



LATTANZIO
MONITORING & EVALUATION

**INDEPENDENT EVALUATION SERVICE OF THE
REGIONAL RURAL DEVELOPMENT PROGRAMME
FOR THE PERIOD 2014-2020 OF THE LIGURIA REGION
CIG: 7070449F14**

**ANNUAL EVALUATION REPORT
Dissemination Synthesis**

Rome, May 2018

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Introduction

The **Annual Evaluation Report** aims to provide: a summary of the evaluation activities undertaken during 2017 through the description of the progress achieved in the implementation of the evaluation plan; a regulatory/procedural update on the RDP; an analysis of the state of implementation of the RDP, both in procedural and financial terms; a review of the efficiency/effectiveness of the procedures and of the management, monitoring and surveillance systems developed through direct interviews, open or structured using a questionnaire trail, with the main actors of the 2014 RDP; an analysis of the effectiveness and efficiency of the operating procedures of the Liguria Region's Paying Agency (AGEA); a summary analysis, in the form of an "On-board Diary", of the information gathered and the conclusions and recommendations that emerged, useful for strengthening the overall quality of the RDP; a description of the planned evaluation activities that can be repeated in the future.

1. Verifies the efficiency/efficacy of management, monitoring and surveillance procedures and systems

The **efficiency/effectiveness analysis of the management, monitoring and surveillance procedures and systems** provided, alongside a **desk analysis** of the main programming and implementation documentation, for a series of open or **structured interviews using a questionnaire trail**, in which the subjects directly responsible for the management of the Programme (MA) or of the individual Measures were involved respectively.

In particular, in addition to the **open interviews with the MA, the contacts of the Leader approach, the person in charge of the M. 7.3 for the implementation of the ultra-wideband**, the analysis was developed through **the assisted filling in of 15 questionnaires by the central and peripheral contacts of the Measures/Sub-measures** of the Liguria 2014/2020 RDP, which showed a greater state of progress.

1.1 Direct survey with measurement Managers

The direct survey, which involved the various central and peripheral Measurement Managers, was conducted through assisted interviews in which, starting from a semi-structured outline of the questionnaire, all the issues relating to the entire procedure under analysis were examined in depth. In terms of the type of Measurements/Sub-measures investigated, the questionnaires filled in concerned:

- n. 10 Structural and intangible Measures/Sub-measures;
- n. 5 Surface Measurements/Sub-measures.

The trace of the questionnaire used during the implementation of the interviews was constructed taking into account 5 specific areas:

- 1) Implementation sphere;
- 2) organisational sphere;
- 3) operational sphere;
- 4) regulatory/administrative sphere;
- 5) reticular sphere.

A. Structural measures

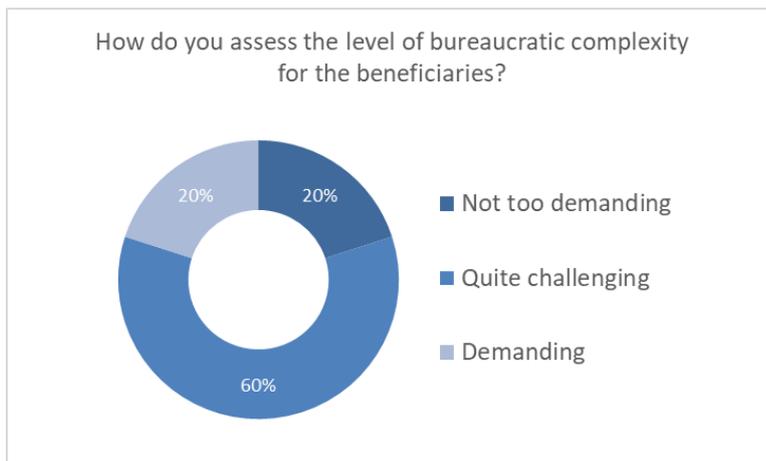
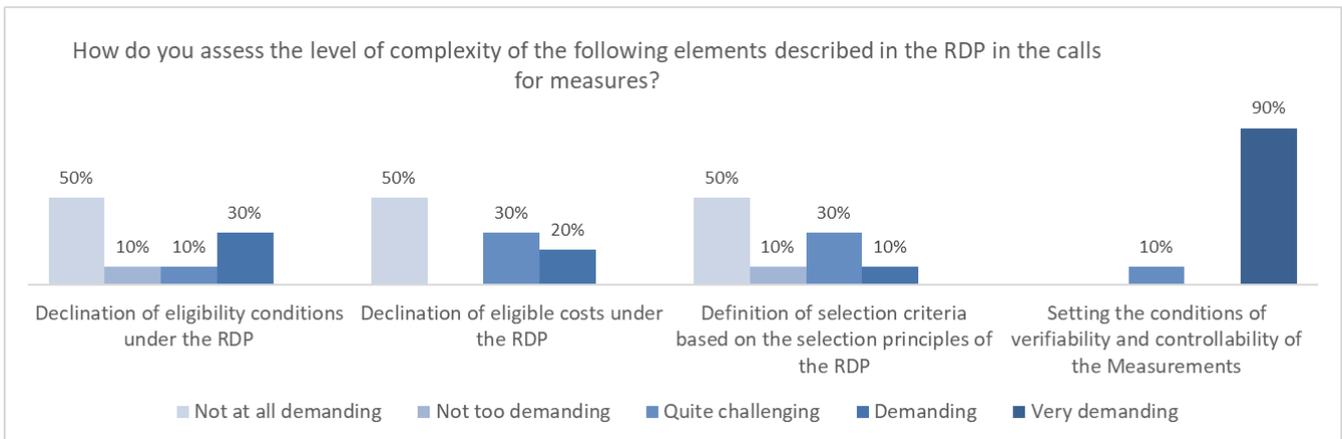
The procedural procedures of the Measures/Sub-measures were analysed:

