



Región de Murcia  
Consejería de Hacienda  
Dirección General de Presupuestos y Fondos Europeos



UNIÓN EUROPEA

# **EXECUTIVE SUMMARY OF THE 2019 EVALUATION REPORT OF THE OBJECTIVES/RESULTS OF THE 2014 – 2020 ERDF Operational Programme for the Autonomous Community of the Region of Murcia (OP-MU ERDF 2014-2020)**

European Regional Development Fund.

*A way to build Europe.*

Prepared by:



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## TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b> .....	<b>2</b>
<b>INTRODUCTION</b> .....	<b>3</b>
<b>FINDINGS</b> .....	<b>4</b>
PROGRESS STATUS OF THE OP-MU ERDF AT THE TIME OF EVALUATION .....	4
COMPLIANCE WITH THE PERFORMANCE FRAMEWORK .....	4
PROGRESS IN ACHIEVING OPERATIONAL PROGRAMME RESULTS .....	5
OP-MU’S CONTRIBUTION TO THE EU GENERAL STRATEGIES AND HORIZONTAL PRINCIPLES .....	5
<i>EU 2020 Strategy</i> .....	5
<i>Horizontal principles</i> .....	6
<i>Fighting climate change</i> .....	7
<b>RECOMMENDATIONS</b> .....	<b>8</b>



## INTRODUCTION

The 2019 evaluation of the objectives/results of the ERDF Operational Programme of the Region of Murcia (2014-2020) - **hereafter OP-MU** - is the second evaluation carried out since the implementation of the OP started. It was carried out according to the Regulation (EU) 1303/2013, and as stated by the Specific Evaluation Plan.

According to section 2.3 of the above mentioned Plan, the **overall objective of this evaluation** is to *improve the quality, effectiveness and coherence of the interventions supported by the Funds, as well as the strategy designed and the implementation of the different programmes.*

Specifically, the purpose of this evaluation is to analyse, at the end of 2018:

- Progress made in the implementation of the OP during 2018.
- Compliance with the 2018 Performance Framework milestones.
- The contribution of the ERDF to changes in the values of the performance indicators.
- The OP's contribution to the Union's Strategy for Intelligent, Sustainable and Inclusive Growth (EU 2020 Strategy).

The evaluation report is the result of close and smooth collaboration between the evaluation team, the team from the **Dirección General de Presupuestos y Fondos Europeos (DGPFE)** (Autonomous Community of the Region of Murcia)- responsible for the management, coordination, monitoring and control of the evaluation - and the representatives of the Management Bodies that contributed by conducting the interviews.

The evaluation design and methodology is based on the principles and guidelines described in the "**Guide for the implementation of the 2019 Evaluation of the Objectives/Outcomes of the ERDF Operational Programmes**", drawn up by the DG European Funds of the Ministry of Finance. In the preparation of the report, the analysis and documentary review of **secondary sources** (regulations, databases, etc.) was combined with **fieldwork with primary sources** and interviews (face-to-face, by telephone and e-mail) with the Management Bodies of the Operational Programme.

The most relevant conclusions and recommendations of the 2019 evaluation report of the OP-MU are summarized below, gathered by field of analysis of the evaluation.



## FINDINGS

### PROGRESS STATUS OF THE OP-MU ERDF AT THE TIME OF EVALUATION

As of 31st of December 2018, the level of implementation and financial certification of the eligible expenditure of the OP-MU is **15.94% of the total foreseen budget** for the implementation period (2014-2020), including the Priority Axis 13 for Technical Assistance. Total certified expenditure, ERDF aid and regional co-financing – sums up 66,435,070.47 €, which represents an increase of 5.18% over the certified amount in the 2014-2016 period. As shown, the **pace of implementation of the OP-MU requires an urgent and substantial increase in the total absorption of expenditure in the next few years.**

The low level of efficiency in financial implementation is paired with a **slow progress** of the **productivity indicators (PI)**. The **level of physical implementation of the OP-MU** at the date of this report is **below expectations**. Specifically:

- Most Investment Priorities (hereafter IP) have PI with low or very low values.
- **7 productivity indicators (PI)** (which represent 22.58%), **of the total 31** PI comprising the OP-MU system of indicators, have a **high level of efficiency** in relation to some of the Lines of Action (hereafter LA) it feeds on. Two of them (E048 and E051) are part of **Priority Axis 2** and are executed by the **Fundación Integra**. Two others (C001 and C002, related to each other) belong to **Priority Axis 3** managed by **INFO**. The remaining three (E008, E035 and E060) belong to **Priority Axis 6** and correspond to actions managed by the **Instituto de Turismo<sup>1</sup>**, **DG de Medio Ambiente y Mar Menor/OISMA<sup>2</sup>** and **DG del Agua<sup>3</sup>**, respectively.

### COMPLIANCE WITH THE PERFORMANCE FRAMEWORK

The situation referred to in physical and financial terms, in the previous section, is reflected in the data related to the Performance Framework. According to the analysis of the seven Thematic Priority Axes (without Technical Assistance):

- One Priority Axis (PA 1) meets the Performance Framework.
- The remaining six have failed to comply. There is a high degree of incompliance of the Performance Framework in three Priority Axes (PA 4, PA 9 and PA 10), while PA 2 and PA 6 are non-compliant in a more moderate degree.

