

## WALES PROGRAMME MONITORING COMMITTEE

### EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014-2020

**Date:** 05 June 2015  
**Time:** 9:30am  
**Venue:** Welsh Government Offices, Merthyr Tydfil

#### AGENDA

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|--|---------------|
| 1. Welcome and apologies   | 9:30 – 9:35   |
| 2. Minutes of February meeting, actions and other matters arising WPMC(15)M06  | 9:35 – 9:40   |
| 3. Update on the Rural Development Programme WPMC(15)43  | 9:40 – 10:10  |
| 4. Formal establishment of the Wales PMC for the RDP WPMC(15)54  | 10:10 – 10:20 |
| 5. <b>Agreement required:</b> Approval of EAFRD selection criteria WPMC(15)44  | 10:20 – 11:00 |
| <b>**Break 11.00 – 11.10**</b>   |               |
| 6. Update on Structural Funds Programme Progress WPMC(15)45<br><u>To include:</u>  |               |
| (a) Overview of progress   | 11:10 – 11:20 |
| (b) ERDF Programmes  | 11:20 – 11:30 |
| (c) ESF Programmes   | 11:30 – 11:40 |
| 7. <b>Agreement required:</b> ERDF activities taking place outside of the Programme region WPMC(15)51  | 11:40 – 11:55 |
| 8. Structural Funds Monitoring & Evaluation Strategy 2014-2020 WPMC(15)49  | 11:55 – 12:15 |
| 9. European Structural & Investment Funds: Cross Cutting Themes 2014 – 2020 WPMC(15)50   | 12:15 – 12:45 |
| 10. Any other Business   | 12:45 – 12:50 |
| <ul style="list-style-type: none"> <li>• Communication Strategy [PAPER TO NOTE] Agreed by written procedure on 03 June 2015</li> <li>• Ireland Wales Programme Update [PAPER TO NOTE] WPMC(15)53</li> <li>• Synergies with Horizon 2020 and Smart Specialisation in Wales [PAPER TO NOTE] WPMC(15)47</li> <li>• Evaluation Plan for the 2014-2020 Rural Development Plan [PAPER TO NOTE] WPMC(15)46</li> </ul> |               |

**\*\*Lunch 12:50 – 13:20\*\***

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

**Dyddiad:** 05 Mehefin 2015

**Amser:** 9.30am

**Lleoliad:** Swyddfeydd Llywodraeth Cymru, Merthyr Tudful

**AGENDA**

- |    |   |               |
|----|---|---------------|
| 1. | Croeso ac ymddiheuriadau  | 9:30 – 9:35   |
| 2. | Cofnodion cyfarfod Chwefror, camau gweithredu a materion eraill yn codi WPMC(15)M06 | 9:35 – 9:40   |
| 3. | Diweddariad ar y Rhaglen Datblygu Gwledig WPMC(15)43                                | 9:40 – 10:10  |
| 4. | Sefydlu PMC Cymru yn ffurfiol ar gyfer y Rhaglen Datblygu Gwledig WPMC(15)54        | 10:10 – 10:20 |
| 5. | <b>Angen Cytundeb:</b> Cymeradwyo meini prawf dethol EAFRD WPMC(15)44               | 10:20 – 11:00 |

**\*\*Torïad 11:00 – 11:10\*\***

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|-----|---|---------------|
| 6.  | Diweddariad ar Raglenni'r Cronfeydd Strwythurol WPMC(15)45<br><u>I gynnwys:</u>   |               |
|     | (a) Trosolwg o'r cynnydd  | 11:10 – 11:20 |
|     | (b) Rhaglenni ERDF  | 11:20 – 11:30 |
|     | (c) Rhaglenni ESF   | 11:30 – 11:40 |
| 7.  | <b>Angen Cytundeb</b> : gweithgareddau ERDF sy'n digwydd y tu allan i ranbarth y Rhaglen WPMC(15)51   | 11:40 – 11:55 |
| 8.  | Strategaeth Monitro a Gwerthuso'r Cronfeydd Strwythurol 2014-2020 WPMC(15)49  | 11:55 – 12:15 |
| 9.  | Cronfeydd Strwythurol a Buddsoddi Ewropeaidd: Themâu Trawsbynciol 2014 – 2020 WPMC(15)50  | 12:15 – 12:45 |
| 10. | Unrhyw fater arall  | 12:45 – 12:50 |
|     | <ul style="list-style-type: none"> <li>• Strategaeth Gyfathrebu [PAPUR I'W NODI] Cytunwyd arno trwy weithdrefn ysgrifenedig ar 03 Mehefin 2015</li> <li>• Diweddariad ar Raglen Iwerddon Cymru [PAPUR I'W NODI] WPMC(15)53</li> <li>• Synergeddau â Horizon 2020 ac arbenigo clyfar yng Nghymru [PAPUR I'W NODI] WPMC(15)47</li> <li>• Cynllun gwerthuso ar gyfer y Rhaglen Datblygu Gwledig 2014-2020 [PAPUR I'W NODI] WPMC(15)46</li> </ul> |               |

**\*\*Cinio 12:50 – 13:20\*\***

## **EUROPEAN STRUCTURAL AND INVESTMENT FUNDS 2014-2020 WALES PROGRAMME MONITORING COMMITTEE**

**Draft minutes of meeting held on 23 February 2015**

### **ITEM 1: Welcome and apologies**

1. The Chair welcomed members and advised that Rob Hunter replaces Marcella Maxwell as the representative of the Welsh Government's Department for Economy, Science and Transport and that Cath Jenkins resumes her seat on the committee representing the Department for Education & Skills.
2. Attendees and apologies are listed at **Annex A**.

### **ITEM 2: Minutes of meeting 5 December 2014, actions and other matters arising**

3. The Chair asked members to note an amendment at paragraph 14 of the draft minutes. The revised wording was incorporated into the draft minutes circulated with the papers for the meeting. Members agreed the draft minutes as a true and accurate record of the meeting.
4. The Chair informed members that she had met with Jane Hutt AM, the Minister for Finance & Government Business, following December's meeting and provided feedback on the work of the committee, including:
  - The WPMC now formally constituted following the formal adoption by the EC of the ERDF and ESF Programmes. The committee was therefore able to approve the selection and assessment criteria to be used by WEFO for awarding support from the Structural Funds. The committee's formal rules of procedure were also agreed.
  - As requested by members, the Chair had written to the Deputy Minister for Farming and Food to express the committee's concern at potential delays to the EC's approval of the Rural Development Programme.
  - Discussions on how best to publicise the achievements of the Programmes and communications strategies.
  - The Minister and Chair agreed that the members may find it useful to hear from Julie Williams, Welsh Government's Chief Scientific Adviser (see AGENDA ITEM 7).

### **ITEM 3: Update on the Rural Development Programme**

5. Andrew Slade updated members on negotiations with the Commission. Two small concerns now remained on Glastir and the Young Entrant Support package, mainly around how these measures are monitored and demonstrating sufficient value for money. A revised Programme would be issued to the Commission imminently to address the Commission's concerns. This should then lead to a letter of comfort from the Commission within two weeks allowing the RDP team to accelerate planning activity. For those schemes where there were no substantive concerns expressed by the Commission, the team could open the bidding and operate 'at own risk' in the short term. Formal adoption of the RDP cannot take place until the EU's budget arrangements (the Multi-annual Financial Framework) are revised and agreed, which will be later in the year.
6. Andrew also updated members on the recent judicial review of the CAP Direct Payments to Farmers (Basic Payment Scheme) arrangements where the applicants had been successful in their challenge. This meant there would need to be further consultation on CAP Pillar 1 (direct payments). The approach adopted by Ministers, following consultation would in turn influence targeting of certain measures within the new Rural Development Programme (the second Pillar of the CAP)
7. A member asked whether Andrew was confident that there would be no further legal challenges to the revised Pillar 1. He responded that all Government decisions could be subject to challenge, but Welsh Government was working with stakeholders to ensure that the options put forward for consultation were as robust as possible, taking into account the latest legal advice.
8. Other members were concerned that revisions to Pillar 1 might mean that the RDP team had to re-design the Glastir scheme and hoped that any such revisions would not affect continuity on the ground. The concerns were noted.

### **ITEM 4: WPMC sub-group: measuring success**

9. Grahame Guilford, Chair of the sub-group, presented paper WPMC (15) 39 (Draft) setting out the scope of the work of the group and recommendations. The report follows on from the interim report previously presented to members. The group recognised that measuring impact of the Programmes and benchmarking was difficult, particularly in terms of availability of historical and intermediate level data, and concluded that the group was not yet in a position to recommend parameters for measuring success. Further work will be undertaken particularly in liaison with EST and DfES who were also carrying out related work in this area.
10. Members provided feedback on report and complimented the sub-group on their work so far. A summary of comments is provided below:
  - Need to include environmental measures of success, bigger picture examples to capture the undesirable scenario where there are positive gains for the Programme but potentially negative effects on environment.
  - Not to lose sight of social science (cohesion and inclusion) and benchmark early on even if no historical data available.

- Consider the Horizon 2020 approach – can we develop a model?
- Although work is challenging, would like to see the work of the sub-group continue.
- If we had two projects doing similar things and both look good ‘on paper’, how do we know what they will achieve without having to wait until the end of the operation/ programme? Need to be able to differentiate between ‘good’ and ‘great’ projects and understand challenges, getting closer to what is happening along the way rather than waiting until project end.
- Some concerns about a too narrow ‘business-centric’ approach across all funds. The Programmes are about jobs and growth and some of the measures are too narrow.
- Need clarity on relationship of the sub-group with the Monitoring and Evaluation Group.
- Members should not be too surprised that there is no obvious solution to measuring success due to the lack of available data. SMEs in general do not have the means to provide the detail required and there is no desire to burden SMEs with additional reporting requirements. Larger companies have quality data but these are not generally the businesses that the Programmes engage with as beneficiaries. Perhaps better therefore to focus on a more sophisticated use of the data that can be readily obtained.

