

WALES PROGRAMME MONITORING COMMITTEE

EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014-2020

Date: 11 September 2015

Time: 9.30am

Venue: Welsh Government Offices, Merthyr Tydfil

AGENDA

- | | |
|---|-------------|
| 1. Welcome and apologies | 9:30-9:35 |
| 2. Minutes of June meeting, actions and other matters arising | 9:35-9:40 |
| 3. European Structural & Investment Funds: Cross Cutting Themes 2014-2020 WPMC(15)50 | 9:40-10:10 |
| 4. Update on Structural Funds Programme Progress, including portfolio development | |
| <u>To include:</u> | |
| (a) Overview of progress | 10:10-10:20 |
| (b) ERDF Programmes WPMC(15)55B, WPMC(15)55B1 | 10:20-10:40 |
| (c) ESF Programmes WPMC(15)55A | 10:40-11:00 |
| <i>**Break 11:00 – 11:10**</i> | |
| 5. Update on Rural Development Programme Progress, including Scheme Selection Criteria WPMC(15)56 | 11:10-11:40 |
| 6. Agreement Required: Structural Funds Monitoring and Evaluation Strategy WPMC(15)58 | 11:40-12:10 |
| 7. PMC Sub-group: Measuring Success 2014-2020 Final Report WPMC(15)57 | 12:10-12:40 |
| 8. AOB | 12:40-12:45 |
| • Wales Rural Network Steering Group: Draft Person Specification [PAPER TO NOTE] WPMC(15)59 | |
| • Provisional dates for 2016 PMC meetings [PAPER TO NOTE] WPMC(15)60 | |

Lunch 12:45pm – 1:30pm

PWYLLGOR MONITRO RHAGLENNI CYMRU
CRONFEYDD STRWYTHUROL A BUDDSODDI EWROPEAIDD
2014-2020

Dyddiad: 11 Medi 2015
Amser: 9.30am
Lleoliad: Swyddfa Llywodraeth Cymru, Merthyr Tudful

AGENDA

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|----|---|---------------|
| 1. | Croeso ac ymddiheuriadau | 9:30 – 9:35 |
| 2. | Cofnodion cyfarfod mis Mehefin, camau gweithredu a materion eraill sy'n codi | 9:35 – 9:40 |
| 3. | Cronfeydd Strwythurol a Buddsoddi Ewropeaidd: Themâu Trawsbynciol 2014 – 2020 WPMC(15)50 | 9:40 – 10:10 |
| 4. | Y Diweddaraf ar Gynnydd Rhaglenni'r Cronfeydd Strwythurol yn cynnwys datblygiad portffolio
<u>I gynnwys:</u> | |
| | (a) Trosolwg o'r cynnydd | 10:10 – 10:20 |
| | (b) Rhaglenni ERDF WPMC(15)55B, WPMC(15)55B1 | 10:20 – 10:40 |
| | (c) Rhaglenni ESF WPMC(15)55A | 10:40 – 11:00 |
| | <i>**Torïad 11.00 – 11.10**</i> | |
| 5. | Y Diweddaraf am Gynnydd y Rhaglen Datblygu Gwledig gan gynnwys Meini Prawf Dethol y Cynllun WPMC(15)56 | 11:10 – 11:40 |
| 6. | Angen Cytundeb: Strategaeth Monitro a Gwerthuso Cronfeydd Strwythurol WPMC(15)58 | 11:40 – 12:10 |
| 7. | Is-grŵp Pwyllgor Monitro Rhaglenni: Adroddiad Terfynol Mesur Llwyddiant 2014-2020 WPMC(15)57 | 12:10 – 12:40 |
| 8. | Unrhyw fater arall | 12:40 – 12:45 |
| | • Grŵp Llywio Rhwydwaith Gwledig Cymru: Drafft Manyleb Person [PAPUR I'W NODI] WPMC(15)59 | |
| | • Dyddiadau dros dro ar gyfer cyfarfodydd Pwyllgor Monitro'r Rhaglen 2016 [PAPUR I'W NODI] WPMC(15)60 | |

Cinio 12:45pm – 1:30pm

**EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014-2020
WALES PROGRAMME MONITORING COMMITTEE (WPMC)**

**Friday 05 June 2015
Welsh Government, Merthyr Tydfil
09:30 – 13:30**

MEETING NOTES

ITEM 1: Welcome and apologies

1. The Chair welcomed all present to the 7th meeting of the Wales PMC 2014-2020.
2. The Chair advised that Rachel Lewis-Davies replaces Rhian Nowell-Phillips as the representative of the Farming Sector; Julie Cook and Peter Crews replace Martin Mansfield and Margaret Thomas as representatives of TUC Wales; and on this occasion Tracy Welland attended as the representative of the Welsh Government's Department for Economy, Science and Transport (given the recent departure of Rob Hunter).
3. The Chair welcomed European Commission officials, some of whom were attending the PMC for the first time and who gave a brief resume of their new roles.
4. Attendees and apologies are listed at WPMC(15)M07 - Annex A.

ITEM 2: Minutes of the meeting held on 23 February 2015, actions and other matters arising

5. Members unanimously agreed the minutes of the previous meeting held on 23 February 2015, as a true and correct record of proceedings.
6. The revised paper on Measuring Success sub-group's analysis and recommendations had not been finalised and will be presented at the WPMC meeting in September 2015.
7. The update on the latest Business Survey findings was also deferred to the September meeting.
8. The updated Communications Strategy had been issued to members by written procedure on 21 May 2015 and was approved on 3 June

2015. The Chair thanked members for their contributions to the strategy.

ITEM 3: Update on the Rural Development Programme (RDP)

9. Andrew Slade explained that the Rural Development Programme had been granted formal approval by the European Commission on 26 May 2015. The Common Agricultural Policy direct payment consultation was due to end in late June 2015.
10. Terri Thomas (TT) presented paper WPMC(15)43, providing an overall vision for the RDP and details of the current proposals for scheme structure.
11. Members were asked to note that the scheme structure is subject to formal Ministerial agreement and is not final, so no financial details were provided at the meeting.
12. Apologies were given to the group for the lateness in sending out the papers given that the Programme had just been approved. The changes in the Rules of Procedure which set out the basis of the scheme are being discussed with stakeholders.
13. TT suggested that a further RDP training session should take place for the group, possibly in July.
14. An open discussion followed. Board members asked for the following points to be clarified:
 - How much funding will be available through the European Innovation Partnership?
 - Is there a summary document of RDP issues and how the RDP will integrate with the natural resource-based framework proposed in the new Environment Bill?
 - What are the definitions of agricultural and non-agricultural businesses and the links to Business Wales?
 - How is the Rural Community Development Fund progressing?

- There is a general lack of understanding of the RDP and it is felt that the information presented is output driven. What do we want to achieve? How will we know if we've achieved what we want to achieve?
- Are details of the agreed financial budget available? Measurable outcomes are vital to assess the performance and effectiveness of the programme and to gauge the impact of the intervention on the industry. There was also an appeal for the application route to be transparent.
- Business planning proposals should be proportionate to the needs of the scheme.
- The Chair questioned whether current information provided for LEADER is in a user friendly format for community groups.
- The Welsh Government's Natural Resource Management approach - how do all the strategies fit with the wider WG policies?
- WPMC will need more detail on selection criteria.
- The Chair acknowledged it was good news that the RDP had been approved, which explained the shortage of information available in terms of the detailed measurement of achievement for the programme.

Welsh Government Officials made the following comments in response:

- The European Innovation Partnership (EIP) will have around £2 million funding available, although this will be to fund operational groups around EIP themes, rather than projects.
- There is no single succinct RDP summary document available; the majority of queries from the EC were around Glastir and Forestry, but there are no real changes to note.
- A formal register of agricultural and forestry businesses currently exists and a non-agricultural business is any other business operating in rural Wales. There are existing links with the Department of Economy, Science and Transport.
- The Rural Community Development Fund programme area has yet to be finalised with Ministers and is to be launched at a later date.

- Ministers are yet to agree financial implications / outcomes, so this information will be provided at the next WPMC. However, detailed target outputs are already part of the agreed Programme. It is essential to have measurable outcomes and be able to measure how much the industry has moved forward in the next seven years.
- The RDP had been compiled and structured through extensive public consultation exercises and participation in detailed SWOT analysis which formed the basis of the programme. The issue of transparency will be addressed through comprehensive user friendly guidance and support packages once the programmes are live.
- TT explained the style of the narrative at this initial stage of programme establishment was prepared for EU, Managing Authority and Local Authority discussions. LEADER groups are to provide facilitation for community groups.
- The RDP's fit with policy will be assessed through monitoring and evaluation as the programme goes forward.
- The final 'shape' of the RDP is yet to be decided. Detail should be available by the next meeting.
- Ministers have yet to agree the RDP budget allocation.

Action Point: Welsh Government officials to arrange a RDP training day for WPMC members in July 2015.

ITEM 4: Formal Establishment of the Wales PMC for the RDP

15. Terri Thomas presented paper WPMC(15)54 and advised that the WPMC was now formally constituted following the agreement by the Commission of the 2014-20 RDP.
16. European Commission officials noted some differences in the regulations for the RDP which should be reflected in the Rules of Procedure paper. They would seek advice from their lawyers on a number of points. The Secretariat will amend paper WPMC(15)54.

Action Point: WPMC Secretariat to amend paper WPMC(15)54 in light of advice from European Commission officials and circulate the revised paper to WPMC members.

ITEM 5: Agreement required: Approval of EAFRD selection criteria

17. Terri Thomas presented paper WPMC(15)44. This set out the position for the proposed selection criteria to be used by CAP Planning Division as the designated Managing Authority (MA), for the selection of Wales Rural Development Programme operations (projects) for the 2014 – 2020 programming period.

18. Under Agenda Item 4 the WPMC had been formally constituted for the purposes of EAFRD and was asked to approve the selection criteria for the fund.

19. The RDP differs from the other ESI Fund programmes in that there are 19 main measures and 35 sub measures. To comply, each needs its own selection criteria. Selection criteria must be specific to measures.

20. Discussion followed:

- The European Commission reminded the group that there was an obligation to have the selection criteria approved within four months of RDP approval.
- A member asked if sponsored projects would be capped.
- The Chair suggested that details of proposed selection criteria were drafted and discussed at the July training day.

21. Welsh Government Officials made the following comments in response:

- The cap will be on the support an applicant can receive and not on the amount the sponsor can access. Some caps are set at European level, the maximum being 70,000 euros. The maximum per producer was expected to be 160,000 euros.
- The Welsh Government would produce guidance notes which are user friendly.

22. The Chair asked members to formally agree the selection criteria document. Annex A and Annex B documents were both agreed unanimously by the group.

Action Point: Welsh Government officials to draft selection criteria for discussion at the July training day.

Action Point: Welsh Government Officials to draft simplified RDP guidance notes.

ITEM 6: Update on Structural Funds Programme Progress

WPMC(15)45 – ERDF and ESF Programmes Monitoring report

Overview of progress

23. Damien O'Brien (DOB) presented an overview on the Structural Funds Programme. A copy of the presentation is to be circulated to members.
24. With recent project approvals, WEFO has committed £213million of EU Funds. This breaks down as:
- £81m - West Wales and the Valleys ERDF Programme;
 - £22m – East Wales ERDF Programme;
 - £101m – West Wales and the Valleys ESF Programme; and
 - £12m – East Wales ESF Programme.
25. An example of a recently approved ERDF project under the Research and Innovation programme area was highlighted: the SMART Innovation project, sponsored by the Welsh Government's Department for Economy, Science and Transport. The SMART Innovation project will provide support across Wales for innovation and commercialisation by providing specialist advice to SMEs and large companies. The project has been allocated £11.7million of EU Funds.
26. The Wales Council for Voluntary Action's Active Inclusion Wales project has recently been approved with £11million of ESF Funds, under the Poverty programme area. This project will increase the employability of economically inactive and long-term unemployed people aged 25 and over, who have complex barriers to employment. Client groups who will be supported by Active Inclusion Wales include: those with work limiting health conditions/disabilities, carers and those with childcare responsibilities.
27. A range of projects are in the pipeline across the four Funds:
- £279m for West Wales and the Valleys ERDF Programme;
 - £68m for East Wales ERDF Programme;
 - £316m for West Wales and the Valleys ESF Programme; and
 - £62m for East Wales ESF Programme.
28. On the key highlights since the last meeting, DOB reported that simplified costs had been rolled out to approved projects. Work had been undertaken on developing an ERDF-funded Financial Instrument for the new programmes. The Ireland/Wales Programme had been

successfully launched at an event in Swansea on 26 March 2015. WEFO had recently delivered a successful campaign to promote the benefits of the EU Funds as part of Europe Day on 9 May.

29. The priorities for the period ahead included the following:

- Agreeing the Management and Control System with the EU;
- Refreshing the Economic Prioritisation Framework; and
- Closure of the 2007-2013 Structural Funds Programmes.

ERDF Programmes

30. Peter Ryland (PR) gave an update on ERDF programmes (WPMC(15)45), discussing progress by grant commitment and by Priority Axes. He informed the group that the two ERDF Programmes had a good start with eight operations approved committing nearly £93m grant, being 8% of the programme funding. To date, no payments have been made to those operations that have been approved. It is anticipated that claims will commence in the third quarter of this year, with output data following as operations move into delivery.

ESF Programmes

31. Jane McMillan (JM) gave an update on ESF programmes (WPMC(15)45) discussing each priority area and grant commitment. Good progress has been made. Three further projects amounting to £50 million had been approved this week.

32. Discussion points:

- A member commented on a need for further reflection before the early approval of applications.
- Another member supported the idea of early approvals to 'seed' the programme with backbone projects.
- A member felt that the continuity of Skills funding is an essential continuation of the previous programme.
- A member sought assurance that applications would address the priorities of the programme and avoid duplication. Perhaps WEFO could learn from project sponsors' feedback on the application process which amounts to a considerable task for sponsors.
- Who decided what was defined as 'backbone' projects? Reference was made to the Economic Prioritisation Framework. From the WPMC perspective, room for movement has been identified in the

programmes linked to indicator plans. The EC confirmed the possibility of flexibility in the management of the detail. They were content with the financial management proposals for the programmes.

- A member suggested that the programmes adopt the City Regions approach to assess and evaluate performance based on impacts rather than outputs. Clear impacts should be seen from interventions.
- A member cited the example of a KPMG study in Germany which assessed the theme of 'How do we know we are succeeding?' It's important to assess the impacts of the interventions.
- The Chair suggested WEFO should invite new beneficiaries to attend the PMC to discuss how ESI Funds are going to impact on their business.

33. Welsh Government Officials made the following comments in response:

- JM explained the ways in which the new ESF programmes are a departure from 'business as usual'. Transformational changes have been included in the current programmes to make improved linkages to Regional challenges. The key messages of concentration, focus, integration and targeted investments have been embraced.
- The term 'backbone projects' was used in the Guilford Review to mean projects which are beneficial and central to the progress of the programme.
- PR emphasised the opportunities in ERDF to use Financial Instruments as a part of the management of the programme, which will develop a culture of loans rather than grants. The Ex Ante Evaluation work recommended the continuation of a JEREMIE type programme.
- DOB was pleased with the early progress of the programmes, specifically the uptake of funding for skills and apprenticeship projects. An update on pipeline projects will be provided for the meeting in September 2015. Future Marine Energy projects could have major potential for the ESI programmes and the overall economy of Wales. The importance of developing synergies between Horizon 2020 and the ESI funds was emphasised. Funds from Technical Assistance will support the revenue programme for the Intermediate Bodies set up. An aspect of concern registered was that beneficiaries did not appear to understand the origins of monies invested, and therefore did not acknowledge the EU contribution.

Action Point: Welsh Government officials to provide an update on pipeline projects for the next WPMC meeting on 11 September 2015.

ITEM 7: Agreement required: ERDF activities taking place outside of the Programme region

34. Dean Langley presented paper WPMC(15)51A, setting out the regulatory requirements for supporting activity outside of the programming area and explaining the role of the WPMC in agreeing such proposals. This was followed by Paper WPMC(15)51-B asking for the agreement of the PMC to use this option for certain types of ERDF-funded marine energy activity.
35. Activities funded by the European Structural & Investment Funds are usually only eligible for support if they take place within the geographical area covered by the programme from which the funding is drawn (the 'programming area'). The EU Regulations provide certain exceptions to this rule, where activity can take place in other regions/countries if necessary and where the benefits will be delivered to the programming area.
36. This sea-based testing of marine energy devices takes place outside Welsh waters where the necessary licences and facilities are already in place but test results will be used exclusively towards deploying these devices in Welsh waters.
37. Marine energy is a key area for Welsh Government. This is a joint industry project between the Ocean Energy Programme and hosted by the Crown Estate who own the sea bed.
38. Members of the WPMC were supportive, provided the long-term benefits of investment returned to Wales, and they agreed to the proposal in Paper PMC(15)51-B.

ITEM 8: Structural Funds Monitoring & Evaluation Strategy 2014-2020

39. Kathryn Helliwell presented paper WPMC(15)49 which accompanies the Draft Monitoring and Evaluation Strategy for the European and Structural Investment (ESI) Funds 2014-2020 for PMC consideration. Members were asked to comment on the Draft Strategy to allow WEFO

Officials to refine it and then to present it for final approval at the 11 September 2015 PMC meeting.

Action Point: WPMC members to send comments on the Draft Strategy for the European and Structural Investment (ESI) Funds 2014-2020 to Kathryn Helliwell. (Kathryn.helliwell@wales.gsi.gov.uk)

Action Point: WEFO officials to present the Structural Funds Monitoring & Evaluation Strategy 2014-2020 for final approval at the next WPMC meeting on 11 September 2015.

ITEM 9: European Structural & Investment Funds: Cross Cutting Themes 2014 – 2020

40. The Chair introduced Dr Alison Parken from Cardiff University who delivered a presentation on the ESF-funded WAVE (Women Adding Value to the Economy) project – Review and Results. Copies of the presentation will be circulated to the group.
41. Dr Parken's presentation focused on Gender Pay Disparities. These result from a combination of differences in the ways men and women are employed. These factors include employment segregation (by sector, occupation, workplace hierarchy, contract type (permanent/casual, full or part time or fixed hours), the undervaluing of 'women's work', access to training and routes to progression, the unequal division of labour between paid and unpaid work, labour market structuring on the assumption of gender roles regarding childcare and adult dependent care in the working age years, and pay discrimination.
42. Chriss O'Connell (CO) briefly covered paper WPMC(15)50, providing an overview of the proposed mechanisms for the implementation of the Cross Cutting Themes as part of the 2014 -2020 ESI programmes. For this programming period, the CCTs are Sustainable Development, Equal Opportunities and Gender Mainstreaming (including support for speakers of the Welsh language) and Tackling Poverty and Social Exclusion. Due to the over-running of this WPMC meeting, it was agreed with the Chair that this paper will be presented again at the September WPMC meeting, to allow for a full discussion with the group.
43. CO asked the group for their initial feedback on the proposed strategy for implementing the Cross Cutting Themes. CO also asked members

to indicate the nature of reports they'd like to see on the Cross Cutting Themes in future WPMC meetings.

Action: WPMC Secretariat to circulate Dr Alison Parken's PowerPoint slides to the group.

Action: WPMC members to send their feedback on the proposed strategy for implementing the Cross Cutting Themes and their preferences on the nature of reports on the Cross Cutting Themes for future WPMC meetings to Chriss O'Connell.

(chriss.o'connell@wales.gsi.gov.uk)

Action: Chriss O'Connell to present paper WPMC(15)50 at the September WPMC meeting to allow for a full discussion amongst the group.

ITEM 10: Any other business

44. The Chair informed the group of the need to plan for Europe Day on 09 May 2016.

45. The Chair referred to this being the last meeting for Ann Beynon who was retiring as Head of BT and thus relinquishing her seat on the WPMC. All members thanked Ann for her important contribution to the WPMC over many years.

46. The Chair thanked everyone for attending the meeting and their valuable contributions.

47. The next meeting of the WPMC will be held on 11 September 2015 at Merthyr Tydfil.

48. The meeting closed at 1:35pm

The following papers were provided for information:

Ireland Wales Programme Update, Synergies with Horizon 2020, and Evaluation Plan for the 2014-2020 Rural Development Programme.

Wales PMC European Structural and Investment Funds 2014 - 2020

05 June 2015

Welsh Government Office, Merthyr Tydfil

ATTENDEES

Chair – Jenny Rathbone AM

Members nominated on a representative basis, from partners and statutory bodies:

Ann Beynon	Business and Enterprise (Commerce Cymru)
Iestyn Davies	Business and Enterprise (Commerce Cymru)
Tom Whyatt	Business and Enterprise (Industry Wales)
Peter Crews	Wales TUC Cymru
Julie Cook	Wales TUC Cymru
Karen Anthony	Rural Economy (CLA – Country Land & Business Association)
Rachel Lewis-Davies	Farming and Rural businesses (NFU)
Derek Walker	Social Economy (Wales Cooperative Centre)
Phil Fiander	Third sector (WCVA)
Jocelyn Llewellyn	UK Government (Jobcentre Plus)
Lowri Gwilym	Local Government (WLGA)
Rhian Jardine	Environmental Sustainability (Natural Resources Wales)
Arfon Williams	Environmental NGOs (Wales Environment Link/RSPB)
Professor April McMahon	Higher Education (Aberystwyth University)
Dr David Blaney	HEFCW (Higher Education Funding Council for Wales)
Tracy Welland	Welsh Government (Economy, Science and Transport)

Members selected via the Public appointments process:

Beth Winkley
David (Dai) Davies
Professor Richard B Davies
Joy Kent
Siân Price

Advisors:

Leo Maier	European Commission Head of Unit F.2, DG Agri
Guy Flament	European Commission, Directorate-General for Regional and Urban Policy
Marek Beran	European Commission, Directorate-General for Agriculture and Rural Development
Dese Srsen	European Commission, Head of Unit for the UK, DG Regio;

Kristina Kusmanova	European Commission, UK Desk Officer responsible for the 2014-2020 Programmes, DG Regio
Filip Busz	European Commission, Head of Unit, DG Employ;
Joanna Grochowska	European Commission, Desk Officer for West Wales and the Valleys, DG Employ.

Guest Speaker:

Dr Alison Parken	Project Director and Senior Research Fellow WAVE (Women Adding Value to the Economy)
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**Programme Managing Authorities:
Welsh European Funding Office / Department for Natural Resources**

Damien O'Brien	Chief Executive, WEFO (ERDF, ESF)
Andrew Slade	Director, Agriculture, Food & Marine (RDP)
Peter Ryland	Deputy Director, Programme Performance & Finance (ERDF, ESF)
Terri Thomas	Head of CAP Planning Division, Welsh Government
Jane McMillan	Head of ESF Programmes, WEFO
Dean Langley	Head of Regulations and Compliance, WEFO, Welsh Government
Chriss O'Connell	Head of Cross-Cutting Themes, WEFO, Welsh Government
Rob Halford	Head of Planning & Strategy (ERDF, ESF)
Karl James	Head of Branch for Energy, WEFO, Welsh Government
Tom Smithson	Head of ERDF Programme Development, WEFO, Welsh Government
Geraint Green	Head of Business and Innovation, WEFO, Welsh Government
Mike Pollard	Head of Territorial Co-operation, WEFO, Welsh Government
Elain Debono	Head of Rural Payments Division, Welsh Government
Kathryn Helliwell	Welsh Government
Nigel Carter	Welsh Government
Alex Bevan	Wales TUC
Barbara Burchell	Local Government
Howard Davies	Welsh Government
Victoria Seddon	Secretariat
Linda Pugh	Secretariat

Interpreter

Steffan William	Cymen
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APOLOGIES

Dr Grahame Guilford	Public Appointee
Cllr Ronnie Hughes	Local Government (WLGA)
Matthew Quinn	Welsh Government (Natural Resources)
David Hughes	European Commission
Rob Hunter	Welsh Government (Economy, Science and Transport)
Cath Jenkins	Welsh Government (Education & Skills)
Dr Greg Walker	Further Education (Colleges Wales)

WPMC(15)08 Annex B
European Structural and Investment Funds 2014 - 2020
11 September 2015
Welsh Government Office, Merthyr Tydfil

ACTION POINTS

	Meeting Date	Action Requested	Latest Situation
1.	05 June 2015	Welsh Government officials to arrange a RDP training day for WPMC members.	Complete – training session to be held on afternoon of September PMC meeting.
2.	05 June 2015	WPMC Secretariat to amend paper WPMC(15)54 in light of advice from European Commission officials and circulate the revised paper to WPMC members.	Ongoing.
3.	05 June 2015	Welsh Government officials to draft selection criteria for discussion at the July training day.	Complete – included as an agenda item for the September PMC meeting.
4.	05 June 2015	Welsh Government Officials to draft simplified RDP scheme guidance notes.	Ongoing – Welsh Government officials are drafting guidance notes for RDP Measures as they are activated.
5.	05 June 2015	Welsh Government officials to provide an update on pipeline projects for the next WPMC meeting on 11 September 2015.	Complete – included in agenda item for September PMC meeting on Structural Funds Programmes update.
6.	05 June 2015	WPMC members to send comments on the Draft Evaluation Strategy for the European and Structural Investment (ESI) Funds 2014-2020 to Kathryn Helliwell. (kathryn.Helliwell@wales.gsi.gov.uk)	Complete – Evaluation Strategy revised to reflect WPMC members' comments.
7.	05 June 2015	WEFO officials to present the Structural Funds Monitoring & Evaluation Strategy 2014-2020 for final approval at the next WPMC meeting on 11 September 2015.	Complete – included as an agenda item for the September PMC meeting.
8.	05 June 2015	WPMC members to send their feedback on the proposed strategy for implementing the Cross Cutting Themes and their preferences on the nature of reports on the Cross Cutting Themes for future WPMC meetings to Chriss	Ongoing – members' comments on the Cross Cutting Themes Strategy will continue to be welcomed after the September PMC meeting.

		O'Connell. (chriss.o'connell@wales.gsi.gov.uk)	
9.	05 June 2015	Chriss O'Connell to present paper WPMC (15)50 at the September WPMC meeting to allow for a full discussion amongst the group.	The paper has been included on the agenda for the September PMC meeting.

Ongoing Action Points from previous meetings

10.	1 May 2014	Person and job specification for Chair of Wales Rural Network Steering Group to be provided to the Committee at a future meeting	Circulated to the WPMC for comments by written procedure Members to email their comments to stephen.jackson@wales.gsi.gov.uk by 25 September 2015.
11.	23 February 2015	Update on the latest Business Survey results to be provided to WPMC at June 2015 meeting	Ongoing. The Business Survey is almost complete and the findings should be available for the December meeting
12.	23 February 2015	A revised paper on the Measuring Success sub-group's analysis and recommendations to be presented to the June meeting of the WPMC	Complete – the paper has been added to the agenda for presentation at the September PMC.
13.	23 February 2015	An update from the North Wales Economic Ambition Board to be presented to the WPMC on a regular basis, at least annually. – This can roll forward to another meeting as it's a yearly update	Ongoing. WEFO officials are currently considering arrangements for how the regional partnerships could feed into the PMC

**WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN
STRUCTURAL AND
INVESTMENT (ESI) FUNDS 2014 – 2020:**

**IMPLEMENTATION OF THE CROSS CUTTING THEME: ANNUAL
PROGRESS REPORT**

Issue

1. This paper provides an overview of the proposed mechanisms for the implementation of the Cross Cutting Themes (CCTs) as part of the 2014 -2020 ESI programmes. For this programming period, the CCTs are Sustainable Development, Equal Opportunities and Gender Mainstreaming (including support for speakers of the Welsh language) and Tackling Poverty and Social Exclusion (NB: the latter is not a CCT for the Ireland / Wales Co-operation Programme).

Recommendation

2. Members are invited to note the content of the report and to provide comments accordingly.

Background

3. As set out below, the Cross Cutting Themes (CCTs) require action in multiple fields and must be integrated into all areas of the ESI programmes: as such they need to be at the centre of the dialogue around developing both programmes and subsequent operations:

Sustainable Development

4. The General Regulations governing the European Programmes stipulate that all operations funded through the Common Strategic Framework, must integrate Sustainable Development under Article 8. The Regulations state that 'Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity, disaster resilience, and risk prevention and management are promoted in the preparation and implementation of Partnership Agreements and programmes.

Equal Opportunities and Gender Mainstreaming

5. Regulation (EU) No 1303/2013 Article 7 - Promotion of equality between men and women and non-discrimination states that equality between men and women and the integration of gender perspective are taken into account and promoted throughout the preparation and implementation of programmes, including in relation to monitoring, reporting and evaluation. The Regulation also calls for appropriate steps to prevent any discrimination based on

sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes. In particular, accessibility for persons with disabilities shall be taken into account throughout the preparation and implementation of programmes.'

6. In order to fulfil the vision of a truly bilingual nation, the Welsh Government has made a commitment in 'A living language: a language for living', the National Action Plan for a Bilingual Wales and its Welsh Language Scheme to mainstream the Welsh Language across policy areas. The implementation of the ESI Programmes will reflect this commitment, supporting efforts to grow the Welsh language within the context of economic growth and job creation.

Tackling Poverty and Social Exclusion

7. Europe 2020 is the EU Platform against Poverty which supports the Commission's focus on tackling poverty and social exclusion and will deliver to the EU2020 target of 20 million fewer people in poverty. Tackling poverty is a key priority for the Welsh Government and the Tackling Poverty Action Plan (TPAP) sets out the targets and milestone being taken forward by Welsh Government to reduce poverty in Wales.
8. The Welsh Government has developed clear policies across the range of its statutory responsibilities, including Sustainable Development, Equality and Diversity, the Welsh language and Tackling Poverty. Set within this evolving policy context, the picture of integrating the CCTs into successive programmes is one of steady progression and improvement. The agenda has been steadily pushed forward through increased awareness, positive developments in legislation and policy, changes in attitudes, hard learned lessons and a clear focus on the importance of the CCTs from the European Commission.
9. The overarching aim is to continue to build on this progress and to ensure the benefits of the 2014-2020 programmes are spread as equitably as possible to the people and communities of Wales, thereby maximising the impact of the programmes and showing the true added value of successful integration of the CCT principles. The nature of the Cross Cutting Themes means there is always more that can be achieved to further their implementation.