Consequently, the allocation of the Performance Reserve will only be assigned to PA 1.

<sup>1</sup> The Tourism Institute

<sup>2</sup> DG Environment of the Region of Murcia

<sup>3</sup> DG Water of the Region of Murcia



This situation is the result of several causes and some of them are listed below:

\*Absence of decision-making seats due to changes after elections in the Region; \*Errors of interpretation or changes in the calculation method or unit of measurement of some indicators included in the Performance Framework that were not redressed on time; \*Late implementations of some lines of action; \*Insufficient human resources for the administrative and technical operation or modification of procedures required by the new public procurement regulations (Law 9/2017, of 8 November, on Public Sector Contracts); \*Multiannual execution and justification periods for some of the grants managed in the LA that have prevented the declaration of expenses before the end of 2018; \*Approval of new LA for the Technical Adjustment of 2017 and other new ones for rescheduling in 2018, the start of which is very recent.

Notwithstanding the foregoing, and once the Management Body teams were inquired, the level of progress towards meeting the targets of the Performance Framework indicators of most of the Priority Axes could be attainable if items are reallocated from LA with risk of partial non-implementation to others with better performance or new mature operations are initiated that meet the eligibility criteria and can be executed and certified in the maximum time remaining until the end of 2023.

PA 9 is the axis where its only LA **shows a clear danger of failure to comply with the programmed goals.**

## PROGRESS IN ACHIEVING OPERATIONAL PROGRAMME RESULTS

The scope of the results of the OP-MU, considering the small financial dimensions of the Programme and the consequent ERDF co-finance, compared to the general budget of the Region and therefore a limited impact on the macro indicators of the Region, presents a **favourable evolution towards the achievement of the targets of the performance indicators by 2023.** Higher progress than expected for the latest available year was registered at the time of the evaluation in several of the indicators proposed for the OP-MU.

**Progress is particularly significant in R&D&I (PA 1), education (OT 10) and environmental protection (PA 6). However, there are greater difficulties in the impact of the OP-MU on the Region's indicators related to the transition to a low-carbon economy (PA 4) and/or referring to the social sphere (PA 9).**

## OP-MU'S CONTRIBUTION TO THE EU GENERAL STRATEGIES AND HORIZONTAL PRINCIPLES

### EU 2020 STRATEGY

The OP-MU is **closely linked to the 'smart growth' objective** mainly through PA 1, PA 2, PA 3 and the **'sustainable growth' objective** through PA 4 and PA 6.



The OP-MU is **less influential regarding the** "inclusive growth" objective - due to inferior investment allocated to the development of the LA of EP 2, EP 9 and EP 10 focused, respectively and according to EP, on the reduction of the digital divide, the improvement of the quality of life of people at risk of social exclusion or the improvement of educational infrastructures.

The impact on the improvement of employment rates in the Region, although it may be significant, it is an indirect objective of the overall EP of the OP-MU.

The progress of the goals is proving to be different for each of these three growth goals and their corresponding areas of intervention. Therefore, for example:

- The positive influence of the result indicator on the expenditure on research, development and innovation (R&D&I), although it has not been achieved at 100% of the set target, it is only 0.08 points from achieving the quantitative target.
- Regarding the indicator of percentage of population aged 20 to 64 in employment the data of the result indicator shows that it is only 4 points away from reaching the target).
- For the indicator of the percentage of population aged 30 to 34 with tertiary education the completion is only 2.4 points away.
- The indicators of the Region, related to the objectives of fighting climate change and reducing GHG emissions, as well as those on social integration and poverty reduction currently have values that are far from the target established for 2023, indicating that these are areas of intervention in which a greater effort is required from the OP-MU in order to achieve the objectives set.

## HORIZONTAL PRINCIPLES

The OP-MU complies with the horizontal principles proposed by the EU, although the level of progress and implementation between them is different and shows that there is still room for improvement, especially for the principle of partnership and multi-level governance and for the principle of equal opportunities for women and men.

Compliance with **partnership and multi-level governance** is present and demonstrated at every stage of the OP-MU, from design to evaluation. Its approach is based on a Strategy that has already involved collaboration with numerous social agents. The implementation of LA implies a necessary collaboration between departments of the same DG. The varied composition of the Monitoring Committee and the collaboration of the various actors reflects this commitment, both in the monitoring and evolution phase. Despite this, **coordination and communication mechanisms and procedures need to be strengthened.**

With regard to **equality between women and men**, although the OP-MU is not contrary to this principle, there are certain weaknesses that could lead to an improvement in compliance with it. Specifically, the indicators' monitoring system does not disaggregate information by sex, either in the computer tool for registration (SIFEMUR) nor in the indicator information consolidated in the Annual Implementation Report (AIR).