- 1.2 Support to demonstration activities and information actions
- 3.2 Support for information and promotion activities carried out by producer associations in the internal market
- 4.1 Support for investments in farms
- 4.2 Support for investments in the processing, marketing and development of agricultural products
- 4.4 Support for non-productive investments linked to the fulfilment of agro-climatic-environmental objectives

- 5.2 Support for investments to restore agricultural land and production potential damaged by natural disasters, adverse weather conditions and catastrophic events
- 6.1 Business start-up aid for young farmers
- 6.4 Investments in the creation and development of non-agricultural activities
- 8 Support of the forestry sector
- 16.1 Establishment and operation of the Pei-Partenariat for Innovation groups

1) Implementation sphere

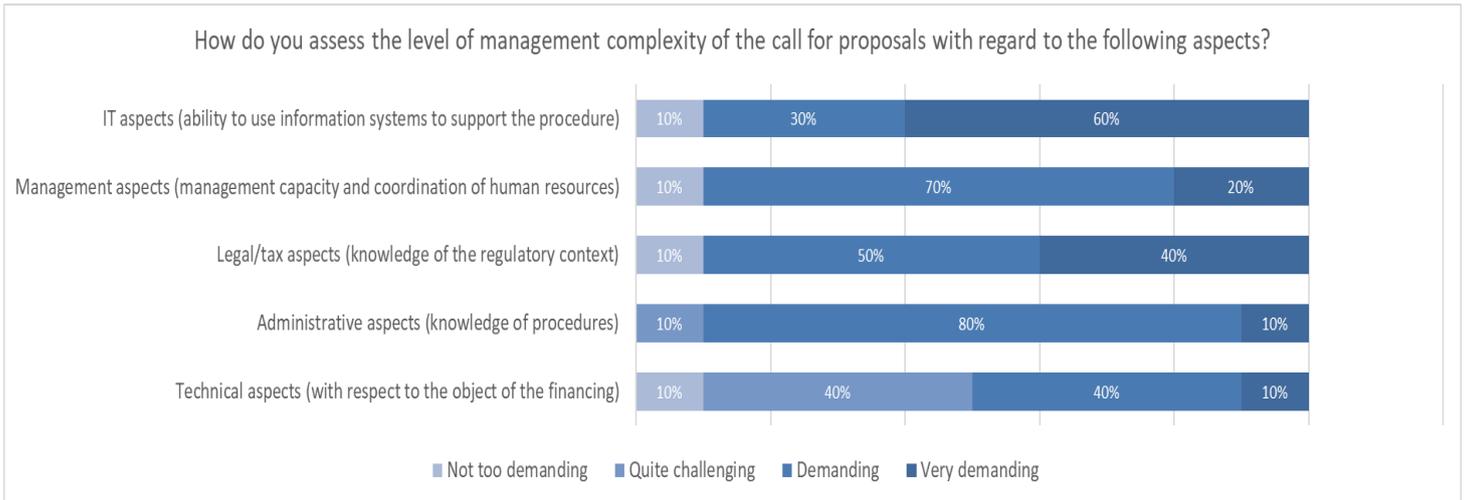
In general, the level of complexity of the various aspects appears on **average challenging** for 3 out of 4 elements, highlighting a certain heterogeneity of judgement among those who consider them "not at all" or "quite" challenging.



The level of **bureaucratic complexity for the beneficiaries** is assessed at an **average of 3**, i.e. as "quite demanding". In this sense, all referents have stated that they have adopted solutions aimed at reducing this level, **especially through the use of standard costs and standardised forms**.