CCT Evaluation and Lessons Learned from 2007- 2013 Programmes

10. Research has recently been undertaken to evaluate the extent to which the Cross-Cutting Themes (CCTs) of Equal Opportunities and Environmental Sustainability have been successfully integrated into the 2007- 2013 Structural Funds Programmes in Wales. The research findings were reported to PMC on 16th January 2015 .

11. A central purpose of the study was to produce evidence to feed into system improvements and to inform a clearer, realistic, vision for the CCTs in future ESI funded programmes. The research also explored how success is measured and assessed procedures and goals in terms of their capacity to move towards the vision

Report Recommendations

12. PMC Members will recall the report's key recommendations which focus on three main areas in the CCT 'system':

- **Development and Support:** 'Develop a more systematic approach to development, support and delivery of CCTs within the context of the wider European Funds system'.
- **Management and Communication:** 'Clarify project support roles within WEFO and commit to developing a culture of communication and cooperation between WEFO and projects. Communicate a corporate vision for CCTs to help 'make Wales a better place', and contribute to delivery of Welsh policy'.
- **Monitoring and Evaluation:** 'Revise monitoring and evaluation to capture CCTs more effectively'.

13. These recommendations now need to be addressed by WEFO management, with the support of PMC and, critically, with the buy-in of those Welsh Government Departments engaged in delivering ESI funded operations. A fuller version of the key findings from the report can be found at Annex 1.

Lessons learned: strategy for the Implementation of the Cross Cutting Themes

14. Drawing on the findings of the evaluation report, a strategy for implementing the CCTs has been developed and is set out in the Operational Programme documents. This strategy includes the following key elements, designed to enhance the impact achieved through implementation of the CCTs as a core component of new operations:

- On-going specialist advice will be made available to beneficiaries. Specialist input will be provided at an early stage to maximise take-up of the opportunities to promote the three CCTs.
- A formal CCT assessment will be carried out at Business Plan stage and recommendations made and commitments agreed.
- A continual programme of awareness raising and training will be provided to stakeholders on how to integrate the CCTs.

- Guidance will be prepared together with best practice case study examples that will provide specific information on how beneficiaries can address the three CCTs within their operational plans.
- Regular monitoring of progress at review meetings.
- Update reports to the Programme Monitoring Committee (PMC) and other stakeholders.
- Opportunities will be identified to showcase CCT activity.
- To sit alongside the agreed priority CCT indicators, additional project level CCT indicators have been identified, which enable WEFO to capture a broader range of activity. These can be found at Annex 2
- A mechanism will be established to support a CCT peer support network.

Well Being Of Future Generations (Wales) Act

15. WEFO through the Cross Cutting Themes team, has actively engaged with the development of the Well Being of Future Generations Act. The very nature of the Cross Cutting Themes lends itself to the concept of sustainable development and subsequently the Well Being Duty placed on public bodies in Wales and the five principles of sustainability which are outlined in the Act. The formal CCT assessment carried out for each business plan submitted to WEFO, provides an opportunity to enhance activity in line with the sustainable development principles.

Decision

16. PMC members are asked to comment on the proposed strategy for implementing the CCTs, in particular the additional cross cutting theme indicators.

17. Indicate the nature of reporting they wish to see regarding the CCT's for future PMC meetings e.g. joint theme reports, joint programme reports, annually, bi-annually

Next Steps

18. Activity is underway to recruit staff into the Cross Cutting Themes Team to take responsibility for rolling out the above strategy, where appropriate, across the RDP programme

Drafted by: Chriss O'Connell WEFO

Approved by: Rob Halford WEFO

Date: 15 May 2015 (updated August 2015)

Annex 1: Key Findings:

Integration and mainstreaming:

Projects that reported success in achieving their CCT aims were also more likely to report overall project success. This runs counter to the perception that the CCTs are a burden on projects. Projects that reported success in achieving their CCT aims were more likely to take part in early engagement and collaborative development of CCT aims with WEFO. Conversely, projects that passively accepted CCT aims given to them by WEFO were less likely to achieve these aims.

Added value: There is not a clear understanding of the term 'added value'. Projects that report CCT success are more likely to see benefits for their organisations and for beneficiaries as a form of added value. Those that report CCT failure generally do not see the added value of the CCTs.

Guidance and support: The CCT Team is highly regarded, being recognised as having raised the profile of the CCTs and embedded them in the Welsh Structural Funds culture. Respondents recognised that the team work with

constrained resources, making it difficult to provide a consistent level of support to a wide range of diverse projects. This is compounded by a lack of clarity around support roles (i.e. CCT and PDO responsibilities) and perceived issues in the wider relationship between projects and WEFO.

Monitoring and evaluation: Current monitoring and evaluation requirements are often seen as inappropriate, inconsistent and do not capture the full range of CCT activity. Many projects mistakenly believe that the data collection requirements are imposed by the CCT Team.

Barriers to CCTs: CCTs are not always perceived as being a high priority and may be regarded as a 'box ticking exercise'. This may relate to a disconnection between the planning and delivery stages. Inappropriate aims and measures also play a role in this. Understanding is the most critical factor.

Best Practice and innovation: Around a quarter of the projects saw the CCTs as an opportunity for innovation. Suggestions for promoting best practice on the CCTs included a peer support approach, involving sharing information and knowledge between projects, partners and beneficiaries.

Annex 2

Additional Cross Cutting Themes Project Level Indicators

Some of the positive outcomes for EO&GM and TP&SE CCT's are inter-related and as such can be counted for both CCT's.

Equal Opportunities and Gender Mainstreaming

Positive action measures (can be across a broad range of activities) for underrepresented groups (Women, BME, Disabled, older workers etc.)

Activities which challenge occupational segregation

Activity which is aimed at promoting the Welsh language and supporting speakers of the language.

Activity supporting female participation in STEM

Activity specifically working with local Disability Access Groups

Workplace health programmes supported

Childcare / care provision funded

Sustainable Development

Develop an organisational Eco Code - practical tips and reminders for saving energy, conserving water and encouraging improved waste management

Operations developing local sustainable supply chains

Operations integrating small scale Green and Blue infrastructure

Activity which is supporting bio-diversity on a site funded through SF's

Development of an organisational Travel Plan and sustainable transport initiatives

Resource efficiency measures integrated into activity

Site environmental management plans

BREEAM excellent where applicable

Attainment of CEQUALL for construction activity

Use of Sustainable Urban drainage Systems (SUDS) where applicable

Tackling Poverty and Social Exclusion

Activity which builds skills within the community

Mentoring, advocacy and peer support activity funded

Volunteering schemes supported

Organisations / projects paying the living wage

Cross Cutting Themes general

Good practice stakeholder engagement activity

Promoting the CCT's in organisations by developing champions etc.

Operations integrating Social Clauses into activity (detail)

CCT Toolkits, health checks, training packages, Apps etc. funded

**WALES PROGRAMME MONITORING
COMMITTEE**

**EUROPEAN STRUCTURAL AND
INVESTMENT FUNDS 2014 – 2020**

ESF PROGRAMMES

Monitoring Report

September 2015

Section 1: ESF Programmes: Commitment

This section gives details of current financial progress under the ESF Programmes, including an overview of the Programmes and information at Priority-level.

Table 1 shows the number and amount of EU Grant committed to approved Operations under the West Wales and the Valleys and East Wales ESF Programmes, along with the potential EU Grant committed if Operations at Business Planning and Pre Planning stages are taken forward.

Table 1: EU Grant Commitment: Approved, Business Planning and Pre Planning stages

£ Millions							
Programme / Priority Axis	Operations			EU Grant Commitment			
	Approved	Business Planning	Pre Planning	Allocation ¹	Approved	Business Planning	Pre Planning
West Wales and the Valleys ESF							
Priority 1	5	9	1	156.8	45.6	32.1	-
Priority 2	3	15	5	276.5	80.0	99.6	-
Priority 3	3	16	2	195.8	39.7	99.0	-
Priority 4	0	7	0	12.8	-	6.6	-
Total	11	47	8	641.9	165.4	237.4	-
East Wales ESF							
Priority 1	2	6	0	35.0	6.8	4.1	-
Priority 2	3	8	4	76.4	12.1	12.7	-
Priority 3	2	14	1	48.0	14.8	18.5	-
Priority 4	0	6	0	3.3	-	1.5	-
Total	7	34	5	162.6	33.8	36.8	-
Total ESF Programmes	18	81	13	804.5	199.2	274.2	-

Source: WEFO, 05/08/2015

¹ EU Grant Allocation based on conversion rate of £1:€1.25

Overall Programme Update

The ESF Programmes continue to make good progress; as at 05/08/15, 18 operations across both Programmes have been approved (mainly consisting of key backbone operations), with 26% of the financial allocation of the West Wales and the Valleys Programme and 21% of the financial allocation of the East Wales Programme committed. This is well on target to achieve WEFO's objective of committing approximately 33% of the financial allocations for both Programmes by the end of the 2015/16 financial year. Further detail on the development of the portfolios within each of the Priority Axes is given below.

Section 2: Progress by Priority Axis

Priority Axis 1: Tackling Poverty through Sustainable Employment

As at 05/08/15, 29% of the Priority Axis allocation has been committed in West Wales and the Valleys and 20% in East Wales. All operations are required to identify and address specific barriers to engagement with, and continued participation within, the labour market. The design of individual interventions will be underpinned by Labour Market Intelligence and the intelligence on key employment and economic growth opportunities provided by the EPF and the Regional Learning Partnerships' emerging Employment and Skills Plans.

Implementation of Specific Objective 1 (West Wales and the Valleys only) is focused around the approved pan-programme Welsh Government ReACT backbone operation, supporting individuals impacted by redundancy. An additional skills support operation for short term unemployed individuals with no or low skills is being developed by the Welsh Government for later in 2015 / early 2016. Other support, specifically for short term unemployed individuals with work limiting health conditions or disabilities, is likely to be more appropriately addressed through smaller scale niche activity. WEFO will keep this potential gap in provision under review as the portfolio develops.

The focus of Specific Objective 2 in West Wales and the Valleys and Specific Objective 1 in East Wales is on delivering the qualifications, employability skills and experience required to enable those individuals furthest from the labour market and facing specific and complex barriers to engaging with employment opportunities to gain sustainable employment. This focus on identifying and addressing specific barriers to employability reflects the significantly increased emphasis on targeting specific demographic cohorts in the 2014-2020 programmes.

Implementation of Specific Objective 2 (WWV) / Specific Objective 1 (EW) is being developed around a mixed portfolio of geographically and cohort-group focused operations, with national, pan-Wales operations such as the approved Welsh Government Communities for Work initiatives and the WCVA-led Active Inclusion operations. These backbone operations are complemented by a number of regional operations, such as the collaborative local authority led Bridges 2 Work operation across the South East of the West Wales Valleys area, and operations focused on specific cohort groups, such as the Welsh Government led Parents, Childcare and Employment operation, which is targeting economically inactive parents outside of Communities First areas where childcare is their main barrier to sustainable employment.

Further proposals, including Welsh Government pan-programme operations focused around specific barriers to employability, such as substance misuse and/or mental health issues, and local authority led collaborative regional operations in South West and North Wales, are currently under development. These proposals sit alongside some developing niche operations. These

Operations will deliver very targeted support to specific demographic or cohort groups, including proposals to support those facing particular barriers relating to ethnicity or disability or work limiting health conditions.

Early indications show that there may be an emerging gap in East Wales as demonstrated in the lower commitment levels above. This is likely to be driven by the lower potential intervention rates and the significantly higher values available within the portfolio. There is a particular gap emerging in the South East with only limited interest to date in delivery. This will be proactively addressed by WEFO over the coming months.

The emerging portfolio predicts strong coverage of the required outputs with predicted conversion to the required employment results however; this will need to be monitored as the programme progresses to ensure the focus on specific target groups is maintained.

Specific Objective 3, in West Wales and the Valleys only will primarily be centred on a pan-programme backbone proposal by the Welsh Government to support those individuals who are at risk of dropping out of employment due to a work limiting health condition. WEFO is also encouraging proposals for delivering support to those who are 'underemployed' due to a work limiting health condition. No operations have been approved to date.

There is an emerging gap in this Specific Objective in addressing the targeted 'underemployed' cohort. WEFO will be seeking to encourage proposals from those interested in delivering innovative activity in this area over the coming months.

WEFO is working closely with beneficiaries and those developing operations under this Priority Axis to ensure the development of a coherent and integrated portfolio delivering to the targeting principles and results targets set out within the Operational Programme, while avoiding duplication of activity and potential double-counting of participants. To this end, WEFO will be arranging an engagement meeting with beneficiaries during the autumn to review approved and proposed activity and to identify any gaps or duplication in provision.

Priority Axis 2: Skills for Growth

As at 05/08/15, 29% of the Priority Axis allocation has been committed in West Wales and the Valleys and 16% in East Wales. Building on the achievements of the 2007-2013 programme, specific focus is being given within the developing portfolio on the delivery of the essential, technical and specialist skills required to build an agile and responsive workforce equipped to fully capitalise upon the opportunities and growth potential offered by a modern, knowledge-based economy. Whilst basic and essential skills constitute a common, and necessary, foundation across the entire workforce, the intelligence on key growth opportunities and emerging and priority sectors provided by the EPF, together with the Regional Learning Partnerships' emerging Employment and Skills Plans and Labour Market Intelligence

constitute key tools to guide the targeting and focusing of skills interventions, particularly those delivering skills at an intermediate and higher level.

Under both the West Wales and the Valleys and the East Wales programmes, the portfolios for the first two Specific Objectives (lower level and intermediate/advanced level skills development) are being implemented around the approved backbone Welsh Government Apprenticeship operations. These operations introduce an explicit focus on enabling participants to progress, where relevant, onto higher level apprenticeships, responding to the opportunities emerging with the economy and the needs of business.

Regional provision of essential, technical and job-specific skills, led in most cases by the FE sector, will sit alongside these backbone Apprenticeships operations, complemented by some local authority led proposals to engage with employed individuals outside of their employment context, supporting those unwilling to admit skills deficits to their employers or whose employers fail to engage (for example, the Torfaen CBC led Working Skills for Adults 2 operation, recently approved within the West Wales and the Valleys Programmes). This regional delivery is being complemented by proposed collaborative provision of shorter work-focussed courses at HE level and specialist leadership and management programmes. Some niche proposals relating to more specific sectors or target groups are also being brought forward, including a graduate training scheme in the financial services sector in East Wales, responding to the opportunities for economic growth and high quality employment opportunities offered by that sector, as articulated within the EPF. All proposals are being challenged to demonstrate alignment with the EPF as appropriate to the operation (for example through targeting recruitment of employers or aligning course offers to EPF areas).

The West Wales and the Valleys programme includes a Specific Objective for research and innovation skills, with specific focus on supporting collaborative research with enterprise focused on the Science for Wales 'Grand Challenge' areas that aligns and adds value to the economic opportunities and existing investment context set out within the EPF. Two operations, one led by Swansea University and the other by Bangor University, are currently in development. These proposals focus respectively on support for Engineering Doctorate and Research Masters in the field of advanced materials and manufacturing and collaborative Research Masters and Doctoral level opportunities focusing on increasing research and innovation within SMEs, including micro companies.

Proposals to improve the position of women in the workforce are funded under Specific Objective 4 (West Wales and the Valleys) 3 (East Wales), with the approved Chwarae Teg led Agile Nation 2 operation delivering skills support and mentoring for women in employment, focusing, in line with the principles of the EPF, on women in growth sectors where they are under-represented in the workforce and in senior management roles, as well as working with employers to promote diversity and tackle gender disadvantage in the workforce.

The highest output targets are in Specific Objective 1 (lower level training). Whilst the Foundation Apprenticeships backbone operation puts us well on track to meet the Performance Framework milestones for 2018, WEFO is working with the emerging FE and local authority led workplace and essential skills operations to ensure delivery of overall targets in this area.

WEFO has convened a number of regional meetings of key stakeholders, such as FE colleges, to facilitate the development of collaborative regional delivery of essential and intermediate/higher level skills operations. These discussions include work with DfES policy colleagues looking at how the delivery of some national skills priorities can be devolved to regionally-led projects, as an alternative to bringing forward Welsh Government-led operations.

Priority Axis 3: Youth Employment and Attainment

As at 05/08/15, 20% of the Priority Axis allocation has been committed in West Wales and the Valleys and 31% in East Wales. The emerging portfolio focuses on addressing youth unemployment and the issues around NEET. This will be achieved through ensuring that the skills and career aspirations of young people most at need of support are consistent with employer demand, emerging growth opportunities and the long term needs of the economy, utilising Labour Market Intelligence, the Regional Learning Partnerships' emerging Employment and Skills Plans and the EPF as underpinning tools to guide interventions.

Under Specific Objective 1 in both the West Wales and the Valleys and the East Wales Programmes, implementation is underway with the approval of the Welsh Government backbone Jobs Growth Wales and Traineeships operations. Jobs Growth Wales focuses on work ready 16-24 year olds who are unemployed, not on the DWP's Work Programme and have completed all relevant training but failed to secure employment due to a lack work experience. It has a clear focus on supporting its otherwise work-ready participants to enter employment upon leaving. This approach is complemented by the Traineeships operation, which targets 16-18 year olds who have left compulsory education, who are undecided on a post-16 learning opportunity and/or do not have the skills and aptitudes to secure employment. This operation aims to improve the skills levels of its participants, enabling them to enter further training or employment upon leaving. These significant backbone proposals will collectively be key in the delivery of the performance framework targets and the employment outcomes within the Operation Programmes.

Further proposals, including Welsh Government pan-programme operations and local authority led collaborative regional operations, are currently under development. These include proposals to deliver a range of engagement, learning and training activities for 16–24 year olds to reduce youth unemployment and the number of young people who are NEET, as well as interventions designed to increase attainment levels among 16-24 year old

NEETs, overcome barriers relating to childcare, increase self esteem, develop employability skills and support participants to move closer to the labour market.

A number of proposals are under development in both Programmes under Specific Objective 2. A significant challenge to all proposals within this Specific Objective will be to articulate a clear and demonstrable focus on those young people aged 11-24 who are most at risk of becoming NEET. The expectation is that this will be achieved through utilising the early identification and risk tracking principles of the Welsh Government's Youth Engagement and Progression Framework to underpin this approach. Pan-Wales provision is being developed through a portfolio of regionally based operations led by Local Authorities, with the portfolio taking shape around local authority led regional operations targeting young people aged 11-19 who are at highest risk of becoming NEET, with the intention to re-engage them with education and reduce their risk of becoming NEET. This is complemented by smaller scale and niche activity to support those in the FE and HE sector between the ages of 19 and 24 who are at highest risk of becoming NEET. Reflecting the increased emphasis in the 2014-2020 programmes on identifying and addressing the barriers faced by those most at risk of becoming NEET, many of these operations are being designed to proactively identify and target participants who face specific barriers, such as a disability or work limiting health condition, childcare or caring responsibilities, to entering employment or continued engagement.

Specific Objective 3 (West Wales and the Valleys only) aims to increase the take-up of STEM subjects among 11-19 year olds. The emerging portfolio for this Specific Objective is centred on the approved backbone STEM Cymru II operation, which builds on good practice established during the 2007-2013 programme period. This operation targets young people at key decision and transition points during secondary and tertiary education, with attention given to female take-up and, attainment levels in STEM subjects. This approach will be in clear alignment with the economic growth opportunities articulated within the EPF, on engineering and related areas. There is potential within this Specific Objective for additional STEM activity to be developed and WEFO will work to address any emerging gaps as the programme progresses.

Specific Objective 4 (also West Wales and the Valleys only) adopts a single focus on the upskilling the early years and childcare workforce. WEFO is working with the Welsh Government to develop a single backbone operation to deliver the support to the 3000 participants targeted, with the main focus to be on up-skilling Childcare and Play sector workers to Level 3; with a smaller proportion of childcare workers to be up-skilled to Levels 5 and/or 6. It is anticipated that this operation will be confirmed later this year.

WEFO is working closely with beneficiaries and those developing operations under this Priority Axis alongside those in the poverty priority to ensure the development of a coherent and integrated portfolio and programme of operations, particularly those focusing on employability and employment outcomes. WEFO has held a number of engagement meetings with potential

beneficiaries to discuss proposed activity, to encourage collaborative delivery and to identify any emerging gaps or duplication in provision. Further meetings will be held as projects progress to continue the strong collaborative approach developing in this priority.

Priority 4: Technical Assistance (West Wales and East Wales)

A number of operations are in the Business Planning phase, with several also in pre-planning. No operations have been approved but several are expected to be approved by later summer. Planned investments include operations covering revenue costs for Intermediate Bodies (IB) aid schemes managed by Welsh Government and the WCVA, and also a suite of four Regional Engagement operations across Wales.

Cleared by: Jane McMillan

Date: 24/08/15

**WALES PROGRAMME MONITORING
COMMITTEE**

**EUROPEAN STRUCTURAL AND
INVESTMENT FUNDS 2014 – 2020**

ERDF PROGRAMMES

Monitoring Report

September 2015

Section 1: ERDF Programmes: Commitment

This section gives details of current financial progress under the ERDF Programmes, including an overview of the Programmes and information at Priority-level.

Table 1 shows the number and amount of EU Grant committed to approved Operations under the West Wales and the Valleys and East Wales ERDF Programmes, along with the potential EU Grant committed if Operations at Business Planning and Pre Planning stages are taken forward.

Table 1: EU Grant Commitment: Approved, Business Planning and Pre Planning stages

£ Millions							
Programme / Priority Axis	Operations			EU Grant Commitment			
	Approved	Business Planning	Pre Planning	Allocation ¹	Approved	Business Planning	Pre Planning
West Wales and the Valleys ERDF							
Priority 1	2	14	1	239.5	27.8	174.5	-
Priority 2	3	3	3	166.4	43.2	72.0	-
Priority 3	2	3	3	136.7	12.6	38.6	-
Priority 4	0	2	6	401.0	-	55.0	206.1
Priority 5	0	7	1	19.3	-	6.2	-
Total	7	29	14	962.8	83.6	346.3	206.1
East Wales ERDF							
Priority 1	2	8	6	71.3	8.5	39.9	-
Priority 2	3	3	0	31.9	13.8	13.9	-
Priority 3	0	1	1	17.9	-	9.8	-
Priority 4	0	0	1	38.3	-	-	28.8
Priority 5	0	6	1	3.3	-	2.8	-
Total	5	18	9	162.6	22.3	66.4	28.8
Total ERDF Programmes	12	47	23	1,125.5	105.9	412.7	234.9

Source: WEFO, 12/08/2015

¹ EU Grant Allocation based on conversion rate of £1:€1.25

Overall Programme Update

Generally the two ERDF Programmes have had a good start with 12 operations approved committing nearly £106m grant being 9.5% of the programme values an increase of £13 million grant since the PMC last met. As expected parts of the ERDF programmes are more advanced than others in terms of approvals and operations in the business planning phase but this is typical of how the ERDF develops over time. In addition the 'it's not business as usual' focus of the new programmes has meant that beneficiaries have had to think long and hard about their proposals and how activity being proposed will deliver against the challenging programme targets. This has inevitably resulted in a number of proposals not progressing beyond the initial pre-planning phase whilst others have had to re-scope their initial idea for further discussion with WEFO. Interest right across the programme areas has

been strong and in certain areas interest may well out strip the available resources which will result in some worthy operations not receiving EU support as the funds target those operations that will achieve strongly against the programme targets.

To date no payments have been made to those operations that have been approved. It is anticipated that claims will start in the third quarter of this year with output data following thereafter as operations complete their mobilisation phase and move into delivery.

Section 2: Progress by Priority Axis

Please see Portfolio Diagrams for each of the ERDF Priorities at the end of the Update Report.

Priority 1: Research and Innovation

WWV Approvals: Total ERDF approved as of August 2015 - £27.78 million

SMART Innovation (total operation cost £11.79 million ERDF Grant £7.78 million); Aberystwyth Innovation and Enterprise Campus (total operation cost £35.5 million ERDF Grant £20 million)

EW Approvals: Total ERDF approved as of August: 2015 - £8.55 million

SMART Innovation (total operation cost £7.9 million ERDF Grant £3.95 million); Cardiff University Brain Research and Imaging Centre (CUBRIC) II (total operation cost £16.2 million ERDF Grant £4.6 million)

For West Wales and the Valleys and East Wales the programmes are being developed around Science for Wales and Innovation Wales which together form the Welsh Smart Specialisation Strategy. Smart Specialisation has a clear focus to promote innovation across Wales in all sectors of the economy, to build capacity and promote excellence in research and innovation. Smart Specialisation also provides a focus for investments and the development of excellence and clusters reiterated in the Economic Prioritisation Framework. The ERDF will primarily concentrate around the Grand Challenge areas of Life Science and Health, Low Carbon, Energy and Environment, Advance Engineering and Materials and ICT and Digital Economy. However ERDF will also support and encourage the development of new emerging technologies that may in time become further areas of excellence which the Welsh economy may benefit from.

The development of the R&D&I portfolio is progressing well with a number of University led operations seeking support to increase the research infrastructure to enable capacity and capability for world class research to

take place in line with Smart Specialisation. This infrastructure will enable the backbone operation Ser Cymru 2 to attract and retain excellent researchers in order to build long term sustainable research capacity in Wales. Operations approved to date that offer capacity building are the Aberystwyth Innovation and Enterprise Campus (focus on the Life Science and Food particularly Biotechnology and Biological research) and Cardiff University Brain Research and Imaging Centre II (CUBRIC II) which has a focus on Life Science and Health.

There continues to be a need for Welsh businesses to innovate better. The programmes encourage business to recognise the benefit of innovation and will support activity that enables business and universities to work together to share and transfer knowledge with a view to commercialise. There are a number of operations in the business planning phase that will deliver commercialisation activities including a suite of backbone SMART operations led by Welsh Government such as SMART Innovation (approved), SMART Expertise and SMART Cymru.

The ERDF regulations require a focus on the transition to a low Carbon economy and as one of the three Grand Challenge areas the ERDF programmes will focus on providing support to emerging expertise in specialisms such as Marine energy development. There is a clear link therefore between activities being proposed in the R&D&I priorities and those seeking support in Priority 3 – Energy and Energy Efficiency. In addition the Wales Business Fund the successor fund to JEREMIE will also provide provision for businesses to seek repayable finance to undertake innovation and commercialise R&D.

Overall the portfolio is developing well with interest being shown in all Grand Challenge areas. The pipeline is good and generally at this stage no obvious gaps are emerging particularly when the EU funds are seen as part of a much broader portfolio of activity that does not require EU support. Should gaps start to emerge then these will need to be considered. There are also early examples of potential synergies between funds, including ERDF and ESF co-investment, ERDF and EMFF co-investment and ERDF and Horizon 2020 co-investment.

Priority 2: SME Competitiveness

WV Approvals: Total ERDF approved as of August 2015 - £43.24 million

Business Support – Entrepreneurship Support (total operation cost £30.381 million ERDF Grant £18.228 million); Business Wales – SME Support (total operation cost £33.02 million ERDF Grant £19.812 million); Social Business Wales (total operation cost £8.9 million ERDF Grant £5.2 million)

EW Approvals: Total ERDF approved as of August 2015 - £13.78 million

Business Wales – Entrepreneurship Support (total operation cost £10.127 million ERDF Grant £6.076 million); Business Wales – SME Support (total operation cost £11.007 million ERDF Grant £6.604 million); Social Business Wales (total operation cost £2.2 million ERDF Grant £1.1 million)

Under both the West Wales and the Valleys and East Wales programmes the portfolio is being developed around the promotion of entrepreneurship and business start-up and help to SMEs to improve their competitiveness through growing the size of the business to increase productivity. This includes providing support to SMEs on how to exploit Next Generation Broadband. The portfolio is being developed around a suite of operations led by the Welsh Government not just in this priority but also in Priority 1 around R&D&I and Priority 3 particularly around supply chain and cluster development. In addition the ICT Exploitation proposal is in direct support of the investment already made in the Next Generation Broadband programme and any future investment support via the Connectivity Priority in both WWV and EW programmes.

SME Competitiveness Operations will form part of the Business Wales family and reflects the focus on individuals and businesses through the journey of youth entrepreneurship awareness, start-up and developing growth businesses that can create jobs, increase exporting and have the potential to grow rapidly. Pan-Wales operations have been approved for Entrepreneurship Support – Business Wales and SME Support – Business Wales. These operations will reflect in their delivery the necessary regional needs of business working closely with other providers to integrate services so businesses receive the most appropriate support that is tailored to their needs to grow and develop. In addition it is recognised that businesses carrying out social enterprise activities require specialist advice and support to become better businesses. As such the Social Business Wales operations have been supported with the Wales Co-op taking the lead but again working in partnership to identify those social enterprises looking to grow by expanding, diversifying and collaborating to bring about a transformed sector.

Substantial integrated working is being developed between the ERDF, the ESF and the EAFRD programmes through a number of routes. For example all skills gateway enquiries are routed through the Business Wales Helpline for referral onto the ESF supported project such as Jobs Growth Wales, REACT and Apprenticeships. Similarly arrangements are being developed between Business Wales and Farming Connect to enable careful targeting of the most appropriate interventions, and with the recently Rural Community Development Fund under the EAFRD.

Significant infrastructure investment in the Superfast Broadband programme has been put in place and further infrastructure investment is required. There is a need however to help businesses to understand, adopt and exploit this infrastructure so businesses can maximise opportunities and hopefully gain commercial benefit to help them grow and develop. A Pan-Wales operation led by the Welsh Government is in the final stages of business development. This operation will start putting in place an integrated delivery services via Business Wales but use localised deliver partners.

There is a shift in how the ERDF will provide financial support to SMEs. The focus is more towards repayable finance particularly via Financial Instruments. A successor fund to JEREMIE, the Business Wales Fund is being developed and it likely to be around the same size as JEREMIE i.e. £150 million. The funds will be pan-Wales and concentrate on equity and debt finance including equity financing for SMEs to undertake innovation and commercialise R&D.

The portfolio is maturing and will predominately be delivered via 'backbone' operations. However there is the potential for some limited scope around niche proposal for example a Social Enterprise grant scheme and a viability gap grant scheme for SMEs.

