)	Total eligible staff costs incurred between 2007-12/2012 (cumulative) in €	Please indicate A, B or C for each management function to specify whether ERDF finances A) salaries, B) top-ups, C) bonuses	Number of contractual staff co-financed by ERDF/CF (FTE) from 2007 until 12/2012	Total costs incurred from 2007 until 12/2012 (cumulative) in €
Total													
Managing Authority													
Total for all Intermediate bodies (if applicable)													
Certifying Authority (if applicable)													
Audit authority (if applicable)													

(1) FTE = Full-Time-Equivalent

(2) Civil servants = public officials

(3) Temporary agents = staff employed for temporary tasks and for a given duration of time

(4) Contractual staff = persons working for the ERDF/CF through a service contract with an external organisation (e.g. a consulting firm)

Source: Elaboration by Metis

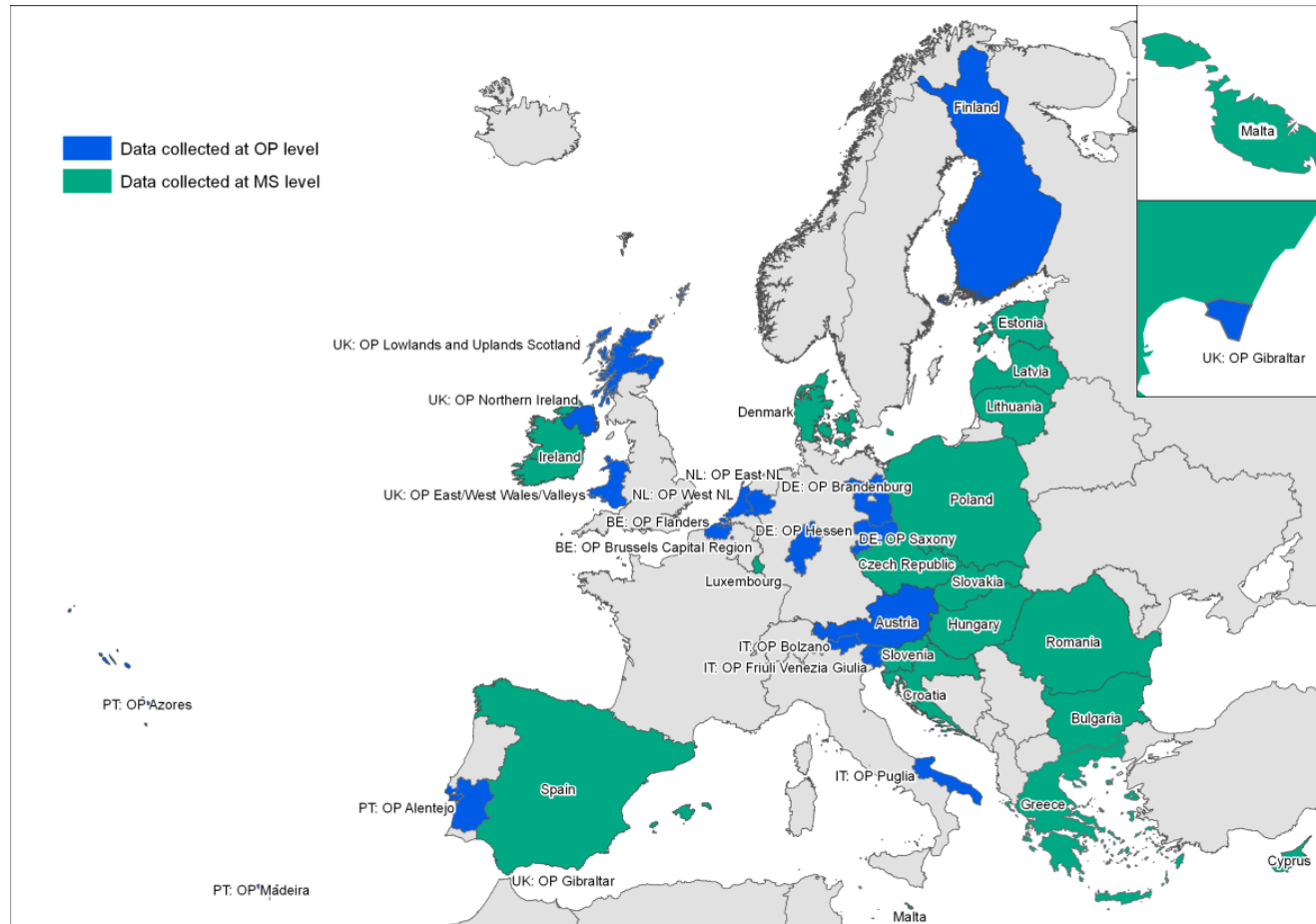
2.2 Collecting data from national and OP authorities

The sample used in the present study reflects the variety of the EU. The sample used in this study includes OPs with different Cohesion Policy objectives, varying spatial levels and types of funds across the countries. Hence, the present analysis allows for building general conclusions based on a rather representative sample. In fact, the map below shows the sample used in the present analysis as well as its administrative level. The sample includes:

- Old (EU-15) and new (EU-12) Member States
- A representation of both the Convergence and Regional Competitiveness and Employment objectives
- Member States from eastern and western Europe as well as northern and southern Europe
- Differing administrative governance structures as described in table 8 (chapter 4).

Out of the existing 246 OPs implemented in the 27 EU Member States in the 2007-2013 programming period (before the accession of Croatia in the summer of 2013), 61 national/sectoral OPs, 172 regional OPs and 13 multiregional OPs are implemented in the EU (see Annex 1). The overall ERDF/CF Community amount is € 277 bn and finances 246 OPs of which 130 are financed under the Convergence objective and 127 under the Regional Competitiveness and Employment objective. It should be noted that in Cyprus, the Czech Republic, Greece, Hungary, Portugal, Slovakia and Spain there are OPs which are financed under both the Convergence and the Regional Competitiveness and Employment objectives. 83.7% of the overall funds are allocated to Convergence OPs and 16.3% to Regional Competitiveness and Employment OPs. The sample used in the present study includes **129 OPs** which are financed with **€ 230.9 bn (88.1%)** under the Convergence objective and **with € 31.1 bn (11.9%)** under the Regional Competitiveness and Employment objective.

Map 1. Data collection at Member State and OP level



Source: Elaboration by Metis

The table below shows in detail which country fact sheets have been developed based on the information collected at national level, and in which Member States the MAs had to be contacted individually (table 1). In those countries where the survey was carried out at OP level, not all MAs have been able to participate in the study (BE, DE, IT, NL, PT, UK). In Sweden, no information could be collected either at national or at OP level. In France, the information provided by the authorities at national level consisted of basic estimations.

Table 1. Overview of data provided by OP and central authorities

	Information collected at national level	Information collected at OP level
Qualitative and quantitative surveys completed	BG CZ EE ES GR HR HU IE LV LT LU MT PL RO SK SI	AT: OP Vorarlberg AT: OP Tyrol AT: OP Salzburg AT: OP Burgenland AT: OP Carinthia AT: OP Upper Austria AT: OP Styria AT: OP Vienna AT: OP Lower Austria AT: Central Coordinating Unit AT: Certifying Authority BE: OP Flanders BE: OP Brussels Capital FI: OP Northern Finland FI: OP Western Finland FI: OP Eastern Finland FI: OP Southern Finland FI: OP Aland Islands DE: OP Hessen DE: OP Saxony PT: OP Technical Assistance PT: OP Thematic Factors of Competitiveness PT: OP Territorial Enhancement PT: OP Azores PT: OP Lisbon PT: OP Madeira PT: OP Alentejo UK: OP Gibraltar UK: OP Lowlands & Uplands Scotland UK: OP Highlands & Islands of Scotland UK: OP West Wales and the Valleys UK: OP East Wales UK: The European Sustainable Competitiveness Programme for Northern Ireland IT: OP Governance and TA IT: OP Research and Competitiveness

	Information collected at national level	Information collected at OP level
		IT: OP Puglia IT: OP Friuli Venezia Giulia IT: OP Autonomous Region of Bolzano NL: OP West Netherlands
Qualitative survey completed	CY	DE: OP Brandenburg
Quantitative survey completed	DK	NL: OP East Netherlands

Source: own compilation

The tables were completed and interpreted differently by the central and the programme authorities. This largely depended on national contexts and the organisational specificities of the institutions involved (e.g. data provided for different time frames than requested; no disaggregation of ERDF/CF/ESF possible³; aggregation of data provided for individual OPs at national level). These specific conditions and the extent to which the surveys were completed by the authorities have been described and justified in each specific country fact sheet.

2.3 Documentation and literature about co-financing staff costs from TA

The survey carried out in the framework of the present exercise aims to complement previous studies on administrative capacity and administrative costs and to fill the apparent gap of information on staff costs and human resources management.

SFC data base

The SFC database was used in the first part of the fact sheets in order to calculate the share of staff costs within TA and most importantly the Code of Expenditure 85 dedicated to “preparation, implementation, monitoring and inspection” and the Code of Expenditure 86, which refers to “Evaluation and studies, information and communication” (Part A Codes by Dimension, Annex 2 of EC Regulation 1828/2006).

OP documents

The OPs have been used in order to get an understanding of the objectives of TA within the OPs. With some exceptions (e.g. BE, DE, FR, PL), the OP documents are very general and do not provide any detailed information on staff costs needed for the analysis. Wherever human resources are described in available documents, the information provided relates to the activities to be carried out, such as progress in projects, dissemination of information and assistance and support of project promoters, rather than staff-management. This proves the added value of the present analysis.

Annual Implementation Reports

Not all AIRs publish information on the resources spent for TA in the AIRs. Most AIRs do publish the amounts dedicated to the Codes of Expenditure 85 and 86. Only in rare cases however do the AIRs report on the share of staff costs within TA (e.g. FR, BG). Occasionally, AIRs provide information on the numbers of staff, the types of contracts

³ LT and LV

(contractual agents, temporary staff), and changes in OP teams (e.g. new staff hired) or in staff management (e.g. trainings). The extent of information however varies significantly, and in general the information about staff is very general. Wherever possible and applicable, the AIRs of 2012 (or 2011 whenever the most recent ones were not published yet) were used to support and complement the information from the Member States.

Evaluations

Although there are evaluations about administrative capacity at EU and Member State level, there are no specific comprehensive evaluation reports about staff-management, staff costs, professional development and so forth.

Other sources

In view of complementing the fact sheets or compensating for the lack of information in some cases, other sources were consulted to identify existing action plans or strategies for personnel management, the types of contracts used, trainings offered to OP authorities, etc. Wherever reports are available, the information is very generic, outdated, or unclear about the type of staff referred to. In order to understand the regional and administrative contexts, the National Strategic Reference Frameworks (NSRF) of each Member State as well as other relevant studies and evaluations were consulted (e.g. Ex post evaluation of cohesion policy programmes 2000-2006 co-financed by the ERDF (Objective 1 and 2); WP 11: Management and Implementation Systems for Cohesion Policy).

2.4 Fact sheets development

The fact sheets have been structured in a uniform manner in order to facilitate the comparison between countries.

Financing staff costs from ERDF/CF TA

Following a general introduction on the country's ERDF/CF OPs, the first part of the fact sheets focused on the **approach and extent of the use of TA to co-finance staff costs**, the **monitoring mechanism** and the **future plans** with regards to co-financing staff costs in the given country. A percentage of staff costs within the total costs is then calculated based on the information provided in the qualitative questionnaire and the SFC data⁴.

⁴ It should be highlighted that in the majority of the cases, the amount allocated to the Codes of expenditure 85 and 86 provided by the interviewees differs from the SFC data information. The interviewees have not explained this dissimilarity.

Regulatory framework and management of staff working in ERDF/CF implementation structures

The second part of the fact sheets describes the regional and administrative structure based on NSRF, evaluations, official documents and websites. This part also identifies any **guiding documents** for staff working in ERDF/CF implementation structures, the **regulatory framework guaranteeing fair recruitment process** followed by staff in the ERDF/CF management and implementation structures as well as the **provisions in place to promote ethical behaviour and fight corruption**.

Moreover, the recruitment processes are described. Subsequently, the estimation of the **staff fluctuation** level by the authorities interviewed is presented along with a description of the reasons for staff to leave their position. In fact, the interviewees were asked to be specific with the **level of fluctuation** and the reasons behind it. Also, where applicable, desk research was used to compare the statement with the previous programming period⁵.

Moreover, the **gravity of staff fluctuation** is described by mentioning whether it has been considered to be challenging for the OP development. This part also describes through what **type of system the salary levels are determined**.

All fact sheets then include a **description of the professional (skills) development** measures in place. The information is issued from the questionnaires to a large extent. Wherever available, relevant information was added from the NSRF, AIRs and legal documents (such as national civil service law). In general, other sources are not as detailed as the information generated from the questionnaires, which again proves the value of the present empirical research.

Quantifying the number of co-financed staff and incurred staff costs

The third part of the fact sheets focuses on the number of staff in the ERDF/CF OPs, the staff costs and the types of contracts of the staff in the ERDF/CF OPs. The information in this chapter is solely based on the tables completed by the authorities. Given the large differences in the extent, quality and nature of the information provided across countries (and OPs), the data analysis was a case-by-case process.

Looking at the data provided in the table by the interviewees (columns B and C), a standardised figure was developed to illustrate the **number of staff** within the ERDF/CF OPs across the management functions (Central Coordinating Unit, MAs, IBs, Certifying and Audit Authorities).

Also, based on the data provided in the columns E and F, the **eligible staff costs** and the ERDF/CF sum of co-financing by management function has been calculated. A standardised figure was also developed for this information in view of comparing the extent of the costs and the ERDF/CF proportion. In addition, an estimate for the **average yearly costs for one person working in the ERDF/CF OPs** in the given country has been calculated. As mentioned earlier, this exercise is unprecedented as in existing data bases, the salaries (which differ from the gross staff costs examined in the present exercise) are not analysed systematically and do not take into account the same sample (administration, civil servants, costs for temporary agents and costs for contractual agents), timeframe or costs (e.g. nationally and institutionally decided

⁵ Given the different elements related to the competitiveness of salaries (level of taxes and social contributions, status of civil servants, etc.), a comparison with existing data bases would not be reliable.

social welfare contributions)⁶. However, this report compares the average yearly staff costs per person (FTE) administering ERDF/CF programmes with persons working in the public sector where applicable.