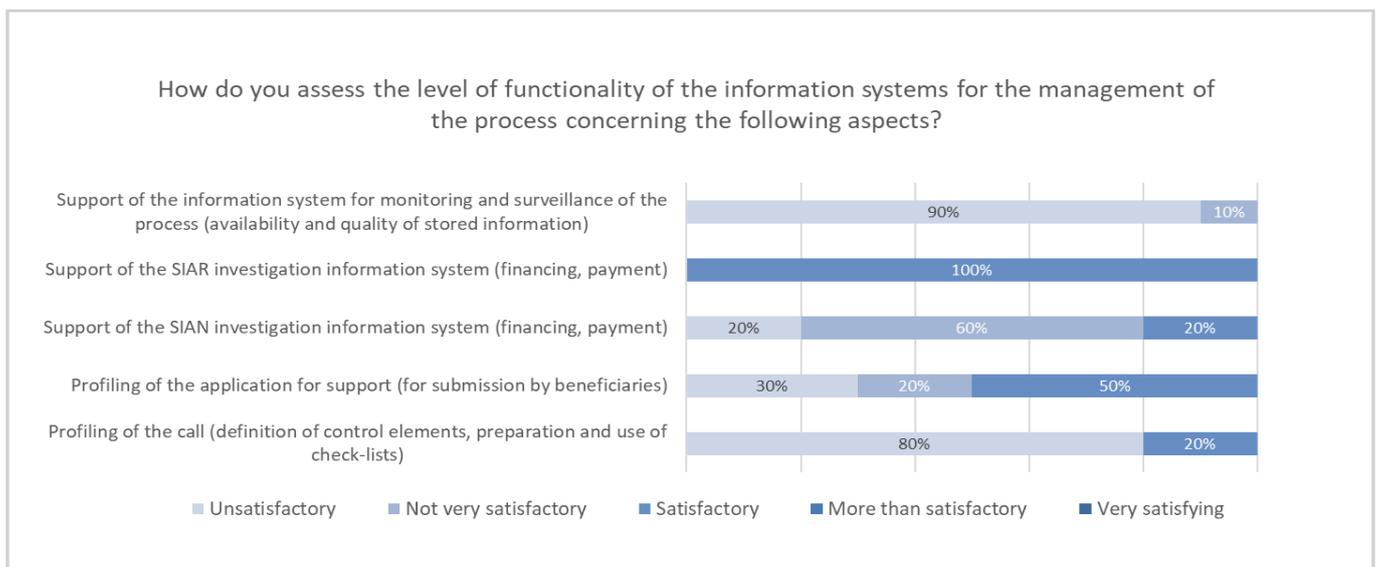
2) Organisational sphere

Turning to the organisational aspects, the **level of management complexity of the call** was considered challenging or very challenging for almost all aspects (legal, administrative, management and IT). Only in correspondence with the technical aspects (with respect to the subject of the financing) does the judgement appear slightly more mitigated than the others.



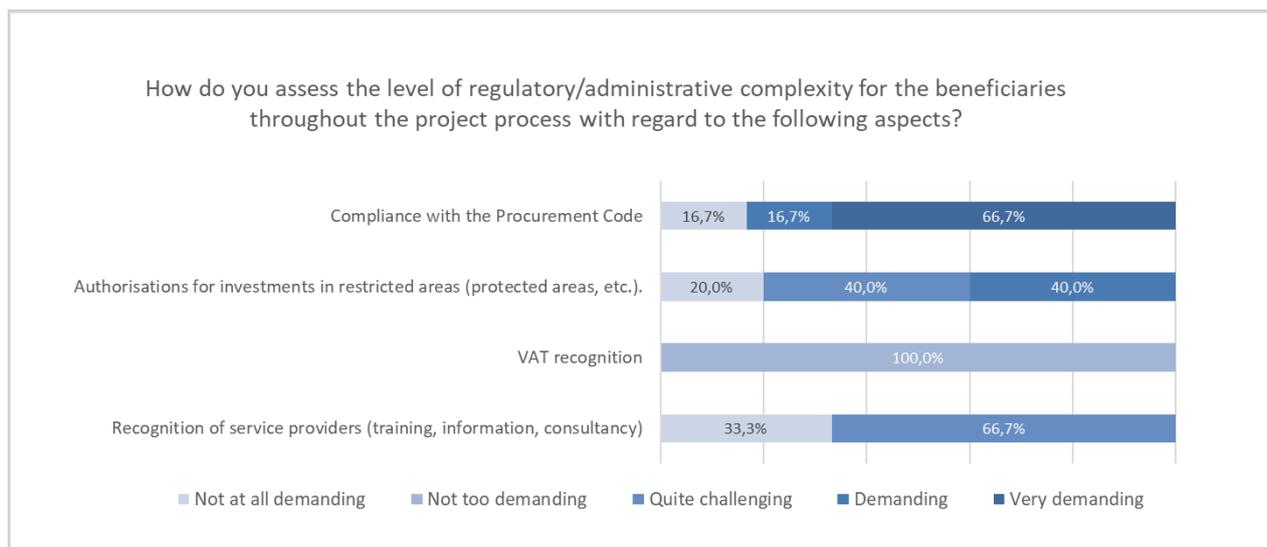
3) Operating sphere

The question on the operational sphere concerned the evaluation of the **functionality of the information systems** for the management of the process concerning various aspects. In this case, **the opinions expressed were mainly negative**.



4) Regulatory/administrative sphere

Among the **regulatory/administrative** aspects, the one considered most challenging among those who expressed a judgement was the one related to the **Procurement Code**, while on average the aspects of authorisations on restricted areas and the recognition of service providers were evaluated. The aspect linked to VAT recognition was considered not very demanding.



5) Reticular sphere

The last part of the questionnaire is dedicated to understanding how the different subjects involved in the procedure are **relevant** (i.e. what weight they have within the procedure) how **cooperative** they are (willing to collaborate to solve critical issues) and how **effective** they are in identifying and implementing the necessary actions to solve critical issues.

In terms of **relevance**, the person who seems to have the greatest "weight" on the outcome of the process was AGEA and, subsequently, the CAA and DG AGRI. The influence of the trade associations and, to a lesser extent, of the consultants was also significant, while little weight was given to the RRN and MIPAAF.

With respect to the level of **cooperation** (i.e. willingness to resolve critical issues), the most satisfactory evaluations concerned DG AGRI, the NRN and the network of consultants. An average rating is given for AGEA and trade associations, while the level of cooperation of professional bodies, CAA and MIPAAF is insufficiently assessed.

Finally, in terms of **effectiveness** (understood as the quality of the service provided), the average level is achieved by DG AGRI and, secondly, by the network of consultants, while a medium-low level is attributed to the other parties.