Priority 3: Renewable Energy and Energy Efficiency

WWV Approvals: Total ERDF approved as of August 2015 - £12.56 million

Deep Green (total operation cost £24.24 million total ERF Grant £10.47 million); Wave Sub (total operation cost £2.99 million ERDF Grant £2.09 million)

During the 2014-2020 programming period both ERDF programmes have a dedicated Priority for Renewable Energy and Energy Efficiency. Wales has significant advantages in terms of its natural resources, existing expertise etc but the focus on the programmes will be to ensure that within Wales there is a balanced mix of renewable energy initiatives coupled with activities to support behavioural change.

Investments in WWV will need to focus on renewable energy and in particular the development of the emerging Marine energy sector. Investments will also include the development of small scale or community scale renewable energy schemes and addressing the poor energy efficiency of much of the housing stock in Wales. For East Wales the programme will concentrate on increasing small scale or community scale renewable energy schemes and help address the poor energy efficiency of housing stock in the EW region.

Additionally businesses in the Energy and Environmental Sector will be eligible to seek support from other parts of the programmes. Research and

Development and Innovation relating to Low Carbon, Energy and Energy Efficiency can be supported under the Grand Challenge area of Low Carbon and Energy and Environment in Priority 1 whilst SMEs in the Energy and Environmental sector will be eligible for all business and finance support under the SME Competitiveness priorities in both programmes.

Interest has been high particularly from the private sector wishing to come to Wales and develop their technologies in the Marine energy sector. The development of operations in the energy sector does take time but time spent in the development phase is important to ensure the ERDF helps support those operations that will make the best use of Wales' significant natural resources and assets to help develop the cluster and supply chain opportunities particularly around the manufacturing, operation, maintenance and thereby job creation opportunities for the long term sustainability of the sector.

Two private sector led operations have been supported to-date (with a number of others in the pre-planning phase) targeting tidal and wave technology development which, if successful will mean these technologies get closer to commercialisation and making those schemes more attractive to potential commercial investors. In addition the ERDF will also support two designated Demonstration Zones, one for Wave off the coast of West Wales and one for Tidal off the coast of North Wales. These consented zones will provide facilities to the emerging clusters for tidal and wave, enabling developers to deploy their devices at less risk to test and develop working models so they can demonstrate their technologies to potential investors. Both Demonstration Zones are in the WEFO business planning phase.

Small scale electricity generation from renewables can make a contribution to reducing carbon emissions and stimulate local economic growth. Work is ongoing with Welsh Government around a potential backbone proposal that will support local community type schemes. Individual communities have also expressed an interest in ERDF funding for schemes around SMART Hydro for example and may seek support directly from WEFO. WEFO is keen to explore all potential delivery models from a backbone operation to individual schemes but this is one area of the priority activity where potential gaps might emerge if schemes cannot demonstrate viability, putting at risk ERDF support. There is also an emerging proposal for community energy that will look to bring together funds across ESI; ERDF, RDP, Ireland-Wales Programme. This is very much in the embryonic stage but will look to build upon an existing successful project that has been delivered in Ireland.

Much of the housing stock in Wales has poor energy efficiency. During the 2007-2013 programming period ERDF supported Arbed2 but with limited funding available for the new round of programmes there is a need to target

the number of households we can support in order to have a meaningful and measurable impact in tackling fuel poverty. The focus for 2014-2020 programmes is to concentrate resources on those households facing the most severe fuel poverty (i.e. spending 20% or more of their income on fuel). Warm Homes is the successor operation to Arbed2 and is in the WEFO business planning phase. Work is on-going with Welsh Government and Local Authorities to base-line the model to ensure that the right households are being targeted and to consider how Welsh Government working with Local Authorities can evolve the Arbed2 model to increase the likelihood of a sustainable exit strategy in the future.

Priority 4: Connectivity and Urban Development

No operations to-date have been approved for either of the two ERDF Programmes

Evidence shows that investment in connectivity and enabling infrastructure are the two most important levers to achieve transformational change. Investment to improve connectivity is a pre-requisite for the long-term success of all the other ERDF Priorities (and all other ESI funds). Employment, productivity, business creation and economic growth are all key elements being targeted by different parts of the ESI programmes. It is vital, therefore, that activity seeking support under this priority is able to evidence how investment underpins other ESI investments so that benefits are retained within the programme area.

A well functioning transport system can lead to greater competitiveness and productivity by our businesses, enables people to access work and education in the area, removes capacity constraints and offers a modal shift of travel thereby reducing road congestion.

Investing in ICT infrastructure also has the potential to improve the connectivity of the programme areas offering businesses the tools to innovate, commercialise and exploit the superfast or ultrafast broadband network as well as reducing the need to travel. Improved accessibility and connectivity investments enables physical infrastructure to take place that drives regeneration and employment growth, in particular, the creation of local jobs for local people.

The WWV programme has been designed to keep these activities together to ensure that the limited funds contribute to a coherent spatial investment strategy. For EW the focus is on investments in sustainable transport that improves urban and labour mobility and further ICT infrastructure.

Progress in the development of operations is progressing well but with limited funds available the concentration will be on supporting operations that can

bring about long-term transformational change. Investing in TEN-T roads will focus on the A40 in West Wales and A55 in North Wales as agreed following the negotiations with the Commission. These proposals are at the pre-planning phase.

Also in the pre-planning phase are proposals to develop intermodal and sustainable transport facilities that improve access to employment and education. These include rail network improvements linked to the Metro transformational scheme across both programmes and Next Generation Broadband infrastructure for SMEs and larger businesses (who may need fast speeds and the ability to connect securely from one site to another).

For WWV the priority will also support a limited number of regionally prioritised strategic sites that will offer attractive premises for businesses as well as a limited number of tourism developments. However selected sites and tourism attractions will need to demonstrate the potential to create local new jobs for local people. The Regeneration backbone operation “Building for the Future” led by Welsh Government is in the WEFO business planning phase as is “Attractor Destinations” a tourism proposal also led by Welsh Government. Both operations have been through a process of regional engagement and prioritisation. A process to identify gaps in provision around the delivery of priority targets for urban development is being discussed with the Regional Engagement Teams but it is anticipated that a limited number of prioritised regional operations will also seek ERDF support that add value and complement the backbone operations.

Priority 5: Technical Assistance

No operations have to-date been approved for either of the ERDF Programmes

A number of operations are in the Business Planning phase, with several also in pre-planning. No operations have been approved but several are expected to be approved by late summer. Planned investments include operations covering revenue costs for Intermediate Bodies (IB) aid schemes managed by Welsh Government and the WCVA, and also a suite of four Regional Engagement Teams operations across Wales.

Paper Prepared by: ERDF Priority Controllers

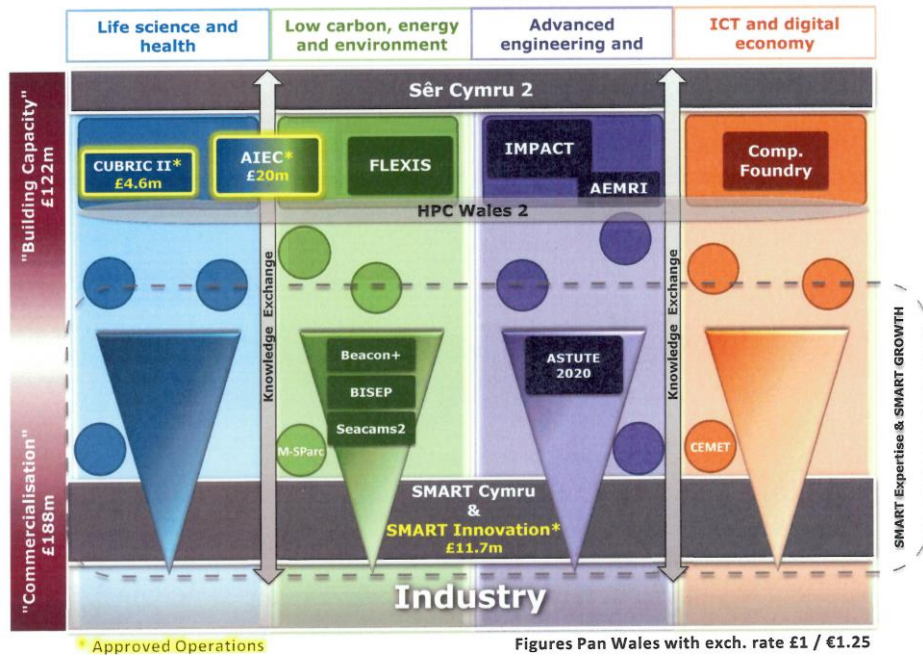
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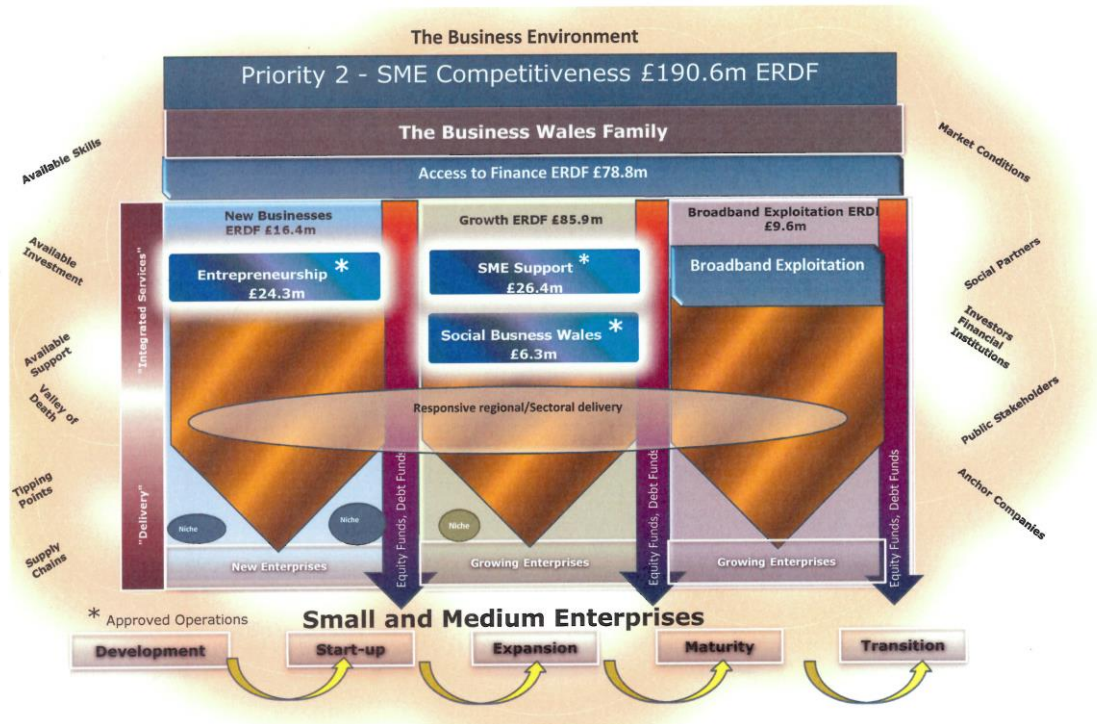
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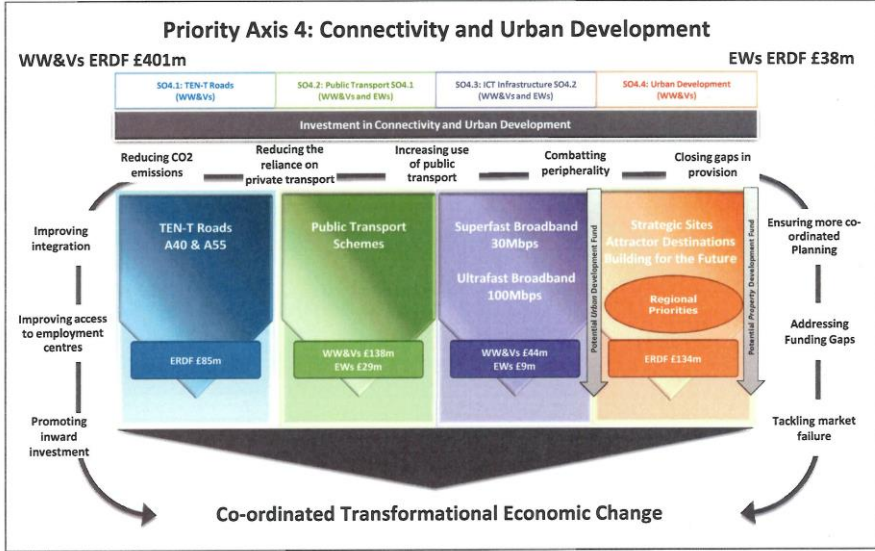
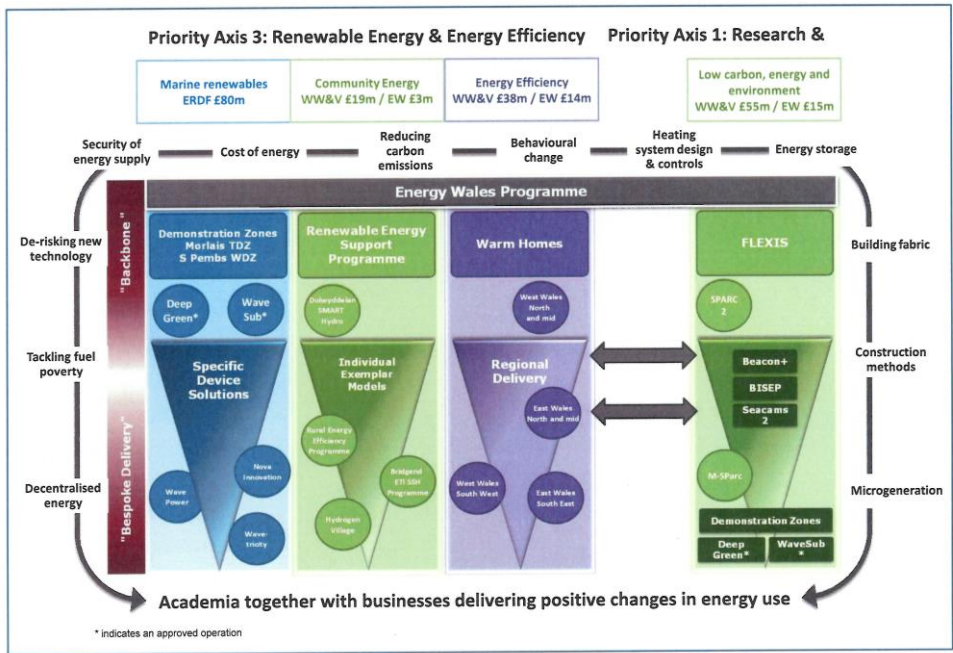
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Priority Axis 1: Research and Innovation







Selection Criteria – European Agricultural Fund for Rural Development (EAFRD) 2014 -2020

1. Regulation (EU) No. 1305/2013 states that “the Managing Authority of the rural development programme shall define selection criteria for operations following consultation with the Monitoring Committee”. This must be done for operations under all Measures with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, (Article 49(2) of 1305/2013).
2. The selection criteria should be defined within four months of the decision approving the Programme, as requested by Article 74(1) (a) of 1305/2013. The Monitoring Committee shall be consulted and should issue an opinion. The Welsh Government Rural Communities – Rural Development Programme 2014-2020 was adopted by the European Commission on the 26th May 2015 so the Managing Authority must define the selection criteria by the 25th September 2015. This paper seeks the opinion of the Monitoring Committee on the selection criteria.
3. The Commission’s Guidelines on Eligibility and Selection Criteria say that “selection criteria shall aim to ensure equal treatment of applicants, better use of financial resources and targeting of measures in accordance with the Union priorities for rural development”.
4. The selection criteria should ensure:
 - Prioritization of the support in accordance with the Union and the national/regional priorities for rural development;
 - Better use of financial resources - best value for money (e.g. in relation to the proposed investment);
 - Equal treatment of all (eligible) applicants;
 - Proportionality to the size of the operation, as requested for example by Article 49(1) of the RDR.
5. As a matter of principle, for the purpose of sound financial management and for ensuring a value-added from the EAFRD support, selection criteria should be applied in a compulsory manner even in cases when the budget available for the measure/call for proposals is higher than the demand for funding.
6. The lack of selection criteria and respectively the lack of their application under the relevant Articles may be considered as a weakness in the management and control system. It may result in a refusal from EU financing of the expenditure concerned.

7. The attached sheets (Annex 1) show the Articles and Measures activated in the Welsh Government Rural Communities – Rural Development Programme 2014-2020.
 - The first five columns of the sheet provide the names and thumbnail sketches of the schemes to be delivered under the various Measures and Articles.
 - Most of the socio-economic schemes have a 2 stage application process involving an Expression of Interest (EOI) stage followed by a Project Application stage.
 - Selection criteria are applied at the EOI stage. The criteria are described in the fourth to last column and the related weightings in the third to last column on the sheet.
 - The criteria to be applied at the project application stage are set out in the penultimate and final columns; in many circumstances these are the 9 common ESI criteria which have already been considered by the Committee in relation to the Structural Funds.
 - The criteria for the predominantly land-based Measures 10, 11 and 15 (Articles 28, 29 and 15) are exempt from this regulatory requirement and accordingly the EOI selection criteria are not shown in the accompanying sheets.

8. The Managing Authority can amend these selection criteria or introduce new selection criteria within the programming period according to programming needs, following consultation with the Monitoring Committee.

WPMC(15)56 – Annex 1

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013		Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
Article 14 of Regulation (EU) No 1305/2013	knowledge transfer and information actions (Measure 1)	support for vocational training and skills acquisition actions	1.1	<i>Knowledge Transfer and Innovation Scheme</i>	No EOI stage - Measure 1 (1.1, 1.2 & 1.3) has been procured.	No EOI stage - Measure 1 (1.1, 1.2 & 1.3) has been procured.	Following is applicable to all sub measures under Measure 1: Through procurement, the contract will be awarded on the basis of the following minimum criteria, which are listed in order of importance including the weighting applicable to criterion. Successful Contractors will have to score a minimum of 60% in each of the criteria below. Evaluation Criteria & Weighting (%) 1. Proposed delivery methodology / innovation in delivery 25% 2. Cost as broken down in the attached price schedule 20% 3. Relevant resources and experience/qualifications of key personnel proposed to undertake the Contract 15% 4. Evidence of sector specific knowledge and understanding of industry issues 10% 5. Internal quality assurance procedures within tendering organisation 10% 6. Demonstrated ability of Contractor to contribute to the delivery of the crosscutting themes 10% 7. Demonstrated degree of coordination and synergy with other EU and non-EU funded activities and programmes. 10% Scoring Criteria Evidence is consistent, comprehensive, compelling, directly relevant to the project in all respects and highly credible (by being substantiated by independent sources where possible.) Absolute Confidence Score 100 Evidence is sufficient (in qualitative terms), convincing, and credible. Confidence Score 80 Evidence has minor gaps, or to a small extent is	
		support for demonstration activities and information actions	1.2	Knowledge transfer and information actions for agriculture, forestry and food sectors Farming Connect Initiative for farm and forestry business training and mentoring to be delivered through procured service contracts	No EOI stage - Measure 1 (1.1, 1.2 & 1.3) has been procured.	No EOI stage - Measure 1 (1.1, 1.2 & 1.3) has been procured.		
		support for short-term farm and forest management exchange as well as farm and forest visits	1.3	Food Business knowledge transfer, mentoring and training to be delivered through specialist support programmes	No EOI stage - Measure 1 (1.1, 1.2 & 1.3) has been procured.	No EOI stage - Measure 1 (1.1, 1.2 & 1.3) has been procured.		

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
						<p>unconvincing, lacks credibility or irrelevant to the project. Minor Concerns Score 60</p> <p>Evidence has moderate gaps, is unconvincing. Moderate Concerns Score 40</p> <p>Evidence has major gaps, is unconvincing in many respects, lacks credibility, or largely irrelevant to the project. Major Concerns Score 20</p> <p>No evidence or misleading evidence. Not acceptable Score 0</p>	
Article 15 of Regulation (EU) No 1305/2013	<p>Advisory services, farm management and farm relief services</p> <p>(Measure 2)</p>	<p>support to help benefiting from the use of advisory services</p> <p>support for the setting up of farm management, farm relief and farm advisory services as well as forestry advisory services</p> <p>support for training of advisors</p>	<p>2.1 <i>Rural Business Advisory Scheme</i> Advisory services for agriculture, forestry and food sectors; farm management and farm relief services</p> <p>2.2 All forms of business and technical advisory services to be delivered through procured contracts only Farming Connect Initiative for farm and forestry business performance and technical advice</p> <p>2.3 Food Businesses supported through specialist procured contracts</p>	<p>No EOI stage - Measure 2 (2.1, 2.2 & 2.3) has been procured.</p> <p>No EOI stage - Measure 2 (2.1, 2.2 & 2.3) has been procured.</p> <p>No EOI stage - Measure 2 (2.1, 2.2 & 2.3) has been procured.</p>	<p>No EOI stage - Measure 2 (2.1, 2.2 & 2.3) has been procured.</p> <p>No EOI stage - Measure 2 (2.1, 2.2 & 2.3) has been procured.</p> <p>No EOI stage - Measure 2 (2.1, 2.2 & 2.3) has been procured.</p>	<p>Following is applicable to all sub measures under Measure 2:</p> <p>Through procurement, the contract will be awarded on the basis of the following minimum criteria, which are listed in order of importance including the weighting applicable to criterion. Successful Contractors will have to score a minimum of 60% in each of the of the criteria below.</p> <p>Evaluation Criteria & Weighting (%)</p> <ol style="list-style-type: none"> 1. Proposed delivery methodology / innovation in delivery 25% 2. Cost as broken down in the attached price schedule 20% 3. Relevant resources and experience/qualifications of key personnel proposed to undertake the Contract 15% 4. Evidence of sector specific knowledge and understanding of industry issues 10% 5. Internal quality assurance procedures within tendering organisation 10% 6. Demonstrated ability of Contractor to contribute to the delivery of the crosscutting themes 10% 7. Demonstrated degree of coordination and synergy with other EU and non-EU funded activities and programmes. 10% 	<p>Scoring Criteria</p> <p>Evidence is consistent, comprehensive, compelling, directly relevant to the project in all respects and highly credible (by being substantiated by independent sources where possible.) Absolute Confidence</p>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
						<p>Score 100</p> <p>Evidence is sufficient (in qualitative terms), convincing, and credible. Confidence Score 80</p> <p>Evidence has minor gaps, or to a small extent is unconvincing, lacks credibility or irrelevant to the project. Minor Concerns Score 60</p> <p>Evidence has moderate gaps, is unconvincing. Moderate Concerns Score 40</p> <p>Evidence has major gaps, is unconvincing in many respects, lacks credibility, or largely irrelevant to the project. Major Concerns Score 20</p> <p>No evidence or misleading evidence. Not acceptable Score 0</p>	
Article 17 of Regulation (EU) No 1305/2013	investments in physical assets (Measure 4)	support for investments in agricultural holdings	4.1	<p><i>Sustainable Production Grant Scheme</i></p> <p>Support for investments to improve performance and sustainability of agricultural holdings</p> <p>Capital investments by agricultural businesses and commercial beekeepers; including hydroponics, aquaponics and land based recirculation aquaculture</p>	<p>1. Increased financial resilience 0-5 (x 5)</p> <p>2. Animal or Plant Health and Welfare 0-5 (x 4)</p> <p>3. Emissions Reduction 0-5 (x 3)</p> <p>4. Nutrient Efficiency 0-5 (x 3)</p> <p>5. Energy Efficiency 0-5 (x 3)</p> <p>6. Water efficiency 0-5 (x 3)</p> <p>Minimum quality threshold is a score of 25.</p>	<p>[ESI 9 criteria to be used]</p> <p>Strategic Fit</p> <p>Delivery</p> <p>Financial & Compliance</p> <p>Management of Operation</p> <p>Indicators & Outcomes</p> <p>Value for Money</p> <p>Long Term Sustainability</p> <p>Cross Cutting Themes</p> <p>Suitability of Investment</p>	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>
		support for investments in processing/marketing and/or development of agricultural products	4.2	<p><i>Food Business Investment Scheme</i></p> <p>Support for investments in processing/marketing and/or development of agricultural products</p> <p>Capital investments by food processing businesses using raw and/or first stage processed agricultural products</p>	<p>1. Turnover 0- 4 (x 5)</p> <p>2. Sustainability 0- 4 (x 4)</p> <p>3. Innovation 0- 4 (x 3)</p> <p>4. Education, Training, Skills 0- 4 (x 3)</p> <p>5. Employment 0-4 (x 2)</p> <p>Minimum quality threshold is a score of 20.</p>	<p>[ESI 9 criteria to be used]</p> <p>Strategic Fit</p> <p>Delivery</p> <p>Financial & Compliance</p> <p>Management of Operation</p> <p>Indicators & Outcomes</p> <p>Value for Money</p> <p>Long Term Sustainability</p> <p>Cross Cutting Themes</p> <p>Suitability of Investment</p>	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage	
		support for investments in infrastructure related to development, modernisation or adaptation of agriculture and forestry	4.3	<p><i>Farm and Forestry Infrastructure Scheme</i></p> <p>For woodlands, this scheme will operate within the envelope of the Glastir Woodland Management scheme, providing a list of access related options that would not be eligible under Measure 8.</p> <p>Capital investments in infrastructure related to the development, modernisation or adaptation of agriculture and forestry</p> <p>Strategic access roads; national grid connections; water conservation and management; land improvements; energy supplies and energy efficiencies – for use by several businesses not individual investments</p> <p>We propose to design a set of small scale capital grants options within Glastir. This will provide the opportunity, together with Glastir Woodland Creation and Management, to support Grazed Woodlands and help integrate small areas (less than 0.25ha) of trees into farm management. The Deputy Minister has indicated that she wants officials to work with stakeholders to ensure that this addresses the ongoing concerns about the impact of Basic Payment Scheme changes on trees on farms.</p>	<p>4a) Not applicable –subject to future modification</p> <p>4b) to be delivered in an integrated way with Measures 8.5 and 8.6.</p> <p>Selection will be based on the same scoring system as for these sub measures – a list of GIS layers.</p>	<p>4a) Not applicable – subject to future modification</p> <p>4b) To be delivered in an integrated way with Measures 8.5 and 8.6.</p>	<p>4a) Not applicable –subject to future modification</p> <p>4b) As with Measure 8.5 and 8.6, selected applications will be required to complete a forest management plan and this will need to set out justification for the investment in roads and tracks – as set out in the measure the assessment and verification of the forest management plan against the UKFS and scheme rules will include verification that the roading density is appropriate and not excessive.</p>	<p>4a) Not applicable – subject to future modification</p> <p>4b) Selection will be based on the same scoring system as for these sub measures – a list of GIS layers.</p>
		support for non-productive investments linked to the achievement of agri-environment-climate objectives	4.4	<p><i>Glastir Advanced Capital elements and Glastir Habitat Network capital works</i></p> <p>Provides investments that support the main activities that are undertaken under measure 10.1. For example, Items such as fencing and gates to allow appropriate management of habitats or woodland or items that have positive environmental gains in their own rights such as hedgerows. Part of a delivery under 10.1</p> <p><i>Glastir Small Grant Scheme</i></p> <p>New commitment made for RDP 2014-20. Online scheme providing one off capital support</p>	No EOI stage	No EOI stage	<p>Investments through sub-measure 4.4 is purely environmental improvements ("non-productive" investments) linked to the achievement of agri-environment-climate objectives.</p> <p>The selection and prioritisation of 4.4 investments is therefore directly linked to and dominated by 10.1 (agri-environment-climate) objectives. And likewise for Glastir Woodlands Schemes.</p>	<p>As per M.10.1 – available on the Welsh Government's internet site at: http://gov.wales/docs/dra/publications/150603-glastir-advanced-selection-process-en.pdf</p> <p>The selection criteria for any future scheme that only offers non-productive investment support will still use the M.10.1 selection criteria as it will be used to addresses M.10.1</p>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
			<p>for a range of items arranged by themes e.g. Pollinators, Landscape Features etc. Provides a part farm capital scheme for those wanting to do "something" to enhance the environment of their farm but not wanting to be constrained by a whole farm agreement.</p> <p><i>Glastir Small Grant Scheme – Small Woodlands or Starter Woodlands</i></p> <p>Simple small woodlands planting scheme designed for plantings less than 0.25ha in Glastir Woodland Creation. Aimed at riparian woodlands and shelter belts to slow peak water flow and to contribute to the Welsh Government carbon sequestration goals.</p>				objectives.
Article 19 of Regulation (EU) No 1305/2013	farm and business development (Measure 6)	business start up aid for young farmers	<p><i>Young Farmer Start-up Scheme</i></p> <p>Business start-up aid for young farmers</p> <p>Working capital for young farmers (40 years of age or younger) taking control of a farm business for the first time</p>	No EOI stage	No EOI stage	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
		business start up aid for non-agricultural activities in rural areas	<p><i>Rural Business Start-up Scheme</i></p> <p>Business start-up aid for non-agricultural activities in rural areas</p> <p>Working capital for sole traders; micro and small enterprises; farmers and/or members of a farm household setting up new non-agricultural enterprises</p> <p>All support must be additional and complementary to that provided by ES&T</p>	No EOI stage	No EOI stage	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage	
		support for investments in creation and development of non-agricultural activities	6.4	<p><i>Rural Business Investment Scheme</i></p> <p>Support for investments in creation and development of non-agricultural activities</p> <p>Capital investments by sole traders; micro and small enterprises; farmers and/or members of a farm household in activities such as food processing (including drinks) not eligible under other grant schemes; agricultural contracting; other business activities not eligible under other grant schemes</p>	<ol style="list-style-type: none"> 1. Turnover 2. Sustainability 3. Innovation 4. Education, Training, Skills 5. Employment 	<p>0- 4 (x 5)</p> <p>0- 4 (x 4)</p> <p>0- 4 (x 3)</p> <p>0- 4 (x 3)</p> <p>0-4 (x 2)</p> <p>Minimum quality threshold is a score of 20.</p>	<p>[ESI 9 criteria to be used]</p> <p>Strategic Fit</p> <p>Delivery</p> <p>Financial & Compliance</p> <p>Management of Operation</p> <p>Indicators & Outcomes</p> <p>Value for Money</p> <p>Long Term Sustainability</p> <p>Cross Cutting Themes</p> <p>Suitability of Investment</p>	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>
Article 20 of Regulation (EU) No 1305/2013	basic services and village renewal in rural areas (Measure 7)	support for drawing up and updating of plans for the development of municipalities and villages in rural areas and their basic services and of protection and management plans relating to Natura 2000 sites and other areas of high nature value	7.1	<p><i>Rural Community Development Fund</i></p> <p>The Rural Community Development Fund (RCDF) will offer investment funding across a wide range of interventions designed to prevent poverty and mitigate the impact of poverty in rural communities, improving conditions which can lead to future jobs and growth.</p> <p>It is proposed that the Rural Community Development Fund will support:</p> <ul style="list-style-type: none"> • The drawing up and updating of local development plans • Investment in small-scale infrastructure (maximum of €200,000 per application) relating to community-based renewable energy actions, broadband, non-commercial tourism 	<ol style="list-style-type: none"> 1. Effective community engagement during the development of the proposal 2. Additionality and strategic compliance 3. Access to services 4. Fuel poverty 5. In-work poverty 6. Digital inclusion 	<p>0- 5 (x 5)</p> <p>0- 5 (x 4)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 3)</p> <p>Minimum quality threshold is a score of 25.</p>	<p>[ESI 9 criteria to be used]</p> <p>Strategic Fit</p> <p>Delivery</p> <p>Financial & Compliance</p> <p>Management of Operation</p> <p>Indicators & Outcomes</p> <p>Value for Money</p> <p>Long Term Sustainability</p> <p>Cross Cutting Themes</p> <p>Suitability of Investment</p>	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>
		support for investments in the creation, improvement or expansion of all types of small scale infrastructure, including investments in renewable energy and energy saving	7.2	<ul style="list-style-type: none"> • Investment in the setting-up, improvement or expansion of local basic services for the rural population e.g. community transport, child or dependent care • Studies and investments associated with maintaining/restoring/upgrading cultural and natural heritage of villages, landscapes and HNV sites • Investments in the relocation of activities and conversion of redundant/under-utilised buildings to bring them back into productive use 	<ol style="list-style-type: none"> 1. Effective community engagement during the development of the proposal 2. Additionality and strategic compliance 3. Access to services 4. Fuel poverty 5. In-work poverty 	<p>0- 5 (x 5)</p> <p>0- 5 (x 4)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 3)</p>	<p>[ESI 9 criteria to be used]</p> <p>Strategic Fit</p> <p>Delivery</p> <p>Financial & Compliance</p> <p>Management of Operation</p> <p>Indicators & Outcomes</p> <p>Value for Money</p> <p>Long Term Sustainability</p> <p>Cross Cutting Themes</p>	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>