Moreover, the **volume of ERDF/CF resources administered by one person** working in the implementation and management structures was calculated by dividing the total ERDF/CF resources by the total number of staff.

In addition, wherever possible, **the number of staff by Intermediate Body** has been calculated by dividing the total number of staff working in Intermediate Bodies by the number of Intermediate Bodies.

Finally, the fact sheets include information on the **types of contracts** (civil servants, temporary agents and contractual staff) as well as the **type of remuneration** (salaries, top-ups, and /or bonuses) provided in each Member State.

A case-by-case solution had to be applied for those Member States, where the information was not complete or missing (e.g. BE, UK, AT, FI). For example, since in the case of Belgium the questionnaires were completed for only two out of the four OPs, the information was described for those very OPs and the figures were also developed per OP. In cases such as the Netherlands or Austria, the data provided was hardly comparable and could hence not be aggregated either (e.g. in the Netherlands only 2 OPs out of 4 completed the questionnaires; and one OP provided data on the MA only in contrast to the other OP).

Summary

For each fact sheet, a summary was included in the fourth part recapitulating the most important findings and the data availability as well as the most positive and the most challenging issues with regards to staff administration in ERDF/CF OPs.

⁶ See for instance Eurostat
(<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=de&pcode=tps00173&plugin=0>
; http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Wages_and_labour_costs)

3 Quantifying the number of co-financed staff and incurred staff costs

14,752 persons (FTE) per year were reported to be involved in managing and implementing the ERDF/CF by the authorities consulted in the survey. This number does however not represent all members of staff working on ERDF/CF management and implementation in the EU but it represents the sample used in this report.

In the table below, the number of staff involved in ERDF/CF management and implementation is indicated by Member State and by OP (table 2). The total number of staff per Member State is the sum of all staff involved in managing and implementing the ERDF/CF in the country per year, as reported by the authorities interviewed at national level. The average number of ERDF/CF staff per year and per OP has been obtained by dividing the total number of ERDF/CF staff in the country by the number of ERDF/CF OPs. Wherever the information was provided at OP level but not all ERDF/CF OPs in the country participated in the study, the average per OP was calculated on the basis of those OPs that were included in the sample. For example, given that the sample for the UK consists of six out of the 16 existing ERDF OPs, the average number of staff per OP is obtained by calculating the average of those six OPs; and the total number of staff for at Member State level is not known.

Table 2. Yearly number of ERDF/CF staff per Member State and in average per OP

Member State	Yearly number of ERDF/CF staff per Member State	Yearly average number of ERDF/CF staff per OP
Poland	5972.3	298.6
Lithuania	587.9	293.9
Estonia	334.3	167.1
Hungary	2037.5	156.7
Slovakia	1123.2	124.8
Latvia	224	112
Greece	1080.8	108.1
Czech Republic	1374.4	98.2
Slovenia	167.5	83.8
Romania	383.9	76.8
Portugal		50.7
Finland	234.3	46.9
Ireland	76.2	38.1
Malta	33.9	33.8
United Kingdom		30.2
Denmark	29	29
Bulgaria	125.8	25.2
Belgium		22.2
Italy		22
Germany		16
Netherlands		15.8

Member State	Yearly number of ERDF/CF staff per Member State	Yearly average number of ERDF/CF staff per OP
Luxembourg	7.2	7.2
Austria	60.7	6.7

Source: Compilation by Metis based on the information from the interviewees

This chapter aims at analysing the extent to which staff is assigned to various management functions and the types of staff contracts in ERDF/CF structures as well as the staff costs incurred in the OPs.

3.1 Monitoring the use of TA resources to finance staff costs

Staff costs are monitored in different ways and to varied extent across the EU Member States and OPs.

Most EU Member States and OPs do monitor the use of TA resources by calculating the share of co-financing salaries, bonuses and top-ups attributed to the Codes of Expenditure 85 and/or 86⁷. In a number of OPs, no systematic monitoring of staff costs is carried out in specific, which can impact on the availability of the information on the resources spent on staff costs within TA. The habit and system of monitoring of staff costs can also vary across the OPs within one country (AT, BE, DE, IT, NL, PT, RO, UK). This is summarised in table 3.

Table 3. Existence of systematic monitoring of staff costs under TA in the EU Member States

SYSTEMATIC MONITORING OF STAFF COSTS			NO SYSTEMATIC MONITORING OF STAFF COSTS*
Calculating the share of staff costs attributed to Code of Expenditure 85	Calculating the share of staff costs attributed to Code of Expenditure 86	Calculating the share of staff costs without differentiating between the Codes of Expenditure 85 or 86	
AT: OP Carinthia BE: OP Flanders EE FI DE: OP Hessen DE: OP Saxony GR IE IT: OP Governance and TA IT: OP Puglia IT: OP Research and Competitiveness LU LV	IT: OP Puglia LV PT: OP Territorial Enhancement	AT: OP Vorarlberg CY ES HU IT: OP Bolzano NL: OP West Netherlands PL MT SK SI PT : OP Thematic Factors of Competitiveness PT: OP Azores	AT (except for OP Carinthia and OP Vorarlberg) BE: OP Brussels Capital BG CZ LT NL: OP East Netherlands PT: OP Alentejo PT: OP Madeira RO: OP Increasing the Economic Competitiveness RO: OP

⁷ No information about the system of monitoring staff costs within TA in DK, FR, SE.

SYSTEMATIC MONITORING OF STAFF COSTS			NO SYSTEMATIC MONITORING OF STAFF COSTS*
Calculating the share of staff costs attributed to Code of Expenditure 85	Calculating the share of staff costs attributed to Code of Expenditure 86	Calculating the share of staff costs without differentiating between the Codes of Expenditure 85 or 86	
PT: OP TA PT: OP Territorial Enhancement RO: OP TA UK: OP Gibraltar		PT: OP Lisbon UK: OP West Wales UK: OP East Wales	Environment UK: OP Highlands and Islands Scotland UK: Lowlands and Uplands Scotland

Source: Calculation by Metis based on the information from the interviewees

* “No systematic monitoring of staff costs” means that the staff costs are not calculated automatically within the OPs applying either of the methods described in the first three columns of the table. Some of the Member States and OPs in the last column have been able to provide information about staff costs for the purpose of this study although staff costs are usually not systematically monitored at least in all OPs (e.g. CZ).

The survey has shown that the existence or implementation of a system for monitoring staff costs within TA does not necessarily mean that the authorities interviewed have access to the information on the staff costs attributed to the Codes of Expenditure (e.g. IE).

3.2 Co-financing staff costs from TA

As laid down in Article 45 of the Council Regulation (EC) 1083/2006, the EU Member States can choose to use TA for financing the “preparatory, management, monitoring, evaluation, information and control activities of OPs together with activities to reinforce the administrative capacity for implementing the Funds” within defined limits. The primary objective of this report was to find out which Member States and OPs do finance staff costs from TA. The survey showed that **TA is used in all EU Member States⁸ to co-finance staff costs**, even in the wealthier Member States with smaller OPs (e.g. LU).

The survey also aimed to find out whether staff costs are attributed to the Code of Expenditure 85 which refers to “preparation, implementation, monitoring and inspection” or to Code of Expenditure 86 which refers to “Evaluation and studies, information and communication” as defined in Commission Regulation (EC) 1828/2006 Annex II, or any other Code of Expenditure. The share of resources for financing staff costs attributed to the Codes 85 and 86 – where available – as well as the type of remuneration for staff working in ERDF/CF implementation and management are presented by Member State (table 4).

⁸ Excluding SE, where this information could not be collected.

Table 4. Share of staff costs attributed to the Codes of Expenditure 85 and 86 and type of remuneration co-financed by ERDF/CF by Member State

Country	Share of Code of Expenditure 85 allocation dedicated for financing staff costs for the period 2007-2013 in %	Share of Code of Expenditure 86 allocation dedicated for financing staff costs for the period 2007-2013 in %	ERDF/CF co-finances A) salaries, B) top-ups, C) bonuses
Luxembourg	97.7	0	A
Finland	85.5	0	A
Estonia	80	0	A, B, C
Cyprus	77.9	80.5	A
Greece	77.61	0	A
Malta	68.4	0	A
Slovenia	67.7	0	A, B, C
Slovakia	57.9	0	A, B, C
Portugal	48.7 ⁹	23.3 ¹⁰	A, B, C
Latvia	28.5	31.5	A, C
Poland	32.2	0	A, B, C
Austria	15.83	0	A
Belgium			A
Bulgaria			A, C
Czech Republic			A, B, C
Denmark			A
France			A
Germany			A
Hungary			A, C
Ireland			A
Italy			A, B, C
Lithuania			A, B, C
Netherlands			A
Romania			B
Spain			A
United Kingdom			A

Source: Calculation by Metis based on SFC data and the information from the interviewees

N.B. In countries such as France and Germany, the type of remuneration has been generalized on the basis of the information collected for some regions and Länder.

With the exception of Romania, TA co-finances mainly salaries. Only in 11 countries TA also finances top-ups and/or bonuses in addition to salaries (table 4). Wherever top-ups and bonuses are co-financed, it can be assumed that the staff is remunerated

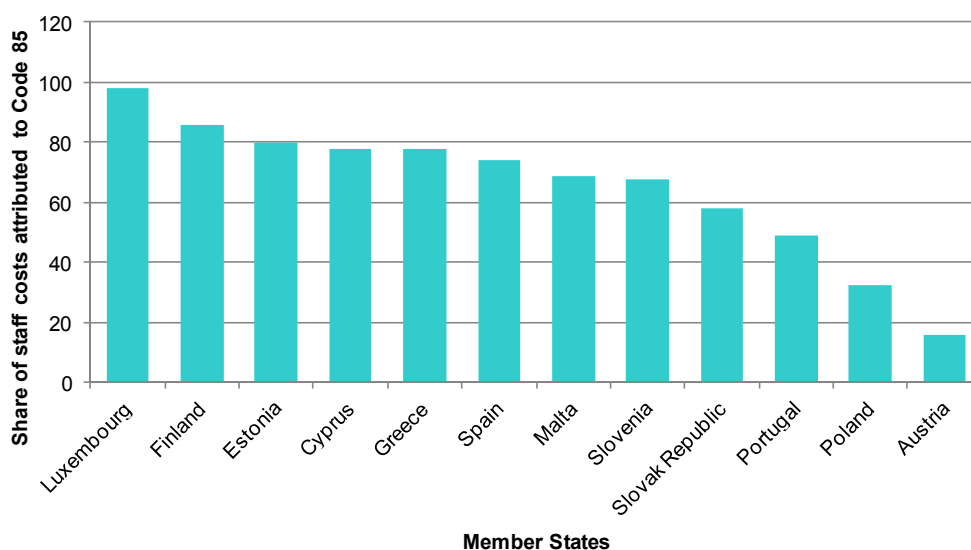
⁹ Average of OP Thematic Factors of Competitiveness, OP Territorial Enhancement, OP Technical Assistance and OP Azores

¹⁰ Average based on the data for the OP Territorial Enhancement and the OP Azores

for taking on additional tasks (management and implementation of EU funds) within their respective institutions.

The resources for staff costs are usually attributed to Code of Expenditure 85, but in some cases also to the Code of Expenditure 86 (CY, LV, PT). The share of staff costs attributed to the Code of Expenditure 85 is illustrated in figure 3.

Figure 3. Share of Code of Expenditure 85 dedicated to financing staff costs for the period 2007-2013 for ERDF/CF OPs per country (in %)



Source: Elaboration by Metis based on SFC data and the information from the interviewees

N.B.: This graph is based on the data obtained from the authorities contacted which is why not all countries are represented.

The share of staff costs allocated at the onset of the programming period 2007-2013 and attributed to Code of Expenditure 85 differs largely across the 12 countries examined. The illustration shows that there is no apparent pattern neither with regards to ‘old’ or ‘new’ Member States (2004 and 2007 accession countries) nor “large” or “smaller” Member (figure 3).

It should be noted that since figure 3 shows percentages and not absolute figures, Luxembourg is ranked first. If the data were to be presented in absolute terms, Luxembourg would rank last as the total TA allocation is highest in Poland, and lowest in Luxembourg.

In Croatia, the plans for using TA for co-financing staff costs are underway. This is described in more detail in Box 1.

Box 1. Plans for co-financing staff costs in Croatia in 2014-2020

Croatia is currently in the process of planning the management and implementation of the future ESI Funds for the period of 2014-2020. The authorities plan for the future OP Technical Assistance to cover the management and staff costs of the persons working on the implementation of EU Funds. The number of staff needed for the management and control of EU funds will be based on the work-load analyses carried out in the course of the “compliance assessment exercise”. According to the representative of the Ministry for Regional Development, so far, only salaries were co-financed by EU funds during the pre-accession time (under the IPA IV component). However, there is currently a discussion about amending the existing national legal basis for civil servants in view of possibly allowing the co-financing of top-ups in the future as well.