11. Damien O’Brien confirmed that some members of WPMC would be invited to join the Monitoring and Evaluation Advisory Group. He agreed there were a number of dimensions to measuring success and a multi-dimensional approach was essential. The focus will continue to be on smart, sustainable and inclusive growth, so approaches in addition to business surveys would continue to be needed. The WEFO Research, Monitoring and Evaluation team (RME) are continuing to progress the business surveys and WEFO hoped to be able to present an update at the June WPMC meeting. Members will need to monitor the output and results indicators agreed with the Commission as set out in the Operational Programmes but the work of the sub-group helps in understanding the wider context.

**ACTION: Update on the latest Business Survey results to be provided to WPMC at June 2015 meeting.**

12. Damien added that WG and WEFO RME were part of a pan-European network and through this group it was evident that Wales was not far behind the pace for innovative thinking. Some of WG/ WEFO methods might be considered as leading edge and we are engaging with others to develop solutions.
13. The Chair concluded this was a complex issue with a great volume of data produced but data collection systems do not always interlink or integrate the various sources. At the end of the 2014-2020 programme period, the general public should be able to easily understand exactly what had been achieved with the EU funds and the impact it has had in Wales. The Chair thanked Grahame and the sub-group for the work they had done to date on behalf of WPMC.
14. Grahame agreed to refine the draft paper and present the final version at the June WPMC meeting.

**ACTION: A revised paper on the sub-group's analysis and recommendations to be presented to the June meeting of the WPMC.**

### **ITEM 5: Effective management of the transition between programming periods to minimise disruption and funding gaps**

15. Peter Ryland presented paper WPMC (15) 40. This had been requested at the previous WPMC meeting to update members on how WEFO was managing the early implementation of the Structural Fund Programmes.
16. Members asked for clarification on a number of points and a summary is set out below.
  - When will details of approved operations appear on the WEFO website and would it be possible to include the financial value of operations? Peter responded that this was imminent and advised that WEFO forecasts that, by the end of the 2015 – 16 financial year, a third of the programme resources should be committed.
  - Will operations led by WG departments and running from 1 April have been subjected to the rigour of the full appraisal process and are truly transitional projects? In response, representatives from the WG Departments confirmed that they had been subjected to rigour and very challenging questions and had to face up to tough decisions during the appraisal of their operations.
  - Members were keen to see smooth transitions and that any disruption to operations going forward from the 2007-2013 Programmes to the 2014-2020 Programmes were kept to a minimum and that there would be no loss of skills. WEFO had agreed closure plans with all current operations and did not expect any significant problems in the capacity to deliver going forward and had done everything possible to make sure this didn't happen. Members confirmed they were not aware of any significant concerns being brought forward by projects in their respective sectors.
  - A member requested that members should have early sight of any analysis WEFO had undertaken on the transitional operations to show they had made any necessary improvements arising from the experience and results of the 2007-2013 equivalent projects.
  - A member expressed concern that the paper stated WEFO was unlikely to fund any taught Masters courses as the current model was only weakly embedded in companies. He stated that from his experience there were a large number of companies with high productivity looking for skills that are not always available from those holding a first degree. The member therefore did not want to see this activity ruled out too early. Peter commented that if there were clear links between the taught Masters course and the outputs and objectives of the Programme, it could be considered.
  - The Chair asked members if they were confident that their sectors were aware that the 2014-2020 Programmes were framed differently i.e. more strategic areas, Economic Prioritisation Framework, regional proofing etc. Members responded and the overall conclusion was that sectors were aware of the change of emphasis.
17. In response to a question on the Euro exchange rate, Peter confirmed that the strength/ weakness of the pound against the Euro did have a significant impact on the Programme. WEFO had piloted awarding grants in Euros under the 2007-2013 Programme, and there may be more of that in the future to help spread the risk.

WEFO had also been in discussions with HM Treasury regarding hedging arrangements.

#### **ITEM 6: Presentation from the North Wales Economic Ambition Board**

18. The Chair invited Sasha Davies, Strategic Director for Economy and Place at Conway County Borough Council, to provide an update on the North Wales Economic Ambition Board (NWEAB)
19. Ms Davies gave a presentation on the work of the NWEAB explaining that they had focussed on four priority areas and a cross cutting theme. She explained the governance arrangements and how those linked into the European Funding Project Board. She also informed the meeting that the role of the NWEAB in European funding was about an integrated regional strategy and regional engagement team; regional proofing; endorsement of regional projects and prioritisation where possible. In short, facilitating economic success and driving cross-sector working to deliver economic transformational change in North Wales.
20. Members commented that the work of the NWEAB was clearly advanced in terms of demand drivers and priority areas and that it would be useful to have regular updates to the WPMC to demonstrate best practice in action and to ensure WEFO engaged regularly with the NWEAB.
21. Damien O'Brien said that from a Structural Fund perspective, WEFO placed significant importance on regional partnerships and it was vital to maintain this dialogue. He was keen to see that continue and that operations engaged in regional partnerships and there is evidence to support this. However, as the Programme managing authority, and respecting the regulatory obligations, the ultimate decision on approval of operations will always reside with WEFO (ERDF, ESF) or WG Agriculture, Food and Marine Group (RDP).
22. Members congratulated Sasha on the success of the NWEAB and asked whether there was any intention to have a similar organisation in mid Wales. Lowri Gwilym responded that this was imminent and the first meeting of this organisation was scheduled for March 2015. An update could be provided at a future meeting of WPMC.

<b>ACTION: An update from the North Wales Economic Ambition Board to be presented to the WPMC on a regular basis, at least annually.</b>
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#### **ITEM 7: Presentation from the Welsh Government's Chief Scientific Adviser**

23. The Chair invited Professor Julie Williams, Chief Scientific Adviser to Welsh Government to present an update to the Committee.
24. Julie informed members she had been in post for 18 months and one key challenge when taking up her post was to establish why Wales was getting less funding than other areas from the Research Councils. The Councils fund on excellence and there was a concern that Wales research may not be up to the mark. Julie did not feel there was an issue with the quality of Wales' research and a report was commissioned to evidence this. This report concluded that Wales has excellence, and highlights many

- of Wales' successes, but that Wales lacks critical mass. From this it can be deduced that Wales' low share of research income is more due to the lack of scientists in Wales and not due to a lack of research quality.
25. A study by Professor Peter Halligan, , estimates that there is a shortfall of 600 researchers in Wales. The aim therefore is to increase critical mass and build capacity. An application under Horizon 2020 had been made to increase the number of research fellows in Wales and build networks of researchers. It is hoped that over the next 5 years we will see a real step change as a result and there is a hope that Welsh talent will grow as a result. Members welcomed the work Julie is doing on building capacity.
  26. This report also highlighted that despite comparatively low levels of research income, Wales' internationally recognised research had risen dramatically over the last decade and now contributes to the UK's world-leading research base. Wales is now 'punching above its income' in terms of the quality of its scientific research, compared with other advanced OECD economies.
  27. It was emphasised that science has an economic impact, and for every £1 invested in R&D this results in £4 of business output over time. In Wales the majority of science is undertaken in HEI sector and less than 10% in private sector. This needs to change. One member asked whether the networks/ links between researchers and businesses were effective. Julie replied that some were good and some could be better. There was more to do to improve this and achieve added value. Business sector members offered to help facilitate this.
  28. Following discussion of the situation in Wales, members thanked Julie for her forward looking and encouraging approach. It was agreed that the quality aspect should not be in dispute but more the scale, and the scale could not be determined as it is dependent on funding. Difficulty arises where Universities and SMEs work together and neither has funding to support this activity. Julie is approaching Horizon 2020 for funding to collaborate with the Universities and build capacity and will also be applying for Structural Funds.
  29. The Chair added it was important to consider climate change objectives and renewable energy as Wales was not doing as well as Scotland in these areas. Julie responded that there was potential around tidal energy in Wales, an area of true growth, and we already have collaboration there between academia and businesses which is achieving success in this area. The Chair concluded discussion by saying that this was key to improving GVA/GDP so the WPMC would need to keep aware of developments.

#### **ITEM 8: Examination and approval of the communication strategy (ERDF, ESF)**

30. The Chair asked Alison Sandford to present the draft communications strategy. Alison advised that there would also be annual plans for the WPMC to consider each year. Alison explained that the WPMC would need to agree the strategy within 6 months of the Programmes being agreed, 3 June 2015. Alison thanked the Chair and EC representatives for the contributions they had already made to date.
31. Alison stated that we were working in a challenging political environment and there was a need to have smart messages to get across to the broader general public, a need to simplify messages and continue to use case studies. There was also a need to make full use of social media and WG YouTube channels. The responsibility for promoting the Programmes did not just rest with WEFO but also with beneficiaries. There was a continuing need to identify PR opportunities and integrate messages across all funds, making sure that beneficiaries were adhering to the EC rules and regulations.



32. Members provided comments about the need to carefully consider the core messages and understanding what resonated with people involved in the Structural Funds but not necessarily established part of the Structural Funds network/ 'family'. Also, suggested the use of more projects as case studies and from the beneficiaries or participants point of view.
33. One member said she would email detailed comments to Alison on the strategy including the need to reference the role of the regional engagement teams.
34. Alison drew members' attention to the published ERDF and ESF 2014-2020 Operational Programmes and stated if members needed hard-copies to contact her.
35. David Hughes, Head of the EC office in Wales, said that the next few years would be very important in underpinning opinions on the benefits of EU membership for Wales. David confirmed that while the remit of WEFO, in its regulatory role as programme managing authority, is clearly not to campaign either way on whether the UK should remain a part of the European Union, WEFO does have a key role in clearly communicating the positive impact of EU funds in Wales and it would be helpful to have an EC/ WEFO joined up story to tell. David invited Alison and Damien to work with him to look at their respective EC and WEFO communications strategies for Wales. Alison agreed to arrange a meeting between the parties.