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			The RCDF will complement the support provided under M19 of the RDP by LEADER Local Action Groups (LAGs) The geographical coverage for the RCDF is consistent with the coverage for LEADER. Potential community-level applicants must discuss their ideas and proposals with the Local Action Groups (LAGs) prior to submitting an application to the Welsh Government. LAGs will assess the fit with the priorities of their approved Local Development Strategy (LDS) for their area and help to develop the proposals if required.	6. Digital inclusion	0 -5 (x 3) Minimum quality threshold is a score of 25.	Suitability of Investment	
	support for broadband infrastructure, including its creation, improvement and expansion, passive broadband infrastructure and provision of access to broadband and public e-government	7.3		1. Effective community engagement during the development of the proposal 2. Additionality and strategic compliance 3. Access to services 4. Fuel poverty 5. In-work poverty 6. Digital inclusion	0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 3) 0- 5 (x 3) 0- 5 (x 3) 0- 5 (x 3) Minimum quality threshold is a score of 25.	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
	support for investments in the setting-up, improvement or expansion of local basic services for the rural population including leisure and culture, and the related infrastructure	7.4		1. Effective community engagement during the development of the proposal 2. Additionality and strategic compliance 3. Access to services 4. Fuel poverty 5. In-work poverty 6. Digital inclusion	0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 3) 0- 5 (x 3) 0- 5 (x 3) Minimum quality threshold is a score of 25.	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
	support for investments for public use in recreational infrastructure, tourist information and small scale tourism infrastructure	7.5		1. Effective community engagement during the development of the proposal 2. Additionality and strategic compliance	0- 5 (x 5) 0- 5 (x 4)	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
				<ul style="list-style-type: none"> 3. Access to services 4. Fuel poverty 5. In-work poverty 6. Digital inclusion 	<ul style="list-style-type: none"> 0- 5 (x 3) 0- 5 (x 3) 0 -5 (x 3) 0 -5 (x 3) <p>Minimum quality threshold is a score of 25.</p>	<ul style="list-style-type: none"> Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment 	<ul style="list-style-type: none"> least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
	support for studies/investments associated with the maintenance, restoration and upgrading of the cultural and natural heritage of villages, rural landscapes and high nature value sites including related socio-economics aspects, as well as environmental awareness actions	7.6		<ul style="list-style-type: none"> 1. Effective community engagement during the development of the proposal 2. Additionality and strategic compliance 3. Access to services 4. Fuel poverty 5. In-work poverty 6. Digital inclusion 	<ul style="list-style-type: none"> 0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 3) 0 -5 (x 3) 0 -5 (x 3) <p>Minimum quality threshold is a score of 25.</p>	<ul style="list-style-type: none"> [ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment 	<ul style="list-style-type: none"> The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
	support for investments targeting the relocation of activities and conversion of buildings or other facilities located inside or close to rural settlements, with a view to improving the quality of life or increasing the environmental performance of the settlement	7.7		<ul style="list-style-type: none"> 1. Effective community engagement during the development of the proposal 2. Additionality and strategic compliance 3. Access to services 4. Fuel poverty 5. In-work poverty 6. Digital inclusion 	<ul style="list-style-type: none"> 0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 3) 0 -5 (x 3) 0 -5 (x 3) <p>Minimum quality threshold is a score of 25.</p>	<ul style="list-style-type: none"> [ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment 	<ul style="list-style-type: none"> The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013		Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
Article 21 of Regulation (EU) No 1305/2013 (Measure 8)	investments in forest area development and improvement of the viability of forests	support for afforestation/creation of woodland establishment and maintenance	8.1	<p><i>Glastir Woodland Creation Scheme</i></p> <p>The woodland creation scheme will provide support for creating new woodland on any land that is not currently wooded – support for publicly owned land is limited to establishment costs only.</p> <p>Woodland creation includes a capital works grant, an annual maintenance grant and an income forgone payment.</p> <p>Woodland creation applications will require a creation plan – a form of Forest Management Plan which will be grant aided under measure 8.5.</p>	<p>Eoi has been run within Glastir for the first window. Selection conditions have been based on GIS Layers in the Woodland Opportunities Map.</p> <p>The Woodland Opportunities Map is available online in the Welsh Government “Lle” website. http://lle.wales.gov.uk/ click through to “application” and Woodland Opportunities Map.</p> <p>Further refinements to the selection and scoring for future EOIs will be made available on this site where appropriate.</p> <p>The map will be regularly updated as additional information becomes available. There is a commitment to provide information to applicants about the basis on which the map has been drawn up.</p>	<p>The scoring methodology is set out in detail in the attached presentation (Annex 2). Each layer in the positive selection map has been assigned between zero and 5 points. The assignment of points to applications is based on the interaction of the land parcels submitted at the EOI stage with the underlying scoring layers. Applications are prioritised in accordance with the resulting score. Selection of applications in each window will proceed from the highest scoring application down the list until, based on estimated expenditure, available funds for that round have been exhausted. In the event that applications do not proceed to final approval, remaining funds will be allocated to subsequent windows.</p>	Forest Management Plan (Woodland Creation Plan is an equivalent instrument) will be verified and approved. Applications must, if required, also carry out an Environment Impact Assessment. The plans must demonstrate the necessary environmental safeguards referred to in the previous column.	Selection at this stage is subject to production of a valid woodland creation plan which has been successfully verified against the UK Forestry Standard.
	support for establishment and maintenance of agro-forestry systems	8.2	<p><i>Glastir Woodland Creation scheme</i></p> <p>This scheme will run as part of Glastir Woodland Creation providing for additional options for scattered trees to be established as new farming systems on farms.</p>	<p>EOI has been run within Glastir for the first window. Selection conditions have been based on GIS Layers in the Woodland Opportunities Map.</p>	<p>The selection process will be the same as for 8.1 Afforestation using the same criteria.</p>	Forest Management Plan (Woodland Creation Plan is an equivalent instrument) will be verified and approved. Applications must if required also carry out an Environment Impact	Selection at this stage is subject to production of a valid woodland creation plan which has been successfully verified against the UK Forestry Standard.	

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						Assessment.	
	support for prevention of damage to forests from forest fires and natural disasters and catastrophic events	8.3	<p><i>Forest Monitoring and Risk Management Scheme</i></p> <p>Support for prevention of damage to forests from forest fires and natural disasters and catastrophic events.</p> <p>Monitoring against disease; establishing and improving forest, pest and diseases monitoring facilities (including communication equipment); removing infected material, clearance of sites where required. It is intended that this scheme will support monitoring by NRW. It can support action to respond to new disease or forest pest outbreaks while the aim is prevention of disease.</p>	This measure will be subject to an EOI later in 2015. Selection will include the requirement for the delivery body to have necessary powers to undertake the monitoring work.	No decision on thresholds has been taken at this stage. It is intended to employ an approach that is consistent with the selection of investment schemes under Measure 8.6.	An agreement for work will be reached in co-operation with Natural Resources Wales which is the appropriate body identified.	Selection at this stage will be contingent on production of a valid business plan. All applications which produce a valid business plan will be selected.
	support for restoration of damage to forests from forest fires and natural disasters and catastrophic events	8.4	<p><i>Glastir Woodlands - Restoration</i></p> <p>Support for restoration of woodlands affected by Phytophthora ramorum. Only this disease currently meets the threshold test of 20% of forest function. Other diseases like Chalara fraxinea in Ash have not yet reached that level of impact.</p>	First EOI has been run for the first window in Glastir. The criteria applied were as in the previous column.	All applications which meet the eligibility test were selected. Prioritisation among schemes which met the criteria would be carried out on the basis of the largest applications being selected first until all funds were expended.	Forest Management Plan will be verified by the Managing Authority with appropriate advice.	Selection at the second stage is dependant on completion of a valid forest management plan – all applications which produce a valid management plan will be awarded a contract.
	support for investments improving the resilience and environmental value of forest ecosystems	8.5	<p><i>Glastir Woodlands – Forest Management Plans</i></p> <p>This measure has been agreed as the main measure for paying for forest management plans which are required to enable access to other Measure 8 support. This also enables Welsh Government to “outsource” work previously done by employed Forestry Commission staff to the beneficiary thus reducing cost of administration of the Glastir Woodlands schemes. Forest management plans are required for Woodland Creation,</p>	<p>Selection criteria will be based on the data sets described. Data sets are provided by NRW and kept under regular review to ensure they are up to date.</p> <p>Woodland must be existing woodland not in a conflicting grant funding arrangement.</p> <p>Having been selected using</p>	The Forest Management Plan funding will be allocated from this measure according to the selection criteria in the afforestation and agroforestry measures where the plan is a woodland creation plan or from the criteria to be developed for this measure where they relate to management of	<p>Forest Management Plan will be the basis of selection for award of funding.</p> <p>The plan will be verified against the UK Forestry Standard which gives effect to the principles and criteria contained in the EU Regulations and the Ministerial Conference for the Protection of Europe’s</p>	? Selection at this stage will be based on submission of a valid Forest Management Plan – which will need to include all necessary permissions and consultation with the public and with statutory bodies to comply with the UK Forestry Standard. All applications having

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			<p>Woodland Restoration and Woodland Management but rather than split the activity across measures it has been agreed to use this single measure for the plans that support all these activities.</p> <p><i>Glastir Woodlands -Management (Environment)</i></p> <p>Support for management of existing woodland for environmental aims. Ensuring that woodlands are resilient in face of climate change, increasing diversity in woodland and together with measure 4.3 supporting access to woodlands to enable management. Responding to targets for improving condition of important woodland dependant species and their habitats. Enabling and improving water quality within woodlands, supporting controlled grazing, protecting woodlands from agricultural stock.</p>	<p>the layers and scoring process, the applicant will be invited to prepare a Forest Management Plan using a listed woodland management planner.</p> <p>Management Planners must be appropriately professionally qualified and drawn from a list maintained by Welsh Government.</p> <p>A management planning grant will be paid to the beneficiary – not as previously, directly to the planner on satisfactory verification of the plan.</p>	<p>one or more existing woodland.</p> <p>The selection process for GWM will be based on a set of layers and operated on a similar basis to the afforestation and agroforestry measure but with a focus on spatial priorities relating to management of existing woodland rather than creation of new woodland. Full layers not yet available as the scheme is still being worked up.</p>	Forests.	passed the first stage of selection which also produce a verified management plan will be offered a contract.
	support for investments in forestry technologies and in processing, mobilising and marketing of forest products	8.6	<p>Support for investments in forestry technologies and in processing, mobilising and marketing of forest products</p> <p><i>Timber Business Investment Scheme</i></p> <p>Capital investments by SMEs in timber processing (prior to industrial scale processing); forestry harvesting contracting; other timber processing such as wood fuel; certain investments within the forest to improve commercial management such as roads or stacking places.</p> <p><i>Glastir Woodlands – Management (Economy)</i></p> <p>Complementing Glastir Woodland Management for environment this will focus on enabling and improving the economic value of woodlands – for example by improving stocking. This may also assist with the declining carbon sink.</p>	<p>8.6a Selection will be as for 8.5</p> <p>8.6b Improve capacity to grow or use timber grown in Wales from a variety of species in order to build resilience to climate change including through greater use of timber in construction (up to 10 points)</p>	<p>0 points - Projects which are for equipment that is not suitable for thinning or which do not fit the forest or forests in which they are to be used.</p> <p>1 – 2 points –where there</p>	<p>8.6a Selection will be as for measure 8.5 but the eligible operations will include those which are available under this sub measure in addition to environmental work.</p> <p>8.6b [ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes</p>	<p>8.6b The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of</p>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
				Expand local markets or local supply chains and safeguard employment and provide access to training, and apprenticeships and continued support for career progression of	<p>is no demonstrable increase in sustainable supply of timber from Wales</p> <p>2-5 points – projects where there is some increase in timber harvesting from thinnings or which involve conversion of management from clearfell to thinning or CCF but which are mainly based in woodland that are already being managed.</p> <p>5- 7 points – projects which demonstrate introduction of un-managed woodland into sustainable production providing clearfell is limited to essential areas only.</p> <p>7 – 10 points – well defined projects that meet all the above and present a highly convincing and credible case that the projected benefits will be delivered.</p> <p>0 points - Projects which do not demonstrate a clear baseline for improvement</p> <p>1 point – projects which have a weak baseline or lack detail or which do not</p>	Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	the Sub Measures where a direct application can be made.

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
				<p>employees (up to 5 points)</p> <p>Improve harvesting of timber from thinnings, or small scale, inaccessible woodland and steep ground working using appropriate machinery including skidder, smaller harvesters and forwarders, or other appropriate technology that is shown to improve resilience and sustainable supply of wood from Wales (up to 10 points)</p>	<p>demonstrate have not considered one or more of the benefits (markets, supply chains, training, apprenticeships and career progression.</p> <p>2 points – projects with a well defined baseline and modest improvements in the benefits sought.</p> <p>3 points – projects with well defined baseline and strong case for significant improvement in benefits sought.</p> <p>4 - 5 points – well or very well defined projects that meet all the above and present a highly convincing and credible case that the projected benefits will be delivered.</p> <p>1 – 2 points –where there is no demonstrable increase in sustainable supply of timber from Wales</p> <p>2-5 points – projects where there is some increase in timber harvesting from thinnings or which involve conversion of management from clearfell to thinning or CCF but which are mainly based in woodland that are already being</p>		

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				<p>Demonstrate that specific forests will be improved as a result of the project</p> <p>Value for money measured as total project value divided by number of hectares improved.</p>	<p>managed.</p> <p>5- 7 points – projects which demonstrate introduction of un-managed woodland into sustainable production providing clearfell is limited to essential areas only.</p> <p>7 – 10 points – well defined projects that meet all the above and present a highly convincing and credible case that the projected benefits will be delivered.</p> <p>The proposal with the largest number of hectares clearly demonstrated as being approved will be allocated 10 points in each round, all other proposals will be allocated a pro-rata proportion of points based on the number of hectares of forests improved.</p> <p>Best value (lowest project cost per hectare) is allocated 10 points and remaining projects allocated a pro-rata proportion of the best value project.</p>		
Article 28 of Regulation (EU) No	agri-environment-climate	payment for agri-environment-climate commitments	10.1	Glastir is a suite of sustainable land management schemes paid for under the RDP. Each of the schemes is designed to meet a specific purpose and payments are made for a	Exempted from consultation with the Programme Monitoring Committee under Article	Exempted from consultation with the Programme Monitoring Committee under Article	Exempted from consultation with the Programme Monitoring Committee under Article

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
1305/2013	(Measure 10)		<p>combination of capital works, income foregone (from loss of opportunity to maximise agricultural output) and costs incurred. As such all schemes require an element of additional activity from normal practice and consequently meet the “something” for “something” test, but the extent and type of operations are varied and differ in their perceived and actual value to both participants and the Welsh environment and economy.</p> <p><i>Glastir Entry</i> Basic level scheme where activity is farmer led and chosen from a wide range of capital (e.g. tree and hedge planting) and management options. In terms of activities much of the work is analogous to many Nature Fund agreements but without the co-operative element. WAO found the scheme to provide much greater additionality than predecessors due to the relatively high capital component of activities, although the benefits are dispersed and not focused. Under the new plan a number of “softer” options have been removed or payments reduced which further increases additionality.</p> <p><i>Glastir Advanced – area based elements</i> The scheme prioritises applications based on where there is a known environmental requirement (e.g. failing water catchment) and activities (both capital and area based) are signed up by contract managers tailored to the requirements for which the farm has been selected. The scheme addresses previous criticism of agri-environment not being targeted where needed and is well suited for working in tandem with Area based Natural Resource Management plans.</p> <p><i>Glastir Commons</i> A co-operative scheme whereby those with active grazing rights within a Grazing</p>	49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	(“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
			<p>Association submit to a sustainable stocking regime with the potentially to upgrade to an Advanced agreement for more activity based works e.g. heather burning regimes, bracken control, dry stone walls and shepherding. Important contribution to management of upland carbon stocks. Widely perceived as successfully encouraging co-operative working on areas formerly outside of the reach of agri-environment. Evaluations have praised scheme for benefits to social capital and as exemplar of facilitation based scheme.</p> <p><i>Glastir Habitat Network – area based elements</i> New commitment made for RDP 2014-20. Part farm habitat management scheme rolled out as pilots in key regions to bring particularly important habitats into favourable management for a suite of priority species not likely to be addressed via Glastir Advanced. Example could be a SW Wales Rhos Pasture scheme aimed at re-introducing cattle management to a wide area of neglected and undergrazed marshland (benefitting e.g. the marsh fritillary). Facilitated by project champions funded out of co-operation measure with potential involvement by biodiversity/NGO's. Could be linked to e.g. food branding opportunities using other RDP measures. Admin costs ratio likely to be high compared to spend on land management.</p>				
Article 29 of Regulation (EU) No 1305/2013	organic farming (Measure 11)	payment to convert to organic farming practices and methods	11.1 <i>Glastir Organics - Conversion</i> Glastir Organics- Support to convert to certified organic status. Organic farming systems work with natural systems to maintain soil fertility and to avoid pest and diseases, avoiding the use of synthetic inputs such as fertilisers and pesticides. Beneficial to pollinators	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (<i>"the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the</i>	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (<i>"the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the</i>	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (<i>"the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles</i>	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (<i>"the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures</i>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage	
				exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”	exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”	28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”	(with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”	
	payment to maintain organic farming practices and methods	11.2	<p><i>Glastir Organics - Maintenance</i></p> <p>Glastir Organics- Support to maintain certified organic status. Attempts to target support at areas where environmental opportunity is highest or at sectors where economic potential is greatest have been subverted by EC position (which is dogmatically pro-Organic wherever and does not believe in selection).</p>	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	
Article 34 of Regulation (EU) No 1305/2013	forest-environmental and climate services and forest conservation (Measure 15)	payment for forest-environmental commitments	15.1	<p><i>Glastir Woodlands – Area Payments</i></p> <p>A range of area payments to support:</p> <ul style="list-style-type: none"> - Conversion of woodland to restore peatland by providing an income forgone payment to reflect loss of timber income. - Delayed restocking where this is required to improve status of acidified catchments <p>Regular multiannual mowing of rides to improve habitat for invertebrates (butterflies etc.).</p>	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)	Exempted from consultation with the Programme Monitoring Committee under Article 49(1) of 1305/2013 (“the Managing Authority shall define selection criteria for operations following a consultation with the Programme Monitoring Committee under all Measures (with the exception of operations under Articles 28 to 31, 33 to 34 and 36 to 39, as referred to in Art. 49(2)).”)

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage	
							49(2)).”)	
Article 35 of Regulation (EU) No 1305/2013	Cooperation (Measure 16)	support for the establishment of operational groups of the EIP for agricultural productivity and sustainability	16.1	<p><i>European Innovation Partnership</i></p> <p>It is proposed that Wales embraces the opportunities offered by the EIP, which through addressing issues of poor coordination, and overcoming disadvantages of fragmentation will improve innovative practices on the ground.</p> <p>The Welsh Government would lead the establishment of “EIP Wales”, setting eligibility conditions, specific composition requirements, selection criteria and targeting to facilitate and support the establishment of appropriate Operational Groups.</p> <p>Priority areas may include for instance: technical solutions to increasing productivity or resource efficiency, maximising sustainable use of ecosystem services, soil functionality and water management, integrated supply chain solutions, benchmarking and managerial innovation for producers, or development of new food quality and livestock health care schemes.</p>	<p>Not applicable.</p> <p>It is envisaged that there will be a one step application process for the establishment and execution of an OG</p>	<p>Not applicable.</p> <p>It is envisaged that there will be a one step application process for the establishment and execution of an OG</p>	<p>The following components will be key elements for the selection criteria for OGs:</p> <ol style="list-style-type: none"> 1. project objectives targeted to practical outcomes 2. the particular and targeted composition of the project partnership (OG) benefiting the specific project, making the best use of different types of knowledge in an interactive way 3. composition of the group benefiting its outreach: to enhance spreading results (Are the appropriate actors involved with a view to encourage co-creation and interactivity during the implementation of innovation by (1) the end-users (farmer, farmers' organisation, etc.), (2) advisors, and (3) a researcher(s)/enterprise/NGO with the particular knowledge needed, etc.) 4. Quality of the organisation of activities: a.) The degree to which well designed project. b.) Whether the proposal incorporates the necessary levels of coordination. c.) good cost/benefit ratio 5. Elements illustrating the interaction between partners of the OG: a measurement of the quality and quantity of knowledge exchange between the actors. a.) sufficient 	<p>The scoring matrix for the 7 key Selection Criteria for OGs is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 7 Lows.</p>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
						<p>knowledge exchange activities organised, b.) good quality of knowledge exchange organisation.</p> <p>6. Expected effect of the planned dissemination of project results via courses, networks, advising or permanent databases</p> <p>7. Added value expected from the project compared with the available knowledge: so asking about the state of the art of knowledge in the field that the OG will tackle identifying explicitly what the OG will add to what is done already.</p>	
	support for pilot projects and for the development of new products, practices, processes and technologies	16.2	<p><i>Co-operation and Supply Chain Development Scheme</i></p> <p>It is proposed that the Co-operation and Supply Chain Development Scheme will be a Welsh Government-operated fund consisting of six themes:</p> <ul style="list-style-type: none"> • New Ways • Shared Opportunities • Supply chains and Local Markets • Natural Resource Management • Biomass • Social Cohesion 	<ol style="list-style-type: none"> 1. Stakeholder engagement 2. Barriers engagement to 3. Communication 4. Evaluation 5. Outputs / Outcomes 	<p>0- 5 (x 5)</p> <p>0- 5 (x 4)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 2)</p> <p>0 -5 (x 2)</p> <p>Minimum quality threshold is a score of 20.</p>	<p>[ESI 9 criteria to be used]</p> <p>Strategic Fit</p> <p>Delivery</p> <p>Financial & Compliance</p> <p>Management of Operation</p> <p>Indicators & Outcomes</p> <p>Value for Money</p> <p>Long Term Sustainability</p> <p>Cross Cutting Themes</p> <p>Suitability of Investment</p>	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>
	co-operation among small operators in organising joint work processes and sharing facilities and resources, and for developing and marketing tourism	16.3	<p>The types of activity will include the following:</p> <ul style="list-style-type: none"> • Pilot projects • Co-operation between operators in farming, food and tourism • Short supply chains & local markets • Climate change and the environment • Provision of biomass • Diversification of farming activities into social functions. <p>The Co-operation and Supply Chain Development Scheme is designed to make new</p>	<ol style="list-style-type: none"> 1. Stakeholder engagement 2. Barriers engagement to 3. Communication 4. Evaluation 5. Outputs / Outcomes 	<p>0- 5 (x 5)</p> <p>0- 5 (x 4)</p> <p>0- 5 (x 3)</p> <p>0- 5 (x 2)</p> <p>0 -5 (x 2)</p> <p>Minimum quality threshold</p>	<p>[ESI 9 criteria to be used]</p> <p>Strategic Fit</p> <p>Delivery</p> <p>Financial & Compliance</p> <p>Management of Operation</p> <p>Indicators & Outcomes</p> <p>Value for Money</p> <p>Long Term Sustainability</p> <p>Cross Cutting Themes</p>	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be</p>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
			things happen. It cannot be used to support joint activities which are already taking place but could support an existing group of co-operating entities in undertaking a new joint project. As part of the above it can also support the adaptation of existing farming practices, research when directly linked to a practical project, and demonstration activities when linked to the final stage of testing / validating technology.		is a score of 20.	Suitability of Investment	made.
	support for horizontal and vertical co-operation among supply chain actors for the establishment and development of short supply chains and local markets and for promotion activities in a local context relating to the development of short supply chains and local markets	16.4	It will provide support for the full scope of a project from the initial stages through delivery and into dissemination and evaluation and as such will require as relatively detailed plan to be prepared unless funding is being sought for the initial stage only. It will provide both revenue and capital support.	1. Stakeholder engagement 2. Barriers engagement to 3. Communication 4. Evaluation 5. Outputs / Outcomes	0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 2) 0 -5 (x 2) Minimum quality threshold is a score of 20.	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
	support for joint action undertaken with a view to mitigating or adapting to climate change and for joint approaches to environmental projects and ongoing environmental practices	16.5		1. Stakeholder engagement 2. Barriers engagement to 3. Communication 4. Evaluation 5. Outputs / Outcomes	0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 2) 0 -5 (x 2) Minimum quality threshold is a score of 20.	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
	support for cooperation among supply chain actors for sustainable provision of biomass for use in food and energy production and industrial processes	16.6		1. Stakeholder engagement 2. Barriers engagement to 3. Communication 4. Evaluation 5. Outputs / Outcomes	0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 2) 0 -5 (x 2) Minimum quality threshold is a score of 20.	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
		support for drawing up of forest management plans or equivalent instruments	16.8		1. Stakeholder engagement 2. Barriers engagement to 3. Communication 4. Evaluation 5. Outputs / Outcomes 0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 2) 0 -5 (x 2) Minimum quality threshold is a score of 20.	Suitability of Investment [ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
		support for diversification of farming activities into activities concerning health care, social integration, community-supported agriculture and education about the environment and food	16.9		1. Stakeholder engagement 2. Barriers engagement to 3. Communication 4. Evaluation 5. Outputs / Outcomes 0- 5 (x 5) 0- 5 (x 4) 0- 5 (x 3) 0- 5 (x 2) 0 -5 (x 2) Minimum quality threshold is a score of 20.	[ESI 9 criteria to be used] Strategic Fit Delivery Financial & Compliance Management of Operation Indicators & Outcomes Value for Money Long Term Sustainability Cross Cutting Themes Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
Article 35 of Regulation (EU) No 1303/2013	support for LEADER local development (CLLD) (Measure 19)	preparatory support	19.1	LEADER Support for Community-led Local Development (CLLD) via the LEADER method. Local Action Groups (LAGs) develop a Local Development Strategy for their geographical area which sets out the SWOT analysis and strategic objectives for the Programme period. LAGs engage with people living in rural areas, build their capacity to identify the barriers they face to development and support them to pilot solutions to overcome these barriers. The results of these pilots must be widely disseminated and can inform future rural	No EOI stage	1. Strategic Fit 2. Financial & Compliance 3. Delivery 4. Management of Operation 5. Value for Money 6. Indicators & Outcomes 7. Suitability of Investment	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
			development policy. Activities under LEADER must address at least one of the 18 RDP Focus Areas and must similarly be linked to one of the five LEADER themes for Wales:			8. Cross Cutting Themes 9. Long Term Sustainability	
	support for implementation of operations under the CLLD strategy	19.2	<ol style="list-style-type: none"> 1. Adding value to local identity and natural and cultural resources 2. Facilitating pre-commercial development, business partnerships and short supply chains 3. Exploring new ways of providing non-statutory local services 4. Renewable energy at Community level 5. Exploitation of digital technology M19 includes support for: <ul style="list-style-type: none"> • the running costs and animation functions of the LEADER Local Action Groups (LAGs) • the implementation of their Local Development Strategies and • co-operation projects the LAGs deliver in partnership with LAGs from other parts of the UK and/or other Member States and/or third countries. These projects are designed to share best practice and encourage Wales to learn from the experience of other Member States 	No EOI stage	No EOI stage	<ol style="list-style-type: none"> 1. Strategic Fit 2. Financial & Compliance 3. Delivery 4. Management Operation of 5. Value for Money 6. Indicators & Outcomes 7. Suitability of Investment 8. Cross Cutting Themes 9. Long Term Sustainability 	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>
	preparation and implementation of cooperation activities of the local action group	19.3		No EOI stage	No EOI stage	<ol style="list-style-type: none"> 1. Strategic Fit 2. Financial & Compliance 3. Delivery 4. Management Operation of 5. Value for Money 6. Indicators & Outcomes 7. Suitability of Investment 8. Cross Cutting Themes 	<p>The scoring matrix for the 9 Selection Criteria is;</p> <p>High / Medium / Low / Minimal.</p> <p>The threshold is to be at least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage	
						9. Long Term Sustainability		
		support for running costs and animation	19.4		No EOI stage	No EOI stage	1. Strategic Fit 2. Financial & Compliance 3. Delivery 4. Management of Operation 5. Value for Money 6. Indicators & Outcomes 7. Suitability of Investment 8. Cross Cutting Themes 9. Long Term Sustainability	The scoring matrix for the 9 Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
Articles 51 to 54 of Regulation (EU) No 1305/2013	technical assistance (Measure 20)	support technical assistance (other than NRN)	20.1	<i>Technical Assistance</i> Monitoring and Evaluation: the regulatory and mandatory evaluations for the Wales RDP. Managing Authority delivery requirements. PPIMS – the IT platform to deliver the socio-economic elements of the RDP.	No EOI stage	No EOI stage	Application selection to be based upon ESI criteria: - Strategic Fit - Delivery - Financial & Compliance - Management of Operation - Indicators & Outcomes - Value for Money - Cross Cutting Themes - Suitability of Investment Long Term Sustainability will not be assessed as it is not relevant for Technical Assistance projects	The scoring matrix for the Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at least 9 Lows. This will apply to all of the Sub Measures where a direct application can be made.
		support for establishing and operating the NRN	20.2	<i>Technical Assistance – Wales Rural Network (WRN)</i> The main activities of the Wales Rural Network (WRN) are to ensure that there is an exchange of expertise between all parties involved with	No EOI stage	No EOI stage	Application selection to be based upon ESI criteria: - Strategic Fit - Delivery - Financial & Compliance - Management of	The scoring matrix for the Selection Criteria is; High / Medium / Low / Minimal. The threshold is to be at

Measure under Regulation (EU) No 1305/2013 or Regulation (EU) No 1303/2013	Sub-measure for programming purposes	Sub-measure code under this Regulation	Title of proposed Welsh Government Scheme/Fund including Thumbnail sketch of scheme(s)	Selection Criteria at Expression of Interest (EOI) stage (where applicable)	Scoring criteria at Expression of Interest (EOI) stage (where applicable) Score & Weighting Factor	Selection Criteria at application stage	Scoring Criteria at application stage
			<p>the RDP; to support implementation and evaluation of rural development policy; and to secure and co-ordinate the flow of information between the local, national and European levels.</p> <p>Implementation of the Communications Strategy for the RDP.</p>			<p>Operation</p> <ul style="list-style-type: none"> - Indicators & Outcomes - Value for Money - Cross Cutting Themes - Suitability of Investment <p>Long Term Sustainability will not be assessed as it is not relevant for Technical Assistance projects</p>	<p>least 9 Lows.</p> <p>This will apply to all of the Sub Measures where a direct application can be made.</p>



Phase 4 opportunity map methodology:

This approach uses an accumulative depth of green depending on an area's suitability for woodland creation. As an area becomes more suitable i.e. more GIS layers advocate that woodland creation could go ahead on the site, the shade of green over the area becomes darker.