Source: Elaboration by Metis based on the information from the interviewee

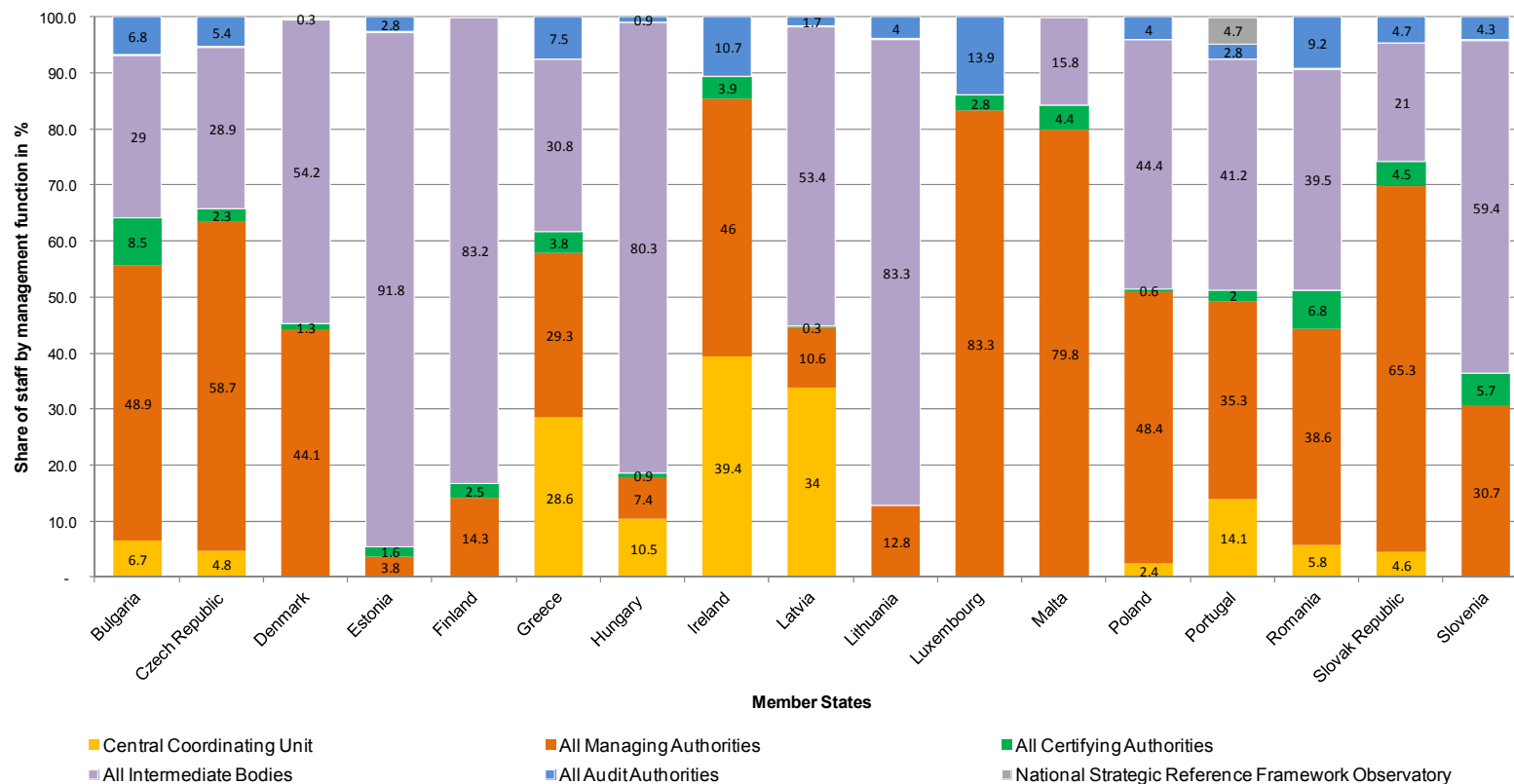
3.3 Total number of staff managing or implementing the ERDF/CF

This chapter focuses on the sample of the recorded 14,752 persons (FTE) per year, managing and implementing the ERDF/CF, and compares the number of persons involved across the management functions (Central Coordinating Unit, MA, IBs, Certifying and Audit Authority, and other bodies). It also shows the number of civil servants involved in comparison to temporary agents and contractual staff by focusing on the two largest management functions, namely the MAs and IBs.

Number of staff by management function

The number of staff working in ERDF/CF programmes has been divided by management function. It has been possible to aggregate the data at national level for 17 countries. The repartition of staff within the management functions in the period 2007-12/2012 is presented in percentage terms below (figure 4).

Figure 4. ERDF/CF staff by management function per country 2007-12/2012 (in % of total ERDF/CF staff)



Source: Elaboration by Metis based on information from the interviewees

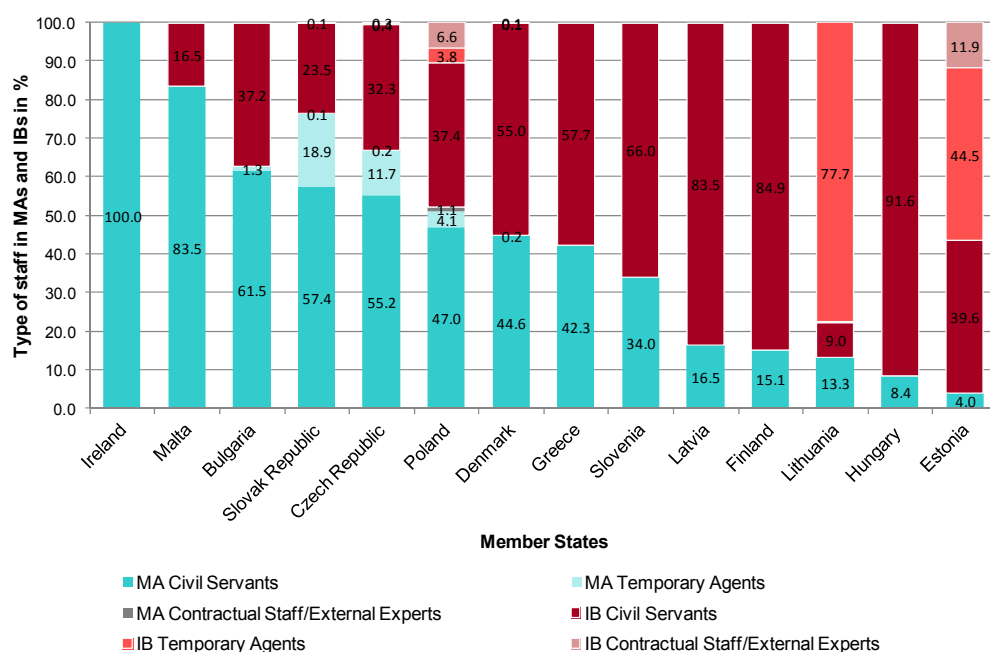
N.B.: 1) The absolute data is not presented because it is not comparable across countries. Large differences in the number of OPs, amount of expenditures and data availability would highly bias the result. 2) It should be noted that in the cases of LV and LT, the staff involved in the ESF is included because the data could not be disaggregated from the ERDF/CF as explained more thoroughly in their respective fact sheets. 3) In the case of Portugal data was also provided for the National Strategic Reference Framework Observatory which is responsible for the strategic monitoring of SF in the country.

The majority of the ERDF/CF staff works in the MAs and the IBs. Comparing the staff of the latter 17 countries, 37% work in the MAs and 42% work in the IBs. Nearly 8% of all staff working in ERDF/CF OPs in the EU (excluding countries where data was not provided) is located in the Central Coordinating Units in 10 countries; 3% of all staff works in Certifying Authorities and around 4% in Audit Authorities.

Type of staff working in MAs and IBs

Given that the majority of staff managing and implementing the ERDF/CF OPs works in the MA or the IBs, the graph below focuses merely on these two management functions (figure 5).

Figure 5. Share of civil servants, temporary agents and contractual agents working in MAs and IBs



Source: Elaboration by Metis based on information from the interviewees

N.B.: 1) The term 'civil servant' is to be understood in a broad way as its definition can differ depending on the national context. In this study, civil servants therefore refer to persons employed in a public institution with long-term contracts (at least for the period of a political cycle); persons working in the civil service; government workers; or public officials. 2) It should be noted that in the cases of LV and LT, the staff involved in the ESF is included because the data could not be disaggregated from the ERDF/CF as explained more thoroughly in their respective fact sheets.

Looking at the number of staff working in the MAs and IBs per country, it is possible to get a clearer picture of the countries where a large share of staff works in the IBs. This type of implementation structure applies for Estonia, Hungary, Lithuania, Finland and Latvia, in contrast to Ireland (no IBs), Malta or Slovakia.

Moreover, figure 5 shows the share of civil servants, temporary and contractual agents within the total number of staff working in the MAs and IBs. While the figure clearly shows that the number of civil servants prevails in the MAs as well as the IBs, some countries show a more differentiated picture. In Slovakia, in addition to civil servants,

the MA also employs temporary staff to manage and implement the ERDF/CF. In Lithuania, not only is the number of staff in the IBs much higher than in the MA, but also, the IBs themselves hire a large number of contractual agents. In Estonia, all types of contracts apply namely civil servants, temporary agents and contractual agents.

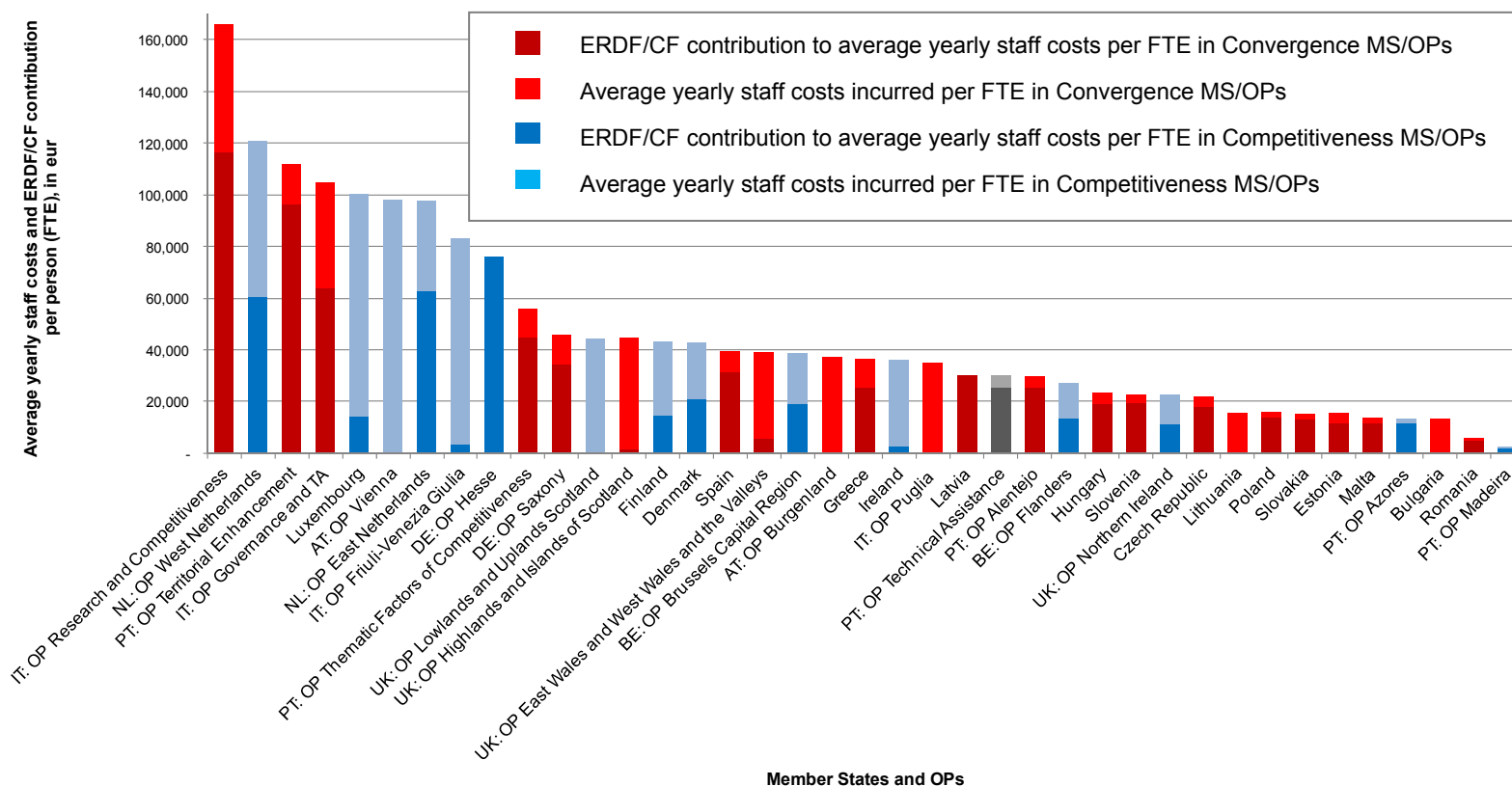
3.4 Average yearly staff costs

The average yearly staff costs in Europe differ across the countries and so do the staff costs for persons working in ERDF/CF implementation structures. In addition, the crisis had a different impact on GDP and employment across the EU Member States¹¹.

The average yearly staff costs and the share of ERDF/CF co-financing were provided by 24 countries in the framework of this report. Out of these 24 countries, six countries (AT, DE, IT, NL, PT, UK) provided the information at OP level wherever available (figure 6).

¹¹ cf. Eighth progress report on economic, social and territorial cohesion (June 2013), available at: http://ec.europa.eu/regional_policy/information/reports/index_en.cfm

Figure 6. Average yearly staff costs incurred and share of ERDF/CF co-financing per FTE



Source: Calculation by Metis based on information from the interviewees

N.B.: 1) The Portuguese OP Technical Assistance follows the Competitiveness and Employment as well as the Convergence objectives. It is therefore shaded in grey. 2) For the OP Burgenland (AT), OP Hessen (DE), OP Puglia (IT) and Lithuania, there is information about the yearly staff costs per person (FTE) but not on the ERDF/CF contribution, which is why they have been included in the graph, but not divided into two colour shades. 3) In the cases of LV and LT the costs of staff involved in the ESF is included because the data could not be disaggregated from the ERDF/CF as explained thoroughly in their respective fact sheets. In BG the average has been calculated on the staff costs incurred between 2009 and the end of 2012.

The comparison of the average yearly staff costs per person (FTE) across the Member States and OPs (wherever the data collection was made at OP-level) leads to the following findings:

- **Broad range:** In the majority of countries and OPs, the average yearly staff costs per person (FTE) range between around € 17,000 and € 50,000. However, the average yearly staff costs incurred, as reported by the responsible authorities, differ considerably across the EU, ranging from € 2,230 in the OP Madeira in Portugal to over € 160,000 in the OP Research and Competitiveness in Italy.
- **Old vs. new Member States:** A clear division between the “old” and the “new” Member States can be observed with regards to average yearly staff costs incurred. In fact, all “new” EU Member States (2004 and 2007 accession countries) are in the right half of the graph (figure 6), meaning that the average yearly staff costs incurred are lower than in the “old” Member States.
- **Competitiveness and Employment vs. Convergence:** There is no apparent pattern when comparing the average yearly staff costs in countries and OPs characterised as “Convergence” regions with countries and OPs classified as “Competitiveness and Employment” regions. This could be interpreted by the fact that the average staff costs incurred are decided upon within the institutions and organisations concerned and are not related to the amount of ERDF/CF resources allocated to a country or OP.
- **Large differences within the Member State:** Within a Member State, there can be remarkable differences across the OPs when looking at the yearly average staff costs incurred. Looking at the OPs in Portugal for instance, in the OP Territorial Enhancement the average incurred staff costs are as high as € 150,000, while in the OP Madeira the costs amount to € 2,230.