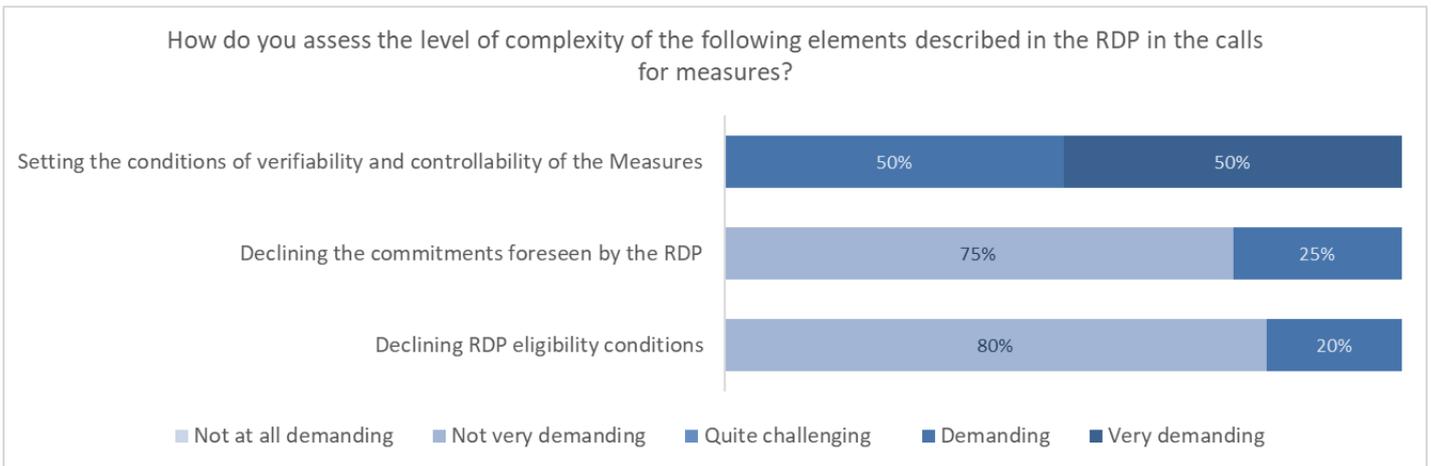
B. Surface measurements

The procedural procedures of the Measures have been analysed:

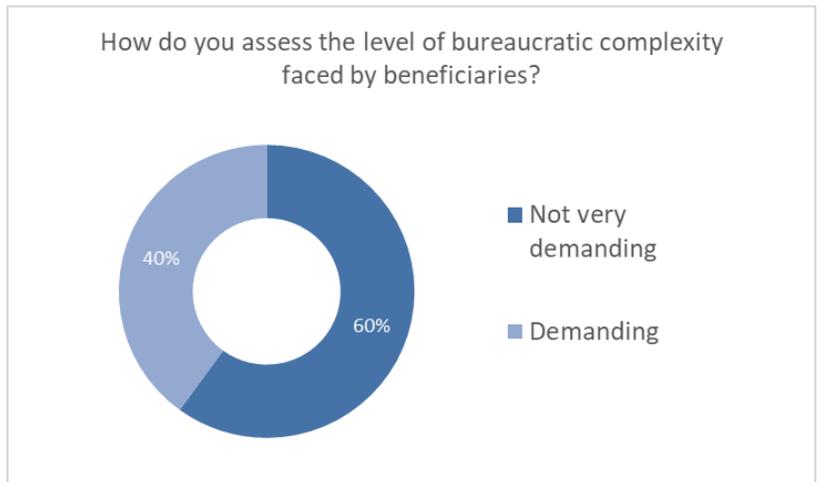
- 10 Agro-climatic-environmental payments (Sub-measure 10.1.A - Adherence to the principles of integrated agriculture, Sub-measure 10.1.B - Intervention on stable meadows, pastures and meadow pastures, Sub-measure 10.1.C - Farming of local animal species at risk of extinction);
- 11 Organic farming;
- 12 Natura 2000 payments and payments linked to the Water Framework Directive (Submeasure 12.1 - Compensatory payment for Natura 2000 agricultural areas, Submeasure 12.2 - Compensatory payment for Natura 2000 forest areas Protection and restoration of biodiversity);
- 13 Payments to areas facing natural or other specific constraints (Submeasure 13.1 - Compensatory allowance for mountain areas, Submeasure 13.2 - Compensatory allowance for areas facing significant natural constraints);
- 14 Animal welfare.