Each data layer is given a maximum score of 5 (integers are needed for analysis, and 6 categories ranging from 0 as unsuitable to 5 as excellent suitability was deemed an appropriate yet abstract method to score land). For example, should woodland creation be seen as beneficial to a site with regard to flood mitigation, a positive score of 5 is given. If the same site is also identified as an area with high noise pollution levels (near a main transport route for example), and woodland was seen as an effective way to mitigate this (to a home owner), a further positive score of 5 is given. These two positive values would hold a numerical value (10), and for each additional positive value, a site would increase in its potential to hold new woodland.

As well as the green layer, some areas will remain transparent, identifying areas of sensitivity or constraint.

Phase 4 opportunity map layers:

Table 1: Layers included in the opportunity map

Scoring Layer	Information Layer (Potentially unsuitable sites)
Communities First Areas	Areas of Outstanding Natural Beauty (AONBs)
Noise Pollution Areas	National Parks (with 800m buffer, excluding Brecon Beacons)
Nitrate Vulnerable Zones (NVZs)	Upland Special Protection Area (SPA) with 500m buffer
Habitat Suitability (from habitat surveys)	Sites of Special Scientific Interest (SSSIs)
New Flood Plain and Riparian Woodland (NFPW)	Biological Sites of Special Scientific Interest (SSSI) with 300m buffer
Air Pollution Areas	Bracken with Pearl Bordered Fritillary Habitat
Woodland Habitat Networks (WHNs)	Grassland Fungi Potential Habitat
University of East Anglia: Woodland creation potential	NRW Sensitive Habitats (from habitat surveys)
	Protected Species (Birds) Potential Habitat
	Protected Species (Great Crested Newt) Potential Habitat
	Regionally Important Geodiversity Site (RIGS)
	Scheduled Ancient Monument (SAM)
	Sensitive Arable Plant Records
	World Heritage Site
	Historic Environment Features
	Historic Landscape Area (CPAT, DAT, GAT, GGAT)
	Historic Parks and Gardens
	Deep peat and modified deep peat (FR Total peatland survey 2012)

Each *scoring layer* carries a suitability score scaled from 0 (not a preferred area for woodland creation, though there may still be suitable areas) to 5 (preferred area for planting). If the data layer was directly produced to advocate woodland creation, a double scoring (maximum of 10) is given (Woodland Habitat Networks, and New Floodplain and Riparian Woodland layers).

Air Pollution Scored Layer

National Atmospheric
Emissions Inventory

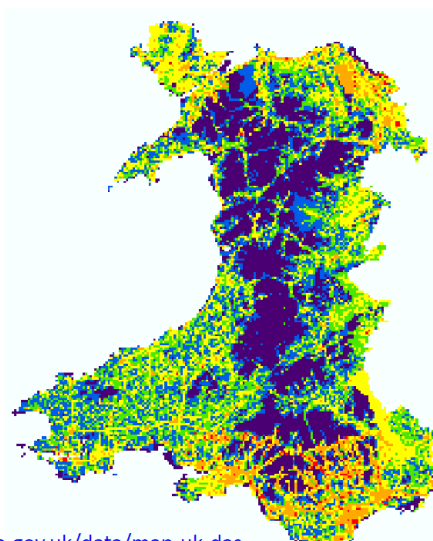


Measures particulate matter <math><10\mu\text{m}</math> (PM10) from 2012

- 0 = 0 – 0.03
- 1 = 0.03 – 0.1
- 2 = 0.1 – 0.2
- 3 = 0.2 – 1
- 4 = 1 – 4
- 5 = >4

AirQuality_Scored

gridcode



<http://naei.defra.gov.uk/data/map-uk-das>

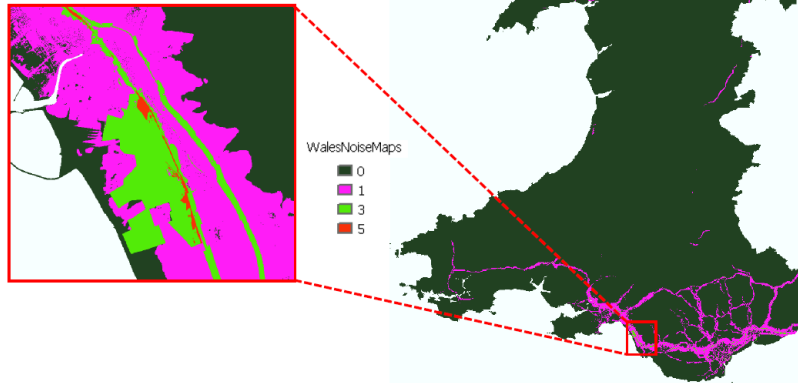
Noise Quality Scored Layer



Llywodraeth Cymru
Welsh Government

Measured using 10m grids at 4m height. Collected at industry sites as well as busy roads and rail networks (day night average in dB)

- 0 = <55 dB
- 1 = 55 – 65 dB
- 3 = 65 – 75 dB
- 5 = >75 dB



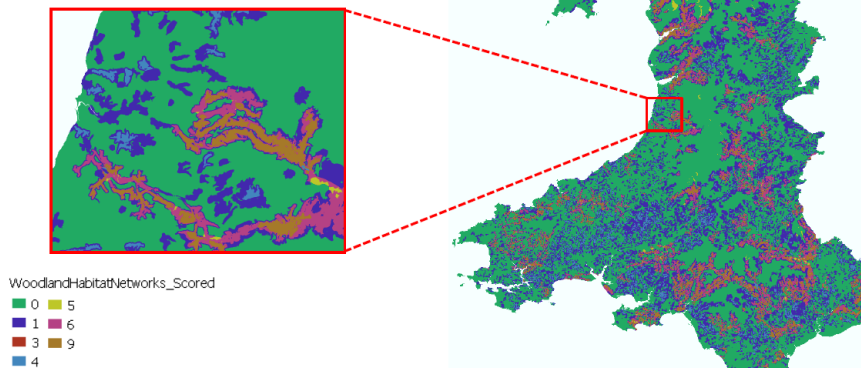
<http://data.wales.gov.uk/apps/noise/#lat=52.4493&lon=-3.7436&zoom=9&time=den&theme=roadx>

Woodland Habitat Networks Scored Layer



Measured to maximise habitat connectivity, concentrating on a woodland aspect.

- 1 = Focal Networks
- 3 = Core Networks
- 5 = Establishment Priority Layer
- Higher scores (>5) calculated from cumulative overlaps



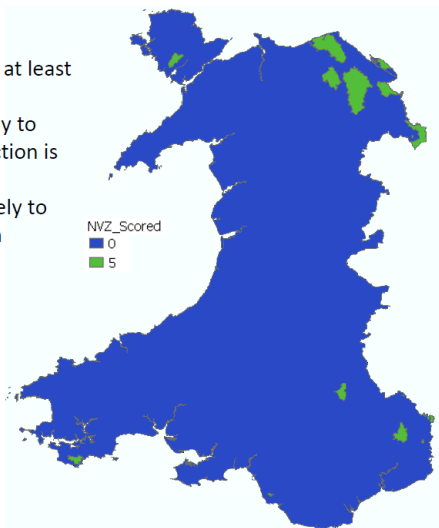
Nitrate Vulnerable Zones (NVZs)



Designated where land drains and contributes to the nitrate found in “polluted” waters. Polluted waters include:

- Surface or ground waters that contain at least 50mg per litre (mg/l) nitrate
- Surface or ground waters that are likely to contain at least 50mg/l nitrate if no action is taken
- Waters which are eutrophic, or are likely to become eutrophic if no action is taken

If an area is within a designated NVZ, then it is given a score of 5.

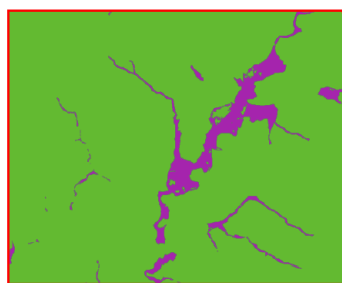


<https://www.gov.uk/nitrate-vulnerable-zones>

New Floodplain and Riparian Woodland

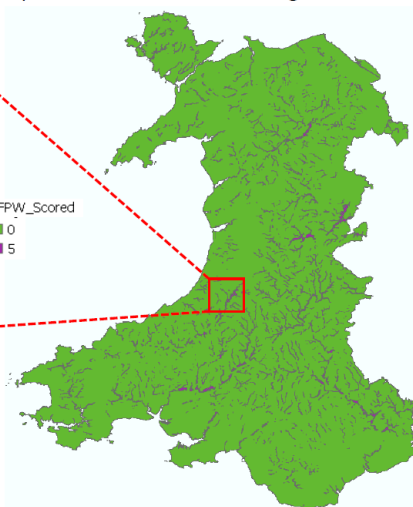


Identifies areas of fluvial floodplain and stream riparian zone within Wales where there is potential to create or expand floodplain and riparian woodland for reducing flood risk within urban populations.



NFPW_Scored
0
5

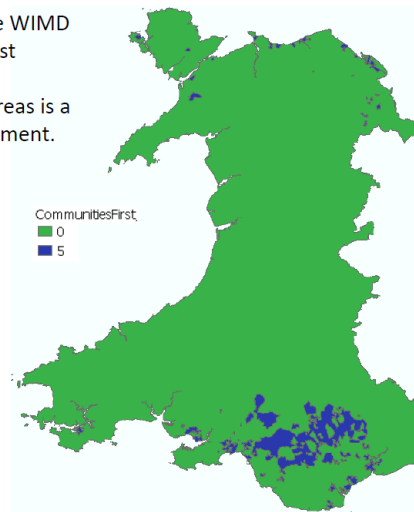
If an area is within the identified NFPW zone it is given a score of 10 (this layer is double weighted, as it identifies specifically areas for woodland creation)



Communities First Clusters



Communities First clusters compliment the WIMD data and emphasise exactly where our most deprived communities are – improving opportunities and quality of life in these areas is a top strategic priority for the Welsh Government.



If an area is within one of the 52 clusters, then it is given a score of 5.

<http://wales.gov.uk/topics/people-and-communities/regeneration/communitiesfirst/?lang=en>

University of East Anglia- Potential Woodland Creation Sites

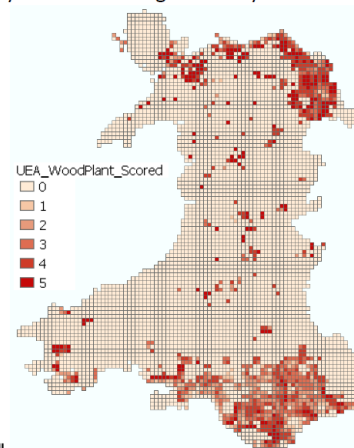
<http://www.cserge.ac.uk/current-research-projects/UKNEA>

Planting was simulated at a 2 km resolution and generated predictions of the impact of proposed future woodlands on agricultural production, timber production, CO₂ in the atmosphere and recreational opportunities. Optimal planting locations were identified as those which yielded the greatest net benefits to society across this range of ecosystem services and derived goods.

Scoring shows the % of each 2km² which would be planted by 2063 if the model was followed:

- 0 = 0%
- 1 = 1 - 20%
- 2 = 21 - 40%
- 3 = 41 - 60%
- 4 = 61 - 80%
- 5 = 81 - 100%

This layer, although identifying woodland creation areas, was not double weighted due to its coarse resolution

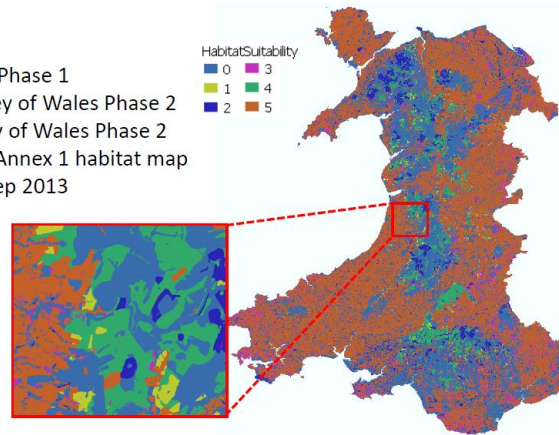


Habitat Suitability based on habitat surveys

NRW identified areas with regard to site suitability for woodland creation, concentrating on maintaining sensitive habitats, or those deemed relevant for conservation.

Data sources include:

- Habitat Survey of Wales Phase 1
- Lowland Grassland Survey of Wales Phase 2
- Lowland Peatland Survey of Wales Phase 2
- Calaminarian Grassland Annex 1 habitat map
- Glastir Grassland Fungi Sep 2013
- Chough woodland exp

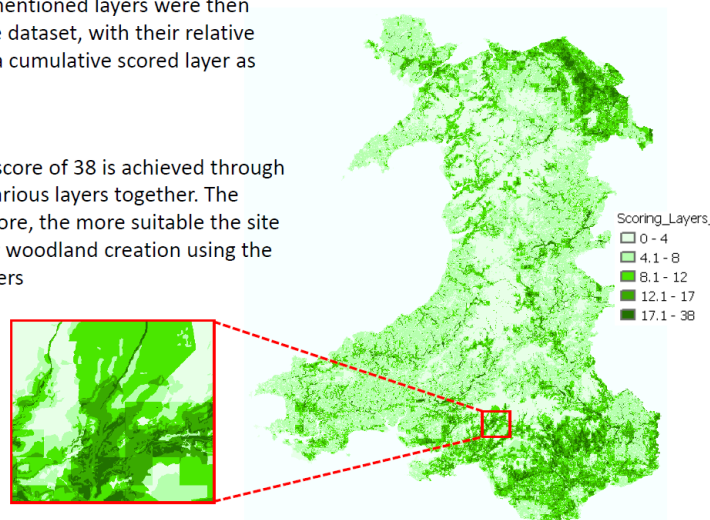


The more suitable a site for woodland creation from a biodiversity retention point of view, the higher the score (0-5)

Merged Scored Layers

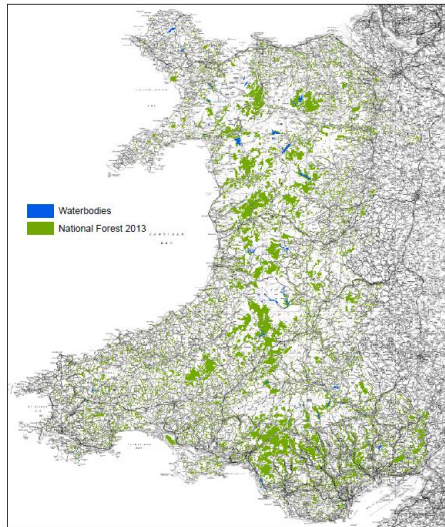
All of the aforementioned layers were then merged into one dataset, with their relative scores creating a cumulative scored layer as shown here

A maximum score of 38 is achieved through adding the various layers together. The higher the score, the more suitable the site should be for woodland creation using the modelled layers



Transparent layer

Constraints to planting: Existing Woodland/ Water-bodies:



National Forest Inventory 2014

Forest Type and location

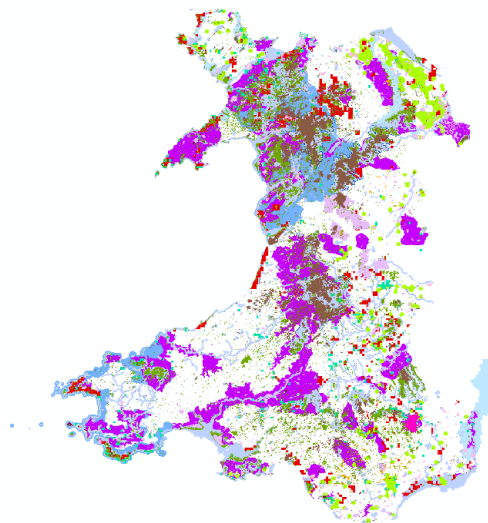
Updated annually

Ordnance Survey mapped water bodies

Lakes and reservoirs

Transparent layer

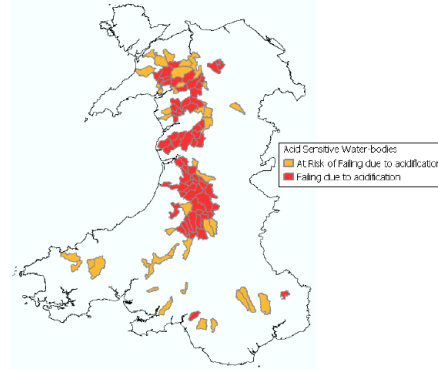
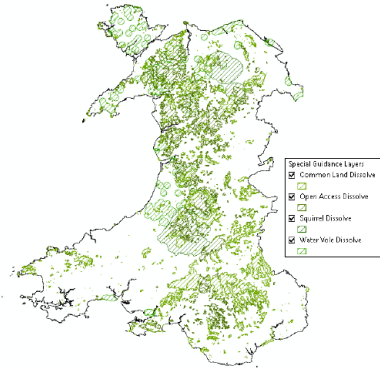
Sensitive sites identified by all included stakeholders



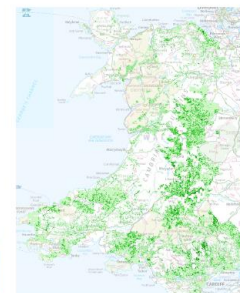
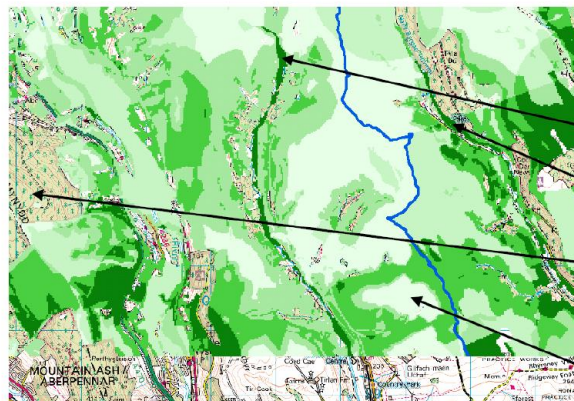
- Sensitivity
- Area of Outstanding Natural Beauty (AONB)
- National Park
- National Park 800m Buffer
- SSSI (Site of Special Scientific Interest)
- SSSI (Biological) 300m Buffer
- Upland Special Protection Area (SPA)
- Upland Special Protection Area (SPA) 500m Buffer
- Historic Environment Feature
- Historic Landscape Area CPAT
- Historic Landscape Area DAT
- Historic Landscape Area GAT
- Historic Landscape Area GGAT
- Historic Park and/or Garden
- Scheduled Ancient Monument
- World Heritage Site
- Bracken within Pearl Bordered Frithillary Habitat
- Deep Peat (including Modified Deep Peat)
- Grassland Fungi Potential Habitat
- NRW Sensitive Habitat
- Priority Species (Birds) Potential Habitat
- Protected Species (Great-Crested Newt) Habitat
- Regionally Important Geodiversity Site (RIGS)
- Sensitive Arable Plant Records (Post 1995)

Additional information layers not included in the opportunity map, but present to inform management planners.

- Acid sensitive water-bodies
- Special guidance layers (open access, common land, red squirrel and water vole areas)
- Glastir Objective Layers



Phase 4 Opportunity Map with 'sensitive sites' and constraints erased:



- Dark green areas resulting from the NFPW riparian woodland layer
- Dark green areas resulting from Habitat Network data surrounding existing woodland
- Clear area resulting from an erase of existing woodland
- Light green area showing a less suitable area for woodland creation at a strategic level (there may still be suitable areas within this)

**Wales Programme Monitoring Committee
European Structural and Investment Funds
2014 – 2020**

Sub-Group: MEASURING SUCCESS

1. Introduction and Scope

There is agreement across the PMC that our primary objective is to ensure that ESI Funds are deployed to deliver sustainable economic, social and environmental benefit to the people of Wales. The purpose of the sub group was to identify those measures that would best enable us to track progress towards this objective, as well as the economic sustainability and resilience objectives highlighted in the EAFRD.

2. Summary

The sub group has met on seven occasions and individual members of the group have carried out work outside group meetings to specifically examine approaches within the individual ERDF, ESF and RDP elements of the programmes.

The sub group agreed a number of criteria to ensure that the PMC focuses on examining targets which will best capture the impact we are seeking for Wales from 2014-2020 European funding

- Targets should be related directly to the key priorities in the Economic Prioritisation Framework.
- Targets should be easy to track in data terms and identify the change being sought through both ESI and RDP funds.
- Targets should be capable of longitudinal monitoring and be linked where possible to historical monitoring within the same parameter(s)
- Targets should address social and environmental needs as well as economic ones
- The group recognised that the targets will need to be consistent with the overall responsibilities set out within the Wellbeing of Future Generations Act (Wales) 2015.
- The group recognised that when it comes to the indicators to be monitored that three levels of reporting and monitoring requirements exist, namely
 - Level 1: programme level reporting (as now) to the PMC and to the European Commission

- Level 2: programme level reporting that reflects impact against regional and thematic priorities- as set out in the Economic Prioritisation Framework.
- Level 3: enhanced project level reporting by individual project sponsors
- The sub-group recognises that data gathering (both quantitative and qualitative) is already well established to facilitate the monitoring of progress against targets agreed with the European Commission in Operational Programmes: described under Level 1, above. However the Group considers that there is a need to augment both data collection and, more importantly, its analysis if meaningful reporting against Levels 2&3 above is to be achieved.
- Existing data sources can serve as the foundation for this enhanced reporting but there will be a need to capture enhanced data which would require project sponsors to engage with and support this process. Data will need to be held on a rigorous intelligent database. The Group notes the Managing Authorities' dependency on key Welsh Government Departments (principally EST, DFES and Natural Resources) to achieve this.
- It has not yet been possible to identify and agree a specific set of top level targets that the PMC should use to track progress towards our ultimate aim but the group make 8 initial recommendations in section 3.
- We acknowledge that some of them are specific to the reporting requirements for the PMC, some are more widely aimed at the way Welsh Government handles data, and some may have wider application to economic development beyond those supported by ESI & EAFRD funds.

3. Recommendations

- 3.1.** Given the importance of this analysis to the furtherance of the objectives set out in the new legislative framework of the Wellbeing of Future Generations Act (Wales) 2015, the PMC should endorse the urgency of this work for Welsh Government, both in terms of our monitoring of ESI funds but also the wider Welsh economy and should support the continuation of the work led by the Minister for Finance to demonstrate both impact and value for money.
- 3.2.** Further work should be conducted by Welsh Government to finesse targeting, monitoring and reporting, in particular within the new Welsh

Government Departmental structure responsible for the Economy, Science and Transport; Education and Skills; and Natural Resources (given the importance of climate change targets), with agreed outcomes then being integrated with the ongoing work in relevant Departments.

- 3.3.** In light of the responsibilities placed on the public sector, the targets should reflect the requirements of the Wellbeing of Future Generations Act (Wales) 2015. (The group was unanimous in its view that the widest possible definition of sustainable economic development should be employed and include social, environmental as well as economic indicators and be consistent with the three cross-cutting themes within the ESI funds programme.)
- 3.4.** The targets should drive the development and ongoing management of existing database capabilities and should support the streamlining of existing resources wherever possible.
- 3.5.** Recognising that for 2014-2020 these functions will increase in importance, due to the EC's emphasis on results, databases need to be able to be interrogated at a spatial level e.g. local authority or city region, by size of business, by sector, by number of employees, and ideally by increase/decrease in productivity, (in particular output per hour worked), by revenue and by profit margins. A simple check list of other contributors to growth e.g. equality policies, reduced energy costs, training and skills activities needs to be developed and needs to be as simple and easily collected as possible. Preferably a central function would conduct a six monthly telephone based bench marking exercise in order to ensure pan-Wales consistency. The group recognises that the data required should be inline with the level of support received.
- 3.6.** At a project level, sponsors should seek to draw on relevant private sector experience on the construction, management and application of databases similar to a business centric model. The basis should be a clear set of fields of interrogation (as described above) plus a qualitative element. (The qualitative and quantitative data could form part of a Welsh Government 'State of the Nation' report on both EU-funded SMEs and social enterprises on productivity and growth in order to shine a light on both successes and failures.)
- 3.7.** Mindful of the levels of reporting required, the sub-Group recommends that the Welsh Government considers taking forward this agenda through the auspices of Business Wales. Business Wales's lead officer should be invited to meet the sub-Group to

discuss how this can be best achieved and within what time scales. The outcome of that discussion should then be reported back to the PMC. This activity should be embedded in future economic development activity and could form part of EU funded projects post 2020

4. Detail

- 4.1.** The biggest challenge for Wales is productivity rather than employment. Impact measures used by businesses can be a primary source for measuring progress. However this is best captured at output per hour worked, which it is unrealistic to collect for every business; and turnover per employee does not capture important factors like sustainability. So further thought needs to be given as to how this could be done in a cost effective manner.
- 4.2.** Many businesses now see their social and environmental impact as key elements of their economic performance, so social and environmental parameters sit comfortably alongside economic parameters.
- 4.3.** Current policies on data acquisition within Welsh Government Departments do not provide for or prioritise longitudinal monitoring. Therefore, whilst it would be straightforward to identify appropriate business related measures, historical data sources will be limited which allow the construction of a retrospective baseline position against which progress during past, present and future Programme periods can be monitored.
- 4.4.** However, both Welsh Government and the Managing Authorities recognize that the 2014-2020 ESI Programmes need to show more of a demand led approach (business need, skills required etc) as opposed to the supply led (provider driven) approach of previous Structural Funds Programmes
- 4.5.** More holistic data on business need is required. Business support (finance, premises, equipment, and commercialisation) which has traditionally been the preserve of ERDF programmes and the Department for the Economy in Welsh Government must become more integrated with skills and training needs, traditionally covered by ESF and the Department for Education and Skills.
- 4.6.** Work is underway in both the Economy and Skills Departments to seek a greater degree of commonality and improve data acquisition and it is hoped that the recent Welsh Government restructuring, which

sees these two functions brought together under a single Deputy Permanent Secretary will accelerate this work.

5. The Work of the Sub Group

- 5.1.** Whilst it is difficult to capture the extent of the considerations undertaken by the group, key themes did emerge.
- 5.2.** The group quickly recognised that data gathering approaches adopted in the past may not readily facilitate the longitudinal analysis needed to properly evaluate the success of the new ESI programmes. Work is understood to be underway in both EST and DFES, as well as more widely within WEFO and other government departments, to address these issues, but changes in staff responsible for this work in key departments precluded a detailed analysis of this work within the timescales of the current project. However, this is an important area to explore further and gave rise to its recommendations.
- 5.3.** Initial conclusions were that evidence for sustainable economic impact on the wider economy resulting from ESI investment was probably best observed using tools traditionally applied by the business community such as turnover, profitability, employment base and, in particular in the Welsh context, productivity. Monitoring changes in these parameters over time might show if a business was benefiting in a sustainable economic way from the interventions it was receiving. If one recognises that businesses are the engine of economic growth, then this would imply wider economic benefit as well as social and environmental benefit. Given the scope and wide range of interventions envisaged under the range of ESI programmes, an improved approach would require the selection and continuous monitoring of a representative benchmark group of businesses. Although there are regional variations across Wales in business performance and the preponderance of certain sectors is different, the sub-group felt that such a data gathering approach would need to be consistent across Wales. It was felt that an additional benefit of such an approach might be that it would facilitate a more business-centric approach to business support. In other words, the delivery of support would start with an assessment of the overall need of a business followed by development of an appropriate package of support linking financial, skills and professional support in a way that is allied to the demand drivers to which that business responds. The key thematic and regional demand drivers are captured in the EPF and the requirements of the Wellbeing of Future Generations Act and through those mechanisms, a direct link could be established between the

outcomes delivered by the ESI funds and their contribution to overall economic and sustainable development objectives in Wales.