The TA resources used to finance staff costs in the ERDF/CF implementation structures do not necessarily come from ERDF and/or CF. In some OPs staff is co-financed from the European Social Fund (ESF) TA or both - the ESF and ERDF/CF. In some countries (e.g. GR, LV, LT, SI) staff is also responsible for managing and implementing the ESF. In Greece, staff involved in the implementation of the Agriculture Funds for Rural Development (EAFRD) and European Fisheries Fund (EFF) OPs are also implemented by the same persons.

The share of EU contribution to the overall staff costs differs across the Member States as well. In Ireland, Finland, Denmark, Spain and the Netherlands, the share of EU contribution are considerably lower than in the remaining countries. Looking at the incurred staff costs, the eligibility rules of 50% and 85% are not necessarily applied (figure 6).

It is difficult to estimate the impact of the ERDF/CF on the salaries or even the staff costs of staff administering the funds and OPs in the Member States. It is possible however to compare the average yearly staff costs reported on by the authorities interviewed with the average staff costs in the public sector. The average staff costs in the public sector were calculated on the basis of the average staff costs per hour worked and the number of hours worked in the public sector (Eurostat, 2008). A comparison of the average staff costs in the national public sector with the average staff costs recorded through the survey is provided in table 5 below.

Table 5. Comparing the average yearly staff costs per FTE with the national staff costs in the public sector

Member State	Average yearly staff costs per FTE in the public sector (2008, in eur)	Average yearly staff costs per FTE (2007-2013, in eur)
Bulgaria	6,003	13,275
Czech Republic	18,820	21,587
Estonia	17,099	15,275
Ireland	57,938	35,937
Spain	36,127	39,215
Latvia	15,340	30,109
Lithuania	14,170	15,817
Hungary	19,864	23,125
Netherlands	61,767	61,403
Romania	9,874	5,825*
Slovenia	29,063	22,847
Slovakia	12,109	15,463
United Kingdom	51,333	37,446

Source: own calculation based on Eurostat data base (2008) and the information provided by the interviewees

N.B.: 1) The calculation of the average yearly staff costs per FTE in the public sector is based on the "Labour cost, wages and salaries, direct remuneration" in the public administration and defense sector (NACE Rev. 1.1 (source LCS 2008) [lc_n08cost_r1]) and the "Number of hours actually worked and paid per employee" in the public administration and defense sector (NACE Rev. 2 (source LCS 2008) [lc_n08num2_r2]) – Eurostat, 2008. 2) Merely those countries were included in the table for which Eurostat data was available for both labour costs/hour/per employee in the public sector and the average hours worked/employee in the public sector. 3) *This figure merely represents the co-financed top-ups of staff administering the ERDF/CF programmes.

In eight Member States out of 13 the average yearly staff costs per person (FTE) for staff managing or implementing the ERDF/CF programmes are higher than for staff working in the public sector in general. In Bulgaria, Latvia, Hungary and Slovakia the staff costs of the persons administering ERDF/CF resources are significantly higher than the average staff costs of persons working in the public sector. In Romania, it must be highlighted that the average yearly staff costs per person (FTE) are merely the top-ups meaning that the total costs per person are much higher. It can be assumed that as for the aforementioned countries, the costs of ERDF/CF co-financed staff are higher than those of the average staff costs in the public sector. This leads to the assumption that in the 'new' EU Member States the salaries of the persons administering ERDF/CF resources are higher than for other persons working in the public sector.

3.5 Type of contracts and type of remuneration co-financed by ERDF/CF

Previous research has concluded that the number of implementing bodies per programme has implications on the overall administrative costs¹². Staff working in ERDF/CF implementation structures includes civil servants (persons employed in a public institution with long-term contracts; persons working in the civil service; government workers; or public officials), temporary agents (working in ERDF/CF implementation for a given period of time) or contractual agents (persons hired and financed through external contracts). All kinds of staff types can be financed either through salaries, top-ups or bonuses or through more than one type of remuneration. The method and extent of dividing the management and implementation responsibilities within the OPs differ across the Member States (table 6).

¹² Böhme, Kai, SWECO International (2010): Regional governance in the context of globalisation: reviewing governance mechanisms & administrative costs. Stockholm

Table 6. Type of contracts and type of remuneration co-financed by ERDF/CF by Member State

Country	Central Coordinating Unit	Managing Authorities	Intermediate Bodies	Certifying Authorities	Audit Authorities	National Strategic Reference Framework Observatory
Austria		<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries • Contractual staff 	<ul style="list-style-type: none"> • Civil servants' salaries • Contractual staff 	Contractual staff		
Belgium		<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries 		<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries 	<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries 	
Bulgaria	<ul style="list-style-type: none"> • Civil servants' salaries and top-ups • Temporary agents' salaries and top-ups 	<ul style="list-style-type: none"> • Civil servants' salaries and top-ups • Temporary agents' salaries and top-ups • Contractual staff 	Civil servants	Civil servants	Civil servants' salaries and top-ups	
Cyprus	salaries	salaries	salaries	salaries	salaries	
Czech Republic	<ul style="list-style-type: none"> • Salaries, top-ups and bonuses of employees with long-term contracts • Temporary agents' salaries 	<ul style="list-style-type: none"> • employees with long-term contracts • Temporary agents • Contractual staff 	<ul style="list-style-type: none"> • employees with long-term contracts • Temporary agents • Contractual staff 	<ul style="list-style-type: none"> • Salaries, top-ups and bonuses of employees with long-term contracts • Temporary agents' salaries 	<ul style="list-style-type: none"> • Salaries, top-ups and bonuses of employees with long-term contracts • Temporary agents' salaries 	

Country	Central Coordinating Unit	Managing Authorities	Intermediate Bodies	Certifying Authorities	Audit Authorities	National Strategic Reference Framework Observatory
Denmark		<ul style="list-style-type: none"> • Civil servants' salaries • Contractual staff 	<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries • Contractual staff 	Civil servants	Civil servants' salaries	
Estonia		Civil servants' salaries, top-ups and bonuses	<ul style="list-style-type: none"> • Civil servants' salaries, top-ups and bonuses • Temporary agents' salaries and top-ups • Contractual staff 	Civil servants' salaries, top-ups and bonuses	Civil servants' salaries, top-ups and bonuses	
Finland		Civil servants' salaries	Civil servants' salaries	Civil servants' salaries		
Germany	Salaries	Salaries	Salaries	Salaries	Salaries	
Greece	Civil servants' salaries	Civil servants' salaries	Civil servants' salaries	Civil servants' salaries		
Hungary	Civil servants' salaries and bonuses	Civil servants' salaries and bonuses	Civil servants' salaries and bonuses	Civil servants' salaries	Civil servants' salaries	
Ireland	Salaries	Civil servants' salaries	Salaries	Civil servants' salaries	Civil servants' salaries	

Country	Central Coordinating Unit	Managing Authorities	Intermediate Bodies	Certifying Authorities	Audit Authorities	National Strategic Reference Framework Observatory
Italy		<ul style="list-style-type: none"> • Civil servants' salaries and top-ups • Temporary agents' salaries and top-ups • Contractual staff 	Contractual staff	<ul style="list-style-type: none"> • Civil servants' salaries and top-ups • Temporary agents' salaries 	Contractual staff	
Latvia	Civil servants' salaries and bonuses	Civil servants' salaries and bonuses	Civil servants' salaries and bonuses	Civil servants' salaries and bonuses	Civil servants' salaries and bonuses	
Lithuania		<ul style="list-style-type: none"> • Civil servants' salaries, top-ups and bonuses • Contractual staff 	<ul style="list-style-type: none"> • Civil servants' salaries, top-ups and bonuses • Temporary agents' salaries, top-ups and bonuses • Contractual staff 		<ul style="list-style-type: none"> • Civil servants' salaries, top-ups and bonuses • Temporary agents' salaries and top-ups • Contractual staff 	
Luxembourg		Contractual staff				
Malta		Civil servants' salaries	Civil servants' salaries	Civil servants' salaries		
Netherlands		<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents • Contractual staff 				

Country	Central Coordinating Unit	Managing Authorities	Intermediate Bodies	Certifying Authorities	Audit Authorities	National Strategic Reference Framework Observatory
Poland	Civil servants' salaries, top-ups and bonuses	<ul style="list-style-type: none"> Civil servants' salaries, top-ups and bonuses Temporary agents' salaries Contractual staff 	<ul style="list-style-type: none"> Civil servants' salaries, top-ups and bonuses Temporary agents' salaries Contractual staff 	Civil servants' salaries, top-ups and bonuses	Civil servants' salaries, top-ups and bonuses	
Portugal	<ul style="list-style-type: none"> Civil servants' salaries, top-ups and bonuses Temporary agents' salaries and top-ups 	<ul style="list-style-type: none"> Civil servants' salaries and top-ups Temporary agents' salaries, top-ups and bonuses Contractual staff 	<ul style="list-style-type: none"> Civil servants' salaries and top-ups Temporary agents Contractual staff 	<ul style="list-style-type: none"> Civil servants' salaries and top-ups Temporary agents' salaries and top-ups 	<ul style="list-style-type: none"> Civil servants' salaries and top-ups Temporary agents' salaries and top-ups 	<ul style="list-style-type: none"> Civil servants' salaries and top-ups Temporary agents' salaries and top-ups
Romania	Civil servants' top-ups	Civil servants' top-ups	Civil servants' top-ups	Civil servants' top-ups	Civil servants' top-ups	
Slovakia	<ul style="list-style-type: none"> Civil servants' salaries, top-ups and bonuses Temporary agents' salaries 	<ul style="list-style-type: none"> Civil servants' salaries, top-ups and bonuses Temporary agents' salaries and bonuses Contractual staff 	<ul style="list-style-type: none"> Civil servants' salaries and bonuses Temporary agents' bonuses 	Civil servants	<ul style="list-style-type: none"> Civil servants Contractual staff 	
Slovenia	Civil servants' salaries, top-ups and bonuses	Civil servants' salaries, top-ups and bonuses	Civil servants' salaries, top-ups and bonuses	Civil servants' salaries, top-ups and bonuses	Civil servants' salaries, top-ups and bonuses	

Country	Central Coordinating Unit	Managing Authorities	Intermediate Bodies	Certifying Authorities	Audit Authorities	National Strategic Reference Framework Observatory
Spain	Civil servants' salaries	Civil servants' salaries	<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries • Contractual staff 	Civil servants' salaries	<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries • Contractual staff 	
United Kingdom		<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries • Contractual staff 	Civil servants' salaries	Civil servants' salaries	<ul style="list-style-type: none"> • Civil servants' salaries • Temporary agents' salaries 	

Source: Compilation by Metis based on SFC data and the information from the interviewees

Most staff managing and implementing the ERDF/CF OPs, across all management functions (Central Coordinating Units, MAs, IBs, Certifying and Audit Authorities as well as other bodies), are civil servants (in a broad sense, as defined earlier in this report). As mentioned earlier, the main form of remuneration supported is salaries, but many Member States and OPs also decide to use TA to co-finance the top-ups and bonuses of staff managing the ERDF/CF.

In table 7, an overview of the share of the staff in each type of contract (civil servants, temporary agents, contractual staff) and in each Member State is given (whenever available). This table also presents the share of staff costs incurred per type of contract. It allows comparing the costs by type of contract in percentage terms within the total number of staff as well as the corresponding absolute figures in brackets. To name an example, while in Estonia around 11% (288 persons FTE) of staff are contractual agents, they are covered by only 2.5% (€2,540) of co-financing staff costs.

Table 7. ERDF/CF co-financed number of staff and staff costs by type of contract (civil servants, temporary agents and contractual staff) from 2007 until 12/2012

Country	Civil Servants		Temporary Agents		Contractual staff	
	Share of civil servants in % (total number of civil servants)	Share of staff costs incurred for civil servants in % (average costs for 1 person, FTE)	Share of temporary agents in % (total number of temporary agents)	Share of staff costs incurred for temporary agents in % (average costs for 1 person, FTE)	Share of contractual staff members in % (total number of contractual staff)	Share of staff costs incurred for contractual staff in % (average costs for 1 person, FTE)
Bulgaria	98.8% (3,941)	95.2% (€4,879)	1.2% (48)	4.2% (€17,579)	N/A	0.6% (NA)
Czech Republic	88.5% (7,298)	91.3% (€22,272)	11.1% (919)	7.4% (€14,366)	0.3% (29)	1.2% (€76,370)
Denmark	99.6% (174)	97.5% (€41,217)	0.1% (0.1)	0.03% (€20,780)	0.33% (0.6)	2.4% (€307,602)
Estonia	46.1% (924)	89.4% (€22,191)	42.58% (854)	8% (€2,155)	11.4% (228)	2.5% (€2,540)
Finland	100% (942)	100% (€43,272)				
Greece	100% (4511)	100% (€36,442)				
Hungary	100% (12,154)	100% (€23,179)				
Ireland	100% (457)	100% (N/A)				
Latvia	100% (1,344)	100% (€30,109)				
Lithuania	24.3% (857)	23.8% (€15,501)	75.7% (2,670)	70.7% (€14,779)	N/A	5.4%
Luxembourg	72.2% (5)				27.8% (2)	
Malta	100% (203)	100% (€13,629)				
Poland	85.4% (30,621)	91.8% (€16,782)	7.3% (€2,634)	0.6% (€1,236)	7.2% (2,578)	7.6% (€16,593)
Portugal	64.1% (1,338)	70.1% (€41,248)	24.6% (515)	22.6% (€34,515)	11.3% (236)	7.3% (€24,223)

Country	Civil Servants		Temporary Agents		Contractual staff	
	Share of civil servants in % (total number of civil servants)	Share of staff costs incurred for civil servants in % (average costs for 1 person, FTE)	Share of temporary agents in % (total number of temporary agents)	Share of staff costs incurred for temporary agents in % (average costs for 1 person, FTE)	Share of contractual staff members in % (total number of contractual staff)	Share of staff costs incurred for contractual staff in % (average costs for 1 person, FTE)
Slovakia	82.7% (5,709)	94.8% (€16,198)	17.1% (1,184)	1.2% (€1,032)	0.17% (12)	3.9% (€336,770)
Slovenia	100% (1005)	100% (€22,198)				

Source: compilation by Metis based on the information from the interviewees

N.B.: It should be noted that in the cases of LV and LT, the staff involved in the ESF is included because the data could not be disaggregated from the ERDF/CF as explained more thoroughly in their respective fact sheets.