**ACTION: Alison Sandford to arrange a meeting between Damien, herself and David Hughes to discuss their respective communication strategies**

36. The Chair asked members what role EU funds had had on local communities' wellbeing. For example, how well do we celebrate Europe Day compared to other EU Member States? A member responded that we need operations to start publicising their projects in the way they do abroad with major billboards celebrating the funding. Another member suggested that WEFO might undertake a lessons learned exercise on what we have learned from the funds, addressing all aspects not just financial. Members were keen that we should promote current live operations and identify who in particular is benefitting from the funding.
37. It was agreed that a working group would be set up for a short period to contribute to the draft strategy and then to seek approval from members for the revised strategy by written procedure given the deadline for agreeing the strategy was 3 June. Certain members volunteered to join the working group: Iestyn Davies, Phil Fiander, Lowri Gwilym, Rhian Nowell-Phillips, Beth Winkley, Grahame Guilford, David Hughes and the Jenny Rathbone AM. Alison Sandford was asked to convene the working group meeting as soon as possible.

**ACTION: Alison Sandford to convene a meeting of a communications strategy working group to consider changes to the draft strategy**

**ACTION: The draft communications strategy to be updated - in light of members comments, discussions with David Hughes and contributions of the working group - and issued to members for approval by written procedure before 3 June 2015.**

#### **ITEM 9: Progress on fulfilling outstanding Structural Funds programme pre-conditions ('ex-ante conditionalities')**

38. Rob Halford presented Paper WPMC (15) 42. Members were invited to note progress and were advised that the WPMC is required by the EU Regulations to monitor progress until all conditions have been satisfied..
39. A member urged all WPMC members to consider participating in the Transport Infrastructure Strategy consultation as the Strategy could benefit from further contributions.

**ITEM 10: Any other business**

40. The Chair informed members that they would all be contacted by Paul Smith, WEFO Head of Structural Funds Programmes Development, who was considering lessons learned in establishing up the 2014-2020 Programmes. The Chair asked members to make every effort to respond.
41. As Marc Vermyle is moving to another role in the Commission and will not attend future WPMC meetings, the Chair thanked Marc on behalf of all members for his contributions to this and other meetings over many years, including his very helpful interventions in progressing the 2014-2020 programmes.
42. Next meeting 5 June 2015.

**Wales PMC European Structural and Investment Funds 2014 -2020**  
**Meeting held 23 February 2015**  
**Welsh Government Office, Merthyr Tydfil**

**Chair – Jenny Rathbone AM**

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

Dr Greg Walker	Further Education (Colleges Wales)
Martin Mansfield	Trade Unions (Wales TUC)
Cath Jenkins	Welsh Government (Education & Skills)
Matthew Quinn	Welsh Government (Natural Resources)
Jocelyn Llewellyn	UK Government (Jobcentre Plus)
Arfon Williams	Environmental NGOs (Wales Environment Link/RSPB)
Lowri Gwilym	Local Government (WLGA)
Phil Fiander	Third sector (WCVA)
Derek Walker	Social Economy (Wales Cooperative Centre)
Dr David Blaney	HEFCW (Higher Education Funding Council for Wales)
Rhian Nowell-Phillips	Farming and Rural businesses (FUW)
Cllr Ronnie Hughes	Local Government (WLGA)
Rob Hunter	Welsh Government (Economy, Science and Transport)
Professor April McMahon	Higher Education (Aberystwyth University)
Rhian Jardine	Environmental Sustainability (Natural Resources Wales)
Iestyn Davies	Business and Enterprise (Commerce Cymru)

***Members selected via the Public appointments process:***

Dr Grahame Guilford
Sian Price
Beth Winkley
David (Dai) Davies
Professor Richard B. Davies

***Advisors:***

Guy Flament	European Commission, Directorate-General for Regional and Urban Policy
Marc Vermyle	European Commission, Directorate-General for Employment, Social affairs and Inclusion
Joanne Knight	European Commission, Directorate-General for Regional and Urban Policy

***Guest Speakers:***

Sasha Davies	Strategic Director Economy & Place, Conwy Country Borough Council
Julie Williams	Chief Scientific Advisor, Welsh Government

***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)
Rob Halford	Head of Planning & Strategy (ERDF, ESF)
Sue Price	Head of ERDF Programmes
Jane McMillan	Head of ESF Programmes
Alison Sandford	Head of Corporate Business and Comms (ERDF, ESF)
Angela Griffin	Secretariat
Lois Wilson	Secretariat

***Apologies:***

Karen Anthony	Rural Economy (CLA – Country Land & Business Association)
Ann Beynon	Business and Enterprise (Commerce Cymru)
Joy Kent	Public Appointee
Tom Whyatt	Business and Enterprise (Industry Wales)
Elaine DeBono	Head of Rural Payments Division
Margaret Thomas	Trade Unions (Wales TUC)
Martin Mansfield	Trade Unions (Wales TUC)
Marek Beran	European Commission, Directorate-General for Agriculture and Rural Development

Meeting Date	Action Requested	Latest Situation
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	Ongoing
23 February 2015	Update on the latest Business Survey results to be provided to WPMC at June 2015 meeting	The Business Survey is almost complete and the findings should be available for the September meeting
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	Ongoing - the Measuring Success sub-group is yet to complete its work. Their revised paper will be informed by the PMC's discussion of the Monitoring and Evaluation Strategy. The paper will then be presented at the September PMC.
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
23 February 2015	Alison Sandford to arrange a meeting between Damien, herself and David Hughes to discuss their respective communication strategies	Ongoing dialogue as part of Partnership working between the Welsh Government and the European Commission
23 February 2015	Alison Sandford to convene a meeting of a communications strategy working group to consider changes to the draft strategy	Meeting held on 27 March 2015. Updated communications strategy issued to PMC members by written procedure on 21 May 2015
23 February 2015	The draft communications strategy to be updated - in light of members comments, discussions with David Hughes and contributions of the working group - and issued to members for approval by written procedure before 3 June 2015	Updated communications strategy issued to PMC members by written procedure on 21 May 2015

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

**RURAL DEVELOPMENT PROGRAMME 2014-2020 (RDP)**

**Issue**

1. To provide the PMC with the overall vision for the RDP and details of the current proposals for scheme structure. Members should note that the scheme structure is subject to formal Ministerial agreement and is not final so no scheme specific financial details are being provided at this stage.
2. Under Agenda Item 4 the PMC is also being formally constituted for the purposes of EAFRD and is being asked to approve the selection criteria for the fund.

**Recommendation**

3. To note the current proposals and approve the selection criteria.

**Background**

4. The RDP will be formally approved on 26 May allowing the Welsh Government to proceed with implementation and opening the way for Ministers to finalise the scheme structure, financial allocations and delivery approaches.

**Decision**

5. For Agenda Item 4 members are asked to approve the selection criteria for the fund. As agreed by the PMC and Welsh Government Ministers, these are the same as those for ERDF and ESF to ensure as much synergy and complementarity between the funds as possible although they will be applied in a different way depending on the nature of the scheme. This is explained further in the paper.

**Next Steps**

6. Further details on the final scheme structure, financial allocations and delivery arrangements will be put before the PMC once formal Ministerial agreement has been secured.