1) Strategic sphere

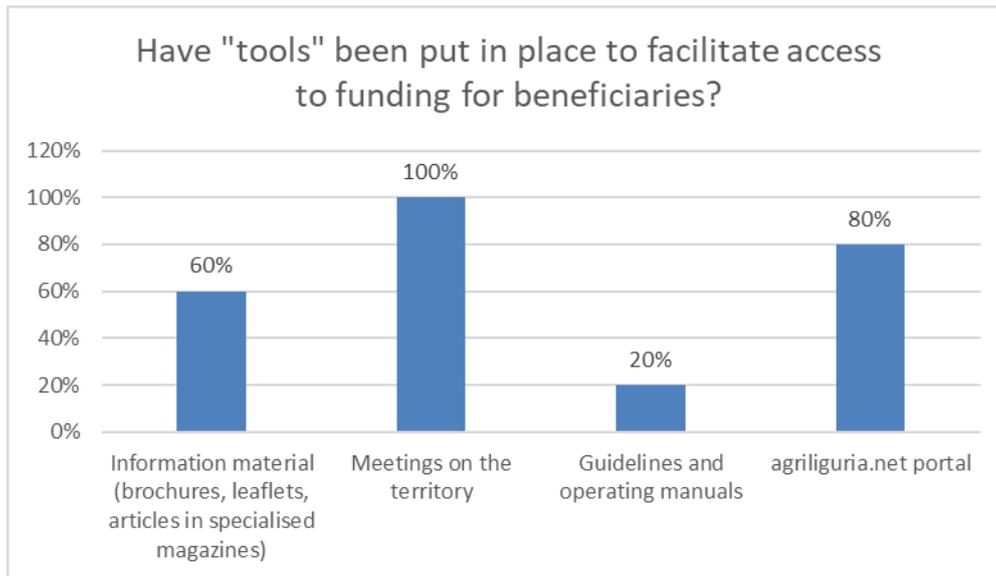
With respect to the complexity encountered by the regional representatives in "translating" the indications contained in the RDP measure sheet into the calls for measures, the most significant difficulties concerned the setting of the conditions for verifiability and controllability of the measures (VCM).



The level of complexity for the beneficiaries is assessed as not very demanding in most cases, also thanks to the repetition of similar measures from several programming cycles, which has made the application procedures rather tried and tested.

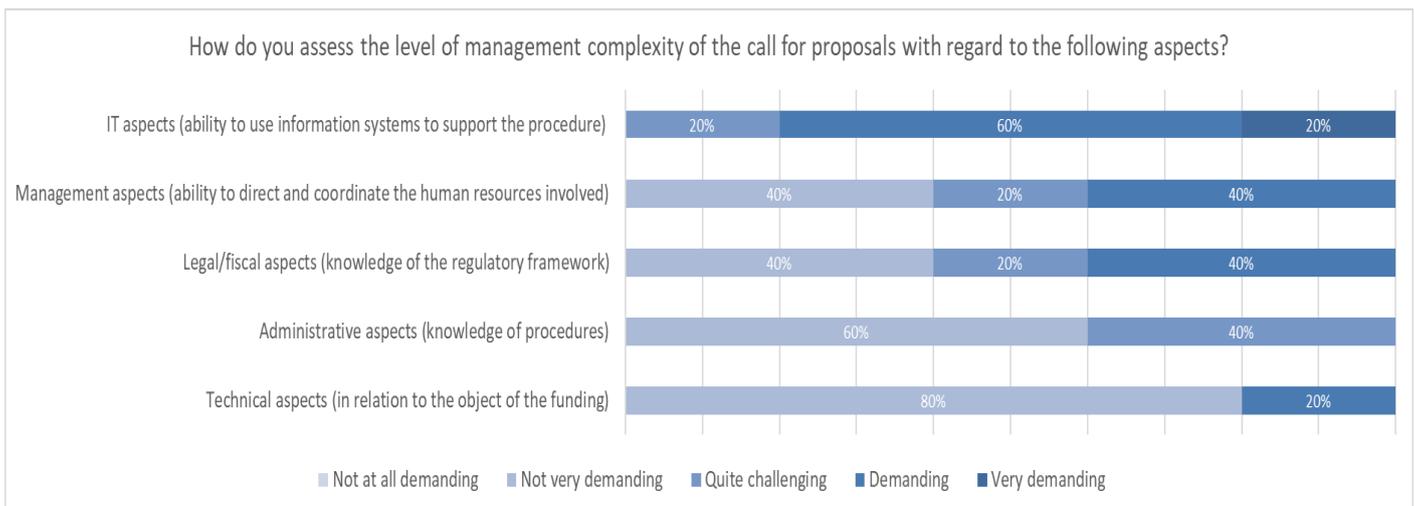


The use of the FAQ tool to provide clarifications and share information about the procedures is generally considered a rather effective tool, even if it is used in 40% of the analysed cases in the area measures. The communication towards the potential beneficiaries to promote the measures and facilitate the access to them has been conveyed through "traditional" tools, which are mainly represented by meetings in the territory, by the website "agriligurianet".