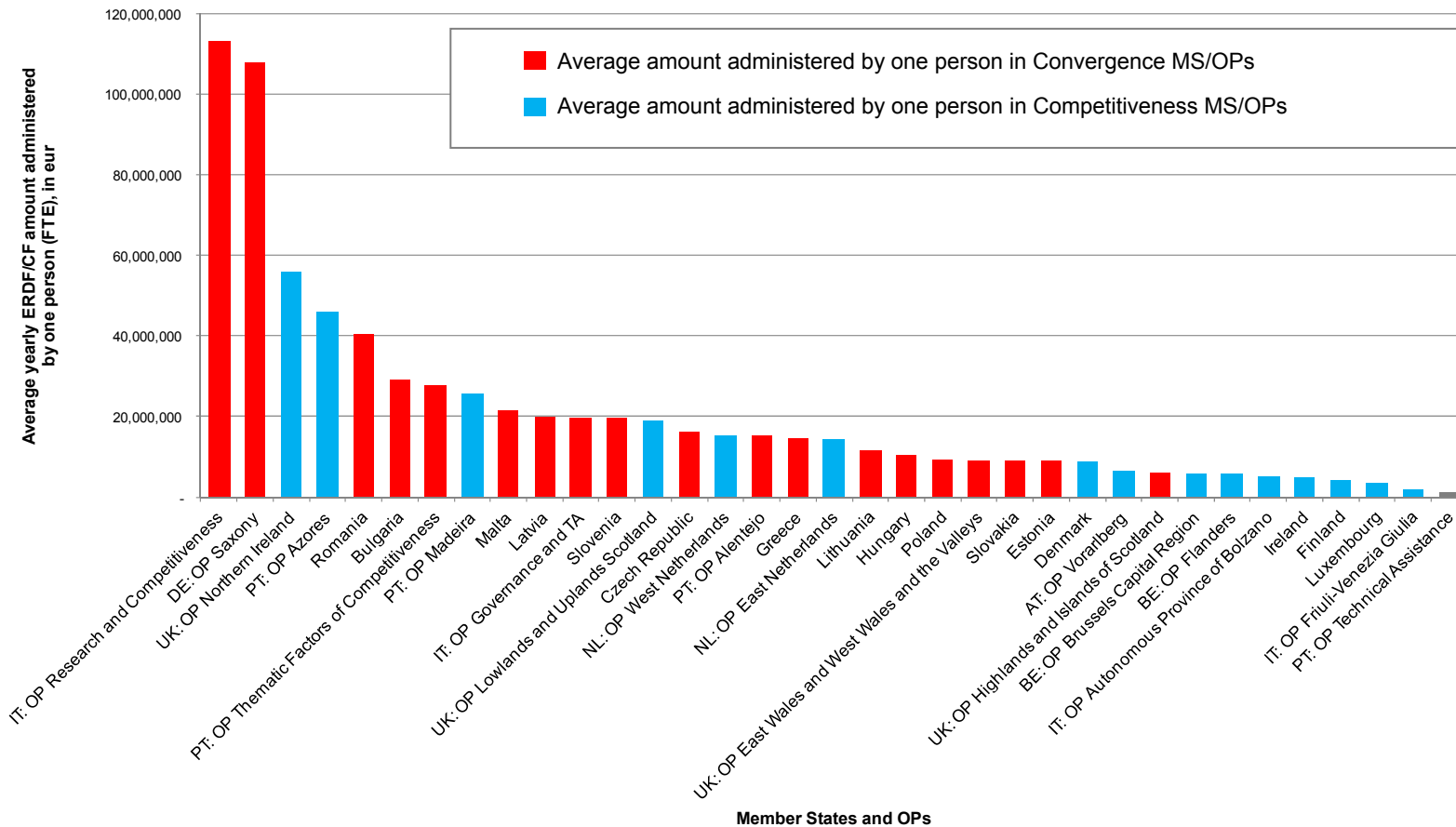
In Estonia, Lithuania and Luxembourg, a remarkably high amount of staff in the OP implementation and management includes temporary agents and/or contractual staff (externally contracted staff). In theory, one could expect for states with an integrated system (which is the case for the mentioned countries) to include mainly civil servants, whether they are understood as persons working in the civil service, government workers, public officials or persons employed in a public institution with long-term contracts. However, the evidence shows that these countries do make use of other contractual arrangements such as temporary agents and contractual staff. It should be noted at this point that especially in the case of Luxembourg this statement is based on a total number of 7.2 persons FTE of which two are external contractual agents.

These findings show that the variations between the Member States are mainly related to the internal organisational structures and systems applied in the public administrations unlike the administrative territorial system.

3.6 ERDF/CF resources administered by staff involved

In addition to an indicative overview of the staff costs incurred in the ERDF/CF management and implementation functions across the EU, the survey allowed for an analysis of the resources that are administered by each member of staff (figure 7). The average ERDF/CF resources administered by one person (FTE) can be obtained by dividing the total ERDF/CF resources in one country or OP by the total number of staff managing and implementing the ERDF/CF in that specific country or OP.

Figure 7. Average amount of ERDF/CF administered by one person (FTE)



Source: Calculation by Metis based on information from the interviewees

N.B.: 1) The Portuguese OP Technical Assistance follows the Competitiveness and Employment as well as the Convergence objectives. 2) It should be noted that in the cases of LV and LT, the staff involved in the ESF is included because the data could not be disaggregated from the ERDF/CF as explained more thoroughly in their respective fact sheets.

The volume of ERDF/CF resources administered by one person (FTE) depend on the size of the OP, the total amount of ERDF/CF resources within the country or region as well as on the number of staff members involved in all management functions. This figure does not differentiate between the role of staff involved and represents an indicative average. The following findings are found when examining the ERDF/CF resources administered by one member of staff (FTE):

- **Broad range:** In the majority of Member States and OPs, the ERDF/CF resources administered by one person (FTE) range between approximately € 8,782,000 and € 21,517,241. However, the resources administered differ considerably across the EU, ranging from below € 1,038,413 in the OP Technical Assistance in Portugal to almost € 117 million in the OP Research and Competitiveness in Italy and the OP Saxony in Germany. Interestingly, the Italian OP Research and Competitiveness is also the OP with the highest yearly staff costs incurred (see Figure 6).
- **Large differences within the Member State:** Within a Member State, there can be remarkable differences across the OPs when looking at the ERDF/CF resources to be administered per person. This is particularly true for Portugal, Italy and the UK. In contrast, the values for the Dutch OPs are more comparable.
- **Competitiveness and Employment vs. Convergence:** There is no apparent pattern when comparing the ERDF/CF resources administered by one person (FTE) in countries and OPs characterised as “Convergence” regions with countries and OPs classified as “Competitiveness and Employment” regions. However, the OPs and countries with the largest amounts of ERDF/CF resources to be administered by one person (FTE) are Convergence regions.

4 Regulatory framework and management of staff working in ERDF/CF implementation structures

This chapter first aims to offer an overview of the varying administrative structures across the EU Member States, in order to afterwards be able to put the management of staff working in the ERDF/CF implementation, into context. It then analyses the frameworks and human resource management processes applied to the guiding of staff working in ERDF/CF structures. Also, the levels and reasons for staff fluctuation are compared across the EU Member States. Finally, this chapter looks at the professional (skills) development measures in place for staff working in ERDF/CF structures.

4.1 National administrative systems versus ERDF/CF implementation

The governance structure (unitary, federal and federate state systems) and their correlation with Cohesion Policy implementation have an influence on the extent to which the national and regional systems adapt in view of implementing ERDF/CF OPs.

- **States with a unitary system are centrally governed.** Administrative costs profit from economies of scale. For ERDF/CF implementation in those countries, a standardised, centrally-set system is used, involving fewer bodies. However, potential stress on central-level administrative capacity can occur as a result of adding responsibilities to central administrative bodies, while organisations at other levels may perform similar functions already.
- **Federal states** are highly decentralised with autonomous regions/federal states. In these states less strain on central administrations occurs, possible savings through more flexible, horizontal and focused implementation structure can be obtained. However, the involvement of a large number of bodies can result in less standardisation and a potential loss of economies of scale. Through the accumulation of administrative layers, a possible duplication of tasks results.
- **Federate states** have a strong central government but regions do have a certain degree of autonomy. There are potential administrative savings from distributing implementation responsibilities cross tiers. However, the coordination of central and regional inputs can contribute to administrative costs.

For each fact sheet developed in the scope of the study, the governmental and administrative structure within the Member States has been described. The following table summarises the type of governmental structure, the type of OPs and whether ERDF/CF implementation is rather integrated in the existing system or detached (table 8). The terms 'detached' and 'integrated' have been used in this table to systematically characterize the degree of independence of the ERDF/CF OPs from the domestic structure and the policy-making and decision-making processes in the regional, national or thematic policy field in question. The more integrated a regional OP, the more it is involved in the relevant thematic policy-making of the region. The more integrated a national programme, the more it influences or the more it is influenced by national policies.

Table 8. Government structures and relationship between governmental structure and OP implementation

	Governmental structure ¹³	Type of ERDF/CF OPs ¹⁴	Administrative implementation of ERDF/CF 2007-2013 ¹⁵
Austria	Federal	Regional programmes	Integrated system: Programme implementation takes place in a complex interplay between the Land and the federal level. ERDF implementation is integrated at regional level where 9 federal states act independently. Regional administrative structures in each federal state increase administrative costs in this respect. A small share of the fund is managed centrally. Interaction between funds is lacking.
Belgium	Federal	Regional programmes	Detached system: ERDF OP implementation is decentralised in 5 different regions with high autonomy and detached administration.
Bulgaria	Unitary	National programmes	Integrated system: Structural Funds are a key financial contribution to the Bulgarian government which shapes the administrative system. The OPs are centrally coordinated and have no clear regional priorities. Due to the lack of experience, administrative costs have been higher than expected.
Croatia	Unitary	National programmes	Integrated system
Cyprus	Unitary	National programmes	Integrated system within existing public administration structures and mechanisms dealing with the planning and implementation of domestic development policy.
Czech Republic	Unitary	National programmes and regional programmes	Detached systems at the central level: European and domestic regional policies are managed and implemented separately with their own programming documents, own implementation system, rules and procedures. European resources in the Czech Republic are allocated through specific channels and structures dedicated to Structural Funds.
Denmark	Federate	National programmes	Integrated system with a dominant role of domestic policy.
Estonia	Unitary	National programmes	Integrated system strongly influenced by Cohesion Policy.
Finland	Federate	Regional programmes	Integrated system strongly influenced by Cohesion Policy.
France	Federate	Regional programmes	ERDF implementation is integrated within the regions in the sense that the management and implementation are generally carried out by the same authorities.
Germany	Federal	Regional programmes and one national programme	Integrated system with a dominant role of domestic policy.
Greece	Unitary	National programmes and regional programmes	Integrated system at central level (Management Organisation Unit - MOU); detached at regional level
Hungary	Unitary	National programmes and regional programmes	Integrated system with a dominant role of Cohesion Policy.

¹³ National governmental websites

¹⁴ DG Regio website

¹⁵ Summary of fact sheets with some input from expert evaluation network, reports 2012

	Governmental structure ¹³	Type of ERDF/CF OPs ¹⁴	Administrative implementation of ERDF/CF 2007-2013 ¹⁵
Ireland	Unitary	Regional programmes	Integrated system: Implementation bodies for national and EU policy are largely the same.
Italy	Devolved	National, multiregional and regional programmes	Separate decision-making for ERDF and national funding, regional decision making is detached from central policy level.
Latvia	Unitary	National programme	Integrated system with a dominant role of Cohesion Policy.
Lithuania	Unitary	National programme	Integrated system with a dominant role of Cohesion Policy.
Luxembourg	Unitary	National programme	Integrated system at central level with a dominant role of domestic policy.
Malta	Unitary	National programme	Integrated system with a dominant role of Cohesion Policy.
Netherlands	Federate	Multiregional programme	Detached systems: management structures are specifically dedicated to the delivery of ERDF through specific channels and structures.
Poland	Unitary	National programmes and regional programmes	Integrated system with a dominant role of Cohesion Policy.
Portugal	Unitary	National programmes and regional programmes	Integrated/closely interrelated system.
Romania	Unitary	National programmes	Integrated system with a dominant role of Cohesion Policy.
Slovakia	Unitary	National programmes and regional programmes	Integrated system where Cohesion Policy played a significant role in establishing the overall implementation system for regional development.
Slovenia	Unitary	National programmes	Integrated systems with a dominant role of Cohesion Policy.
Spain	Devolved	Regional and multi regional programmes	Integrated systems with a dominant role of domestic policy.
Sweden	Unitary	Regional programmes	Detached systems: management structures are specifically dedicated to the delivery of ERDF through specific channels and structures
United Kingdom	Unitary	Regional programmes	Separate decision-making for ERDF and national funding but operating in a coordinated manner.

Source: National Fact Sheets

N.B.: Information based on National Strategic Reference Frameworks; EPRC (2009): Ex post evaluation of cohesion policy programmes 2000-2006 co-financed by the ERDF (Objective 1 and 2); WP 11: Management and Implementation Systems for Cohesion Policy. Final Report to the European Commission (DG Regio) and Böhme, K. (2010), Regional governance in the context of globalisation: reviewing governance mechanisms & administrative costs. Administrative work load and costs for Member State public authorities of the implementation of ERDF and Cohesion Fund. SWECO INTERNATIONAL, 16.06.2010, Stockholm.

The table above shows that countries where EU funds are not significant compared to national resources (e.g. AT, DE, LU, etc), the administrative structures adapt to a lesser extent to implement ERDF OPs. In 'new' Member States with significant volumes of ERDF/CF resources (e.g. PL), the administrative systems have largely been adapted to implement ERDF/CF OPs. There are however also some 'old' EU Member States like Ireland or Finland, where Structural Funds do play a significant

role. In southern states like Spain or Italy, the volume of ERDF/CF resources is significant but the administrative structures have adapted to a lesser extent to implement ERDF/CF OPs in the sense that the structures are very specific to the domestic contexts.