**Agriculture, Food and Marine  
Welsh Government**

**Lead: Mrs Terri Thomas**

**Approved by: Mrs Terri Thomas**

**Date: 20 May 2015**

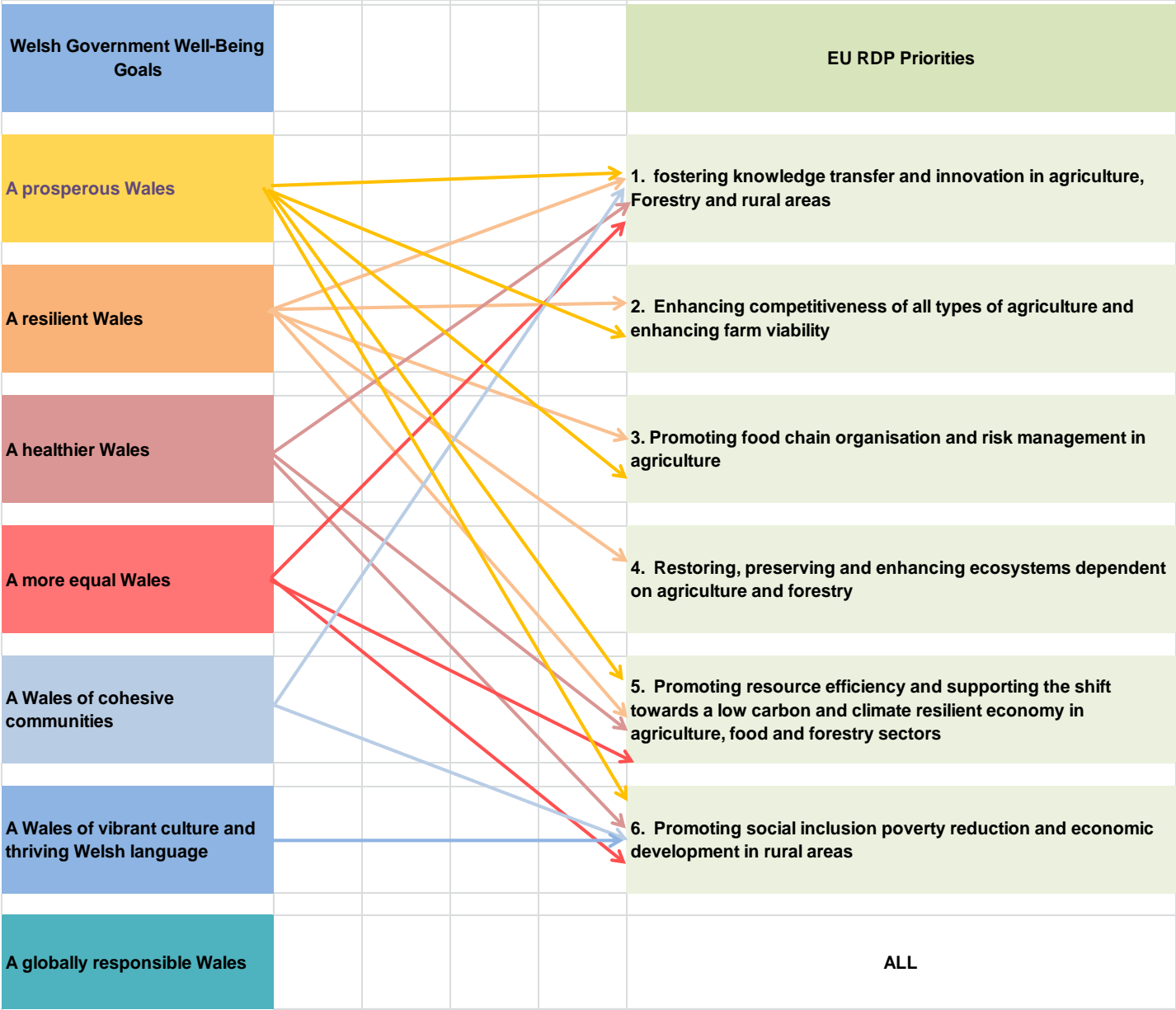
### **What is the RDP 2014-2020**

1. The RDP 2014 – 2020 is a Wales-wide package of EU and Welsh Government funded interventions that align the EU priorities for rural development with the seven 'Well-being Goals' as set out in the Well-being of Future Generations (Wales) Act (see Figure 1).
2. It supports 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. 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
  - Balance the need to address short term issues with the implications for the longer term.
4. Key elements of the RDP will be:
  - A continuing the commitment to a broad range of sustainable land management practices, agri-environment, climate and other land-based measures tailored to respond to current and future challenges;
  - An enhanced commitment to resource efficiency and renewable energy actions to complement Structural Fund and domestic actions;
  - Funding for actions to improve supply chains, with a particular focus on the Action Plan for Food and those supply chains needed to support diversification into energy, carbon and water management.
  - A focus on knowledge transfer, innovation and advice that aims to achieve a transformational effect on business skills, links with all other elements in the RDP, and complements and adds value to other activity and taps into a broad range of sources;
  - Working collaboratively with EST and others to boost grassroots capacity and confidence in entrepreneurship, including using LEADER to stimulate innovation and pilot new approaches, processes and products;
  - Supporting the deployment of LEADER to enable it to provide the basis for breaking down barriers to rural transformation, providing the opportunity for taking risks with new approaches with an extensive EU wide track record as "laboratory for change";
  - Tackling poverty and providing support for community-led rural development projects in particular those that target community transport provision, broadband coverage and speed, mobile 'phone coverage, child and elder care provision,

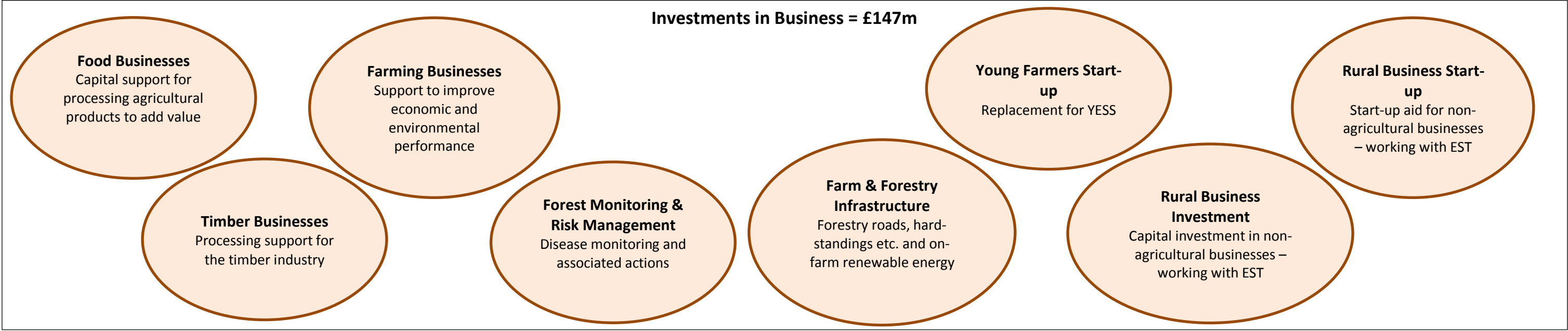
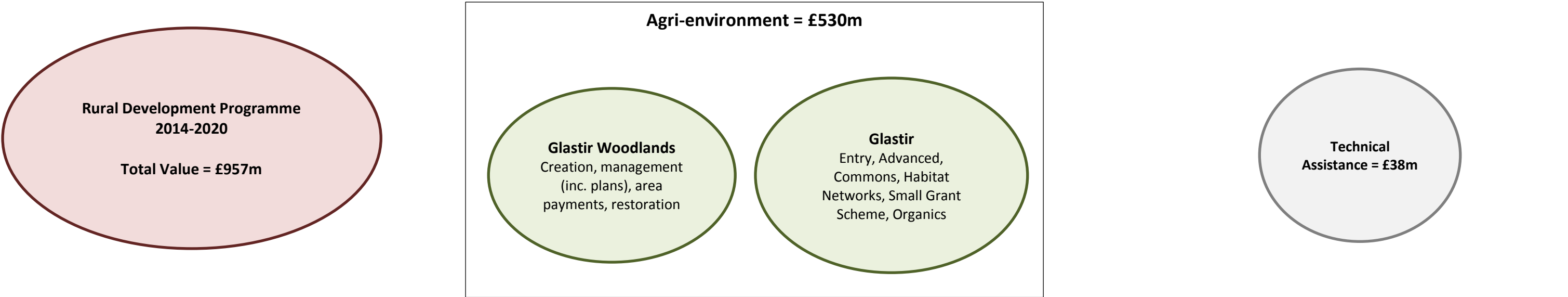
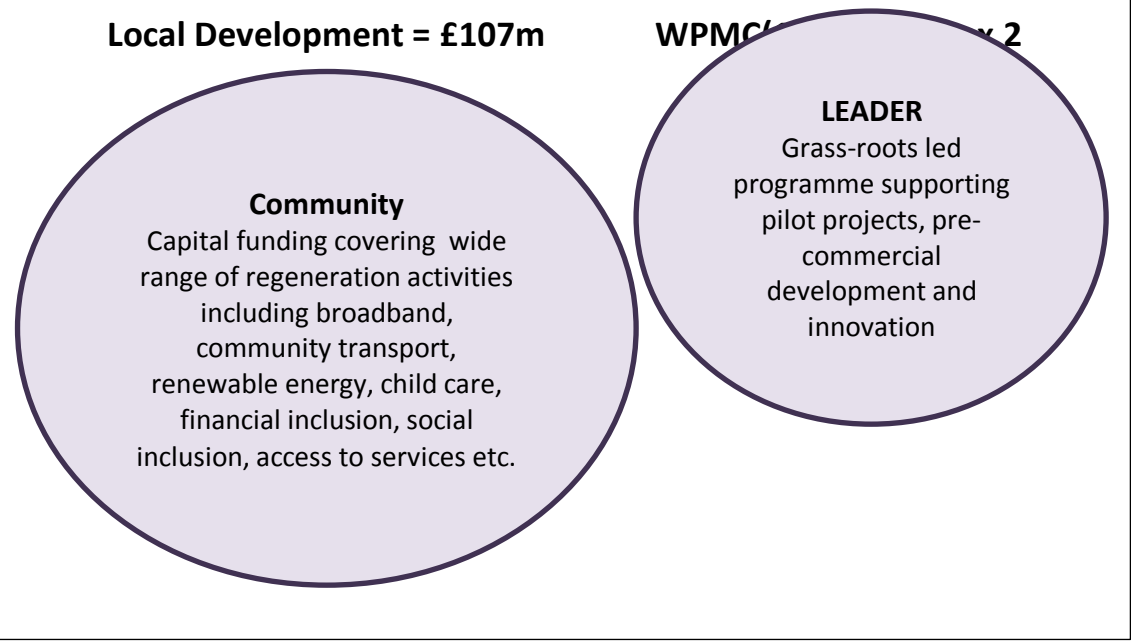
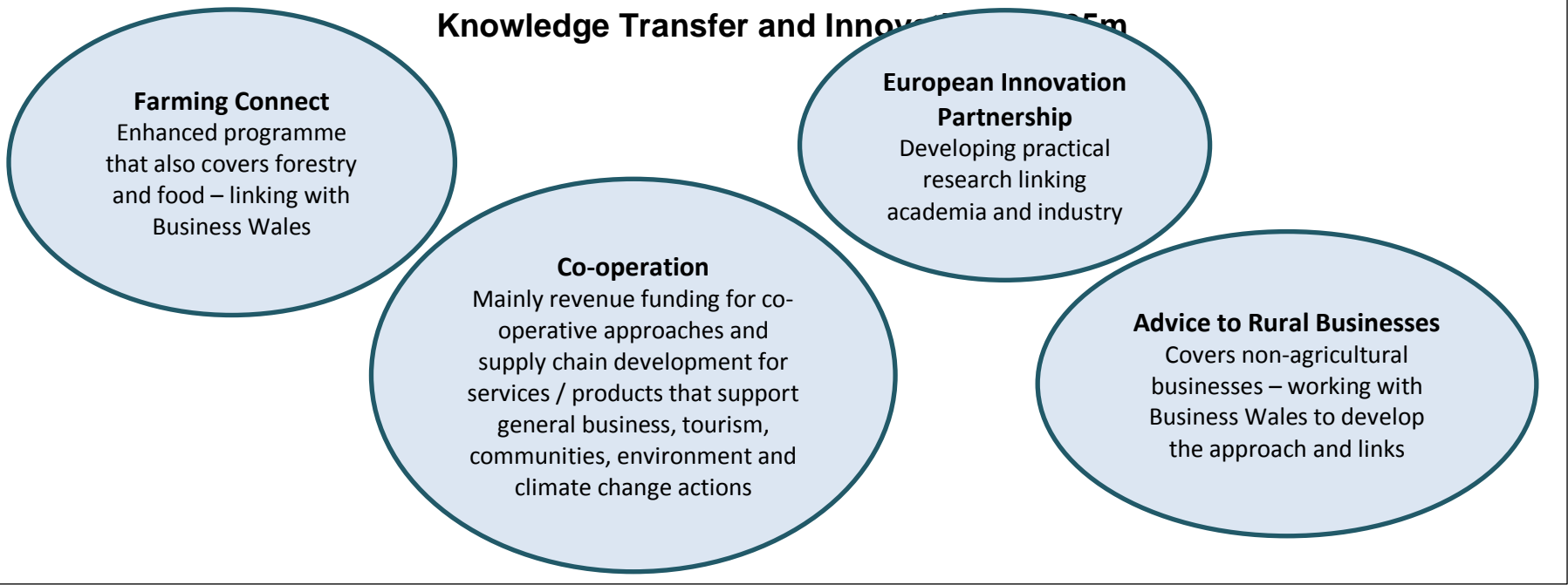
- augment health and education services; and support the use of renewable energy.
5. All investment support will be conditional upon an appropriate business plan directed at the future of the business rather than solely designed to secure a grant, including a training and skills analysis (with a plan 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.
  6. As with the development phase, the delivery of the RDP will be through engagement, co-production and collaboration. It is proposed that wherever possible the approach will be to use strategic projects that will be a package of interventions designed to deliver a number of objectives in a cohesive manner. They would be co-produced with the relevant stakeholders and beneficiaries to secure their commitment and to make sure that they fully meet the Well-being goals. This approach is set out in more detail in Paper 2.