- 5.4.** To be able to capture and manipulate data effectively powerful databases of a type more often seen in the private, rather than the public sector, are likely to be needed. These databases would need to accumulate information on recipients of support (businesses and individuals) and on the types of support available. They would be built from the ground up but collected and analysed from the top down. They would be designed to, over time, also become valuable monitoring tools. Given that databases are only as good as the data they contain, ESI project sponsors should be required to provide and update the information in a timely and accurate manner in order to preserve the integrity of the monitoring process. This should be a condition of receiving ESI Funds.
- 5.5.** Although this type of database capability is not widely used in the public sector, it is frequently employed in the private sector and the methods of establishing and managing it are well understood. Familiar examples include supermarket loyalty cards, financial comparison web sites and even on-line dating sites. Critical to the success of these databases are that they are easy to use and that they encompass an appropriate mix of incentives and sanctions. So businesses would have an incentive to provide and update information because it would enable them to access more appropriate support but appropriate interaction with the databases would be a condition of receiving that support. The aim would be that, over time, the interaction would be seen by business in the same context as the normal collection of management information.
- 5.6.** While the group has not been able to carry out an exhaustive review of current database capability within Welsh Government and WEFO, the information available suggests that the capability described here is only partly in place via current quantitative and qualitative means. In addition, it would seem that there are a number of separate and potentially uncoordinated approaches under way. The group believes that creation of this kind of database is fundamental to success both in delivering sustainable impact and in monitoring it. It is proposed that this task best sits within Business Wales and that engagement with that organisation is of paramount importance.
- 5.7.** Whilst one of the primary aims of ESI funds is economic regeneration, throughout its discussion it was recognised that this must go hand in hand with enhanced social cohesion and a sustainable approach to energy provision and environmental management. What is being

achieved needs business productivity measures but how it is achieved requires simple social and environmental descriptors put in place. The group has made an initial consideration of potential impact measures in these areas.

- 5.8.** On skills provision, there are clear advantages of a more business-centric approach in which skills support is clearly linked to wider business support. It was noted that such an approach is starting to emerge within the regional learning and skills partnerships. However, as ESF programmes have traditionally taken a strongly supply side approach to provision it was felt that this has potentially led to unnecessary duplication and competition. The database methodology outlined here could potentially be beneficial in reducing this, as skills becomes part of how productivity is delivered.
- 5.9.** It was accepted that EU funded Programmes have a number of elements to them. One key area is to address the skills needs of people who are within, or close to, the workplace and this element is amenable to the more demand led approach outlined above. A second element focuses more heavily on social cohesion, social inclusion, economic inactivity and support for individuals who are distant from the work place and have challenges in accessing employment. These latter aspects remain prominent and important in the new programme and further work is required on how to enhance current measures of success. The group also recognised the importance of longer term investments such as those into infrastructure and their contribution to economic development and social and environmental wellbeing.
- 5.10.** The integration of the rural development programmes with the ERDF and ESF programmes makes it easier to consider both rural and rurally-based businesses within a broader business context, for example market segmentation. The group believes that consideration of impact measures should treat agricultural businesses in the same way as the businesses in other key sectors: as just another component of the wider business community.

Appendix

Membership and Terms of Reference

Members of the Wales PMC:

Grahame Guilford (sub-group CHAIR) Consultant (PMC Public Appointment)	
Ann Beynon	Commerce Cymru
Iestyn Davies	Commerce Cymru
Lowri Gwilym	WLGA - Europe and Regeneration
Jocelyn Llewelin	Senior External Relations Manager, DWP Jobcentre Directorate
Jenny Rathbone	Assembly Member
Tom Whyatt	Industry Wales

Managing Authority Officials

Paul Casey	WEFO, Research Monitoring and Evaluation
Rob Halford	WEFO, Planning & Strategy
Sue Price	WEFO Programme Management & Delivery
Terri Thomas	CAP Planning

Advisors

- Welsh Government and non-Welsh Government technical and sectoral experts as required.
- Input from the Evaluation Advisory Group and the Monitoring and Evaluation Workstream.

Secretariat

WEFO

PURPOSE

The Measuring Success sub-group is a time limited, task and finish group which will:

- examine the challenges associated with monitoring and evaluating the performance of European Structural & Investment Fund (ESIF) programmes in Wales, in adherence with European Commission requirements; and
- guide the further development and refinement of a robust methodology for measuring the success of the 2014-2020 ESIF programmes, taking account of the intervention logic that underpins the operational programmes agreed with the European Commission, the work already undertaken by the Evaluation Advisory Group (EAG) and the Monitoring and Evaluation Work stream (MEWS) and the context in which the ESI programmes are to be delivered, particularly the performance of the Welsh economy.

KEY OBJECTIVE

To determine whether there are improvements that can be made to the way in which the Welsh Managing Authorities' propose to approach the monitoring and evaluating of the 2014 -2020 ESIF programmes and to make associated recommendations to the WPMC.

PROCESS

To achieve its key objective the Sub-Group will review the monitoring and evaluation methodologies proposed by the Managing Authorities, taking into account:

- the programme design principles of 'concentration, integration and simplification
- the strategic relationship between the operational programmes agreed with the European Commission and the draft Economic Prioritisation Framework .
- How best to measure the extent to which interventions concentrate on identified economic and spatial opportunities.
- The best means of measuring the extent to which there is integration and complementarity between EU funded interventions
- How to measure the extent of investment leverage achieved through the deployment of EU funds
- How to determine the extent to which 'portfolio management' is being achieved in practice.
- whether interventions truly align with established imperatives; e.g.: 'smart specialisation'
- the programme life cycle – and the project pipeline – in terms of the timing and reporting of measurements of success

- the extent to which it is possible to determine and differentiate between outcomes produced by EU funded interventions and those brought about by other economic or social stimuli
- the extent to which quantitative versus qualitative analysis is required to measure success
- whether there are particular tools and techniques that need to be deployed that are not already in use.

WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020:

Monitoring and Evaluation Strategy: European Structural and Investment Funds 2014-2020

Issue

1. This paper accompanies the Monitoring and Evaluation Strategy for the European and Structural Investment (ESI) Funds 2014-2020, which is presented for PMC approval.

Recommendation

2. Members are asked to **approve** the Monitoring and Evaluation Strategy.

Background

3. Article 110(2) of the Common Provisions Regulations states that the PMC shall examine and approve the evaluation plan. Article 114(1) states that the evaluation plan should be submitted to the PMC no later than one year after the adoption of the operational programme covered by the plan: November 2015 in Wales' case. The evaluation plan can cover more than one operational programme.
4. To comply with these regulations, the WEFO Research, Monitoring and Evaluation (RME) Team has developed the accompanying Monitoring and Evaluation Strategy which was discussed at the PMC meeting on 5 June.
5. Since the PMC meeting on 5 June, the RME Team has amended the Strategy to take account of the role of the Regional Engagement Teams in undertaking evaluation at a regional level and the need for regional analysis of the individual and business surveys.
6. On 18 June the RME Team presented the Strategy at a meeting of the ERDF Evaluation Network, a group made up of officials from DG Regio's Evaluation Unit and monitoring and evaluation representatives across Member States. The Strategy received positive comments from DG Regio and other Member States.
7. On 29 July the Measuring Success Sub Group met to finalise their report. Although some of the recommendations of the Sub Group report are beyond the scope of the Strategy, the RME Team will take account of the Sub Group's recommendations in the ongoing monitoring and evaluation of the Programmes. For example, a business-level database will be a central feature of the ERDF monitoring system, and the measures discussed in the Sub Group

report (e.g. those associated with the Wellbeing Goals for Wales) will, where relevant, be included in programme-wide surveys of individuals and businesses and project level evaluation.

8. It should be noted that it is not the PMC's responsibility to approve the RDP evaluation plan: the EC requires a separate evaluation plan for the RDP to be approved by DG Agri. It should also be noted that, whilst the RME team will play the lead role in monitoring and evaluating the new Ireland-Wales Programme, it is the responsibility of the Ireland-Wales PMC to approve the associated monitoring and evaluation arrangements.

Next Steps

9. Article 110(1) of the Common Provisions Regulations states that the PMC shall examine progress made in implementation of the evaluation plan and the follow-up given to findings of evaluations. It is therefore proposed that the PMC reviews progress in the implementation of the Monitoring and Evaluation strategy at each meeting and progress in the follow-up of evaluation findings on an annual basis.

WEFO Lead: Kathryn Helliwell

Approved by: Rob Halford

Date: 27/08/2015

Monitoring and Evaluation Strategy: European Structural and Investment Funds 2014-2020

1. Introduction

The Research, Monitoring and Evaluation (RME) Team, based in the Welsh European Funding Office (WEFO) within the Welsh Government, is responsible for monitoring and evaluating the EU Structural Funds Programmes and the Rural Development Programme (RDP) for Wales.

The purpose of this strategy is to outline how the Team proposes to undertake effective monitoring and evaluation of the Programmes, in support of effective Programme management and the successful delivery of agreed outcomes. In addition, the strategy is geared towards ensuring a contribution to the evidence base available to inform future programmes and projects. The Strategy also demonstrates how the proposed monitoring and evaluation arrangements will ensure compliance with European Commission Regulations governing implementation of the Programmes.

In pursuit of enhanced investment outcomes, the European Commission has placed much store on achieving concentration and integration in the application of European Structural and Investment (ESI) funds. This Strategy has therefore been developed holistically, covering each of the ESI Fund Programmes managed directly in Wales: the European and Regional Development Fund (ERDF); the European Social Fund (ESF) and the Rural Development Programme (RDP). The European Maritime and Fisheries Fund is managed at UK level and is therefore not covered.

The All Wales Programme Monitoring Committee must approve this Strategy only in so far as it addresses the Structural Fund components of the ESI Funds: the European Commission requires DG Agri to approve the RDP evaluation plan as an integral part of its approval of the ERDF programmes. (It should also be noted that it is the responsibility of the Ireland-Wales PMC to approve the monitoring and evaluation arrangements for that programme).

In parallel with the development of this Strategy, the PMC Sub Group focussed on 'Measuring Success' has been exploring additional ways of demonstrating the achievements of the ESI Programmes. The Sub Group has sought to answer searching questions that, in part, extend beyond the core monitoring and evaluation requirements covered by this strategy. The RME Team will take account of the Sub Group's final recommendations in setting in place its work programme and in undertaking the ongoing monitoring and evaluation of the Programmes.

2. Purpose of Monitoring and Evaluation

The main purpose of **monitoring** is to **assess the progress of projects, schemes and programmes**. This includes financial progress (such as commitment and spend) and physical progress (e.g. numbers of businesses and individuals assisted by the Programmes). Another purpose of monitoring is to provide accountability: a well-crafted monitoring report can give a good indication of how programme funds have been spent to date. Good monitoring data are also crucial for evaluation.

Evaluations have several purposes but ultimately these can be summarised in one word: '**learning**'. Evaluations are undertaken to learn something about a project, scheme or programme, in other words, to answer questions (often referred to as 'research questions') about a project or programme.

Monitoring and evaluation have always been essential for effective programme and project management. In the 2014-2020 period, these functions are more important than ever due to the EC's emphasis on **results-orientated programming**. It is not possible to assess whether programmes have had the desired results without good monitoring and evaluation.

The next two sections outline our proposed approach to monitoring and evaluation.

3. Monitoring

3.1 What we will monitor

Within Wales, the PMC will be the main audience for Programme monitoring and evaluation information. The RME Team will produce detailed **Programme Monitoring Reports** at each meeting of the PMC to assist the PMC in reviewing the progress of the Programmes. These reports will outline progress based on data for the indicators, finance, project approval and pipeline and a qualitative account of issues in implementation.

The RME Team will also undertake **regional analysis** for the PMC. This analysis will draw on the RME Team's underpinning monitoring system, which allows more detailed analysis than the use of indicators alone. The key datasets for this work are anticipated to be the core databases which will hold data on all individuals and businesses assisted by the Programmes. Crucially, these databases contain postcodes to help us understand where the support is being delivered. They also contain detail on the **sectors** of the businesses supported so that we can explore whether the Programmes are reaching businesses within the Welsh Government priority sectors. As well as the RME Team's own datasets, these reports can also draw on other datasets to provide the context in which the Programmes are operating (a variety of datasets are available at sub-regional level, e.g. business births and deaths; employment rate, including occupational split; qualification levels; average earnings; and number of workless households).

The other major audience for Programme monitoring and evaluation information will be the **European Commission (EC)**. The main monitoring tool for the EC is the **Annual Implementation Report (AIR)**. The EC requires Member States to submit AIRs for each Operational Programme. The first AIR is due in 2016 and will cover 2014 and 2015 (art. 111(1) CPR regulation).

The AIRs will report on the implementation of the Programmes based on the indicators (including the result indicators) and financial data and will highlight any issues affecting the performance of the Programmes (art. 50(2) CPR regulation). In addition, the AIRs will contain a synthesis of the findings of all evaluations of the programme that have become available during the previous financial year (art. 50(2) CPR regulation). Beginning with the reports submitted in 2017, the AIRs will also contain information on progress against the milestones defined in the performance framework (art 50(2) CPR regulation). The AIRs to be submitted in 2017 will in addition assess progress towards achieving the objectives of the Programmes, including the contribution of the Programmes towards the change of result indicators, when evidence from evaluations is available, and assess the implementation of actions to take into account the principles set out in Articles 7 and 8, the role of the partners referred to in Article 5 in the implementation of the Programmes and report on support used for climate change targets (art. 50(4) CPR regulation). The AIRs to be submitted in 2019 and the Final Implementation Reports (FIRs) will contain all the above in addition to an assessment of progress towards achieving the objectives of the Programmes and their contribution the EU2020 Strategy (art. 50(5) CPR regulation).

The deadline for submitting the AIRs (apart from those submitted in 2017 and 2019) is 31 May (art. 111(1), CPR regulation). The deadline for the AIRs to be submitted in 2017 and 2019 is 30 June (art. 111(2) CPR regulation). The deadline for submitting the FIRs is 31 May 2023 (art. 111(1) CPR regulation).

As well as the reports for the PMC and the AIRs which will be published on the **WEFO website**, the RME Team will regularly produce **summary monitoring information** to be published on the WEFO website. The RME Team will also publish **forecast and achieved indicator data for every approved project**.

The RME Team will also produce detailed monitoring reports to be used within the Managing Authorities by **groups that have been set up to review the implementation of the Programmes in detail**.

As part of its reporting function the RME Team will produce the monitoring data required to report against the **performance framework**. This information will also help to ensure consistency with the reporting required at the UK level. The Partnership Agreement sets out how the Managing Authorities will work together to ensure consistency of data and the RME Team will be actively involved in this work.

As the Managing Authorities sit within the Welsh Government the RME Team will ensure that all **Welsh Government reporting requirements** are complied

with. These include reporting on the contribution of the Programmes to the Welsh Government Tackling Poverty Action Plan.

3.2 How we will monitor

3.2.1 Data collection

All data for Structural Funds will be collected through WEFO-online and stored in WEFO's **Programme and Project Information Management System** (PPIMS). PPIMS is being modified to ensure that all data required by the ESI regulations will be collected. An electronic system for the collection and storage of RDP monitoring data similar to the Structural Funds is being utilised for the 2014-2020 Programme.

All projects and schemes will be required to collect data against their **indicators** (see 3.2.2) and for **every individual and business** that they assist and transfer this to WEFO. These data requirements are set out in monitoring and evaluation guidance for projects. In addition to this, projects and schemes will develop a **monitoring plan** which sets out the data they will collect and how it will be collected and stored. The plan will also include any collection forms and consent statements to ensure data protection requirements are satisfied, for example, projects and schemes must clearly explain to the individuals and businesses they support that their data will be shared with WEFO and research contractors appointed by both WEFO and the projects for the purposes of research and evaluation and verification checks.

These datasets are critical because they provide a sampling frame for evaluations and can be used to link to other datasets to obtain further information on the outcomes of the Programmes. The content of these datasets is outlined in monitoring guidance for projects.

The RME Team will work with project sponsors and scheme managers to ensure the **quality of the monitoring data**. This will involve providing **detailed monitoring guidance**, including indicator definitions. The RME Team will also attend project review meetings to discuss any queries project sponsors / scheme managers have on the monitoring requirements. Furthermore, the audit teams will check the evidence supporting the indicators. In addition to this, when producing monitoring reports, the RME Team will check the data for any anomalies, e.g. any decreases between reporting periods.

In addition to the data projects and schemes are required to submit to the Managing Authorities, they will also be encouraged to collect **additional data that will assist with project management and evaluation**, including sufficient baseline data to enable projects and schemes to robustly track progress for their beneficiaries.

3.2.2 Indicators

The monitoring indicators are set out at Investment Priority level in the formal Operational Programmes and at Specific Objective level in the user-friendly versions of the Programmes. The indicators as based on the Core / Common indicators set out by the EC and any programme-specific indicators were developed by the RME Team in consultation with other staff in the Managing Authorities and with stakeholders such as project sponsors from the 2007-2013 Programmes, as well as the Monitoring and Evaluation Workstream.¹ The indicator system has been developed to reflect the key activities and objectives of the Investment Priorities.

The EC requires a slightly different approach to implementing the indicator system for each Fund.

For **ESF**, DG Empl has identified a set of '**common**' indicators which all Managing Authorities are required to report against. These indicators are broken down into three categories of indicators: **outputs, immediate results and longer-term results**. An output is considered what is directly produced / supplied through the delivery of a project. Result indicators capture the expected effects of projects. Immediate results are recorded when a participant leaves a project. Longer-term results are recorded six months after the support for the participant has ended. Data for immediate result indicators will be collected through the monitoring system whilst data for longer-term result indicators will be collected for a representative sample through the ESF Leavers Survey (see Section 4 and Annex A).

For **ERDF**, DG Regio has identified a set of '**core**' output indicators which all Managing Authorities are required to report against. DG Regio has adopted a different interpretation of result indicators to DG Empl. Whilst ESF result indicators are at the level of the assisted unit, i.e. the participant, ERDF result indicators relate to the situation in the programme area. Data for the output indicators will be collected through the monitoring system whilst data for the result indicators will be collected through project and programme level evaluations (see Section 4 and Annex A).

For the **RDP**, DG Agri has provided a revised and streamlined monitoring system built on the existing (2007-2013 programme) EAFRD arrangement of monitoring and guidance. The resources available for monitoring of programmes will be focused on a limited number of common output and result indicators that meaningfully capture the progress of interventions towards agreed programme objectives and which can be aggregated at an EU level. The revised **Common Monitoring and Evaluation Framework (CMEF)**:

- Demonstrates the progress and achievements of rural development policy and assess the impact, effectiveness, efficiency and relevance of interventions
- Contributes to better targeted support for rural development

¹ The Monitoring and Evaluation Workstream was set up to support the detailed planning and drafting of the Monitoring and Evaluation arrangements for the 2014-2020 EU Programmes.

- Supports a common learning process related to monitoring and evaluation.
- Provides one monitoring and evaluation system covering the CAP as a whole (Pillar I and Pillar II) - Pillar II CMEF will be revised.

It is important to note that whilst the term 'result' implies an attribution of the 'results' to the Programmes it is usually not possible to conclude that the Programmes have 'resulted in' these effects on the basis of monitoring alone. Because of this, evaluation (and ideally evaluation involving control groups) is usually necessary to estimate what would have happened without the project or programme, i.e. the 'counterfactual'. This will be addressed in Section 4.

Across all Programmes, a small number of non core / common indicators have been developed to allow the Managing Authorities to fully monitor the progress of the Programmes. These are called '**programme-specific indicators**'.

Each project and scheme will be required to select relevant indicators from the Investment Priority under which they are funded. All projects will have a profile of expected delivery which will include expenditure and indicators; a tolerance for each area will be applied and automatic warnings issued if the tolerance is breached.

The Managing Authority will use the indicators selected by the project / scheme to monitor the progress of the project / scheme. The project / scheme level indicator data will also be aggregated up to Priority and programme level to allow the Managing Authorities to monitor the progress of particular Priorities and Programmes.

A key component of the indicators is the **indicator** definitions which the RME Team has produced, as part of wider monitoring guidance for projects. These are being communicated to all project sponsors and scheme managers so that they can check they are reporting against the indicators correctly. This is important to ensure the indicator data are of good quality to enable the Managing Authorities to monitor the Programmes effectively.

The **RME Team is assisting projects and schemes** to select appropriate indicators and in designing a monitoring system to collect data which will allow effective evaluation of the project. Furthermore, the RME Team is delivering training sessions to WEFO Project Development Officers (PDOs) and to project sponsors on complying with the monitoring requirements.

For the RDP, to demonstrate how programme targets will be achieved, an Indicator Plan must be completed to plan the measures and financial means to be used for each Focus Area within the programme. It also provides the basic elements of calculation for each target. **This is a new requirement for the RDP.** Definitions for RDP indicators are prescribed by the European Commission. The RME Team will assist programme and scheme managers in understanding these requirements and in designing a monitoring system to capture the required data against indicators, category breakdowns along with

other monitoring requirements. Training sessions will be held with programme and scheme managers to ensure compliance with monitoring requirements.

4. Evaluation

4.1 Over-arching approach

The RME Team **will be responsible for all programme-level evaluations.**

A major component of the RME Team's programme-level evaluation schedule will be **regular surveys of individuals and businesses that have received support by the Programmes.** These will build on the ESF Leavers Surveys and ERDF Business Surveys undertaken in the 2007-2013 period and will extend to cover individuals and businesses assisted by the RDP. The RME Team will **share the datasets** for these surveys with schemes and projects so that they can be used in project / scheme level evaluations. The RME Team will also use these surveys to help report against the ESF longer-term result indicators and the business-level ERDF result indicators. The RME Team will follow EC guidance on representative sampling which is required to report against the ESF longer-term result indicators.

All project sponsors / scheme managers will need to agree a detailed monitoring and evaluation plan with the RME Team.

Where research and evaluation expertise is available in projects / schemes to commission the evaluations the RME Team will generally adopt a hands-off approach.

For large or innovative projects and schemes where the project sponsor / scheme manager does not have the capacity to manage an evaluation, the RME Team will sit on the steering group for the evaluation and provide intensive support, e.g. through commenting on evaluation specifications, fieldwork tools and draft reports and taking part in tender assessments. For some large or innovative projects with very little capacity, it may be necessary for the RME Team to manage the project evaluation. This will be determined on a case by case basis.

For all other projects and schemes the RME Team will provide advice and guidance to project sponsors and scheme managers on their evaluations. These arrangements for analytical support will be rolled out to the RDP. This will include project evaluation guidance to be published on the WEFO website. Furthermore, the RME Team is delivering training sessions to WEFO PDOs and to project sponsors on commissioning project level evaluations.

In the majority of cases at programme and project / scheme level, **external contractors** will be commissioned to undertake evaluation due to the independence and expertise provided by such an arrangement.

Article 110(1) of the Common Provisions Regulations states that the PMC shall examine progress made in implementation of the evaluation plan and the follow-up given to findings of evaluations. The PMC will review progress in the

implementation of the Monitoring and Evaluation strategy at each meeting and progress in the follow-up of evaluation findings on an annual basis.

4.2 What and how we will evaluate

As stated in Section 2, evaluations are undertaken to answer questions about a project, scheme or programme. Table 1, below, outlines the evaluation questions the RME Team will try and answer during the programming period, with a brief description of the evaluation approach for each question.

Evaluation Question	Evaluation Approach	Timing
<p>Are the interventions funded by the Programmes having an impact?²</p>	<ul style="list-style-type: none"> • Analysis against ERDF result indicators and ESF longer-term result indicators (see Annex A for a detailed outline of the RME Team’s approach to evaluating progress against the result indicators) • Regular surveys of individuals who have received ESF and RDP support • Regular surveys of businesses that have received ERDF and RDP support • Counterfactual Impact Evaluations (CIEs) at programme and project / scheme level • Theory Based Impact Evaluations (TBIEs) at programme and project / scheme level • Analysis of other outcomes that are too difficult to capture through the indicator system, e.g. ‘soft’ skills, increased business spend on R&D and some of the measures suggested by the Measuring Success Sub Group (through surveys and project 	<ul style="list-style-type: none"> • First surveys to take place in 2016, with analysis available in 2017 • Evidence from CIEs and TBIEs available from 2018 onwards

² For a detailed discussion of impact evaluation, please see Annex B.

	<p>level evaluation)</p> <ul style="list-style-type: none"> • Analysis of survey datasets at regional level where feasible 	
<p>What are the most effective types of projects and schemes, e.g. are some projects better at helping people into work than others?</p>	<ul style="list-style-type: none"> • Analysis of repeated surveys of individuals and businesses – combining data from these surveys gives a large enough sample size to allow analysis by project / scheme or type • Comparison of CIE evidence on impact of different projects / schemes 	<ul style="list-style-type: none"> • Analysis available from 2018 onwards
<p>What types of businesses are the Programmes supporting? In the areas of the Programmes targeted at ‘growth’ businesses, is this targeting being achieved?</p>	<ul style="list-style-type: none"> • Analysis of programme monitoring data • Regular surveys of businesses that have received ERDF and RDP support, including regional analysis where feasible 	<ul style="list-style-type: none"> • Analysis available from 2017 onwards
<p>What types of jobs are being created in the businesses that we support?</p>	<ul style="list-style-type: none"> • Analysis of programme monitoring data • Regular surveys of businesses that have received ERDF and RDP support, including regional analysis where feasible 	<ul style="list-style-type: none"> • Analysis available from 2017 onwards
<p>What types of skills training are being delivered to the individuals we support? Are they the skills that employers need, and do they match the Welsh Government’s priority sectors?</p>	<ul style="list-style-type: none"> • Analysis of programme monitoring data • Regular surveys of individuals who have received ESF and RDP support, including regional analysis where feasible • Project level evaluation 	<ul style="list-style-type: none"> • Analysis available from 2017 onwards
<p>Across projects and schemes is there sufficient coverage of the objectives of the Programmes and is the</p>	<ul style="list-style-type: none"> • Mid Term Evaluation • Qualitative research with project / scheme and Managing Authority staff and programme 	<p>Either:</p> <ul style="list-style-type: none"> • Begin evaluation when 40% of Programme

<p>balance of interventions appropriate?</p>	<p>stakeholders (e.g. PMC)</p> <ul style="list-style-type: none"> • Review of programme and project / scheme documents • Analysis of how the different ESI funds complement each other to achieve common aims, possibly in a TBIE design • Analysis of issues affecting successful implementation of the Programmes 	<p>funds have been spent; or</p> <ul style="list-style-type: none"> • Procure evaluation in 2017/2018 to report in 2019 (whichever is earliest)
<p>Are the Cross Cutting Themes being integrated effectively across projects and schemes?</p>	<ul style="list-style-type: none"> • Qualitative research with project / scheme and Managing Authority staff and programme stakeholders (e.g. PMC) • Review of project level evaluations • Review of actions taken in response to recommendations from Equality Impact Assessments and Strategic Environmental Assessments? 	<ul style="list-style-type: none"> • Procure evaluation in 2018 to report in 2019
<p>What evidence is available (e.g. from other published research) to inform the ongoing management of the Programmes?</p>	<ul style="list-style-type: none"> • Monthly summaries of research directly relevant to the ESI Programmes 	<ul style="list-style-type: none"> • Available from 2016 onwards
<p>Are the Programmes on track to meet the performance reserve targets?</p>	<ul style="list-style-type: none"> • Analysis of programme monitoring data and project progress reports • Qualitative research with project / scheme and Managing Authority staff 	<ul style="list-style-type: none"> • In-house study to take place during 2017
<p>Are the implementation processes put in place by the Managing Authorities effective for managing the Programmes?</p>	<ul style="list-style-type: none"> • Quantitative survey of funding applicants on their views on the processes for applying for funding, and for managing and paying 	<ul style="list-style-type: none"> • Procure evaluation in 2017 to report in 2018

	<p>projects</p> <ul style="list-style-type: none"> • Qualitative research with project / scheme and Managing Authority staff and programme stakeholders (e.g. PMC) 	
<p>How effectively are the Managing Authorities communicating the Programmes?</p>	<ul style="list-style-type: none"> • Questions asked in 'omnibus' surveys of the general public to test awareness of the Programmes • Qualitative research with project / scheme and Managing Authority staff and programme stakeholders (e.g. PMC) • Questions asked in participant and business surveys to test awareness of how their support was funded • Analysis of communications material (e.g. website, social media output, and press releases) • Analysis of relevant policy documents to establish whether there are references to the ESI Programmes 	<ul style="list-style-type: none"> • Procure evaluation in 2017 to report in 2018
<p>Are there any over-arching achievements of the Programmes that can be summarised?</p>	<ul style="list-style-type: none"> • Ex post evaluation at end of Programmes • Synthesis of all project / scheme and programme level evaluations • Review of socio-economic data over programming period • Summary of achievement against key indicators 	<ul style="list-style-type: none"> • Procure evaluation in 2020 to report in 2021

5. Monitoring and Evaluation Resources

The main resource for monitoring and evaluating the ESI Programmes will be the staff in the **RME Team**. At full complement, the RME Team will have eighteen members of staff with a mix of social research, monitoring and administrative expertise, spread over two locations, Merthyr Tydfil and Aberystwyth.

In addition to the RME Team, a further four Senior Research Officers will be funded via Technical Assistance and work in the **Welsh Government's Knowledge and Analytical Services (KAS)** department to take forward project level evaluation of Welsh Government Structural Funds projects.

