

First Review of the Key Processes in the Implementation of the European Structural Investment Funds 2014-2020

Executive Summary

In line with Article 56 of the Common Provisions Regulation 1303/2013, an assessment was undertaken by the Managing Authority (MA) for European Structural and Investment Funds (ESIF) in order to review the processes involved in the management and implementation of these funds.

This qualitative assessment was undertaken to obtain feedback from Project Beneficiaries (BNs) and stakeholders on the processes in place in order to identify strengths and weaknesses therein. The assessment was also aimed at identifying areas for improvement and at proposing recommendations.

National stakeholders involved in the implementation of the European Regional Development Fund (ERDF), European Social Fund (ESF), and the Cohesion Fund (CF). Beneficiaries (BNs) were invited to participate in interviews or online surveys depending on the nature of such organisations. Such interviews were held on a voluntary basis. In order to be considered as a participant, the projects implemented by the interviewed BNs would have had successfully undergone a project selection process through which a project selection committee (PSC), appointed by the Ministry responsible for EU funds, would have evaluated the project applications and eventually approved them for funding on the basis of pre-set criteria. It is to be noted that the PSC is independent from the MA, with the latter being responsible of monitoring the implementation of projects following their selection.

As a result of the study, a number of findings were identified, summarised and classified as per the below categories:

a. Need for improved communication throughout the funding process across all stakeholders involved

The funding process involves a number of different stakeholders and therefore communication becomes key for the successful implementation of the OP. The MA, as the main body responsible for managing the funds, needs to act as a coordinator amongst all the stakeholders. Feedback provided by the BNs shows that the MA is seen as an important player to foster an environment of cooperation by bringing the different stakeholders together at important milestones in relation to the programme implementation.

b. Need for simplification and a move from one size fits all

Most of the BNs involved in this study (especially those new to the funding process), deemed the process to be complex and technical, with respondents observing that the process of becoming acquainted with all the obligations and responsibilities related to EU funding may be overwhelming. Although information and guidance is indeed made available by the MA and other stakeholders, the result of the consultation shows that for someone with no previous experience in the implementation of EU Funded projects, the process and the requirements related thereto, can be extremely difficult to grasp fully.

b. Insufficient Capacity within the implementing organisations

Throughout the exercise it became evident to the evaluators that, in most cases, persons involved in the implementation of the projects were also expected, by their internal hierarchy, to continue carrying out their routine responsibilities. This state of affairs limits the time available to officers involved in the implementation of funded projects to strengthen their knowledge and skills in relation to EU funding which is needed for the implementation of the project entrusted to the same officers. Within this context, the need for dedicated officers who are knowledgeable in the process was highlighted by most respondents. Respondents also observed that the same administrative, monitoring and verification obligations apply to all projects, irrespective of the type of beneficiary, budget, size and scope of the EU funded interventions. Their view is that the level of detail and administrative burden expected for both the application process, and verifications, should be proportionate to the expenditure involved.

This inhouse assessment also analysed the possible reasons underlying the findings, which has resulted in the proposal of several recommendations. Recommendations seek to address the areas for improvement identified by the project beneficiaries, stakeholders, and the MA's management. This report aims to highlight all the feedback gathered through numerous interviews conducted by the Evaluation and Communications Unit within the MA.