**Figure 1**











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

**Wales Rural Development Programme 2014 – 2020**

**Criteria to be used for the Selection of Operations under the Wales Rural Development Programme 2014-2020 (RDP)**

**1. Issue**

- 1.1 This paper sets 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.

**2. Recommendation**

- 2.1 That the members formally agree the proposed selection criteria for the Wales Rural Development Programme 2014-2020.

**3. Background**

- 3.1 The PMC is required under Article 110 2(a) of the EU Regulation 1303/2013 Common & General Provisions to “examine and approve the methodology and criteria used for selection of operations”.
- 3.2 The European Commission defines ‘methodology’ as “the manner (method) in which the selection criteria are applied to select operations”.
- 3.3 Article 125 3 (a) – (g) of the EU Regulation 1303/2013 Common & General Provisions detail the Commission requirements as regards the ‘selection of operations’. These are listed under **Annex A**. The Annex also summarises which processes will meet each of these regulatory requirements.
- 3.4 The shadow All Wales Programme Monitoring Committee (PMC) has been frequently consulted on these proposals. An introductory discussion was held during the first meeting of the shadow PMC on 6<sup>th</sup> December.
- 3.5 During a further discussion held on 1<sup>st</sup> May, the revised WEFO proposals were provisionally approved pending the formal constitution of the All Wales PMC.
- 3.6 This provisional agreement established a proposed arrangement where each operation would be considered against nine key selection criteria, provided at **Annex B**, and these criteria would be used in a consistent manner across the ESI Funds.

- 3.7 However the application of nine selection criteria must be proportionate to the scale and complexity of the operation. In WEFO's case they do not accept applications from SME businesses directly to the fund which is the case in the rural programmes and so a full assessment done in two stages across the nine criteria would not be appropriate.
- 3.8 The nine selection criteria will be used as the basis for the final selection of operations under the RDP but the way in which the criteria will be interpreted will be reviewed to ensure that it is appropriate.
- 3.9 An example of the use of the nine selection criteria as applied to the selection of the Local Development Plans submitted under the LEADER measure of the RDP are provided under **Annex C**. These details include the evidence requirements and the rating definitions which follow the same model as the one used by WEFO for the Structural Funds.
- 3.10 Criteria for the assessment of business development plans used in support of direct applications to the RDP is being developed using the same overall framework, principles and selection criteria.
- 3.11 **Annex D** provides a glossary of terms in use during this paper.

**Lead: Neil Howard**

**Approved by: Terri Thomas**

**Date:** 20<sup>th</sup> May 2015

**Article 125.3 of the EU Regulation 1303/2013 Common & General**

Including the proposed action to meet the requirement described.

As regards the selection of operations, the managing authority shall:

- (a) draw up and, once approved, apply appropriate selection procedures and criteria that:
  - (i) ensure the contribution of operations to the achievement of the specific objectives and results of the relevant priority;

Proposed to be met through the Strategic Fit criterion assessment.

- (ii) are non-discriminatory and transparent;

This will be a general fundamental principle of the selection process.

- (iii) take into account the general principles set out in Articles 7 (promotion of equality between men, women & non-discrimination) and 8 (sustainable development);

Proposed to be met through the Cross Cutting Theme criterion assessment.

- (b) ensure that a selected operation falls within the scope of the Fund or Funds concerned and can be attributed to a category of intervention or, in the case of the European Maritime Fisheries Fund (EMFF), a measure identified in the priority or priorities of the operational programme;

Proposed to be met through the Strategic Fit & Indicators & Outcomes criteria assessments.

- (c) ensure that the beneficiary is provided with a document setting out the conditions for support for each operation including the specific requirements concerning the products or services to be delivered under the operation, the financing plan, and the time-limit for execution;

This will be met through the issue of the grant offer letter.

- (d) satisfy itself that the beneficiary has the administrative, financial and operational capacity to fulfil the conditions referred to in point (c) before approval of the operation;

Proposed to be met through the Delivery, Financial & Compliance & Management of Operation criteria assessments.

- (e) satisfy itself that, where the operation has started before the submission of an application for funding to the managing authority, applicable law relevant for the operation has been complied with;

Proposed to be met through the Financial & Compliance criterion assessment.

- (f) ensure that operations selected for support from the Funds or the EMFF do not include activities which were part of an operation which has been or should have been subject to a procedure of recovery in accordance with Article 61 following the relocation of a productive activity outside the programme area;

Proposed to be met through the Financial & Compliance criterion assessment.

- (g) determine the categories of intervention or, in the case of the EMFF, the measures to which the expenditure of an operation shall be attributed.

Proposed to be met through the Financial & Compliance, Delivery & Value for Money criteria assessments plus the construction of the delivery profile.



### **Selection Criteria**

The assessment of the Wales Rural Development Programme operations (projects) will be against the following criteria adopted for all EU programmes in Wales for the period 2014-2020:

- Strategic Fit
- Financial & Compliance
- Delivery
- Management of Operation
- Value for Money
- Indicators & Outcomes
- Suitability of Investment
- Cross Cutting Themes
- Long Term Sustainability

## **Selection Criteria**

### **Wales Rural Development Programme 2014-2020**

#### **LEADER 2014 – 2020**

#### **Local Development Strategy Assessment Criteria**

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The appraisal of the LEADER Local Development Strategies (LDSs) submitted under the Wales Rural Development Programme 2014-2020 will be a two stage process.

##### Stage One

An initial check will be completed on all Local Development Strategies submitted to the Scheme Management Unit to confirm the following have been provided:

- A signed Local Development Strategy, including contact details for the Administrative Body
- A completed Intervention Logic Table
- A completed Delivery Profile Template
- An electronic and hard copy of the above documents submitted no later than 30 September 2014

If any of these are not provided, you will be requested to submit the appropriate information prior to the full appraisal of the LDS.

##### Stage Two

Local Development Strategies will be assessed by Welsh Government and scored by a selection committee.

The assessment of the LDS will be against the following criteria adopted for all EU programmes in Wales under the 2014-2020 Programme:

- Strategic Fit
- Financial & Compliance
- Delivery
- Management of Operation
- Value for Money
- Indicators & Outcomes
- Suitability of Investment
- Cross Cutting Themes
- Long Term Sustainability

The LDS template is structured in line with the above selection criteria.

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The table below is a guide as to what will constitute a ‘High’, ‘Medium’, ‘Low’ and ‘Minimal’ rating. The selection committee will rate each section of the LDS against the following:

<b>High</b>	
The applicant has provided robust and detailed responses against all of the evidence requirements and demonstrates minimal risk.	
<b>Medium</b>	
The applicant has provided satisfactory and detailed responses against most of the evidence requirements and demonstrates a low level of risk.	
<b>Low</b>	
The applicant has provided potentially incomplete or insufficient responses against one or more of the evidence requirements but demonstrates a potentially significant yet acceptable level of risk.	
<b>Minimal</b>	
The applicant has provided incomplete or insufficient responses against one or more of the evidence requirements thereby demonstrating an unacceptable level of risk.	

The rating awarded will be dependent on the quality of information and evidence provided in each section of the LDS. A description of each section and the LDS evidence required is summarised at the end of this document.

The quality threshold for an LDS is a rating of Medium in at least six categories. If the LDS does not meet this requirement the LAG will be requested to develop the LDS and provide further information until a satisfactory rating can be achieved.

**Please note that if further information is required this may delay the approval of the Local Development Strategy.**

## **SELECTION CRITERIA**

<b>Strategic Fit</b>	
Brief Description	Explain how the Local Development Strategy (LDS) fits with EU strategies, policies and programmes and the extent to which it aligns with the Focus Areas of the Wales Rural Development Programme (2014-2020) and the five LEADER themes as appropriate to the context of the LDS.