The RME Team will also draw on the resources of the new **Monitoring and Evaluation Advisory Group (MEAG)** which will be set up to oversee the work of the RME Team. This Group will advise on more detailed two-yearly evaluation plans that build on this strategy and comment on draft specifications for evaluation studies. The MEAG will consist of members from the Managing Authorities and from stakeholder organisations including other departments in the Welsh Government, Welsh Local Government Association, the Wales Council for Voluntary Action, and the EC, together with a representative of the PMC. The **Technical Sub Group (TSG)** of the MEAG will have a more hands-on role in supporting the work of the RME Team through assessing tenders for evaluation studies and commenting on draft reports. The TSG will consist of economist, statistician and social research expertise from within the Welsh Government.

The RME Team will also assist the **Regional Engagement Teams** to evaluate the contribution of the Programmes to regional development strategies.

All programme-level evaluations will be funded by **Technical Assistance**. For the Structural Funds, the RME Team estimates that the total budget for Structural Funds will be £3.5 million. The estimated total budget for the RDP is £4.26m million.

Project sponsors / scheme managers will be able to use their **EU grant to fund project / scheme level evaluations**.

6. Lessons Learned from 2007-2013 Programmes

It is important to reflect on the lessons learned from monitoring and evaluating the 2007-2013 Programmes so that we can build on the successes and take any necessary action to improve our approach.

In the 2007-2013 period, the RME Team developed a **sophisticated and comprehensive reporting system** which has enabled WEFO and the PMC to monitor the Programmes in detail. The volume and detail of the monitoring reports produced by the RME Team and their availability on the WEFO website has also increased the transparency of the management of the Structural Funds in Wales. For the 2014-2020 period, the RME Team will continue this system of reporting and extend it to the RDP, so that there is a

single and consistent repository for all monitoring data. This will improve the planning of data availability for evaluation.

The collection of **ESF participant-level data** by the RME Team has greatly assisted in the evaluation of the ESF Programmes, in particular the regular surveys of ESF participants. The RME Team will continue to collect this level of information from ESF projects in the 2014-2020 period and will extend it to cover individuals assisted by the RDP.

The **ESF Leavers Surveys** themselves have produced a good evidence base on the performance of the ESF Programmes. They have allowed the RME Team to apply robust Counterfactual Impact Evaluation (CIE) methods to evaluate the impact of ESF interventions on unemployed and economically inactive individuals.³ The RME Team will continue to use these methods in the 2014-2020 period. Combining data from multiple ESF Leavers Surveys has also allowed the RME Team to analyse performance by different types of projects which is helpful to understand which types of projects are most effective for delivering different types of outcomes. The main weakness of the ESF Leavers Surveys is that they have not been representative of the population of ESF participants. This is mainly because some ESF projects have not provided the RME Team with good quality contact details for their ESF participants (see below). However, there is some scope to tailor ESF evaluation methods to particular groups and the RME Team is currently considering all available options.

The RME Team set up a parallel data collection system for all businesses supported by the ERDF Programmes. Unfortunately, the RME Team has had more **difficulties in encouraging ERDF projects to submit business-level data** than it has had with ESF projects to submit participant-level data. As a result of this, the RME Team has struggled to evaluate the ERDF Programmes.⁴ Even in the ESF Programmes the participant-level data collection system does not have 100% coverage and this has meant that evaluation of ESF is not totally representative of the entire population of ESF participants. For the 2014-2020 period, collecting participant and business level data will be more established than it was at the start of the 2007-2013 period. Furthermore, given the greater importance attached to monitoring and evaluation for the 2014-2020 period, the RME Team has more power to insist that projects submit this information.

³ Counterfactual Impact Evaluation methods are methods that make use of credible control groups to estimate the counterfactual, i.e. what would have happened in the absence of the intervention. They are discussed in more detail in Section 5.

⁴ The lack of business-level data from ERDF projects is not the only reason for the difficulties in evaluating the ERDF Programmes but it has certainly been a constraining factor. Other reasons include the time lag in availability of business-level data from elsewhere and issues in determining at which 'level' of the business it is appropriate to measure outcomes where a business is made up of more than one business unit. A detailed discussion can be found in Chapter 5 of the report of *ERDF Business Survey* (Old Bell 3 et al, 2012), available at <http://wefo.wales.gov.uk/publications/guidance-and-publications/Publications14-20/monitoringevaluation/programmevaluations/9615751/?lang=en>

A key evaluation success has been the '**WEFO Research Summaries**' which consist of summaries of published research that are directly relevant to the Structural Funds Programmes. These Summaries have generated an accessible and comprehensive evidence base to inform the management of the Programmes and development of future Programmes. The Research Summaries will continue into the 2014-2020 period and will be extended to cover the RDP. The Summaries will also be circulated to a wider audience, including project sponsors and scheme managers, and will be published on-line.

Another recent evaluation success has been the role of the **Ex Ante Evaluations** (EAEs) in building in evidence into the design of the 2014-2020 Programmes. A critical first step in the EAEs was for the evaluators to produce synthesis reports summarising all evidence relevant to the Programme Priorities. These were shared with those responsible for drafting the Programmes and also formed the basis of the evaluators' appraisal of the draft programme documents. The success of the EAEs has meant that for any future ex ante evaluations, the RME Team will be able to use the existing specification and contract management arrangements as best practice templates.

In addition to the above, the introduction of **mandatory project level evaluation** for the 2007-2013 Structural Funds Programmes has built evaluation capacity in Wales and has contributed to the evidence base on EU-funded interventions. Projects have been able to use their learning from project evaluations to improve the implementation of their projects and the design of successor projects. Although there is some scope to improve the quality of project evaluations, project level evaluation will remain mandatory in the 2014-2020 period and this will continue to be supported by guidance and advice from the RME Team.

Similarly, for the 2007-2013 RDP, **evaluations have been undertaken of all schemes to enable learning to improve scheme implementation**. In addition, a range of ongoing evaluation activity has taken place throughout the duration of the RDP. There have been two main vehicles for commissioning ongoing evaluation: the ongoing evaluation contract and the Wales Rural Observatory, research collaboration between Cardiff and Aberystwyth Universities. The WRO has carried out a number of studies and surveys to meet RDP evidence demands including: longitudinal surveys of rural businesses, households and services, and a study of farmers' decision making.

Although the implementation of the RDP will continue to be supported by a range of ongoing evaluation in the next Programming round, the commissioning route for this will be revised. It is anticipated that a **specialist Framework Lot for Rural Research** will be established to provide a full range of analytical expertise to enable the timely commissioning of evaluation. This will enable a variety of specialist research centres and consultancies to tender on a competitive basis for evaluation, to further strengthen the

evidence base in the next RDP. The Framework will facilitate increased flexibility to undertake ad hoc evaluation to address evidence requirements.

7. Communicating evaluation findings

The main aim of communicating evaluation findings is to increase the visibility of Structural Funds and RDP evidence bases and the impact of its research and publications among policy makers, key stakeholders, rural communities and academics. The secondary aim is to exploit the full range of data to deliver better evidenced policies and more relevant and robust outcomes for the Programme areas. The communication objectives are listed below:

- A targeted seminar strategy to ensure the information reaches policy makers;
- Publish regular highlight reports to improve accessibility of research to a wider audience;
- Participate in RDP Network, DG Regio and DG Employ Evaluation Partnership events to promote research and build links with practitioners through direct engagement;
- Produce and publish literature to promote research within the rural community;
- Maintain and develop the website;
- Develop a style of communication to ensure clear understanding of subject matters to the widest audience; and
- Proactive engagement with the media ensuring that relevant data and research is publicised in an appropriate and timely way.

Communication and dissemination activities will use existing resources where possible. Under the RDP and Structural Funds, the RME Team is charged with identifying good practice from research and promoting it to stakeholders through participating in and organising seminars. The RME Team is tasked with providing and presenting evidence to support effective policy making.

The RME Team will 'dovetail' its communications and dissemination activities with similar initiatives organised within the Managing Authorities.

The RDP highlights the core audience for research advice as being "a wide range of policy makers, local action groups, practitioners and other partner bodies". The core audience for Structural Funds research shares some similarities with that of these groups, but it also includes project sponsors as a key group in the target audience. The RME Team may capitalise on opportunities to co-operate with UK and EU partners including the Economic and Social Research Council and the European Network for Rural Development.

A productive relationship between WG and its stakeholders is vital to the successful delivery of the RDP and the achievement of quality outcomes for rural Wales. Consequently, it is important that WG undertakes research and presents evidence in a way that meets the needs of its customers as well as its wider audience.

To assist with tailoring the presentation styles, the target audience can be categorised and in most cases prioritised as follows:

Internal Welsh Government Audience:

- Welsh Government Policy makers, RDP Scheme Managers in the Sustainable Futures Division, and project sponsors internal to the Welsh Government;
- Welsh Government policy staff (e.g. Economy and Transport, Health, Local Government);
- WEFO Programme Management Division and the Cap Planning Division; and
- Welsh RDP Network.

External Audience:

- European Union;
- Programme Monitoring Committee;
- Project sponsors in organisations external to the Welsh Government;
- Policy formulators in local government and third sectors;
- RDP Axis 3 and 4 Groups;
- Other UK Managing Authorities;
- UK RDP Network; and
- Academic Community.

All communications activities will need to consider how to achieve maximum value in promoting the Structural Funds and the RDP as well as the research findings.

A list of proposed communication activities would be:

- Arranging publication timings to allow linkage to existing events; e.g. Rural Network meetings and the WEFO Annual Event;
- Agreeing the dissemination arrangements for individual reports;
- Using Gwlad and RDP quarterly e-bulletins as well as WEFO Twitter and WEFO News Updates for publicity;
- Coordinating with Ministerial announcements/visits/plenary/committee business;
- Working with other public private and voluntary bodies;
- Optimising the current Web presence and linking to related sites; and
- Working with WG press office to decide if/when press notices, briefings or interviews (national and/or regional) are necessary.

In addition to considering the above opportunities, regular reviews of existing media communications will be scheduled to facilitate improvements and updates to the activities list.

Ongoing background work to keep the website up to date will be utilised as the backbone of the communications plan. This should be supplemented by periodic email updates and seminars for interest groups.

Careful timing consideration is required to ensure that maximum publicity impact is obtained. Delaying publicity around evaluation publications to maximise impact and achieve synergies with other publicity arrangements will always be considered.

The success of this evaluation communication plan will be measured according to the following criteria:

- Number of RDP and WEFO Website hits for the evaluation pages;
- Number of press articles;
- Number of media interviews(national and/or regional);
- Number of quotations and references from RDP and Structural Funds research in the National Assembly's record of proceedings;
- Number of references and quotations from Structural Funds and RDP research in Welsh Government policy consultations;
- Number of references and quotations from RDP and Structural Funds research in other stakeholder policies and strategies; and
- Number of joint working and research activities with partners.

Periodic reports on these measures will show how the profile of Structural Funds and RDP research is being maintained and improved within and outside Wales.

The RME team will maintain an ongoing log of all recommendations from each completed evaluation which will monitor the responses of policy customers to each recommendation and track the actions that they have taken as a result. This log provides a key mechanism with which the RME team will follow-up evaluation results, and provides further evidence to monitor the delivery of the evaluation communication plan activities with Managing Authority staff and project sponsors / scheme managers.

Annex A – Evaluation Approach to Measuring Result Indicators

Over-arching evaluation approach to the ERDF result indicators

The RME Team will commission evaluations to evaluate the contribution of the Programmes to any changes observed against the result indicators. In the majority of cases this will be undertaken in a two-stage approach. Firstly an evaluation will be undertaken at the level of the assisted unit (e.g. business). Wherever possible, the RME Team will commission Counterfactual Impact Evaluations (CIEs). Where CIEs are not feasible, alternative methods will be used, e.g. surveys of assisted businesses or Theory Based Impact Evaluations at project level. The results from these evaluations will then be combined with data for the result indicators to provide an informed discussion of the effects of the Programmes on any changes tracked by the result indicators. This will take account of the pre-existing trends and any other policy development and changes in the economy that have occurred during the programming period. More detail on the evaluation approach is given in Table A.1.

Table A.1 – Evaluation approach to assessing progress against the ERDF result indicators

Specific Objective	Result Indicator	Evaluation Approach
1.1: To increase the success of Welsh research institutions in attracting competitive and private research funding	Research income for Higher Education Institutions	Project / programme level survey of supported HEIs to determine whether income from research grants and contracts has increased and whether ERDF played any role in this. Results from the survey will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect
1.2: To increase the successful translation of research and innovation processes into new and improved commercial products, processes and services, in particular through improved technology transfer from HEIs	Average share of total turnover from product innovation, and novel innovation: new to market, new to business and significantly improved	Programme level survey of supported businesses to determine whether ERDF support has resulted in any increase in turnover and survey / qualitative research to probe whether any increases are due to product and process innovation. Relating of these findings to any changes in result indicator, with a consideration of any other factors which may have had an effect
2.1: To increase the amount of finance available to SMEs for	Amount invested in Venture Capital and	A project-level evaluation of the Financial Instrument. Results from the evaluation will be

both business start-up and for business expansion	Expansion Capital	considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect
2.2: To increase the number of SME start-ups through the provision of information, advice and guidance and support for entrepreneurship	Count of birth of new enterprises	Project level survey of individuals supported to set up a business to determine whether business was set up and whether ERDF played any role in this. Results from the survey will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect
2.3: To increase the up-take and exploitation of NGA and ICT infrastructure by SMEs	SME use of fibre and cable broadband	Programme level survey of supported businesses to determine whether ERDF support has resulted in any increase in up-take and exploitation of NGA and ICT infrastructure and whether ERDF played any role in this. Results from the survey will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect
2.4: To increase the growth of those SMEs with growth potential, in particular through accessing new markets (both domestic and international)	Employment within small (10-49 employees) and medium (50-249) SMEs	CIE to determine whether ERDF support has resulted in any increase in employment of supported businesses. Results from the CIE will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect
2.5: To address market failures in the availability of finance, in particular risk capital, for Welsh SMEs to undertake innovation and commercialise R&D	Early stage equity investment	A project-level evaluation of the Financial Instrument. Results from the evaluation will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect
3.1: Increase the number of wave and tidal energy devices being tested in Welsh waters and off the	Installed capacity in wave and tidal	Direct monitoring of energy generated by supported investments (operations and projects). Relating this to any changes in result indicator, with a

Welsh coast, including multi-device array deployments, thereby establishing Wales as a centre for marine energy production		consideration of any other factors which may have had an effect (e.g. energy generated by other schemes not supported by ERDF)
3.2: To increase the number of small scale renewable energy schemes established	Number of sites generating electricity from renewable sources (excluding PV)	Direct monitoring of number of supported sites generating electricity from renewable sources. Findings will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect on the indicator (e.g. new sites not supported by ERDF)
3.3: Increase the energy efficiency of the existing Welsh housing stock, particularly in areas of fuel poverty	Energy efficiency rating of households facing severe fuel poverty	Direct monitoring of energy efficiency of supported housing pre (baseline) and post intervention (project activities). Findings will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect (e.g. changes in income and fuel prices over time, other non-ERDF supported investments)
4.1: To address issues of peripherality and improve private investment in local areas through improvements to the functioning of the Trans-European Transport Network (TEN-T)	Average speed on supported sections of the A40 and A55 TEN-T network	Project-by-project baselines will need to be set based on the specific section being targeted. Direct monitoring of travel time on supported developments pre (baseline) and post intervention (project activities). Findings will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect on the indicator, e.g. other developments in the area. Baselines and monitoring will also be required to look at safety improvements
4.2: Increasing urban and labour mobility to and from key urban and employment centres	West Wales and the Valleys: The number of people within 15, 30, 45 and 60 minute travel	West Wales and the Valleys: Direct monitoring of travel to work times via public transport pre (baseline) and post intervention (project) for each project. Findings will be considered in the

	<p>time thresholds of a key urban employment centre between 7am and 9am on a Tuesday by public transport</p> <p>East Wales: Total passengers using public transport between key urban links</p>	<p>context of changes in result indicator, with a wider consideration of any other factors which may have had an effect on the indicator (e.g. other transport developments not supported by ERDF). Considerations will also be given to looking at assessing impacts on the access to employment and other economic impacts</p> <p>East Wales: Project-by-project baselines will need to be set based on the specific urban links being targeted. Direct monitoring of passenger numbers and consideration of any other factors which may have had an effect on the indicator.</p>
<p>4.3: To contribute to Digital Agenda for Europe targets in Wales for 100% access to next generation broadband (30Mbps and above) and 50% access to 100Mbps</p>	<p>Proportion of premises that are in postcodes served by NGA networks</p>	<p>Direct monitoring of number of premises in postcodes served by NGA networks pre (baseline) and post intervention (project). Results from the monitoring will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect on the indicator e.g. other non-ERDF investment, business relocation</p>
<p>4.4: To increase employment through investments in prioritised local or regional infrastructure supporting a regional or urban economic strategy</p>	<p>Claimant Count rate in Travel to Work Areas</p>	<p>Direct monitoring of employment rate for relevant Lower Super Output Areas. Results from the monitoring will be considered in the context of changes in result indicator, with a wider consideration of any other factors which may have had an effect on the indicator, e.g. other non-ERDF investment, economic conditions</p>

Over-arching evaluation approach to the ESF longer-term result indicators

The RME Team will commission regular surveys of individuals who have left an ESF project to collect data to report against the longer-term result indicators. These surveys will be designed to collect data for a representative

sample of ESF participants. Our ESF Leavers Surveys in the 2007-2013 period struggled to achieve enough responses from the most disadvantaged groups of participants to produce a representative sample. The 2013 ESF Leavers Survey piloted a qualitative element to engage with these participants. This element successfully captured the views of groups of participants who had previously been under-represented in the ESF Leavers Surveys which increased our understanding of how ESF projects are helping the most disadvantaged. However, the qualitative element was not able to achieve a sufficient number of extra responses to make the overall survey representative. The RME Team is therefore considering the following extra steps to address this issue for the 2014-2020 Programmes:

- Ensure projects comply with WEFO’s participant level data reporting requirements;
- Work closely with projects to agree the best way of undertaking research with participants and to avoid any duplication between project and programme level evaluation;
- Consider using text messages or social media to alert participants that they will be contacted as part of a research study or to remind them of a pre-arranged appointment;
- Consider ‘boosting’ the samples for particular projects or groups of participants; and
- Explore options for linking WEFO data to DWP data to examine future employment patterns of ESF participants.

Table A.2 - Evaluation approach to assessing progress against the ESF longer-term result indicators for the Specific Objectives

Specific Objective	Result Indicator	Evaluation Approach
1.1: To increase the employability of those closest to the labour market at most risk of poverty	Short term unemployed participants with low skills or a work limiting health condition or disability in employment 6 months after leaving	ESF Leavers Survey; data linking; CIE
	Individuals impacted by redundancy in employment 6 months after leaving	
1.2: To increase the employability of Economically Inactive and Long Term Unemployed people	Economically inactive (aged 25 and over), not in education or training, who	ESF Leavers Survey; data linking; CIE

aged 25 and over, who have complex barriers to employment	have complex barriers to employment including self employment 6 months after leaving	
	Long-term unemployed (aged 25 and over) who have complex barriers to employment including self employment 6 months after leaving	

Table A3 - Evaluation approach to assessing progress against the ESF longer-term result indicators

Result Indicator	Evaluation Approach
Participants in employment, including self-employment, six months after leaving	ESF Leavers Survey; data linking; CIE
Participants with an improved labour market situation six months after leaving	ESF Leavers Survey; data linking; CIE
Participants above 54 years of age in employment, including self-employment, six months after leaving	ESF Leavers Survey; data linking; CIE
Disadvantaged participants in employment, including self-employment, six months after leaving	ESF Leavers Survey; data linking; CIE

Annex B - Detailed Discussion of Impact Evaluation Approaches

The DG Regio and DG Employ monitoring and evaluation guidance documents for the 2014-2020 programming period identify two different types of impact evaluation: Counterfactual Impact Evaluation and Theory Based Impact Evaluation.⁵

Counterfactual Impact Evaluation

Counterfactual Impact Evaluation (CIE) is a technique that makes use of a credible control group to estimate the 'counterfactual', i.e. what would have happened in the absence of the intervention. Without a rigorous estimate of the counterfactual it is rarely possible to say with any credibility that the intervention has led to the result that is being observed by the result indicator.

At the time of writing, at programme level on the ESF side, the RME Team has successfully commissioned four CIEs of ESF support to help unemployed and economically inactive individuals enter employment and is in the field with a fifth study. These CIEs have used data from the Leavers Survey for the treated group and data from the Annual Population Survey for the control group. Propensity Score Matching was used to construct the control group.⁶ Given the demonstrated feasibility of this type of analysis, the RME Team will continue to commission this work in the 2014-2020 period. Furthermore, the RME Team will also investigate the feasibility of using administrative data such as those held by the Department for Work and Pensions (DWP) as the source of data on both the treated and control groups, as was undertaken in an impact evaluation of ESF in England conducted by the DWP.⁷

At the time of writing, on the ERDF side, the RME Team has commissioned one CIE of ERDF support for businesses.⁸ This study attempted to link WEFO data on ERDF-assisted businesses with business-level data from external sources with a view to obtaining outcome data on ERDF-assisted businesses and using these sources to construct a suitable control group. Due to limited data availability in the WEFO enterprise database and the external data sources at the time of the study the CIE was unsuccessful.⁹ The RME Team is currently managing a second study now that more data are

⁵ "Concepts and Recommendations", DG Regio, March 2014; and "Monitoring and Evaluation of European Cohesion Policy – European Social Fund", DG Employ, September 2014

⁶ For more information see the reports of the 2010, 2011 and 2012 *ESF Leavers Surveys* (Cardiff University et al, 2012; 2013, 2014), available at <http://wefo.wales.gov.uk/publications/guidance-and-publications/Publications14-20/monitoringevaluation/programmeevaluations/?lang=en>.

⁷ *Early Impacts of the European Social Fund, 2007-13*, Ainsworth and Marlow, 2011, available at <https://www.gov.uk/government/publications/early-impacts-of-the-european-social-fund-2007-to-2013-in-house-research-no-3>

⁸ See report of *ERDF Business Survey* (Old Bell 3 et al, 2012), available at <http://wefo.wales.gov.uk/publications/guidance-and-publications/Publications14-20/monitoringevaluation/programmeevaluations/9615751/?lang=en>.

⁹ A detailed discussion of the reasons for the lack of success can be found in Chapter 5 of the report of the *ERDF Business Survey*.

available. If this study is successful, the RME Team will repeat this type of analysis in the 2014-2020 period.

There are advantages to undertaking CIEs at both programme and project / scheme level. Programme-level analysis provides larger sample sizes which allow sophisticated statistical matching techniques such as Propensity Score Matching to be used. However, even within a single Priority a mix of different interventions can be funded so Programme and Priority level impact evaluations only provide an average effect across a number of different interventions which is not helpful in determining whether a particular intervention has been effective, unless findings can be disaggregated to intervention level. Given the greater uniformity of activity within a single project or scheme, a project / scheme level CIE can be more focussed on a particular intervention and even when a project / scheme does not have a large enough number of beneficiaries to facilitate comparisons with larger datasets creative approaches to constructing a control group can be used such as that used in the evaluation of ReAct.¹⁰ Furthermore, some of the larger projects and schemes are capable of generating sample sizes large enough to facilitate statistical matching. For the 2014-2020 period the RME Team will continue to commission CIEs at programme level and will work with project sponsors and scheme managers to undertake them at project / scheme level, where appropriate.

A type of CIE that has not yet been undertaken on the ESI Programmes in Wales is the Randomised Control Trial (RCT) design. In an RCT, participants are randomly allocated either to a group who will receive the intervention (the 'treatment' group) or to a group who will not (the 'control' group). The researcher observes the outcomes for both the treatment and control groups after the intervention, and, due to the rigour of the design, any differences between the two groups after the intervention are likely to be due to the intervention.

An RCT is the very best type of CIE but there are many practical challenges to successfully implementing RCTs, e.g. the project would have to be managed very strictly to ensure only those in the treatment group receive the intervention. RCTs are also challenged on ethical grounds due to their denial of treatment to eligible individuals and organisations. However, such ethical dilemmas have not prevented extensive use of RCTs in medical research. RCTs are only really feasible for discrete interventions so they can be ruled out at programme level because, as discussed above, the Programmes (and Priorities) fund a mix of different interventions. However, if the practical challenges can be addressed – and the DG Employ guidance on CIEs cautions against “the impulse to rule randomisation out of bounds in all cases without proper consideration” – then RCTs *can* be applicable at project or scheme level.¹¹ The DG Employ CIE guidance also states that RCTs “are often best implemented in evaluating new pilot interventions rather than

¹⁰ *Interim Evaluation of ReAct*, Old Bell 3 et al, 2011, available at <http://gov.wales/statistics-and-research/evaluation-redundancy-action-programme/?lang=en>.

¹¹ *Design and Commissioning of Counterfactual Impact Evaluations: A Practical Guidance for ESF Managing Authorities*, Morris et al, 2012, p.11

existing ones”.¹² The RME Team will therefore work with project sponsors and scheme managers to identify those pilot interventions where RCTs could be used. It is important to note that, if an RCT is deemed applicable for a particular project or scheme, it need not be the case that the entire project or scheme be delivered on a randomised basis. The elements of a project or scheme that are well-established could be delivered to all eligible individuals / businesses whereas a ‘newer’ element that the project / scheme manager wants to test could be delivered to individuals / businesses selected randomly. There are other variations of the RCT design which overcome some of the ethical objections to denying eligible individuals / businesses treatment: the pipeline, instrumental variables, and randomised encouragement designs. The RME Team will work with project sponsors to identify those projects where it may be applicable to use these designs.

Unfortunately, CIEs are not applicable to all areas of the Programmes. The DG Regio monitoring and evaluation guidance for the 2014-2020 period states that CIEs are only suitable for “relatively homogenous interventions with a high number of beneficiaries”.¹³ A further limiting factor is that the outcomes of interventions should be tangible and clear to measure. The RME Team envisages that CIEs will be possible for ERDF and RDP business-level interventions aimed at business growth and productivity and for ESF and RDP interventions aimed at helping people into work.

In the areas of the Programmes where it is not feasible to undertake CIEs, the RME Team will work with project sponsors, scheme managers and the Evaluation Advisory Group to develop alternative methods – although it must be acknowledged that these will lack the rigour of CIEs.

Theory Based Impact Evaluation

Whilst a CIE assesses whether an intervention works, a Theory Based Impact Evaluation (TBIE) assesses how an intervention works (or does not work). A TBIE is an evaluation which tests the ‘theory of change’ of an intervention, or its intervention logic and whether the intervention is being delivered in a way consistent with the original intervention logic.

During the 2007-2013 period the RME Team has not undertaken many TBIEs at programme level, although a theory-based approach was taken in an Evaluation of Axes 3 and 4 of the RDP. However, TBIEs are extremely valuable at project and scheme level where it is possible to focus in depth on how an intervention is operating. The RME Team will therefore work with project sponsors and scheme managers to ensure TBIEs continue to be undertaken at this level.

Moreover, in parts of the Programmes where it is not possible to undertake CIEs, the RME Team will consider whether some carefully designed TBIEs at programme or Priority level could provide some useful insight. This was the

¹² *Ibid.*, p.14

¹³ “Concepts and Recommendations”, DG Regio, March 2014, p.7

approach taken in the Evaluation of Axes 3 & 4 where a CIE approach was not feasible to understand the difference made by these RDP areas. One area in which it may be fruitful to undertake a programme / Priority level TBIE could be in relation to 'added value'. At this point it should be noted that, in the context of the ESI Programmes, 'added value' means something different to 'impact'. Impact is the effect of the interventions funded by the Programmes and is measured at the level of the result indicator but with evaluation evidence to estimate the counterfactual. Added value is the additional activities that the European funding makes possible and is measured at the level of the output indicator. In a paper presented to the ESF Evaluation Partnership in December 2008, the European Commission formulated a typology of added value consisting of four types:

- **Volume** - ESF action 'adds' to existing action, either by supporting national action in general ('mirroring') or specific areas of national policy ('boosting')
- **Scope** - ESF action 'broadens' existing action by supporting groups or policy areas that would not otherwise receive support
- **Role** - ESF action supports local/regional innovations that are taken up at national level or national innovative actions that are then 'mainstreamed'
- **Process** - ESF action influences Member States administrations and organisations involved in the programmes¹⁴

The RME Team will consider the use of this typology in TBIEs at programme / Priority level in the 2014-2020 period.

The RME Team will evaluate the impact of every Priority, focussing on the contribution of the Programmes to any changes observed in the result indicators. This will be met through a mix of CIEs and TBIEs at both project / scheme and programme level. For Priorities where a small number of interventions are foreseen it may be more appropriate for these impact evaluations to be undertaken at project / scheme level e.g. Glastir in the Environment Priorities in the RDP and the transport projects in the ERDF Connectivity and Urban Development Priority. For such project and scheme level evaluations the RME Team will be represented on the steering group for the evaluations. For impact evaluation of transport interventions the evaluation will have a strong focus on attempting to identify any economic benefit of the intervention.

The RME Team is encouraging project sponsors to undertake baseline evaluations to establish baselines against which any changes can be measured following the project's activities.

¹⁴“Methodological note: A Framework to describe the Community Added Value of the ESF”, DG Employ, 2008

**WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN
STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020: WELSH
GOVERNMENT RURAL COMMUNITIES - RURAL DEVELOPMENT
PROGRAMME FOR WALES 2014-2020**

Wales Rural Network Steering Group: Draft Person Specification

Issue

2. This paper is provided for information.

Recommendation

3. Members are invited to note the paper and email any comments to stephen.jackson@wales.gsi.gov.uk by 25 September 2015.

Background

10. The Wales RDP managing authority has a responsibility to establish a rural stakeholder network and a network support unit to facilitate the implementation of the 2014-2020 programme.
11. EU guidance recommends that a Steering Group made up of network members be established to develop a network work plan and monitor its delivery, within 12 months of the approval of the programme.
12. A Person Specification for Network Steering Group members has been drafted with significant input from the Chair and members of the 2007-2013 Steering Group. For consistency, the Person Specification is broadly based on the PMC person specification.
13. The Person Specification is provided for information in response to a PMC action point.