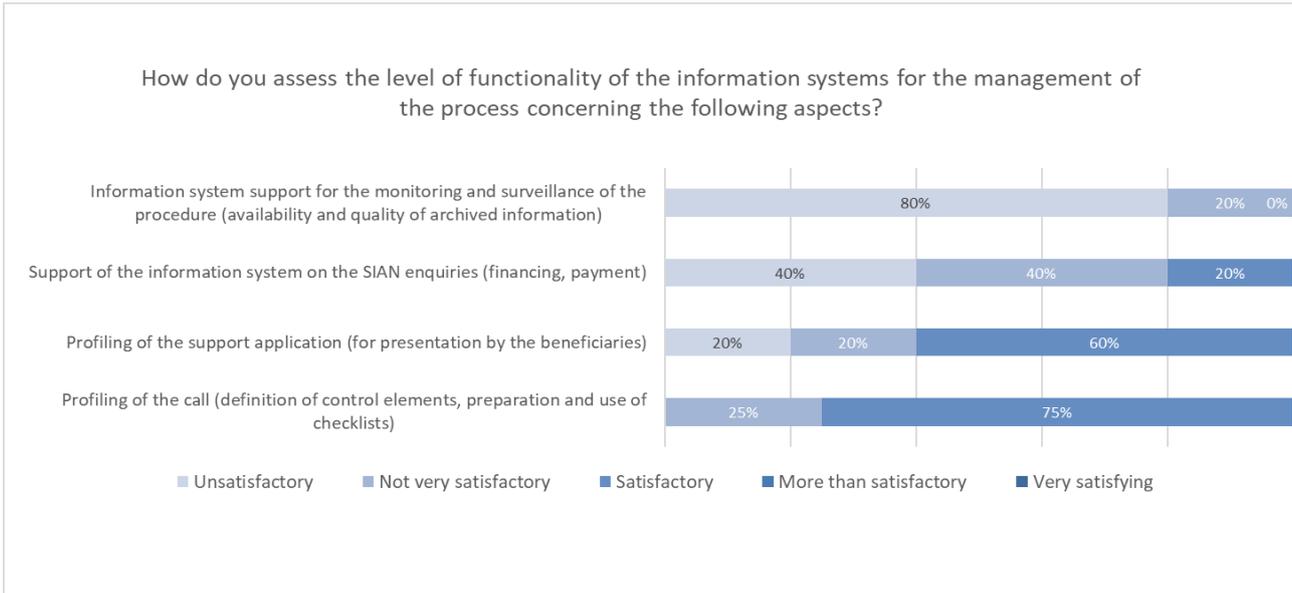
2) Organisational Sphere

The main complexities encountered in the management of the procedural phases concern the use of IT systems to support the process, the management and coordination of human resources and the legal and fiscal aspects linked to knowledge of the context.



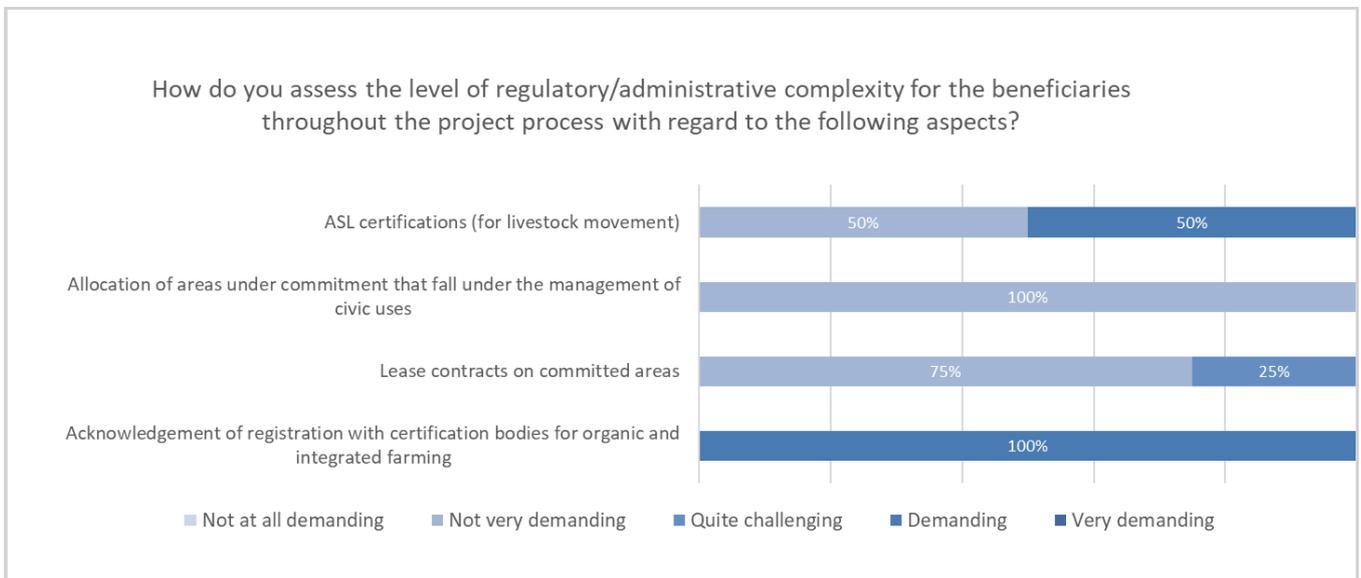
3) Operational Sphere

The main critical points detected with respect to the functionality of the information systems used for the management of the procedure concern the availability and quality of the data for the monitoring and surveillance of the Programme. On the other hand, the functionalities for the management of the presentation of the applications and the profiling of the call for proposals are quite satisfactory.



4) Regulatory/administrative sphere

From the point of view of the beneficiaries, the main administrative complexities they encounter when submitting aid applications relate mainly to the recognition of registration with certification bodies for organic and integrated farming, due above all to the timing and alignment of databases with respect to registration applications.



5) Networking

The last part of the questionnaire is dedicated to understand how the different actors involved in the procedural process are relevant and how effective they are with respect to the identification and implementation of the actions necessary to solve the criticalities. As shown in the following graph, the OP AGEA is the most relevant in the procedure.

1.2 Conclusions and recommendations

The analysis of organisational effectiveness and efficiency returned a number of common reflections in the management of implementation procedures related to **structural and area measures**:

- the introduction and implementation of the VCM system generated delays in the start-up of the implementation procedures, both due to the complexity of setting up the control points provided for by the calls, and due to the inoperability of the VCM on some stages of the process (structural application enquiries);
- The regional organisation was affected by the greater effort required for the computerised profiling of the calls for tenders, often to the detriment of other important stages of the process (e.g. preliminary assessments), which are carried out by inspectorate staff who manage several stages on different sub-measures at the same time;
- the lack of a top management figure in the inspectorates, the selection procedure for the new manager is under way, has meant that there is no hinge and coordination function capable of capitalising on the individual experiences gained in the different procedures;
- the forecasts for the next few years on the significant reduction of the regional staff (retirements) further affect the stability of the RDP implementation governance.