LDS Evidence Required	<p><b><u>Section 1 of the LDS</u></b></p> <p><b>1.1 Definition of the area and population covered by the strategy</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Overview of the proposed geographical area of the LAG and its population. Population figures to be broken down by rural, service and host wards.</li> <li>❖ Intentions to work across boundaries</li> </ul> <p><b>1.2 Description of the Integration</b> (to be linked in to the actions described in Section 3.1 – Intervention Logic)</p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Explain how LEADER will complement other structures and initiatives and not duplicate</li> <li>❖ Provide an explanation of the coherence and consistency between local strategies and existing national, regional or sub-regional strategies</li> <li>❖ The LDS should show how integration is proposed in respect of: <ul style="list-style-type: none"> <li>✓ Welsh Government policies and programme areas.</li> <li>✓ The range of RDP schemes and activities to which LEADER can make a contribution</li> <li>✓ Other initiatives and schemes within your area</li> <li>✓ The projects and activities of other LAGs</li> <li>✓ Other European programmes and funding streams</li> </ul> </li> </ul>
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<b>Financial &amp; Compliance</b>	
Brief Description	Explain how the Local Action Group (LAG) intends to meet its financial and compliance based obligations. LAGs need to demonstrate that they have competent financial planning and will comply with all necessary legal and regulatory requirements.
LDS Evidence Required	<p><b><u>Section 2 of the LDS</u></b></p> <p><b>2.1 Management and Administration</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ The Constitution of the LAG</li> <li>❖ Details of the proposed LAG members including the sectors represented (public, private, third sectors)</li> <li>❖ Terms of Reference for the LAG</li> <li>❖ Details of the Administrative Body</li> <li>❖ Evidence that the working and decision making procedures are clear and transparent. Show how the operating methods of the LAG are compliant with the Commission's regulations and guidance (see Annex 4 of the LDS guidance)</li> <li>❖ Details of compliance procedures and processes demonstrating segregation of duties, reporting systems and capacity to maintain full audit trails for expenditure and indicators.</li> <li>❖ Details of selection, appraisal and approval processes for projects submitted to the LAG</li> <li>❖ Details of declaration of and management of conflict of interest</li> </ul>

<b>Delivery</b>	
Brief Description	Explain how the Local Action Group (LAG) aims to transfer its stated objectives into delivery on the ground. The LAG should have a clear plan that links the result, the outputs that deliver the result, what activities will take place to deliver the outputs, how and when those activities will take place, and who will be responsible for delivering them.

LDS Evidence Required	<p><b><u>Section 3 of the LDS</u></b></p> <p><b>3.1 Description of the strategy and hierarchy of objectives</b>  This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ A description of how the LAG can improve and develop the area</li> <li>❖ Identified 'hierarchy of objectives'</li> <li>❖ Explanation of how earlier activity has influenced the strategy</li> <li>❖ If you have previously implemented LEADER or other relevant programmes please explain how this experience has influenced the approach</li> </ul> <p>The Intervention Logic Table Template must also have been completed</p> <p><b>3.2 Co-Operation and Networking</b>  This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Describe how you will seek to incorporate co-operation and which of the co-operation stages outlined in the guidance (exchange of experience, transfer of practice or common actions) are envisaged.</li> <li>❖ If your area, or parts of your area, have not used LEADER funds before please provide information on how you will learn from other LAGs.</li> </ul> <p><b>3.3 Description of Innovation</b>  This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Demonstrate how the LDS will take advantage of the potential to experiment and innovate.</li> </ul> <p><b>3.4 Action Plan</b>  This section is to be provided as a unified document with the Intervention Logic at Section 3.1 above.</p> <p><b>3.5 Promotional Activity</b>  This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ How you will advertise and promote the opportunities / benefits that the project is offering to target participants and/or sectors;</li> <li>❖ How you will work with identified stakeholders to promote the operation;</li> <li>❖ How you will publicise the results and impact of your operation;</li> <li>❖ How you will disseminate best practice;</li> <li>❖ How you will ensure that full acknowledgement of the funding</li> </ul>
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	<p>from the European Union is clearly displayed including type of media utilised;</p> <ul style="list-style-type: none"> <li>❖ How you propose to 'fly the EU flag' during the week that includes 9 May;</li> <li>❖ How you propose to ensure that participants and/or enterprises are clearly aware of the funding received from the EU;</li> <li>❖ Confirmation that you will ensure that you liaise with RDP Communications staff and the Wales Rural Network on any proposed launches/press releases to be arranged/issued in relation to LEADER activities;</li> </ul>
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Management of Operation	
Brief Description	Explain how the Local Action Group and its elected Administrative Body has the capacity and resources necessary to successfully deliver on the planned results, output indicators and activities.
LDS Evidence Required	<p><b><u>Section 4 of the LDS</u></b></p> <p><b>4.1 Management and Administration</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Evidence of an effort to collaborate with other LAG areas to produce the most cost effective management and administrative structure for the area</li> <li>❖ A description of the management and monitoring arrangements of the strategy demonstrating the capacity of the LAG to implement the strategy</li> <li>❖ Details of the number of staff anticipated to run and animate the LDS and structure of the animation/running cost functions</li> <li>❖ Evidence of skills and training plans for staff of the Administrative Body</li> </ul>

Value for Money	
Brief Description	Explain how the proposed actions and expenditure outlined in the Local Development Strategy represent the best use of EU funds. Explain how the costs included are reasonable, such as the cost and number of staff required to deliver the proposed activities.
LDS Evidence Required	<p><b><u>Section 5 of the LDS</u></b></p> <p><b>5.1 Financial Delivery Profiles</b></p> <p>The delivery profile templates must have been completed.</p> <ul style="list-style-type: none"> <li>❖ Running Costs and Animation Costs should not exceed 25% of the total RDP funds (minus preparatory costs)</li> <li>❖ Running Costs, Animation Costs and Preparatory Costs can be 100% funded through the RDP</li> <li>❖ The LEADER implementation costs must include a minimum of 20% match funding</li> <li>❖ Capital expenditure should not exceed 5% of overall implementation expenditure</li> <li>❖ Sources of match funding should be identified, including the type (i.e. cash or in-kind)</li> <li>❖ Please state if you are likely to opt for simplified costs (further guidance will be issued as soon as available)</li> <li>❖ If a LAG does not propose to combine costs with other LAGs a robust justification is required</li> <li>❖ Full rationales (including explanation of assumptions) must be provided for all costs in order demonstrate reasonableness of costs</li> <li>❖ 10% flexibility will be allowed at Cost Heading 'Category' level not 'Sub Category' (see delivery profile template for further detail)</li> </ul>



<b>Indicators &amp; Outcomes</b>	
Brief Description	Explain how the Local Action Group intends to deliver the result and output indicators identified and all associated targets.
LDS Evidence Required	<p><b><u>Section 6 of the LDS</u></b></p> <p><b>6.1 Monitoring and Results</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ A detailed narrative of the expected outputs, results and impacts that will derive from the proposed operations.</li> </ul> <p>The Performance Indicator table (within the delivery profile template) must also have been completed.</p> <p>Also linked to the intervention logic table at Section 3.1.</p> <p><b>6.2 Evaluation Plan</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Please specify your proposals for evaluating performance against the LDS</li> <li>❖ Provide details of the methodology you propose to use to evaluate the benefits of the LEADER activity</li> <li>❖ Details of baseline data</li> <li>❖ Provide an explanation and justification of the chosen evaluation methods both during the life of the operations or activity (formative) and at the end of the operations or activity (summative)</li> </ul>

<b>Suitability of Investment</b>	
Brief Description	<p>Explain the need and demand for the Local Action Group and the actions identified in the Local Development Strategy and whether this demand is already being met through existing provision. Explain how the Local Action Group will be able to successfully deliver the proposed activity.</p>
LDS Evidence Required	<p><b><u>Section 7 of the LDS</u></b></p> <p><b>7.1 A description of the community involvement process in the development of the strategy</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Communications Plan showing how the various interests have been consulted with in preparation of the strategy and how they will continue to be included and kept informed during delivery</li> <li>❖ Evidence of dialogue with and between local citizens at each of the key stages in the design of the strategy</li> </ul> <p><b>7.2 SWOT Analysis to show development needs and potential of the proposed area</b></p> <p>Please provide a SWOT analysis in a table format based on the model of the SWOT in the RDP consultation document:</p> <p><a href="http://wales.gov.uk/consultations/environmentandcountryside/rdp-2014-2020-next-steps-consultation/?lang=en">http://wales.gov.uk/consultations/environmentandcountryside/rdp-2014-2020-next-steps-consultation/?lang=en</a></p>

<b>Cross Cutting Themes</b>	
Brief Description	Explain how the Local Action Group will maximise its contribution towards the Cross Cutting themes of Equal Opportunities, Sustainable Development and Tackling Poverty.
LDS Evidence Required	<p><b><u>Section 8 of the LDS</u></b></p> <p><b>8.1 Cross-Cutting Themes</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Information as to how you intend the LDS activities to maximise their contribution to the Cross Cutting Themes of Equal Opportunities, Sustainable Development and Tackling Poverty and Exclusion</li> <li>❖ Show how the LDS will follow the terms of the Welsh Language Commissioner's document 'Grants, Loans and Sponsorship; Welsh Language considerations'.</li> </ul> <p><b>8.2 Supporting the Uplands</b></p> <p>This Section should include the following as a minimum:</p> <ul style="list-style-type: none"> <li>❖ Define the areas of uplands which the LAG feels should be a priority with a description of interventions and activities which are envisaged under the LEADER themes.</li> </ul>

Long Term Sustainability	
Brief Description	Explain the potential of the Local Action Group to continue the proposed activity beyond the lifetime of the Programme.
LDS Evidence Required	<p><b><u>Section 9 of the LDS</u></b></p> <p><b>9.1 Mainstreaming Plan</b></p> <ul style="list-style-type: none"><li>❖ A plan for how you envisage the actions supported under the LDS will be disseminated and to whom</li><li>❖ How you would seek to mainstream successful actions</li></ul>

## Glossary of Terms

### Common Provisions Regulation

EU Regulation No 1303/2013 that sets down the common regulatory provisions for the European Structural and Investment Funds i.e. ERDF, ESF, Cohesion fund, EAFRD and EMFF programmes for the 2014-2020 period.