Next Steps

14. Once PMC feedback has been received, the person specification can be circulated to the full range of rural programme stakeholders.

**Agriculture, Food and Marine/ Welsh Government
Lead: Stephen Jackson, Wales Rural Network Support Unit
Approved by: Terri Thomas, Head of CAP Planning Division
Date: 13/08/2015**

WELSH GOVERNMENT RURAL COMMUNITIES - RURAL DEVELOPMENT PROGRAMME 2014 – 2020

**DRAFT PERSON SPECIFICATION
WALES RURAL NETWORK STEERING GROUP**

Background: National Rural Networks are an integral part of Rural Development Programmes across the EU. Organised networking allows all parties interested in rural development to benefit from sharing ideas, good practice and experience. In Wales, networking, training and support to maximise the benefits of the Welsh Government - Rural Communities Rural Development Programme (WRDP) are provided through the Wales Rural Network (WRN).

In accordance with EU regulations, a WRN Support Unit has been established to organise networking, training and information exchange opportunities to support the implementation and delivery of the Programme and its associated schemes. The activities which the WRN Support Unit undertakes on behalf of the WRN are outlined in a work-plan and designed to facilitate the important multiplier effects that networking and knowledge exchange can achieve, they include:

- Providing networking opportunities
- Organising thematic events
- Offering training and support
- Exchanging information at Wales, UK and EU levels
- Identifying and sharing best practice
- Developing on-line communication tools
- Celebrating and communicating success through publicity
- Supporting the development of co-operation projects

Role of the Steering Group: To direct activities, identify priorities and develop a work-plan for the Wales Rural Network, a Wales Rural Network Steering Group (SG) of up to twelve members will be established. Membership of the SG will be drawn from the full range of rural development interests forming the Wales Rural Network and the Programme Managing Authority.

The Programme takes account of sustainable development and is designed around the following three EU RDP priorities: Fostering the competitiveness of agriculture; Ensuring the sustainable management of natural resources and climate action and Achieving a balanced territorial development of rural economies and communities, including the creation and maintenance of employment. Accordingly, it is proposed to select three members with appropriate geographical and gender balance from the wider WRN to represent each of the three RDP priority areas. There will be potential for

each 'activity area' to come together to provide suitable nominations. In addition, the SG will have the power to invite additional members, as required on a task and finish basis to undertake specific items of work.

The WRN Support Unit Manager will be a member of the Steering Group, in addition to which, Welsh Government in its capacity as Managing Authority, will appoint a senior official to represent its own interests on the SG.

Role Requirements: Members of the SG will be expected to demonstrate a good understanding of sustainability and the social, economic and environmental issues around rural development in Wales. They will be firm advocates of the networking approach and be able to draw on personal experience of successful projects to promote the advantages and benefits of the WRN. In addition, they will be required to apply their knowledge, skills and experience in the areas of business and administration, education, agriculture and environmental management, equality etc. to contribute to the overall success of the WRN.

Given the focus on the three RDP activity priorities, the anticipated make up of the SG will be diverse and include members who can individually and collectively demonstrate expertise in the following areas:

- Entrepreneurship, business and enterprise
- Research, Development and Innovation
- Information Communication Technologies
- Tackling poverty and social exclusion
- Infrastructure development/ transport
- Rural regeneration and community economic development
- Agriculture, fisheries, forestry and food
- Land-based industries
- Low-carbon economy, climate change, energy efficiency
- Education and skills
- Employment and the labour market
- Environmental sustainability
- Non-discrimination and equality
- Research, Monitoring and Evaluation, and
- Project management, to include audit and controls, knowledge of funding processes and experience of support under the European Programmes 2007-2013.

Person Suitability: Members must be persons who conduct themselves at all times in a manner which promotes public confidence. They should have experience of project development or delivery under one of the three priorities, supplemented with experience or insight into four or more of the areas of expertise listed above.

All members should be capable of making relevant and appropriate contributions to meetings and must be committed to maximising the multiplier effects of the Programme through networking, and the development of an effective WRN work-plan.

Chair: The Chair must be able to provide strategic direction for the SG and be committed to delivering the agreed work-plan. S/he will be selected from within the membership of the Steering Group but will not be a Welsh Government employee. The Chair need not necessarily be drawn from the membership of the Programme Monitoring Committee for European Structural and Investment Funds but it is essential that s/he is able to represent the interests of the SG and maintain good relationships with that body.

Time Commitment: A commitment of approximately twelve hours per quarter is envisaged to cover preparation, travel and meetings, including presentations by funded projects and study visits. Members will be expected to serve for an initial period of two years although re-election will be allowed once, subject to satisfactory review as determined by the Chair and managing authority.

Attendance at Meetings: Attendance at every meeting is expected. In circumstances where this is not possible, an appropriately skilled alternate representative can attend instead. A member's failure to attend three consecutive meetings will be considered a withdrawal from the SG and will trigger the selection of a new member.

There will be Managing Authority (WG) representation at decision making level at each meeting.

Meeting Locations: Meetings will be held at a range of locations across Wales, with at least two per year selected to link in with WRDP or ESI funded projects.

Remuneration: Remuneration will not be available from the WRN or Welsh Government. Members' parent organisations are expected to meet all costs, including the travel and subsistence expenses associated with membership of this SG.

Secretariat: Secretariat functions will be provided by Wales Rural Network Support Unit (WRNSU).

Applications: Applications or nominations outlining suitability must be less than one side of A4, and should be submitted by email to Terri Thomas at: ***Terri.Thomas@Wales.GSI.gov.uk***

Selection Process: This role does not fall within the remit of the Commissioner for Public Appointments. The principles of fairness and open competition will apply, with members selected on the basis of merit, suitability and ability to meet the person requirements. Selection will be conducted by a

panel consisting of Welsh Government/Managing Authority staff and ESI Programme Monitoring Committee representatives, using fair, open, transparent and appropriate procedures.

Key Dates: The closing date for applications and nominations is xxxx. Selection will be completed and applicants informed before the first meeting of the SG, expected during xxx 2015.

**WALES PROGRAMME MONITORING COMMITTEE (PMC)
EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020:**

Future Meeting Dates

Issue

1. The paper informs Members of proposed future meeting dates for the PMC.

Recommendation

2. Members are asked to note the proposed dates of future meetings.

Background

3. Meeting dates for the current year have already been scheduled as follows:
 - Friday December 04 2015 at 09:30am in Merthyr Tydfil

Proposal

4. The Committee's 'Rules of Procedure' require meetings to take place at least annually, but as a general rule 3 to 4 times a year, upon invitation of the Chair. Members are therefore asked to note the forward timetable for future meetings:
 - Friday 12 February 2016 (9.30 to 13.30)
 - Friday 06 May 2016 (9.30 to 13.30)
 - Friday 09 September 2016 (9.30 to 13.30)
 - Friday 02 December 2016 (9.30 to 13.30)
5. Locations of future meetings are to be agreed.

**Drafted by: Linda Pugh
Approved by: Rob Halford
Date: 11 September 2015**

**2014-2020 All Wales European Structural and Investment Fund Programme
Monitoring Committee (PMC)**

**Training Session on Welsh Government Rural Communities – Rural
Development Programme 2014-2020**

**Friday, 11 September 2015, Merthyr Tydfil
1:30pm – 3:30pm**

Agenda

Background to the Programme	Doc 1
Alignment with the Goals of the Wellbeing of Future Generations Act	Doc 2
Remit of the PMC	Doc 3
The Programme Document	Doc 4
<ul style="list-style-type: none">• Content• Intervention Logic• Strategy• Measures• Financial structure• Monitoring and Evaluation• Communications• Wales Rural Network	

Note: The majority of this session will work systematically through the Programme Document (Doc 4). Hard copies will be available for each member for use at the session. For ease, as the document runs to some 1400 pages, data sticks will be provided at the end of the session for members to retain.

**Pwyllgor Monitro Rhaglenni Cronfeydd Strwythurol a Buddsoddi
Ewropeaidd Cymru Gyfan 2014-2020**

**Sesiwn Hyfforddi ar Gymunedau Gwledig Llywodraeth Cymru – Rhaglen
Datblygu Gwledig 2014-2020**

Dydd Gwener, 11 Medi 2015, Merthyr Tudful

1:30pm – 3:30pm

Agenda

Cefndir y Rhaglen	Dogfen 1
Aliniad â nodau Deddf Llesiant Cenedlaethau'r Dyfodol	Dogfen 2
Cylch gwaith y Pwyllgor Monitro Rhaglenni	Dogfen 3
Y Rhaglen Ddogfen	Dogfen 4
<ul style="list-style-type: none">• Cynnwys• Rhesymeg ymyrraeth• Strategaeth• Mesurau• Strwythur ariannol• Monitro a Gwerthuso• Cyfathrebu• Rhwydwaith Gwledig Cymru	

Nodyn: Bydd y rhan fwyaf o'r sesiwn hon yn gweithio'n systematig drwy'r rhaglen ddogfen (Dogfen 4). Bydd copiâu caled ar gael ar gyfer pob aelod i'w defnyddio yn y sesiwn. Er hwylustod, gan fod y ddogfen yn cynnwys tua 1400 o dudalennau, byddwn yn darparu ffyn data ar ddiwedd y sesiwn fel y gall aelodau eu cadw.

Doc 1

Background to the Programme

1. “Welsh Government Rural Communities – Rural Development Programme 2014-2020” is the programme that will deliver the second Pillar of the Common Agriculture Policy (CAP) in Wales. It is effectively a joint programme with the European Commission as the Welsh Government has to co-finance the European allocation in order for it to be drawn down.
2. It is a Wales-wide programme that aligns the EU priorities for rural development with the seven ‘Well-being of Future Generations’ goals (see Doc 2). It will support a wide range of activities designed to increase the sustainability and resilience of our natural environment, land-based sector, food businesses and communities. This includes: improving skills, innovation and knowledge transfer; creating and safeguarding jobs; improving agri-environmental outcomes; supporting woodland and forestry; increasing biodiversity; supporting and promoting resource efficiency; developing and delivering ecosystem services; supporting community development; improving animal health and welfare; and mitigating and adapting to climate change.
3. For the Welsh Government the key objectives for the RDP are to:
 - Deliver and support healthy, functioning biodiverse ecosystems;
 - Increase skills, knowledge and innovation;
 - Promote strong, sustainable economic growth;
 - Support strong, resilient and vibrant communities; and
 - Satisfy the need to address short term issues whilst supporting action that addresses the implications for the longer term.
4. The parallel European objectives are set out in Regulation (EU) No 1305/2013 on support for Rural Development by the European Agricultural Fund for Rural Development and are as follows:
 - The competitiveness of agriculture
 - Ensuring the sustainable management of natural resources, and climate action;
 - Achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment.”
5. These objectives are then supported by 6 Priorities:
 1. Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas
 2. Enhancing competitiveness of all types of agriculture and enhancing farm viability

3. Promoting food and non-food chain organisation and risk management in agriculture
 4. Restoring, preserving and enhancing ecosystems related to agriculture and forestry
 5. Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors; and
 6. Promoting social inclusion, poverty reduction and economic development in rural areas
6. All these priorities have to contribute to the cross-cutting objectives of innovation, environment and climate change mitigation and adaptation.
7. These six priorities have been further broken down into 18 Focus Areas

<p>Priority 1: Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas</p> <p>(a) Fostering innovation and the knowledge base in rural areas (b) Strengthening the links between agriculture and forestry and research innovation (c) Fostering lifelong learning and vocational training in the agricultural and forestry sectors</p>
<p>Priority 2: Enhancing competitiveness of all types of agriculture and enhancing farm viability</p> <p>(a) Facilitating restructuring of farms facing major structural problems, notably farms with a low degree of market participation, market-oriented farms in particular sectors and farms in need of agricultural diversification (b) Facilitating generational renewal in the agricultural sector</p>
<p>Priority 3: Promoting food chain organisation and risk management in agriculture</p> <p>(a) Better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations (b) Supporting farm risk management</p>
<p>Priority 4: Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry</p> <p>(a) Restoring and preserving biodiversity, including in Natura 2000 areas and high nature value farming, and the state of European landscapes (b) Improving water management (c) Improving soil management</p>
<p>Priority 5: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors</p> <p>(a) Increasing efficiency in water use by agriculture (b) Increasing efficiency in energy use in agriculture and food processing (c) Facilitating the supply and use of renewable sources of energy, of by-products, wastes, residues and other non-food raw material for purposes of the bio-economy (d) Reducing nitrous oxide and methane emissions from agriculture (e) Fostering carbon sequestration in agriculture and forestry</p>

Priority 6: Promoting social inclusion poverty reduction and economic development in rural areas

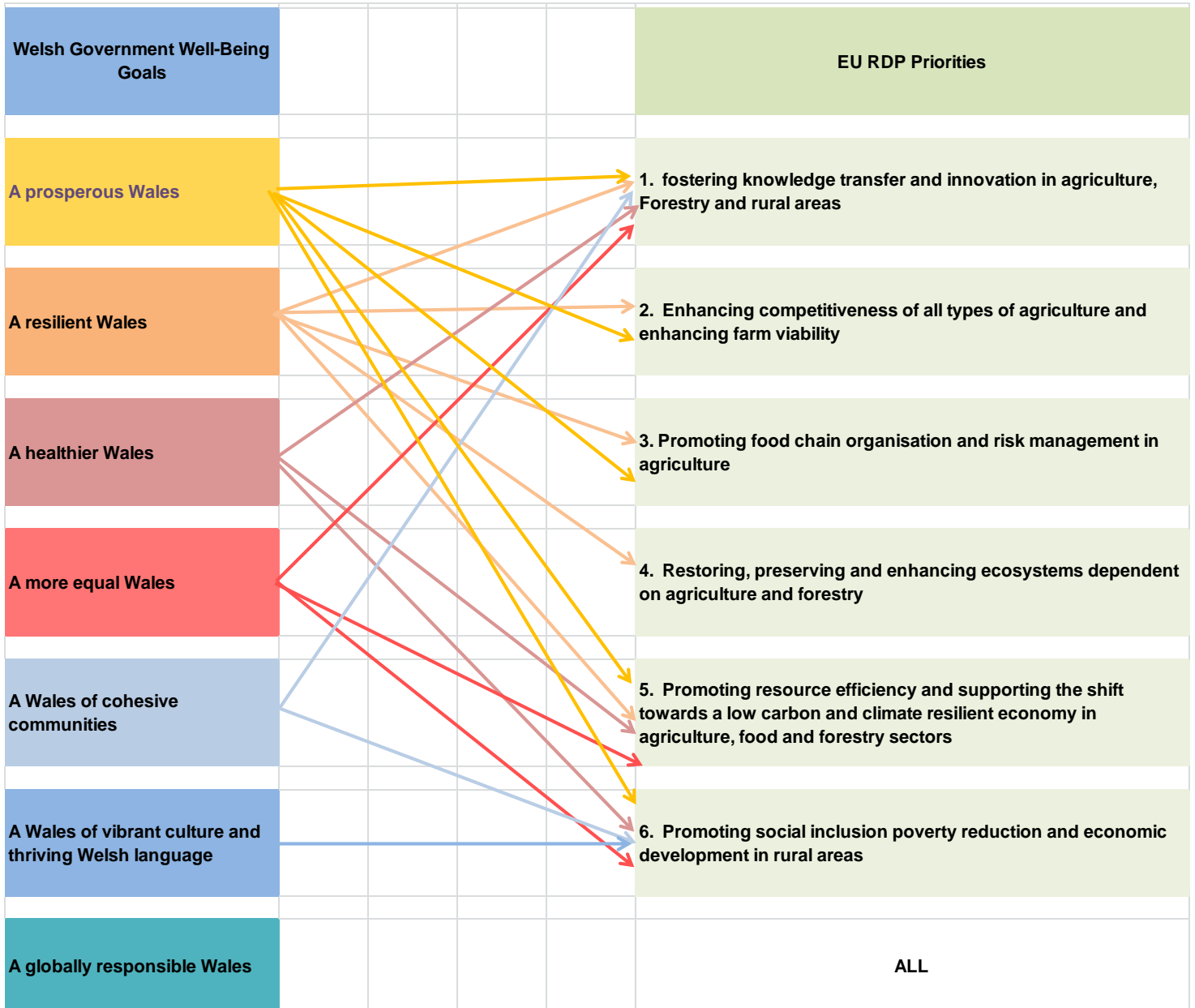
- (a) Facilitating diversification, creation of new small enterprises and job creation
(b) Fostering local development in rural areas
(c) Enhancing accessibility to, use and quality of information and communication technologies (ICT) in rural areas

8. Specific intervention types and methods are prescribed as Measures with funding drawn from Articles. Any intervention we undertake must fit within the Priorities, the Focus Areas and the Measures.
9. There are two mandatory features within the Regulations which must be borne in mind:
- A minimum of 30% of the EAFRD budget must be spent on climate change mitigation and adaptation and land management through the agri-environment-climate, organic farming and payments to areas facing natural or other specific constraints measures; and
 - A minimum of 5% of the EAFRD budget must be spent on LEADER
10. In addition to the Policy restrictions noted above there are operational constraints:
- Once approved we can only alter the programme by a formal programme amendment procedure. Large changes to the programme can be submitted only 3 times during the programme period; smaller changes can be submitted once per calendar year until 2023.
 - There are tight definitions of the beneficiaries and the expenditure that is eligible, and rules as to how we ensure openness in the process of allowing bids for the funds. In some areas we have some freedom as to how we obtain a service but in others the way is prescribed.
 - There is strict delineation of responsibilities on parts of Welsh Government so as to improve the control environment.
 - Audit activity is also prescribed, both internal audit and independent external audit, and transgression of the rules can result in retrospective loss of funds, or interruption of funding until problems are addressed.
11. All investment support will be conditional upon an appropriate business plan directed at the future of the business rather than solely designed to secure a grant, including a training and skills analysis (with a plan for achieving the skills levels), an exit strategy and a value for money assessment. The emphasis will be on supporting the beneficiary through a developmental journey rather than providing a range of separate and relatively short term fixes to immediate issues.

Doc 2

Alignment with the Goals of the Well-being of Future Generations (Wales) Act

1. The Well-being of Future Generations (Wales) Act will place new requirements on the Welsh Government along with 43 other public bodies in Wales, when it comes into force in April 2016. The starting point for the Act is the establishment of seven well-being goals at a population level:
 - a prosperous Wales
 - a resilient Wales
 - a healthier Wales
 - a more equal Wales
 - a Wales of cohesive communities
 - a Wales of vibrant culture and thriving Welsh Language
 - a globally responsible Wales
2. By establishing a single binding legal framework, the Act provides a means of directly addressing the over-complexity identified by the Commission for Public Services and in our own Reducing Complexity agenda.
3. The key challenges will be to ensure that the organisation as a whole uses the new framework, and that the implementation of the new legal requirements is seen not as 'another compliance exercise' but as a way of building our future capability to deliver.
4. The Welsh Government along with public bodies will be required to:
 - improve economic, social, environmental, and cultural well-being by contributing to the seven well-being goals
 - act in accordance with the sustainable development principle, taking account of the governance principles (attending to long term impact, prevention, integration, collaboration and involvement) in the setting and meeting of objectives
 - set well-being objectives that explain how we will contribute to the well-being goals, and take steps to meet these objectives
 - report annually on progress
 - respond to relevant recommendations from the Future Generations Commissioner and feedback from the Auditor General for Wales
5. The illustration below shows how the Goals cross-link to the EU priorities for rural development.



	LEGAL RESPONSIBILITIES OF THE PROGRAMME MANAGEMENT AND CONTROL BODIES ¹	ROLE OF THE PROGRAMME MONITORING COMMITTEE	LEGAL REFERENCES
PROGRAMMING			
P1 Partnership	<p>For the Partnership Agreement and each programme, organise a partnership with regional and local authorities, urban and other public authorities; economic and social partners; and relevant bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination.</p> <p>Involve partners in the preparation of Partnership Agreements, progress reports and throughout the preparation and implementation of programmes, <u>including through participation in the PMC.</u></p>		EC 1303/2013 article 5
P2 Programme pre-conditions		<p><u>Examine</u> actions to fulfil ex-ante conditionalities⁵ which fall within the responsibilities of the managing authorities.</p> <p><u>Be informed</u> of actions relating to fulfilment of ex-ante conditionalities⁵ that do not fall within the responsibility of the managing authorities.</p>	<p>EC 1303/2013 article 110(2)</p> <p>EC 1305/2013 article 74</p>

P3 Changes to programmes	[ERDF, ESF]. Submit any proposal to amend the operational programme to the PMC for approval, before submission to the EC.	[ERDF, ESF]. APPROVE ³ any proposal to amend an operational programme.	EC 1303/2013 article 110(2)
P4 Changes to programmes	[EAFRD]. Submit any proposal to amend the rural development programme to the PMC for consultation, before submission to the EC.	[EAFRD]. Be CONSULTED ⁴ and, if deemed appropriate, issue an OPINION ² on any proposal to amend the EAFRD programme.	EC 1303/2013 article 49(3)
P5 Use of Financial Instruments	Proposed use of innovative Financial Instruments: submit ex-ante assessments to the PMC for information and prior to the selection of such operations.	<u>Examine</u> ex-ante assessments for the proposed use of Financial Instruments.	EC 1303/2013 article 37(3)
IMPLEMENTATION			
I1 Programme management	Manage and implement the programmes in an efficient, effective and correct way, in accordance with the principle of sound financial management.		EC 1305/2013 article 66 EC 1303/2013 article 125
I2 Set up a PMC	Establish, if appropriate, joint PMCs for programmes implementing the ESI Funds, and the development of other joint management and control arrangements to facilitate coordination between authorities responsible for the implementation of the ESI Funds.		EC 1303/2013 ANNEX I (3.2)(d)
I3 Selection criteria	[ERDF, ESF]. Define the selection criteria for operations/ projects to be funded by the programmes and submit to the PMC for approval.	[ERDF, ESF]. APPROVE ³ the methodology and criteria to be used for the selection of operations funded by the Structural Funds.	EC 1303/2013 article 110(2)
I4 Selection criteria	[EAFRD]. Define selection criteria for operations/ projects funded by the EAFRD following consultation with the PMC. Revise the criteria to reflect programming needs,	[EAFRD]. Be CONSULTED ⁴ and issue an OPINION ² on the criteria to be used for the selection of operations funded by the	EC 1305/2013 article 49(1), 74

	in consultation with the PMC.	EAFRD.	
15 Appraise and select projects/ operations/ investments	<p>Select individual operations for support, applying the selection criteria approved by the PMC (ERDF, ESF) or submitted to the PMC for consultation (EAFRD)[#].</p> <p><i>[#] with the exception of EAFRD operations supported under Articles 28 to 31, 33 to 34 and 36 to 39 of EC 1305/2013</i></p>		<p>EC 1303/2013 article 125(3)b</p> <p>EC 1305/2013 article 49(2)</p>
16 Supporting the PMC	<p>Support the work of the PMC and provide it with the information and documents it needs to carry out its tasks, in particular data relating to the progress of the programmes in achieving its objectives, financial data and data relating to indicators and milestones.</p>	<p>Meet at least annually to <u>examine</u> implementation of the programme and progress made towards achieving its objectives, having regard to financial data, indicators, including changes in the value of result indicators and progress towards quantified target values, and the milestones defined in the performance framework.</p>	<p>EC 1303/2013 article 49(1), 49(2), 110(2), 125</p> <p>EC 1305/2013 article 66, 72</p>
17 Role of the PMC		<p>Make <u>observations</u> regarding implementation and evaluation of the programmes, including actions related to the reduction of the administrative burden on beneficiaries.</p> <p><u>Monitor</u> the actions taken as a result of such observations.</p>	<p>EC 1303/2013 article 49(4), 110(2)</p>

I8 Role of the PMC		<u>Examine</u> actions taken to promote sustainable development.	EC 1303/2013 article 110(1)
I9 Role of the PMC		<u>Examine</u> actions taken to promote equality between men and women, equal opportunities, and non discrimination, including accessibility for persons with disabilities.	EC 1303/2013 article 110(1)
I10 Role of the PMC		<u>Examine</u> the implementation of Financial Instruments.	EC 1303/2013 article 110(1)
I11 Role of the PMC		<u>Examine</u> the implementation of ERDF Major Projects (project costs >50m EUR).	EC 1303/2013 article 110(1)
I12 Projects to be implemented in another region or country		APPROVE³ any proposals for ERDF or EAFRD operations to be implemented in other regions if they will benefit the programme area.	EC 1303/2013 article 70(2)(c)
I13 Projects to be implemented in another region or country		APPROVE³ any proposals for ESF operations to be able to incur expenditure outside of the EU, subject to a limit of 3% of the programme.	EC 1304/2013 article 13(3)
I14 Interaction with the national rural network.		<u>Exchange information</u> on rural development programme implementation through participation in the National Rural Network.	EC 1305/2013 article 74

COMMUNICATIONS			
C1 Communication strategy	<p>[ERDF, ESF]. Submit a communication strategy to the PMC for approval no later than six months after the adoption of the programmes.</p> <p>Where necessary, amend the communication strategy during the programming period and submit to the PMC for approval.</p>	[ERDF, ESF]. APPROVE ³ the communication strategy.	EC 1303/2013 article 116
C2 Communication results	[ERDF, ESF]. Inform the PMC, at least annually, of the progress in implementing the communication strategy and an analysis of the results as well as planned information and communication activities to be carried out in the following year.	<p>[ERDF, ESF]. <u>Examine</u> the annual communications strategy progress report, results and future plans.</p> <p>If considered appropriate, give an OPINION² on the planned activities for the following year.</p>	EC 1303/2013 article 110(1), 116
C3 Publicising the rural development programme	[EAFRD]. Ensure publicity for the programme, including through the national rural network, by informing potential beneficiaries, professional organisations, the economic and social partners, bodies involved in promoting equality between men and women, and the non-governmental organisations concerned, including environmental organisations, of the possibilities offered by the programme and the rules for gaining access to programme funding as well as by informing beneficiaries of the EU contribution and the general public on the role played by the EU in the programme.		EC 1305/2013 article 66(i)

REPORTING, MONITORING AND EVALUATION			
R1 Evaluation plans	[ERDF, ESF]. Draw up and submit an evaluation plan to the PMC no later than one year after the adoption of the programmes.	[ERDF, ESF]. APPROVE³ the evaluation plan and any amendment of the plan.	EC 1303/2013 article 110(2), 114
R2 Evaluation requirements	Carry out evaluations to assess the effectiveness, efficiency and impact of the programmes and inform the PMC of the results. At least once during the programming period, an evaluation must assess how support from the ESI Funds has contributed to the objectives for each programme priority.	<u>Examine</u> all evaluations carried out by the programme authorities or the EC.	EC 1303/2013 article 56(3), 56(4) EC 1305/2013 article 66
R3 Transparency of evaluations	Make all evaluations available to the public.		EC 1303/2013 article 54(4)
R4 Evaluation results		<u>Examine</u> progress made in implementation of the evaluation plan and the follow-up given to findings of evaluations.	EC 1303/2013 article 110(1)
R5 Evaluation results		EAFRD - <u>examine</u> activities and outputs related to the progress in the implementation of the programme evaluation plan.	EC 1305/2013 article 74
R6 EC implementation reports		APPROVE³ annual implementation reports (AIRs) and a final implementation report (FIR) before submission to the EC.	EC 1303/2013 article 110(2), 125 EC 1305/2013 article 74

R7 Progress reports	[EAFRD]. Draw up an annual progress report, including aggregate monitoring tables, and, after approval by the Monitoring Committee, submit it to the EC.	[EAFRD]. APPROVE ³ annual progress reports (EAFRD).	EC 1305/2013 article 66
R8 Gender mainstreaming evaluations	Undertake evaluations or self-assessment exercises, in coordination with the PMC, focusing on the application of the gender mainstreaming principle.		EC 1303/2013 ANNEX I (5.3)
MANAGEMENT, CONTROL AND AUDIT			
M1 Management and control measures	<p>Take all the necessary measures, including legislative, regulatory and administrative measures, to protect the EU financial interests, by:</p> <ul style="list-style-type: none"> • ensure that actions financed are implemented correctly and effectively and in accordance with applicable rules; • preventing, detecting and correcting irregularities and fraud. • carry out ex ante and ex post controls including, where appropriate, on-the-spot checks on representative and/or risk-based samples of transactions. • recover funds unduly paid and bring legal proceedings where necessary. 		<p>EC 966/2012 article 59</p> <p>EC 1303/2013, article 74(1)</p>

NOTES

¹ The programme management and control bodies in Wales are:

- Managing authority (MA) for the EAFRD programme – Welsh Government (Agriculture, Food and Marine)
- Managing authority (MA) for the ERDF and ESF programmes – Welsh Government (Welsh European Funding Office)
- Certifying Authority (CA) for the ERDF and ESF programmes – Welsh Government (Welsh European Funding Office)
- Audit Authority (AA) for the ERDF and ESF programmes – Welsh Government (Corporate Governance & Assurance, European Funds Audit Team)
- Paying Agency (PA) for the EAFRD programme – Welsh Government (Rural Payments Wales)
- Certification Body (CB) for the EAFRD programme – Wales Audit Office

² **OPINION** means to that the programme managing authority must establish whether the PMC is in favour or against a proposal.

³ **APPROVE** means that the programme managing authority must obtain a favourable opinion from the PMC before proceeding. The PMC rules of procedure set out the how the position of the Committee will be ascertained (informal, consensus, voting etc.).

⁴ **CONSULT** means that the programme managing authority must provide the PMC with an opportunity to comment on proposals. The views of the PMC will be considered and, if applicable, a response provided.

⁵ **EX-ANTE CONDITIONALITIES** are pre-conditions that regions and Member States have to fulfil and are linked to the effective and efficient use of EU funds. Should ex-ante conditionalities not be fulfilled by the time the Partnership Agreement has been submitted, the EC requires an action plan and a timetable for implementation. Ex-ante conditionalities must be fulfilled no later than 31 December 2016, or within two year following the adoption of the Partnership Agreement.