As far as **Measure 19** is concerned, the analysis carried out has brought out the following elements

- the selection criteria that guided the preparatory support and the selection process of LAGs and SSLs appear to be fully consistent with the regulatory requirements and the Partnership Agreement;
- The Ligurian LAGs were given more management tasks, but the activities considered most burdensome, given the small size of the LAGs' technical structures, were left to the MA, which used the agricultural inspectorates to carry them out;
- a significant workload has emerged for the inspectorates, with an additional burden, as seen above, related to the retirement of several in-house staff;
- among the tasks to be performed by the LAGs, there is the loading of calls for proposals into the SIAN system and the CMV function.
- The LAGs have not been trained in the correct use of the SIAN and are currently receiving support from the Region, while a specific course is to be organised by the NRN in conjunction with AGEA.

As far as **Measure 7.3** is concerned, the analysis carried out has brought out the following elements

- following the completion of the tender handled by Infratel Italia S.p.A., the implementation of the infrastructures for all the lots (covering almost the entire national territory) was entrusted to a single entity Open Fiber;
- since this is a single call for all the funds involved, the reporting methods for interventions in rural areas are not yet aligned with the provisions of the EAFRD as regards the procurement code and the eligibility of VAT;
- This has an impact on the reporting of the expenditure of the Measure also taking into account the risk of automatic decommitment of resources and the *performance framework*.

In light of these considerations, the Evaluator deems it useful to bring to the attention of the MA

1. the need to investigate the implications of the planned reduction of staff on the implementation governance, in terms of functions and competences overseen, as well as to supervise the takeover of the new resources budgeted through appropriate mechanisms of coaching and training;
2. the creation, through the NRN's input, of national comparison tables, which are transversal to the sub-measures/interventions and are aimed at the shared solution of common problems.

2. Assessment of the PO's operational arrangements

2.1 Conclusions and recommendations

The delays in the implementation of the different macro areas of the SIAN have generated repercussions on the implementation process of the Liguria RDP that reverberate on several levels

In the organisational sphere, with workloads concentrated on the IT management of procedures to the detriment of strategic-technical and administrative management;

- on the implementation sphere, both in terms of expenditure performance and with respect to the achievement of the milestones foreseen in the performance framework;
- on the context of intervention, in relation to beneficiaries who see the time delay to be able to start investments or to plan ordinary activities without any certainty on the available cash-flow;
- on the broader governance of the RDP, in the relations between MA and stakeholders, where the latter, urged by the pressures of their representatives, shift the focus of programming on expenditure rather than on results.

The difficulties encountered in the definition phase of the system of verification and controllability of the measures could be, at least in part, mitigated with a more relevant participation of the PO in the programming process, especially with regard to the definition of eligibility conditions and selection criteria, in order to verify during the programming phase the actual possibility of objectifying the control procedures. This possibility was made difficult by the delay with which the VCM was designed in relation to the programming process.

Considering that the problems relating to the correct use of information systems are common to several regional administrations, it would be desirable to set up round tables aimed at

- the dissemination of good practices and shared solutions to common problems. This comparison could also be aimed at identifying verification and controllability elements common to the various regional measures, in order to standardise and make control procedures more effective;
- the definition of procedures for the release of a minimum set of data for monitoring, surveillance and evaluation of RDPs (with the involvement of Independent Evaluators).

3. Aims and objects of the evaluation (Priorities/FA, measures/operations, transversal objectives, integrated projects, cooperation projects, etc.)

The following is a summary of the methods proposed to answer the evaluation questions, based on the evaluation design.

► Focus Area 1A

The evaluation question relating to the introduction of innovations in products, processes, work organisation and the improvement of entrepreneurs' technical knowledge has been broken down into two criteria which, in line with the output, result and impact indicators laid down at Community level, make it possible to identify the impact of the RDP on the dissemination of innovation (criterion 1) and the development of knowledge in rural areas (criterion 2).

► Focus Area 1B

The evaluation question relating to the financing of actions to be carried out through cooperation initiatives has been broken down into two criteria which, in line with the output, result and impact indicators laid down at Community level, make it possible to identify the impact of the RDP in terms of its contribution to stimulating innovation (criterion 1) and the effectiveness of cooperation initiatives (criterion 2).

► Focus Area 1C

The evaluation question related to the improvement of entrepreneurs' technical knowledge, their vocational training and updating has been declined through the application of a criterion that, in line with the output,

result and impact indicators foreseen at Community level, allows to identify the RDP impact with reference to the adequacy of vocational training for agricultural and forestry entrepreneurs.

► **Focus Area 2A**

The evaluation question concerning the improvement of the economic results of the holdings has been declined in four criteria that, in line with the output, result and impact indicators foreseen at Community level, allow to identify the incidence of the RDP with reference to the modernisation and restructuring processes of the agricultural holdings. In particular, emphasis has been placed on the involvement of farms in investment/restructuring processes, on the improvement and enhancement of the forest heritage, on the contribution to the diversification of agricultural activities and on the measurement of the economic and financial results of farms.