The fact that the administrative systems in the Member States are diverse makes the comparison of the human resources management systems, regulations and practices even more complex given that these administrative structures and policy traditions influence such processes. For that reason, the national constitutional principles have some influence on the findings presented in the following paragraphs.

4.2 Regulatory frameworks and guiding documents for staff management

The management and implementation of Structural Funds in the Member States is largely aligned with the regional or national systems. Especially wherever civil service acts or laws apply to persons working in ERDF/CF implementation structures, the system of human resources management is closely linked to the public administration structures.

Moreover, the governance structure described earlier, namely unitary, federal and federate state systems and their correlation with Cohesion Policy implementation have an influence on the extent to which the national and regional systems adapt in view of implementing ERDF/CF OPs. While some administrations adapt more to accommodate the Structural Funds implementation (e.g. PL, HU, FI), other institutions have made less changes and have integrated Cohesion Policy implementation into their domestic systems (e.g. AT, DE, LU).

In some countries specific bodies that are external to governmental bodies such as national Ministries have been established to manage Structural Funds. In Hungary for instance, the National Development Agency *inter alia* carries out the role of MA for all OPs and coordinates, controls and monitors the IBs' activities. Greece is a particularly interesting case in this respect. The Management Organisation Unit (MOU) of Development Programmes, as a nonprofit institution, is in charge of supporting and strengthening the Greek administration in the effective management and implementation of EU co-funded OPs. In addition, the MOU also acts as an IB for TA funds allocated by the OPs. The MOU is a government agency reporting to the Ministry of Development and Competitiveness, external to the civil service structure and operating under private sector rules. The Structural Funds administrative system in Greece is therefore staffed by both, permanent civil servants and MOU staff¹⁶.

Guiding document for staff working in ERDF/CF implementation structures

The authorities were asked whether a specific guiding document for staff working in ERDF/CF implementation structures (such as a human resources development plan) is in place and what such a document entails. The issues covered by these guiding documents differ across the Member States and even across the OPs on the following issues (see individual country fact sheets for specific information at country level):

- Description of the rules in the field of staff management
- Ethics/ standards of conduct
- Description of the major Human Resources processes such as recruitment and selection strategies and processes

¹⁶ The ratio of public sector to MOU staff is 42% to 58%.

- Description of the remuneration progression (e.g. salary scale for the various job positions in the OP)
- Compensation and benefits system
- Contractual arrangements
- Staff well-being (e.g. Promotion of work-life balance)
- Description of functions (duties and tasks for each position)
- Description of managerial procedures, practices and guidelines for staff-management Description of measures for performance assessment
- Description of measures for performance assessment
- Description of measures for staff's professional development and training
- Description of measures for staff's career development / career mobility

Usually, no specific document exists that applies specifically to co-financed staff. Rather, the members of staff follow the documents applicable to all employees of the institution in question.

Regulatory framework guaranteeing fair recruitment processes

The interviewees were asked to provide information about a regulatory framework in place guaranteeing a fair, impartial and competency-based recruitment process. Additionally, information on provisions to promote ethical behaviour and fight corruption, such as for example a Code of Conduct, sanctions in case of non-compliance with the rules or regulations in place or a rotation system, was asked for.

Looking at Table 9 below, in the majority of the cases, staff working for the ERDF/CF OPs follows the same human resources documents, rules and regulations applied as any other civil servants nationally. However, in federal states (AT, BE, DE), the rules applying are in place either at regional level or at the level of the institution in question (i.e. usually responsible public authority where the MA is seated).

Also, the Czech Republic is an exception as there is a national framework applicable only to NSRF management and implementation, but no civil service act.

Only in Estonia, Finland and Romania, OPs do follow a specific guiding document for human resources management developed by the MA. In fact, the survey carried out in this project showed that most staff working in ERDF/CF structures are civil servants.

Provisions in place to promote ethical behaviour and fight corruption

Ethical behaviour and the fight against corruption are laid down within the regulatory frameworks at regional or national level. The Civil Service Law, the institutions' (Ethical) Codes of Conducts and the Administration Acts have been mentioned as the framework guaranteeing these principles in all countries.

In non-unitary Member States, these principles are laid down at regional level. For instance in the case of Austria, these principles are guaranteed in Austrian OPs based on regional laws.

These frameworks usually also vary from institution to institution. In Hungary for example, ethical behaviour in the National Development Agency is promoted through the existing Code of Ethics.

In the cases of Hungary and Finland it is worth mentioning that sanctions are in place in the case of a non-fulfilment of these obligations. Moreover in Estonia, prevention trainings and seminars are in place in view of promoting ethical behaviour and fighting corruption.

Table 9. Administrative levels of human resources guiding documents and regulatory frameworks in place by Member State

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Austria	<p>Institutional level:</p> <ul style="list-style-type: none"> Regional civil service laws Development plans related to human resources for all staff in public administrations 	<p>Regional level:</p> <p>Regional civil service laws</p>	<p>Regional level:</p> <p>Regional civil service laws</p>
Belgium	<p>Institutional level:</p> <ul style="list-style-type: none"> Regional civil service laws Development plans related to human resources for all staff in public administrations 	<p>Regional level:</p> <p>Regional civil service laws</p>	<p>Regional level:</p> <p>Ethical Code of Conduct</p>
Bulgaria	<p>Institutional level:</p> <p>Every single authority has a human resources development plan or strategy (part of Procedures' Manual). As a result, each OP has its own guiding document for human resources management. For the Central Coordination Unit, this document is named "Strategy for development of the Central coordination unit human resources".</p>	<p>National level:</p> <ul style="list-style-type: none"> The Civil Servant Act The Ordinance for conducting the competitions for civil servants A classification of positions in the administration; Regulations implementing the classification of positions in the administration Ordinance for the rules and procedures for attestation of the performance of servants in the state administration. 	<p>National level:</p> <ul style="list-style-type: none"> Administration act Code for the conduct of the employees in the state administration Civil Servant Act Ordinance for conducting the competitions for civil servants

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Croatia	<p>National level:</p> <ul style="list-style-type: none"> • Law on state officials • Civil Service Job Titles and Job Complexity Coefficients Regulation • Law on public officials • Law on Public salaries 	<p>National level:</p> <ul style="list-style-type: none"> • Law on state officials • Civil Service Job Titles and Job Complexity Coefficients Regulation • Law on public officials • Law on Public salaries 	<p>National level:</p> <ul style="list-style-type: none"> • Civil Service Human Resource Development Strategy (2010-2013) • Code of Conduct for civil servants
Cyprus	<p>National level:</p> <p>Civil Service Law</p>	<p>National level:</p> <p>Civil Service Law</p>	<p>National level:</p> <ul style="list-style-type: none"> • Code of Conduct for the Civil Service covered within the Civil Service Law • Measure of obligatory mobility for all staff dealing with accounting (financial verifications for Structural Funds)
Czech Republic	<p>National level:</p> <ul style="list-style-type: none"> • Various guiding documents in place (staff selection processes, remuneration, use of external services and training measures, etc) • A concrete Human Resource strategy is in preparation for the next programming period of 2014-2020 	<p>National level:</p> <ul style="list-style-type: none"> • National framework applicable only to NSRF management and implementation, but no civil service act 	<p>National level:</p> <ul style="list-style-type: none"> • Governmental Decree 313/2012 • No existing civil service act
Denmark	N/A	N/A	N/A

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Estonia	<p>OP level:</p> <ul style="list-style-type: none"> • Technical Assistance (TA) Manual • TA Decree • Central training plan • Organisational human resource development plans • Civil Service Law 	<p>National level:</p> <p>Civil Service Law</p>	<p>National level:</p> <p>Prevention trainings and seminars</p>
Finland	<p>OP level:</p> <p>Predefined guidelines of the MA</p>	<p>National level:</p> <p>Civil Service Law</p>	<p>National level:</p> <p>Civil Service Law</p>
France	N/A	N/A	N/A
Germany	<p>Regional level:</p> <ul style="list-style-type: none"> • Regional civil service laws • Development plans related to human resources for all staff in public administrations 	<p>National level:</p> <ul style="list-style-type: none"> • Constitution of the Federal Republic of Germany (Grundgesetz). Art. 33, § 2 • Social Act IX • General Equality Act • Federal Equality Act • Federal Personnel Law • Various laws for part time work, Civil servants, labour agreement, Gender mainstreaming, etc. 	<p>National level:</p> <ul style="list-style-type: none"> • Legal framework preventing discrimination and corruption • Code of conduct which promotes ethical behaviour and fights corruption

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Greece	<p>National level:</p> <ul style="list-style-type: none"> • Greek public Law 3614/2007 • Ministerial Decree 14053/EYS1749/27/3/2008 setting out the basic operational rules of the NSRF OPs • Joint Ministerial Decree 25045/314/3CSF/27/7/2001 determining the staffing procedure from the private sector • Joint Ministerial Decrees for each OP Special Service (description of functions, number of job positions, necessary qualifications) • Rules and Operations of the Staff Evaluation Committee • Management Organisation Unit S.A. (MOU) System for personnel selection • MOU staff rules, internal organisation and administrative procedures • MOU system for training and development • Civil Service Code • Laws determining the Public Wage Grid (L. 4024/11 & 4073/11) 	<p>National level:</p> <ul style="list-style-type: none"> • Greek public Law 3614/2007 • Ministerial Decree 14053/EYS1749/27/3/2008 setting out the basic operational rules of the NSRF OPs • Joint Ministerial Decree 25045/314/3CSF/27/7/2001 determining the staffing procedure from the private sector • Joint Ministerial Decrees for each OP Special Service (description of functions, number of job positions, necessary qualifications) • Rules and Operations of the Staff Evaluation Committee • MOU System for personnel selection • MOU staff rules, internal organisation and administrative procedures • MOU system for training and development • Civil Service Code • Laws determining the Public Wage Grid (L. 4024/11 & 4073/11) 	<p>National level:</p> <ul style="list-style-type: none"> • Civil Service Code • Law 4093/12
Hungary	<p>National level: Law on Civil Service</p>	<p>National level: Civil Service Law</p>	<p>National level: Code of Ethics</p>

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Ireland	National level: Code of Practice	National level: Code of Practice	National level: Code of Practice
Italy	OP level: OP Puglia: <ul style="list-style-type: none"> Governance Plan approved by the Monitoring Committee in 2010 	National level: <ul style="list-style-type: none"> national code for public procurement, civil service law directive of the Head of Department for the assignment of tasks to external experts Regional level: OP Bolzano: <ul style="list-style-type: none"> provincial law n. 16/1995 decree of the President of the Province n. 20/2003 OP Puglia: <ul style="list-style-type: none"> General precepts about regulation of work for public administrations (Decreto Legislativo 27 ottobre 2009, n. 150) 	National level: <ul style="list-style-type: none"> Code of Conduct for civil servants (DPR 62 del 16.04.2013) Regional level: OP Bolzano: <ul style="list-style-type: none"> decisions of the provincial government n. 4817 and 4818 of 1996 OP Puglia: <ul style="list-style-type: none"> Decreto Legislativo 30 marzo 2001, n. 165
Latvia	National level: <ul style="list-style-type: none"> Civil Service Law Internal rules of procedures of the public administration structures 	National level: <ul style="list-style-type: none"> Civil Service Law internal rules of procedures of the public administration structures 	National level: <ul style="list-style-type: none"> Code of Conduct for the public administration structures anti-corruption strategies and action plans risk management measures disciplinary procedures and sanctions

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Lithuania	National level: Staff members who are civil servants fall under the Civil Service Law, while persons working on the basis of labour contracts fall under the Labour Code	National level: Staff members who are civil servants fall under the Civil Service Law, while persons working on the basis of labour contracts fall under the Labour Code	National level: Civil Service Law
Luxembourg	National level:	National level: Public Procurement Legislation	National level: Public Procurement Legislation
Malta	National level: Internal training plan called “Training Strategy for Malta’s Structural Fund Stakeholders”	National level: „Public Service Management Code” (PSMC). Its provisions are aimed to uphold the core values of the Public Service as announced in the Public Administration Act	National level: <ul style="list-style-type: none"> • Code of Ethics (in the Public Administration Act) • Disciplining public officers is regulated by the 1999 Regulations which came into effect on 1 February 2000 (amended on 27 March 2006). Disciplinary actions include suspension, interdiction and dismissal.
Netherlands	Regional level: Regional civil service regulations	Regional level: Regional civil service regulations	Regional level: Regional civil service regulations
Poland	National level: <ul style="list-style-type: none"> • The Civil Service Act • The Territorial Government Employees Act and • Internal regulations in institutions. 	National level: <ul style="list-style-type: none"> • The Civil Service Act • The Territorial Government Employees Act and • Internal regulations in institutions. 	National level: <ul style="list-style-type: none"> • Provisions are guaranteed under the law • A Civil Service Code of Ethics applies and • Internal codes of conduct exist in institutions

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Portugal	Institutional level: Regional and national regulations	National and regional level: <ul style="list-style-type: none"> • National and regional Civil Service Law • Public regulations and general legislation on access to public administration 	National and regional level: <ul style="list-style-type: none"> • Codes of Conduct of the public administration, • specific manuals and disciplinary status of employees in different OPs • Sanctioning the non-compliance with the rules in accordance with national administrative law
Romania	OP level: Human Resource management procedures in all IBs endorsed by the MA's internal organisation regulation	National level: <ul style="list-style-type: none"> • The Civil Service Law 188/1999 • The Government Decision 611/2008: Rules for the organisation and career development of civil servants. Provisions in place to promote ethical behaviour and fight corruption. 	National level: Code of Conduct
Slovakia	National level: Civil Service Law (Act nr. 400/2009)	National level: Civil Service Law (Act nr. 400/2009)	National level: Civil Service Law (Act nr. 400/2009)
Slovenia	National level: Government decision on financing staff for cohesion policy implementation for the 2007-2014 period	National level: <ul style="list-style-type: none"> • Civil service Law • Public Sector Employment Law. 	National level: <ul style="list-style-type: none"> • obligation to include an anti-corruption clause in all legal documents and contracts, • code of ethical conduct of civil servants, • termination of contract upon violations.