### Economic Prioritisation Framework (EPF)

The EPF will help to guide the use of EU funding over the 2014–2020 programme period by setting it within a broader investment context. It provides an overview of areas of key economic opportunity in Wales, highlighting important investments which are underway or being planned. Guidance on the EPF is available from the WEFO website.

EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
EMFF	European Maritime Fisheries Fund
EOI	Expression of Interest (the form currently completed by beneficiaries through WEFO Online and used by WEFO to assess whether an operation can be developed further through the submission of a business plan).
ERDF	European Regional Development Fund
ESF	European Social Fund
ESI	European Structural & Investment Programmes (consisting of ERDF, ESF, EAFRD & EMFF funds)

### Net Present Value

The recommended approach for analysing the value of money of operations within the public sector. Net Present Value is the sum of discounted costs and benefits over the lifetime of the proposal. Costs are 'discounted' in order to compare the costs and benefits that occur in different time periods. The discount rate used in public sector projects is set by HM Treasury and is currently set at 3.5% per year (as referenced by the 'Green Book Guidance on Public Sector Business Cases Using the Five Case Model' – October 2012).

### Net Revenue

Cash in-flows directly paid by users for the goods or services provided by the operation, such as charges borne directly by users for the use of infrastructure, sale or rent of land or buildings, or payments for services less any operating costs and replacement costs of short life equipment incurred

during the corresponding period. Operating cost savings generated by the operation shall be treated as net revenue unless they are offset by an equal reduction in operating subsidies.

PC	Priority Controller (WEFO head of branch in PMD division responsible for the approval and portfolio management of operations under the Structural Fund Programmes)
PMC	Programme Monitoring Committee (The Committee required under European Regulations to oversee the effective management and implementation of ESI programmes)
PMD	Programme Management Division (the division within WEFO responsible for selecting operations and the subsequent management & monitoring of their delivery).
PPIMS	Programme and Project Information Management System (IT system used by WEFO to process and record operations)
WEFO	Welsh European Funding Office (designated Authority within Wales for the delivery of the European Structural Funds)

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

**ERDF AND ESF PROGRAMMES  
Monitoring Report**

**June 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 <sup>1</sup>	Approved	Business Planning	Pre Planning
West Wales and the Valleys ERDF							
Priority 1	2	13	1	239.5	27.8	181.9	-
Priority 2	2	4	3	166.4	38.0	76.0	-
Priority 3	1	2	3	136.7	10.4	39.3	78.0
Priority 4	0	1	7	401.0	-	5.0	251.1
Priority 5	0	5	3	19.3	-	-	-
Total	5	25	17	962.9	76.2	302.2	329.1
East Wales ERDF							
Priority 1	1	8	6	71.3	4	50.2	-
Priority 2	2	4	0	31.9	12.7	15.4	-
Priority 3	0	1	1	17.9	-	10.0	3.4
Priority 4	0	1	1	38.3	-	2.0	28.8
Priority 5	0	4	3	3.3	-	-	-
Total	3	18	11	162.7	16.7	77.6	32.2
Total ERDF Programmes	8	43	28	1,125.6	92.9	379.8	361.3

Source WEFO, 07/05/2015

<sup>1</sup> 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 8 operations approved committing nearly £93m grant being 8% of the programme values. The key messages of concentration, focus, integration, targeted investments and it's 'not business as usual' have generally been embraced by those potential beneficiaries wishing to seek EU support. It is however a little too early to say if there are any emerging 'gaps' in provision as the programme portfolios remain in the developing phase.

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. It is crucial that this development continues and operations are approved and start delivering so the programmes can meet performance and N+3 targets. As such Priority 1, 2 and 5 will play a key role in the early years of the programming period to ensure the programmes do perform enabling activity under Priorities 3 and 4 to come on



stream at a slightly slower pace. Interest right across the programme areas has been strong and in certain areas interest may well outstrip 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 to commence in the third quarter of this year with output data following thereafter as operations complete their mobilisation phase and move into delivery.

## **Progress by Priority Axis**

### **Priority 1: Research and Innovation**

**West Wales** - By the end of April 2015 two operations (The Welsh Government's Economy Science and Transport department's SMART Innovation – a backbone project - and the Aberystwyth Innovation and Enterprise Campus) have been approved in West Wales committing nearly £28m from an allocation of £239.5m.

There are a number of operations at various stages of business planning, (including SMART Expertise, SMART Cymru and Ser Cymru II) with a range of capacity building and commercialisation operations being developed by Higher Education Institutes and the Private Sector. Potential commitment from those operations is nearly £182m but this is subject to change, especially as WEFO seeks to ensure that programme principles such as concentration and integration are addressed. Potential commitment towards the end of the year could therefore reach £209.7m ERDF being 88% of available resources but this is subject to change as operations become more defined during the business planning phase.

WEFO is in discussion with a number of proposals in the pre planning stage, including niche activity, and the R&I portfolio is developing well with all of the Science for Wales Grand Challenge areas being addressed. 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.

**Forecast Outputs** - At this stage the operations approved and in Business Planning are forecasting strong contributions to achievement of programme outputs but it is still too early to draw any firm conclusions until operations start to deliver and report progress to WEFO. One early success is that the Aberystwyth Innovation and Enterprise Campus investment has already secured £12m from the Biotechnology and Biological Sciences Research Council.

**East Wales** – By the end of April 2015 one operation was approved in East Wales (the Welsh Government's Economy Science and Transport department's SMART Innovation – a backbone operation) committing £4m from an allocation of £71.3m.

A number of operations are in various stages of business planning (including SMART Expertise, SMART Cymru and Ser Cymru II) with a range of capacity building and commercialisation operations from Higher Education Institutes. Potential commitment from those operations is around £50m ERDF but this is subject to change, especially as WEFO seeks to ensure that programme principles such as concentration and integration are addressed. Commitment could reach up to 76% of available resources by the end of the year.

WEFO is in discussion with a number of proposals in the pre planning stage, including niche activity, and the R&I portfolio is developing well with all of the Science for Wales Grand Challenge areas being addressed. There is less evidence of direct synergies emerging in East Wales at this stage but the indirect links with Horizon 2020 do appear strong.

However, WEFO is highlighting to potential beneficiaries that the East Wales budget is under some pressure and as such whilst there may well be a number of operations worthy of funding only those that will bring about key economic impact opportunities will receive EU support.

**Forecast Outputs** - At this stage the operations approved and in Business Planning are forecasting strong contributions to achievement of programme outputs but it is still too early to draw any firm conclusions until operations start delivery and report progress to WEFO.

## **Priority 2: SME Competitiveness**

**West Wales** - By the end of April 2015 2 two operations, (the Welsh Government's Economy Science and Transport, SME Support and Entrepreneurship operations – backbone operations) have been approved committing £38m from an allocation of £166.4m.

A number of operations are in the advance stages of business planning (including Social Business Support, Exploitation of Next Generation Broadband, and a Financial Instrument delivering access to finance for SMEs, successors to the JEREMIE funds). Potential commitment from these operations is around £76m ERDF which will result in an overall commitment of around 69% of available resources. It is anticipated this level of commitment will be made by the end of 2015.

**Forecast Outputs** - At this stage the operations approved and in Business Planning are forecasting to significantly contributions to the achievement of programme outputs but it is still too early to draw any firm conclusions until operations start to deliver and report progress to WEFO.

The focus has been on ensuring that 'backbone' operations are approved as early on in the programme period as practicable to ensure continuity of support for business is maintained. A number of potential niche operations are emerging but we will want to see the direction the programme is taking in terms of outputs and targets before progressing these further.

There are potential synergies between funds, for example ERDF and EAFRD supporting a financial instrument providing loans or guarantees. Operations under the ERDF and RDP are exploring co-ordinating their business advice services to achieve better targeting and efficiencies and proposals are being developed for the Business Wales (BW) infrastructure to enable skills support to be delivered through the BW Helpline, website and face to face at the Business Wales regional hubs located across Wales.

**East Wales** - By the end of April 2015 2 backbone operations (SME Support and Entrepreneurship) have been approved in East Wales committing nearly £13m from an allocation of £31.9m.

A number of operations are in the advance stages of business planning (including Social Business Support, Exploitation of Next Generation Broadband, and a Financial Instrument delivering access to finance for SMEs, successors to the JEREMIE funds). Potential commitment from these operations is around £15m ERDF which will result in an overall commitment of around 88% of available resources. It is anticipated this level of commitment will be made by the end of 2015.

**Forecast Outputs** - At this stage the projects approved and in Business Planning are forecasting significant contributions to achievement of programme outputs, but it is too early to draw any firm conclusions until operations start to deliver and report progress to WEFO.

As with West Wales the focus has been on ensuring that 'backbone' operations are approved as early in the programme period as practicable and given the high level of commitment expected early in the programme period there may be less scope for potential niche operations to emerge. However this will be kept under review as operations start to deliver and potential gaps in provision emerge.

There are potential synergies between funds, for example ERDF and EAFRD supporting a financial instrument providing loans or guarantees. Operations under the ERDF and RDP are exploring co-ordinating their business advice services to achieve better targeting and efficiencies and proposals are being developed for the Business Wales (BW) infrastructure to enable skills support to be delivered through the BW Helpline, website and face to face at the Business Wales regional hubs located across Wales.

### Priority 3: Renewable Energy and Energy Efficiency

**West Wales** - By the end of April 2015 one operation, (Minesto Deep Green) has been approved committing €13m (£10.4m) from an allocation of £136.7m

Interest in this priority has been high particularly from the private sector but the development of operations in the energy sector does take time. There are however a number of operations at various stages of business planning, (including the Marine Power Systems Wave Sub operation and ARBED 3) and the potential commitment during 2015 is likely to be around £30m or 22% of available resources.