► **Focus Area 2B**

The evaluation question related to the possibility of favouring the generational change and the entry of adequately qualified farmers in the agricultural sector, has been declined in two criteria that, in line with the output, result and impact indicators foreseen at Community level, allow to identify the incidence of the RDP in reference to the processes of training of agricultural and forest entrepreneurs and of young people taking over the farm.

► **Focus Area 3A**

The evaluation question relating to the promotion of the competitiveness of SMEs in the agricultural sector has been declined by means of two criteria which, in line with the output, result and impact indicators laid down at Community level, make it possible to identify the impact of the RDP with reference to the contribution of the subsidised investments to the consolidation and development of the quality of agricultural production (criterion 1) and the encouragement of chain integration aimed at the development of new products, practices, processes and technologies, as well as the promotion of products on local markets and the development of short supply chains (criterion 2).

► **Focus Area 3B**

The evaluation question related to the possibility to improve the risk management, has been declined in two criteria that, in line with the output, result and impact indicators foreseen at community level, allow to identify to what extent the RDP interventions have supported the prevention and management of business risks.

► **Focus area 4A**

The evaluation question related to biodiversity has been declined in three criteria that, in line with the output, result and impact indicators foreseen at Community level, allow to identify the impact of the RDP with reference to the biodiversity of species and habitats, landscape conservation and increase of genetic diversity.

► **Focus area 4B**

The evaluation question related to the improvement of water resources management has been declined in a criterion that, in line with the output, result and impact indicators foreseen at Community level, allows to identify the impact of the RDP on water quality.

► **Focus area 4C**

The answer to the evaluation question concerning the contribution to the prevention of soil erosion and to a better soil management, has been declined according to 4 evaluation criteria related to: decrease of erosion risk, increase of soil organic substance, decrease of hydrogeological instability risk, decrease of forest fire risk.

► **Focus area 5C**

The answer to the evaluation question related to the supply and use of renewable energy sources, by-products, waste materials, residues and other non-food raw materials for the bio-economy, uses an evaluation criterion related to the increase of renewable energy (thermal and electrical) produced through the use of agricultural and forest biomasses obtained thanks to the interventions supported by the RDP.

The renewable energy produced through subsidized projects (TOE) (indicator R15) will be estimated starting from the monitoring data concerning the total installed power (annual energy potential) divided by plant type. If this data is not available, the annual energy potential can be obtained for each type of plant, starting from the total investments and the value of the unit investment cost provided by the Gestore Servizi Energetici (GSE). The energy produced will then be calculated through the equivalent hours of use, also provided for each plant category by the GSE.

► **Focus area 5E**

The answer to the evaluation question concerning the conservation and sequestration of carbon in the agricultural and forestry sector will be declined according to the two evaluation criteria inherent to the increase of organic substance in arable crops and the conservation and/or increase of organic carbon in forest biomass.

► **Focus area 6A**

The answer to the evaluation question for this focal area will be based on the two evaluation criteria relating to the capacity of the measures to promote diversification, the creation and development of small firms and employment in rural areas.

► **Focus area 6B**

The answer to the evaluation question on Focus area 6B "To what extent have the RDP interventions stimulated local development in rural areas?" relates to the implementation of the LEADER approach and thus of the Local Development Strategies (LDS) defined by the LAGs in the areas identified. Given the breadth and specificity of the phenomena and variables to be observed, the question has been broken down into several judgement criteria.

► **Focus area 6C**

The answer to the evaluation question for this Focus Area will be based on a judgment criterion concerning the capacity of the interventions to promote the accessibility, use and quality of information and communication technologies (ICT) in rural areas.

4. Analysis of the information collected and formulation of conclusions, with respect to the phenomena observed, and of useful recommendations to strengthen the overall quality of the RDP

Analysis of the information collected and formulation of conclusions, with respect to the phenomena observed, and of useful recommendations to strengthen the overall quality of the RDP

Below is presented, in the form of a logbook, a summary of the main recommendations that emerged in the description of the results of the in-depth evaluations. The last column shows the space where, during the programming period (starting from the next year), it will be reported how the MA has implemented the recommendation.

SECTION OF THE RVA R	OBSERVED ELEMENTS	RECOMMENDATION	FOLLOW-UP
Checking the efficiency and effectiveness of management, monitoring and surveillance procedures and systems	<ul style="list-style-type: none"> ▪ more effort required on the IT management of procedures at the expense of other important phases ▪ additional workload for inspectorates for the LEADER part ▪ significant reduction of regional staff (retirements) expected in the coming years 	Deepen the implications of the envisaged reduction of staff on implementation governance, in terms of functions and competences covered, as well as supervise the take-over of the envisaged new resources through appropriate mentoring and training mechanisms	

SECTION OF THE RVA R	OBSERVED ELEMENTS	RECOMMENDATION	FOLLOW-UP
	strengthen a hinge and coordination function capable of capitalising on the individual experiences gained in the different procedures	Creation through the NRN's input of national comparison tables, which are transversal to sub-measures/interventions and aim at the shared solution of common issues	
Assessment of the PO's operational arrangements	Measure contact persons call for strengthening of PO support functions	Comparison tables between POs and MAs for the dissemination of good practices and the shared solution of common problems.	
	The evaluator has not yet had the opportunity to acquire the databases, nor has he been able to acquire the record traces to analyse the amount and type of information stored in the SIAN.	Discussion tables between POs, MAs and evaluators to define procedures for releasing a minimum set of data for monitoring, surveillance and evaluation of RDPs	