	Guiding document for human resources management	Regulatory framework guaranteeing fair recruitment processes	Provisions in place to promote ethical behaviour and fight corruption
Spain	Institutional level: The MA, the Certifying Authority, Audit Authority and IB have their own set of Management, Monitoring and Control Procedures.	National level: Civil Service Law	National level: Civil Service Law
Sweden	N/A	N/A	N/A
United Kingdom	Regional level: Regional civil servants laws and regulations	Regional level: <ul style="list-style-type: none"> • Regional civil service law (Gibraltar) • Scottish Government Regulations (OP Highlands and Islands and OP Lowland and Upland Scotland) • Civil Service Commission Recruitment Principles set out in the Civil Service and Diplomatic Service Orders (OP West Wales and the Valleys and the OP East Wales) 	Regional level: <ul style="list-style-type: none"> • Civil Service Law • Welsh OPs follow the Civil Service Code, the Welsh Government Code of Conduct for Staff and the Welsh Government Recruitment Policy.

Source: elaboration by Metis based on the results from the surveys

The table shows that all unitary states (see Table 8 above) define the human resource management guiding document, the regulatory framework guaranteeing fair recruitment processes and the provisions promoting ethical behaviour and fighting corruption at national level. In the Czech Republic however, there is a separate channel for Structural Funds applicable at national level with very general human resources guidance. Where applicable, proper human resources guiding documents are developed by the institution or OP in question (e.g. BG, RO).

In the federal states of Austria and Belgium, proper human resources guiding documents are developed by the institution or OP in question; but the relevant frameworks and provisions for recruitment and ethical behavior are regulated at regional level. In the Netherlands and the UK which follow 'detached systems' of ERDF implementation, the human resources guiding documents and regulatory frameworks are set at regional level. In Portugal and Italy, ERDF/CF co-financed staff follows provisions at national as well as regional level; and the human resources guiding documents have been developed at institutional and OP level. Despite the 'devolved' government structure of Spain and the 'federate' structure of Finland, Cohesion Policy is highly integrated into the domestic policy which reflects the fact that all of the mentioned provisions are set at national level.

4.3 Recruitment processes

Open positions in the ERDF/CF structures are advertised through various channels across the EU Member States and OPs. These channels include online public job postings, public job postings in newspapers, and public job postings in the OP newsletter or website. Candidates are then differently selected. The most common methods are thorough profile screenings, assessment centres, competency tests, selection committees, as well as phone and/or face-to-face interviews.

In the majority of the cases, the recruitment processes for persons looking to work in Structural Funds management or implementation follow the internal rules and processes of the public administration in question. However, often the recruitment and selection processes depend on the methods applied in the institution concerned (e.g. BE, ES) or the OP (e.g. RO, UK).

This is however not always the case. As mentioned earlier, in the Czech Republic for instance, no civil service act is in place. There are however various guiding documents which include issues such as staff selection processes. There are plans to introduce binding documents and a concrete Human Resource strategy for the 2014-2020 period.

In Greece, in addition to the civil service code, the MOU has its proper rules and procedures. It should be mentioned however that as a result of the public governance reform in Greece, the entire public administration system was restructured and thus the NSRF administrative system was affected, given that it is embedded within traditional state structures. According to a representative of the MOU, recent laws have deactivated the MOU's ability to recruit specialised staff from the private sector through open competitions. Consequently, new vacancies can only be covered through staff from the public sector or through personnel reappointments from one Special Service to another. At the moment, many Special Services open internal competitions to attract public servants from ministries and other bodies. This results in the problem that existing vacancies are filled with staff from other Special Services, thus creating new gaps and resulting in a "recycling" of vacancies. This has led to a deregulation of the

overall planning and coordination of staff movements in the NSRF management structures.

4.4 Defining the remuneration level

The interviewees were asked to describe on what basis the levels of remuneration of staff working in ERDF/CF are determined in their OPs.

The remuneration levels are generally based on the civil servants' salaries determined by the national or regional framework of the public institution in question (table 10). In addition, some authorities choose to define salary levels through pay-grading upon job evaluation, meaning that each job is evaluated based on several factors such as what kind of training is necessary; the level of responsibility, and so forth. Even more authorities argue that salaries are based on a system whereby pay scales are determined by job types or job groups within the institution. In Greece, the remuneration levels of ERDF/CF co-financed staff are based on regulated civil servant salaries, but through the introduction of fiscal consolidation laws the public wage grid was recently introduced to the entire Management and Control System.

None of the authorities have mentioned that the remunerations are subjected to an arbitrary decision regarding the amount of pay for each employee without using any systematic pay-grading.

It should be kept in mind that the fact that for most staff the level of remuneration is based on civil servants salaries applicable for staff working in public administrations (mainly MA, Certifying Authority, Audit Authority and usually IBs). In fact, the survey carried out in the framework of this study has show that most staff working in ERDF/CF implementation structures are civil servants (see chapter 3).

Table 10. Determining the remuneration level of staff working in ERDF/CF implementation

Pay-grading upon job evaluation	BG, DE, EE, FI, IT, LT, LU, SI, UK(OP Highlands and Islands, OP Lowland and Upland Scotland)
Arbitrary pay-grading	-
Skill-based payment (Pay scales are determined by skill level, not job title)	AT
Salary levels differ by job type groups and type of position	AT, BG, DE, EE, HU, IT, LT, LV, MT, NL, PL, PT, RO (Regional OP)
Civil servant salaries	AT, BE, BG, CY, CZ, DE, EE, ES, FI, GR, IE, IT, LT, LV, MT, NL, PL, PT, RO, SI, SK, UK

Source: Elaboration by Metis based on the results from the surveys

4.5 Staff fluctuation

Staff fluctuation (staff turn-over) refers to the variation of the number of staff over the period from 2007 up until now. In the survey, the authorities were asked to describe the levels of staff fluctuation in the ERDF/CF management and implementation structures. The interviewees were asked to estimate the staff fluctuation rate (i.e. the variation of the number of staff in percentage terms), the direction of variation (whether the staff fluctuation has decreased or increased over the period) as well as the reasons for staff fluctuation (reasons for leaving the position).

The country fact sheets developed in the framework of this study have used a scale ranging from “very low” to “very high” in order to compare the levels of staff fluctuation (see table 11). Looking below at table 11, the staff fluctuation rate generally lies between 10% and 25% - which, in an EU-wide comparison – is moderate. Only in seven cases the fluctuation is higher than 25%, although five of these cases are OPs and hence are not overarching levels for the whole country. The highest levels of fluctuation were recorded for the OP Vienna, the OP Burgenland and the OP Brussels-Capital Region.

The surveys have shown however, that there can be **variations within a country, across the OPs as well as within the authorities**. As a result, it was difficult or even impossible for some authorities at national level to provide any information on the OP level (e.g. ES). In Italy there is no general information available at national level on staff fluctuation. Even within one single OP, namely the OP Governance and Technical Assistance, the MA mentioned that the level of staff fluctuation differs for civil servants (below 5%) and external experts (between 10-25%). In the MA's opinion, this is due to the fact that the working conditions for external experts are generally worse than those for civil servants in general (short term contracts versus “jobs for life”).

The table below also shows that **staff fluctuation has decreased** in more cases than increased over the period of 2007-2013. In Poland for example, due to an increase of salaries for EU funds for employees who are co-financed through TA resources, the staff fluctuation decreased from 20-25% at the beginning of the period to less than 5% by the end of the period.

Table 11. Level of staff fluctuation in the ERDF/CF implementation structures

Member States by level of staff fluctuation in 2013		
0% - 5% Very low	AT national	(↓)
	BE (OP Flanders)	(↑)
	DE (OPs Hessen and Saxony)	(↓)
	IE	(↓)
	IT (OP Governance and TA)	
	MT	(↓)
	PL	(↓)
	UK	(↓)
5% - 10% Low	BG	(↓)
	GR	(↓)
	IT (OP Bolzano)	(↓)
	IT (OP Puglia)	(↓)
	IT (OP Research and Competitiveness)	(↑)
	NL	(↑)
10% - 25% Moderate	PT	(↓)
	CZ	(↓)
	DE (OP Brandenburg)	(↓)
	EE	(↓)
	FI (OP Åland Islands)	(↓)

Member States by level of staff fluctuation in 2013		
	HU	(↑)
	LT	(↑)
	RO	(↑)
	SI	(↓)
	UK (OP West Wales and the Valleys, OP East Wales)	(↓)
25 % - 50%	IT (OP Friuli Venezia Giulia)	(↓)
	LU	(↓)
	RO (OP "Increasing the Economic Competitiveness")	(↑)
	SK	(↑)
Over 50%	AT (OP Vienna/ OP Burgenland)	(↑)
	BE (OP Brussels-Capital Region)	(↓)
No information on staff fluctuation rate in percentage terms but on its trend	CY	(↑)
	FI (national)	(↑)
	LV	(↑)

Source: Elaboration by Metis based on the results from the surveys

N.B.: The symbol (↑) indicates that over the period of 2007-2013 the level of staff fluctuation has increased. The symbol (↓) indicates that over the period of 2007-2013 the level of staff fluctuation has decreased.

It should also be noted that **staff fluctuation should not automatically be understood as a symptom of administrative instability**. For instance, in the UK's OP West Wales and the Valleys as well as in the OP East Wales, staff fluctuation is low, but slightly higher than in the other OPs with 14%. The MA explains that some staff moved to other TA-funded posts upon promotion, or undertook development opportunities to learn new skills, etc. Staff fluctuation has also not been considered to be a challenge for the effective OP development by some Member States where staff fluctuation however has been experienced, such as in Ireland and Poland with a fluctuation rate below 5%, the Netherlands (between 5% and 10%), but also Estonia and Slovenia with a staff fluctuation between 10% and 25% (see table 12).

For that very reason, the survey also examined **the reasons for staff fluctuation**. These are related to the question whether the rate of staff fluctuation summarised above is perceived as a challenge to the OP development. Table 12 offers an overview of these issues.

Most authorities state that the most common reason for leaving is that the **salary levels are not competitive enough**. This concerns national as well as OP authorities. In Romania for instance, the MA of the OP "Increasing the Economic Competitiveness" argued that the salaries of staff working in their OP are the lowest compared with the other OPs, although they carry out the same type of activities linked with the same level of complexity. Possibly, as a result of the above, the staff fluctuation in the OP "Increasing the Economic Competitiveness" amounts to 47% compared to 10-25% in the other OPs. According to the MA, the main reason for the high staff fluctuation is that the level of top-ups has been decreased for the newcomers from 75% to 62.5%

and civil servant budget has been cut by 25% by the government between 2010 and 2012.

Other common reasons for leaving are assumed to be **unforeseen tasks and work load** as well as long working hours related to the tasks in OP implementation. These factors also concern the national as well as the OP level.

Some authorities also had to deal with **budget cuts** which resulted in staff leaving for more competitive jobs or being laid off. In Greece, although the staff turn-over diminished over the period (currently estimated at around 10%), it is considered to be a challenge. Budget cuts are coupled with heavy work load, unsatisfactory salary levels, a lack of incentives and motivation, and an inevitable shift of staff from the MA towards less demanding government departments or the private sector. Budget cuts in Greece are mostly referable to the fiscal consolidation laws which led to a fundamental public governance reform.

In fact, according to an MOU representative, a public sector wage grid was introduced while abolishing the existing remuneration grids, benefits and top-ups. For MOU employees, this meant a 52% average salary cut compared to 2009. As a result, MOU salaries are significantly lower than tenured public servants' working in the same teams with the same responsibilities and qualifications which results in "unequal treatment and insecurity" according to the MOU representative.

Hence, in the context of the economic crisis and budgetary restrictions, financial and non-financial support to the administration is therefore essential. In fact, the administrations are overloaded with work at low (or decreased) salary levels.

Table 12. Perceived reasons and gravity behind staff fluctuation in ERDF/CF implementation structures

	Staff fluctuation is a challenge for OP development	Staff fluctuation is not a challenge for OP development
The level of salary was not competitive enough	AT (OP Vienna), BG, CZ, FI (national), GR, HU, LT, LV, PT (OP Azores), RO (OP "Increasing the Economic Competitiveness"), SK	
Poor working conditions (e.g. long hours)	BG, FI (national), GR, LT, LV, SK	
Unforeseen tasks and work load	AT (OP Vienna), BG, CY, DE (OP Brandenburg), GR, HU, LT, LV, MT, RO (OP "Increasing the Economic Competitiveness"), SK	
Lack of career prospects	AT (OP Vienna), BE (OP Flanders), CZ, DE (OP Brandenburg), FI (national), LU, LV, MT, SK	
Lack of support for skills development	FI (national), RO (OP "Increasing the Economic Competitiveness")	
Budget cuts	FI (national), GR, IT (OP Governance and Technical Assistance), RO (OP "Increasing the Economic Competitiveness"), SK	
Reorganisation / restructuring within the organisation	CY, CZ, FI (national), GR, IT (OP Governance and Technical Assistance), LV, SK	FI (OP Åland Islands), UK (OP West Wales and the Valleys, OP East Wales)
Contracts of fixed duration	BE (OP Flanders), BG, CZ, DE (OP Brandenburg), FI (national), IT (OP Governance and Technical Assistance), LU	
Lack of adequate competences to carry out duty	IT (OP Governance and Technical Assistance),	
other	GR	EE, IE, NL, PL, SI, IT (OP Bolzano, OP Puglia)

Source: Elaboration by Metis based on the results from the surveys

4.6 Professional development

One of the key measures for improving the administrative capacity is professional (skills) development.

Interestingly, the availability of concrete information in the existing policy documents varies. The most concrete information is available in the AIRs. Some AIRs report on the training measures available to staff working in ERDF/CF implementation structures are very detailed. For example, the AIR 2012 of the Bulgarian Regional Development OP specified that training measures were in place to train staff on specific topics (“Prevention of irregularities and fraud in the absorption of resources from the Structural Funds; Counteraction to corruption in the course of management and control of European Union Funds; Financial engineering instrument with EU funds; Awarding of public procurement contracts; Cost-benefit analysis; Project and risk Management; Spatial Development Act; State aid and EU funded projects; and general topics related to the management of EU funds/policies/regulations”).

In other countries on the other hand, the AIRs only offer very generic information. For example, whenever trainings for staff are mentioned in the AIRs of the UK, the information is very general (e.g. in the AIR 2012 of the OP West Wales and the Valleys: “training sessions on monitoring and evaluation to sponsors as a part of the Managing an EU funded project training seminars across Wales in 2012”¹⁷).