Compliance with **equal treatment, non-discrimination and accessibility** is evident from the different examples shown in the report. This equality approach was taken into consideration when developing the following:

- The theme of some of the LA.
- The provision of goods and services to target groups (individuals, businesses, NGOs, universities, etc.) without financial compensation.
- The objectives of some LA that are linked to solutions to important digital, social, spatial, labor, etc. gaps that affect the population on which these LA have direct or indirect effects.

In what respects **sustainable development** it has a **relevant weight in the thematic concentration** and in the **distribution of the available financial allocation** between the Investment Priorities and the Specific Objectives that make up the OP-MU. Priority Axes directly related to sustainable development (PA 4 and PA 6) represent **10.80%** and **26.65%**, respectively, of the total funding received. In addition, the rest of the Priority Axes are also developing lines of action related to sustainable development which, although less directly and/or obviously, are influencing environmental protection, efficiency in the use of resources, mitigation and adaptation to climate change, risk prevention or the protection of ecosystems and biodiversity.

The commitment to these principles is also addressed **horizontally** in the document **Criteria and Procedures for Selection of Operations (CPSO)**, and in the **incorporation of social clauses in some of the terms of references and in the public subsidies used as mechanisms expenditure performance of the Lines of Action of the OP-MU.**

### **FIGHTING CLIMATE CHANGE**

The ERDF funding programmed by the Commission to fight climate change accounts for **15.76% of the total allocation to the OP-MU budget.** This amount is distributed between PA 4 (Favouring the transition to a low carbon economy in all sectors), with a weight of 10.80% on the total and **PA 6** (Protecting the Environment and promoting resource efficiency) with a lower weight, of 4.96%.

At 31<sup>st</sup> of December 2018, these forecasts included a real percentage of **certified funds that did not reach 10% of the total justified**, i.e. 1.33% in relation to the funds received by the OP-MU for this purpose. This shows a scenario of low contribution to climate change objectives, both in terms of **GHG mitigation** (PA 4) and **adaptation to climate change** (PA 6).





## RECOMMENDATIONS

From the above, the following recommendations stand out

- Declare and communicate - from the highest level of regional administration to all Directorates General involved as Management Bodies - that the administrative procedures, the delivery of eligible operations co-financed by ERDF and approved within the framework of the OP-MU, as well as the justification procedures are a priority.
- Boost the pace of global implementation and of each PA of the OP-MU. For this, it is important:
  - To adjust the financial allocation of the LA, with the greatest implementation risk, to their real capacity to absorb Funds until 2023, redirecting the amount of the Funds that are not going to be spent to those LA, of the same PA, that present an adequate implementation rhythm and efficiency in the progress of their indicators towards the target in 2023. The ultimate aim is to ensure the thematic concentration regulated by the Regulations and the implementation of the expenditure of the financial allocations.
  - Improve the level of implementation of PA 1, PA 2, PA 4 and PA 6 of the OP-MU by prioritising the start of new, strategic, programmed and mature operations that may be eligible in LA with an objective risk of partial non-implementation, such as, for example, applying alternative formulas to green filters with less risk of having a negative environmental assessment before works begin.
  - Review PA 9 with special care, with a single LA that shows more certainty of partial non-implementation and decrease the financial allocation and its associated productivity indicator values, if considered convenient.
- It is important to express the need of coordination and fluid and regular communication between the political and technical teams of the Management Bodies and also with the Coordinating Intermediate Body in order to take the pulse of the LA situation and accelerate the implementation of the LA for which they are responsible, detecting possible areas for improvement and proposing viable solutions.
- Periodically train and inform the Management Bodies teams and decision makers (taking into account that the governance of the Regional Administration and the designation of management seats after the electoral result is announced) on key aspects related to the management of the OP-MU. It is interesting to hold joint workshops with the teams of the Management Bodies, as well as specific meetings with the teams of the same Management Body, responsible for different LA.
- Increase awareness and theoretical and practical knowledge of the Management Bodies on how to apply the approaches of equality between women and men and that of equal treatment and non-discrimination and contribution to sustainable development in the LA they manage and make visible the achievements and effects produced by the operations





carried out with these horizontal approaches and principles.

- Assess and size the proportionality between the administrative burden derived from the implementation of the ERDF and the human resources available to face the management of the ERDF 2014-2020 Operational Programme of the Region of Murcia (this recommendation was already set out in the previous evaluation 2017) and provide the necessary resources if needed.
- Inform regularly about the modifications and features of the IT platform SIFEMUR, in order to reduce the administrative burden of all the Management Bodies and to speed up the management times of the processes.
- Inform the Management Bodies that the final deadline for certification of the LA is 31 December 2023 (Rule n+3) and it would therefore be advisable for the operations to be completed at the latest by the end of 2022 or in the first quarter of 2023, in order to proceed - with sufficient time - to carry out the rest of the necessary procedures before certification in the following months.
- Inform the public of the Lines of Action of the OP-MU that are likely to be proposed as Good Practices, publishing at least one for each PA, and including information on its objectives, contents and goals, as well as on compliance with the horizontal principles.



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*Una manera de hacer Europa*



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