The survey therefore collected information on the **types of training measures available for staff in ERDF/CF implementation structures**. Table 13 shows that the range of training measures in place is wide and it is rare for authorities to implement only one or two types of measures. The measures in place are:

- Formal training programmes on specific topics (e.g. EU Regulations)
- Formal training programmes on hard skills (e.g. Project management)
- Specific publication of manuals and guidelines (e.g. about EU funds; public procurement; financial engineering instruments, etc.)
- Conferences and workshops to develop certain skills and knowledge
- Promoting networking with the private sector/ academic world
- Informal learning opportunities situated in practice (feedback, learning-by-doing, team work, etc.)

In Greece, an additional measure is carried out, namely distance learning through a special e-learning system.

Usually, the afore-described training measures are in place **both at central administrative level as well as at OP level (i.e. initiated by the MA)**. Only in Hungary and Estonia, the measures are implemented at central administrative level; however, it must be highlighted that in both countries the MA for all ERDF/CF OPs is seated at central level. Only in Belgium, Ireland, Malta, Poland and the UK, such training measures are solely implemented at OP level.

It must be added that in some cases, the central administrative level does not hold any concrete information about the training measures carried out by the MAs. For example, while in Spain formal training programmes in hard skills (e.g. Project management) are

¹⁷ Welsh Government (2013), West Wales and the Valleys ERDF Convergence Programme 2007-2013, Annual Implementation Report 2012.

available for co-financed ERDF/CF staff at central administrative level, these measures are not necessarily carried out in the regional OPs. The professional development (skills) measures vary across the regional OPs and the central authority does not hold any information on all OPs.

Similarly, in Hungary, the IBs carry out their own trainings but the National Development Agency does not hold any specific information on them.

In some cases, no training measures are in place at all. This can be caused by a lack of financial resources and a lack of time due to the heavy work load in the administrations (SI, RO). In the Romanian Technical Assistance OP, training measures were planned in 2011 in view of increasing the administrative capacity, which until then was qualified as insufficient¹⁸. However, these measures are not systematically carried out in the Regional OP and the OP “Increasing the Economic Competitiveness” due to heavy work load and a lack of specific demand from OP staff.

In Malta, the AIR 2012 confirms that training modules were carried out under TA. Interestingly however, a number of staff was sent abroad due to the limited capacity at national level, particularly on topics where local expertise is limited (e.g. European Public Procurement, implementation of Structural Funds regulations for both the current and future programming period). Locally, training modules were delivered by the MA for newcomers (newly recruited persons) to the system and new beneficiaries (e.g. Cohesion Policy, Project Management, National Procurement Regulations)¹⁹.

In Luxembourg, there are also no measures in place to support the professional (skills) development of ERDF co-financed staff due to a lack of financial resources as well as a lack of time due to the heavy work load. According to the responsible Ministry, “professional training is provided whenever it is really needed and estimated as essential within the Structural Funds”. The same is true in the OP Hessen in Germany, where the MA states that no training measures are in place because there is no specific demand from the OP staff.

In the Member States and/or OPs, where training measures have not been implemented, it should be assessed whether this is caused by a lack of financial and time resources or whether the authorities consider such measures as superfluous. It could be assumed that in the cases of Luxembourg and Germany, trainings are not in place due to their integrated Cohesion Policy systems and the dominant role of domestic policy (see table 8).

¹⁸ Government of Romania (2012), Annual Implementation Report 2011 for the operational Programme Technical Assistance, June 2012.

¹⁹ Office of the Deputy Prime Minister, Ministry for European Affairs (2013), Operational Programme I Cohesion Policy 2007-2013, Investing in Competitiveness for a Better Quality of Life, Annual Implementation Report 2012, Malta.

Table 13. Professional development measures for staff in ERDF/CF implementation structures

	OP level	Central administrative level	OP and Central administrative level
Formal training programmes on specific topics (e.g. EU Regulations)	BE, ES (OP TA), IE, MT, PL, UK	EE, HU	AT, BG, CZ, DE, GR, IT, LT, LV, NL, PT, RO, SK
Formal training programmes on hard skills (e.g. Project management)	BE, MT, PL, UK	EE, ES	AT, BG, CZ, DE, GR, IT, LT, LV, NL, PT, RO, SK
Specific publication of manuals and guidelines (e.g. about EU funds; public procurement; financial engineering instruments, etc.)	BE, CY, IT, MT, PL, UK	EE, HU	AT, BG, DE, GR, IT, LT, LV, NL, PT, SK
Conferences and workshops to develop certain skills and knowledge	BE, CY, IT, MT, PL, UK	EE, HU	AT, BG, CZ, DE, FI, GR, IT, LT, LV, NL, PT, SK
Promoting networking with the private sector/ academic world	BE, UK	EE	AT, LT, SK
Informal learning opportunities situated in practice (feedback, learning-by-doing, team work, etc.)	BE, CY, IT, MT	EE	AT, BG, DE, FI, GR, IT, LT, LV, NL, PT
Other			GR

Source: Elaboration by Metis based on the results from the surveys

5 Summary and outlook

Findings from the comparative analysis

A total number of 14,752 persons (FTE) have been reported to manage and implement the ERDF/CF per year. Although this number is not the total number of staff working on ERDF/CF management and implementation, it is a relatively large sample used to draw findings in the present report. Based on a broad survey carried out in the EU Member States, at the level of Central Coordinating Units and MAs of ERDF/CF OPs, it has been possible to collect information on human resources and staff costs management in the ERDF/CF implementation structures. In addition to the development of 28 country fact sheets describing the situation with regards to managing and co-financing staff at Member-State level, the present report describes, compares and analyses these findings at EU level.

An important conclusion is that all Member States have used TA to co-finance staff. More precisely, the majority of the Member States uses TA to co-finance mainly salaries and attribute the costs to the TA Code of Expenditure 85. In a number of cases the top-ups and bonuses are also co-financed. In Romania for instance, solely the top-ups of staff managing and implementing the ERDF/CF are co-financed through TA.

Around 80% of staff working in ERDF/CF implementation is seated in the MA or the IBs. The study has compared these figures across the EU Member States and showed that in countries such as Lithuania, Estonia or Hungary, the IBs include a particularly high number of staff.

The comparison of the average yearly staff costs per person (FTE) across the Member States and OPs (wherever the data collection was made at OP-level) has led to the findings that in the majority of countries and OPs, the average yearly staff costs range between approximately € 17,000 and € 50,000. However, the average incurred yearly staff costs, as reported by the responsible authorities, differ considerably across the EU, ranging from below € 2,230 in the OP Madeira in Portugal to over € 160,000 in the OP Research and Competitiveness in Italy. It has been observed that in the “new” EU Member States (2004 and 2007 accession countries), the average yearly incurred staff costs are lower than in the “old” Member States. Comparing these values with the average yearly staff costs of persons working in the public sector, in general it seems however that in the “new” Member States the staff costs – and therefore possibly the salaries – of staff administering ERDF/CF programmes are higher than for other persons working in the public sector.

It has been confirmed that in the majority of the cases, the management processes and rules (e.g. recruitment process, defining the remuneration level, etc.) applied for persons working in ERDF/CF implementation structures are generally based on the existing national, regional or institutional frameworks. Only in a minority of cases does ERDF/CF staff follow a specific document developed by the MA. This is largely related to the fact that some countries have undergone more significant administrative changes than others to accommodate Structural Funds implementation in domestic policy.

Various types of trainings are carried out generally at both the central administrative level as well as the OP level. However, in some cases, trainings have not been carried out either due to a lack of financial and time resources (SI, RO), or because they were not considered necessary (LU, DE).

The levels of staff fluctuation vary considerably across the EU Member States and even within the countries. More importantly, the reasons for the fluctuation can vary between issues such as low salary levels, budget cuts, unsatisfactory working conditions (e.g. GR, SK), reorganisation/restructuring of the organisation, end of contract, etc. In other words, staff fluctuation can be high but is still not considered a challenge to the effective policy implementation (e.g. IE, PL, SI).

In general, in those countries where staff fluctuation is still considered to be a problem due to work load or not sufficiently competitive salaries, alternative solutions such as the delegation of specific tasks to IBs or to contractual staff could be considered. In those countries, where staff fluctuation is relatively low or not considered to be challenging, these alternative options under TA (in addition to training) can also be used, at least in view of increasing innovation, learning and motivation.

The findings from this report and the 28 fact sheets developed should feed into case-by-case recommendations about staff costs. Also, the findings could be used in a broader framework of administrative capacity.

Good practices

Three countries can be characterised as good practices as a result from the present analysis, namely Estonia, Finland and Poland. In fact, all of these countries fulfill the following criteria:

- **Provision of comprehensive and complete data:** All of these countries have completed the questionnaires in the framework of this study in a comprehensive and efficient manner. In Finland, although the data had to be collected at OP level, it could effectively be aggregated and analysed at national level.
- **Systematic monitoring of co-financing staff costs from TA :** Each of these three countries monitors staff costs under TA either by calculating the share of staff costs attributed to Code of Expenditure 85 (EE, FI) or without differentiating between the Code of expenditures 85 and 86 (PL).
- **Apparent management support system:** In Estonia and Finland in particular – but also in Poland – a significant share of the total number of staff involved in ERDF/CF implementation is involved in the IBs. In Estonia and in Poland there are particularly comprehensive training plans in place for ERDF/CF stakeholders. In Finland, the OPs even follow human resources guidelines developed specifically by the MA for ERDF staff.
- **Staff fluctuation is low to moderate:** In Poland, Estonia and the Finnish OP Aland Islands, the staff fluctuation is lower than 25%; it has decreased over the period of 2007-2013 and has not been considered a challenge to the ERDF/CF OPs' development.

These three countries have different characteristics with regards to size, geographic location, Cohesion Policy objective and administrative governance systems. Interestingly, these three countries are ranked among the nine top countries with the highest average number of staff involved in ERDF/CF management and implementation recorded in this exercise.

However, the amount administered by one person for all three countries is below average which indicates that the responsibility given to each member of staff is kept in check. With respect to the relationship between ERDF/CF and the domestic policies, Cohesion Policy plays a significant role in all these countries so that the staff involved

in managing EU resources is experienced and prepared for these tasks. It should be added however that Poland and Estonia are among the seven cases where the average yearly staff costs per person (FTE) are the lowest.

Changes planned with regards to financing staff from TA in 2014-2020

A study carried out in 2011²⁰ has come to the conclusion that the changes planned for the next programming period may result in a reduction of administrative costs in the next programming period of 2014-2020. The study estimates, based on various criteria, that administrative work load will be reduced by 13% (in sectoral OPs rather than regional ones) and administrative costs by approximately 7%. In fact, the study argues that a stronger thematic focus in the OPs, in 2014-2020, might reduce negotiation costs amongst the MAs and the other administrative bodies in charge of sector policies and hence reduce the complexity in preparing the OP. However, more specialised knowledge might be necessary and development processes would still need a high degree of partnership. The study claims that the decrease of administrative burden will be higher than the decrease in administrative costs, meaning that beneficiaries will benefit more from the changes than the programme authorities.

The present survey of showed that only a few EU countries have planned to make changes with regards to financing staff costs from TA in the upcoming period: While Austria, Romania and some Italian OPs are planning an increase in the budget for staff-related costs, Finland and Spain are planning a decrease in resources. A large part of the 27 countries is not planning to carry out any changes in this regard (BE, BG, CY, EE, DE, LV, LT, MT, NL, PL, PT, SI, UK). Another 9 countries have not yet taken any decisions on any possible changes in staff-financing in the next programming period (CZ, DK, FR, GR, HU, IE, LU, SK, SE).

²⁰ T33 snc & SWECO (2011) Measuring the impact of changing regulatory requirements to administrative cost and administrative burden of managing EU Structural Funds (ERDF and Cohesion fund), Final report. Contracted by the European Commission, 15 September 2011.

Annex 1 – Overview of the ERDF/CF OPs in 2007-2013

The table below provides an overview of the ERDF OPs, the ERDF/CF OPs and the CF OPs in the EU-27 from 2007-2013.

Table 14. General information on OPs in the period 2007-2013

Country	OPs under Convergence Objective	OPs under Regional Competitiveness and Employment Objective	No. of regional OPs	No. of national/sectoral OPs	No. of multi-regional OPs	Total number of ERDF/CF OPs
Austria	1	8	9			9 ERDF
Belgium	1	3	4			4 ERDF
Bulgaria	5			5		3 ERDF, 2 ERDF/CF
Cyprus	1	1		1		1 ERDF/CF
Czech Republic	13	3	8	6		12 ERDF, 2 ERDF/CF
Denmark		1		1		1 ERDF
Estonia	2			2		2 ERDF/CF
Finland		5	5			5 ERDF
France	4	27	26	1	4	31 ERDF
Germany	6	12	17	1		18 ERDF
Greece	10	2	5	5		8 ERDF, 2 ERDF/CF
Hungary	12	2	7	6		11 ERDF, 1 ERDF/CF, 1 CF
Ireland		2	2			2 ERDF
Italy	12	16	21	5	2	28 ERDF
Latvia	2			2		1 ERDF, 1 ERDF/CF
Lithuania	2			2		2 ERDF/CF
Luxembourg		1		1		1 ERDF
Malta	1			1		1 ERDF/CF
Netherlands		4			4	4 ERDF
Poland	20		16	3	1	19 ERDF, 1 ERDF/CF
Portugal	8	3	7	3		9 ERDF, 1 ERDF/CF
Romania	5			5		3 ERDF, 2 ERDF/CF
Slovakia	8	2	2	7		7 ERDF, 2 ERDF/CF
Slovenia	2			2		1 ERDF, 1 ERDF/CF
Spain	13	13	19	2	2	22 ERDF, 1 ERDF/CF
Sweden		8	8			8 ERDF
United Kingdom	2	14	16			16 ERDF
TOTAL	130	127	172	61	13	223 ERDF, 22 ERDF/CF, 1CF

Source: DG Regio Website

N.B.: In Cyprus, the Czech Republic, Greece, Hungary, Portugal, Slovakia and Spain there are OPs which are co-financed under both, the Convergence and Regional Competitiveness and Employment objectives. These OPs are then counted twice, namely in the column "OPs under Convergence objective" and "OPs under Regional Competitiveness and Employment Objective".



Annex 2 Template of qualitative questionnaires

Attached in a separate document to this report.