Whilst WEFO is in discussion with a number of developers in the Tidal and Wave energy sector the key focus is the development of the two proposed Demonstration Zones (Wave DZ off the coast of Pembroke and Tidal DZ off the coast of North Wales) to ensure the necessary infrastructure is in place to help de-risk some of the risks and costs for developers to test their devices in the water to prove environmental and commercial viability. It is anticipated that one of the Demonstration Zones will be fully consented and open for business late 2018 possible early 2019.

The marine renewables arena has gained particular interest across other countries within the EU; Scotland, Cornwall and Brittany are all in discussion with WEFO through the energy portfolio and with a view to utilising transnational funding streams.

**Forecast Outputs** - At this stage the operations approved and in Business Planning are forecasting strong contributions to achievement of programme outputs but it is still too early to draw any firm conclusions until operations start to deliver and report progress to WEFO.

**East Wales** – No operations have been approved under the East Wales programme but one operation is in business planning (ARBED 3). Commitment under this priority during 2015 may reach £10m being over 56% of available resources.

**Forecast Outputs** – At this stage the operations in business planning and pre planning are forecasting strong contributions to achievement of programme outputs but it is still too early to draw any firm conclusions until operations start delivery and report progress to WEFO.

**Priority 4: Connectivity**

**West and East Wales** – By the end of April 2015 no operations have been approved but interest in the priority has been high and overall it is anticipated that the full allocation of resources will be fully utilised. One operation (Infill - Superfast Broadband) is in the business development phase and work is on-going in agreeing the actual size of this operation and if it is a major project discussions will need to take place with the Commission around notifying the operation to the Commission for consideration.

WEFO is in discussion with a number of transport proposals in the pre-planning phase and it is anticipated that a number will be considered for the business development phase over the summer months. .

Regional prioritisation is underway around activity to ‘increase employment through investments in prioritised local and regional infrastructure supporting a regional or urban economic strategy’. Again it is anticipated that a number of operations aligning to regional priorities will be considered for the development phase during the summer.

As part of the Ex-ante undertaken to identify areas whereby Financial Instruments with EU support could be considered WEFO will seek a more detailed market analysis of the use of a Financial Instrument for an Urban Development Fund.

Overall whilst no operations under either programme have yet to be approved there is plenty of activity with a plan of action for taking operations into development during the next few months to ensure approvals start to materialise later this year.

**Priority 5: 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.

## Section 2: 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 2 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 2: EU Grant Commitment: Approved, Business Planning and Pre Planning stages**

£ Millions							
Programme / Priority Axis	Operations			EU Grant Commitment			
	Approved	Business Planning	Pre Planning	Allocation <sup>1</sup>	Approved	Business Planning	Pre Planning
West Wales and the Valleys ESF							
Priority 1	3	9	2	156.8	35.3	42.1	-
Priority 2	2	14	4	276.5	47.8	122.9	-
Priority 3	1	17	2	195.8	18.0	144.3	-
Priority 4	0	5	2	12.8	-	-	-
Total	6	45	10	641.9	101.2	309.3	-
East Wales ESF							
Priority 1	1	4	2	35.0	3.8	7.6	-
Priority 2	1	9	4	76.4	1.5	11.2	-
Priority 3	1	15	1	48.0	7.0	38.5	-
Priority 4	0	4	2	3.3	-	-	-
Total	3	32	9	162.6	12.3	57.4	-
Total ESF Programmes	9	77	19	804.5	113.5	366.7	-

Source: WEFO, 07/05/2015

<sup>1</sup> EU Grant Allocation based on conversion rate of £1:€1.25

## Progress by Priority Axis

### Priority 1: Tackling Poverty through Sustainable Employment

The Tackling Poverty through Sustainable Employment Priority in both the West Wales and the Valleys and East Wales Programmes is being developed around a portfolio of operations which complement mainstream employability provision and support those furthest from the labour market and at most risk of poverty to re-engage with the labour market and access sustainable employment.

Specific Objective 1 in West Wales and the Valleys is being planned around the pan programme backbone ReACT operation (approved in February 2015), with an additional skills support operation currently under development through DfES for short term unemployed individuals with no or low skills. Delivery of this Specific Objective is primarily on a pan programme basis however a gap is emerging for supporting those with work I

limiting health conditions or disabilities which may be more appropriately addressed through smaller scale niche activity.

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 to gain sustainable employment. Implementation is being developed around a mixed portfolio of geographically and cohort-group focused operations, with national, pan-Wales operations, including the WCVA's Active Inclusion operation (announced for West Wales and the Valleys on 14<sup>th</sup> May) supported by operations currently under development through the Department for Health and Social Services, regional based Local Authority consortia and the Department for Communities and Tackling Poverty. 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 remains.

Specific Objective 3 in West Wales and the Valleys is being built on the experience of the 2007-2013 programmes and will be centred on a pan programme proposal by the Welsh Government's Department for Health and Social Services to deliver support to those individuals who are at risk of dropping out of employment due to a work limiting health condition. There is an emerging gap in this Specific Objective in addressing the targeted 'underemployed' cohort. WEFO will also be seeking to encourage proposals from those interested in delivering innovative activity in this area over the coming months.

### **Priority 2: Skills for Growth**

Under both the West Wales and the Valleys and East Wales programmes, the portfolios for the first two Specific Objectives (lower level training and intermediate/advanced training) are being developed around backbone pan programme support for the Welsh Government's national Apprenticeships programme, with approvals for West Wales and the Valleys secured in April and the East Wales approvals to follow shortly. Other operations in development for these Specific Objectives include regional provision of essential, technical and job-specific skills, led in most cases by the FE sector, collaborative provision of shorter work-focussed courses at HE level and leadership and management programmes. Some niche proposals are also under discussion which relate to more specific sectors or target groups, including a proposal for a graduate training scheme in the financial services sector.

Operations to improve the position of women in the workforce will be funded under the Gender Equality Specific Objectives in both programmes. The West Wales and the Valleys programme also includes a Specific Objective for research and innovation skills, with two operations currently in development to support doctorate and research master programmes in the Science for Wales 'Grand Challenge' areas.

The approved operations to date are Agile Nation 2 (Chwarae Teg) and Apprenticeships (DfES). Approvals in coming months are expected to include the doctorate and research

masters schemes, the leadership and management programmes and some of the regional operations under Specific Objectives 1 and 2. There are some instances where equivalent projects under 2007-2013 programmes still have a number of months left to run.

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 a number of further education and local authority led workplace and essential skills operations to ensure delivery of overall targets in this area.

### **Priority 3: Youth Employment**

The primary focus of the Youth Employment priorities in both West Wales and the Valleys and East Wales will be on addressing youth unemployment and the issues around NEETs, ensuring that the skills and career aspirations of young people are consistent with employer demand, emerging growth opportunities and the long term needs of the economy.

Under both Programmes, the approach to Specific Objective 1 is to develop a portfolio of regional and national operations centred around the flagship Welsh Government Jobs Growth Wales, approved earlier in May, and the forthcoming Traineeships operations. This will ensure a targeted and balanced support for those closest to and furthest away from the labour market. Other geographic and niche investments being led by Local Authorities, the Department for Health and Social Services and the Department for Communities and Tackling Poverty will target those furthest from the labour market with more complex needs.

For Specific Objective 2 the approach is to develop pan-Wales provision delivered through a portfolio of regionally based operations led by Local Authorities underpinned by the early identification principles contained within the Welsh Government's Youth Engagement and Progression Framework. The primary focus will be on supporting young people aged 11-19 who are at highest risk of becoming NEET to re-engage with education. Smaller scale activity will also focus on those in the FE and HE sector between the ages of 19 and 24. A significant challenge as proposals move to approval later this year will be to ensure clear early identification and tracking systems are developed within operations.

Specific Objective 3 (West Wales and the Valleys only) will focus on increasing the take up of STEM subjects among 11-19 year olds. The Specific Objective is likely to consist of a number of smaller niche based activity building on the STEM Cymru approach within the 2007-2013 programmes. Regional and niche projects led by Local Authorities are at an early stage of development as the programme proceeds.

Specific Objective 4 (also West Wales and the Valleys only) will require a significantly more focused approach, with the single ambition of upskilling the early years and childcare workforce. To date, the approach has been to work with the Welsh Government in the development of a single operation to deliver the support to the 3000 participants targeted and it is anticipated that this will be confirmed later this year.



**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: Sue Price / Jane McMillan**

**Date: 20/05/2015**

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

**Title: Evaluation Plan for the 2014-2020 Rural Development Programme (Paper for Information)**

**Issue**

4. To provide the PMC with the Evaluation Plan for the 2014-2020 Rural Development Programme. This Evaluation Plan is shared with PMC members for information only, as it has been formally agreed with the European Commission as part of the Programme approval of the 2014-2020 RDP.

**Recommendation**

5. Members are asked to note the contents of this paper.

**Background**

6. The Evaluation Plan for the 2014-2020 RDP was submitted to the European Commission on 11 July 2014 as part of the submission of the Programme. Prior to this, the Evaluation Plan was reviewed by the Ex Ante Evaluators as part of their role in providing iterative feedback in the development of the RDP.
7. Different approval procedures apply for the 2014-2020 RDP Evaluation Plan, than for the European and Structural Investment Funds 2014-2020 Evaluation Plan. For the ESI Evaluation Plan, PMC members are required to approve the Plan as it relates to the ESF and ERDF Programmes only.
8. The 2014-2020 RDP Evaluation Plan is approved by the Commission, as under Regulation (EC) No 1698/2005, 16, the Commission's implementing powers include the adoption of the monitoring and evaluation system. It should also be noted that the structure and contents of the 2014-2020 RDP Evaluation Plan is in line with that set out in Annex 1 of Regulation (EU) No 1305/2013.
9. The role of the ESI 2014-2020 Evaluation Plan is to co-ordinate the synergies between evaluation of the ESI Funds, where there are commonalities between the funds. This will enable the Research, Monitoring and Evaluation team to take a strategic approach towards evaluating the achievements and impact of the ESI Funds in Wales.

**WEFO Lead: Victoria Seddon**

**Approved by: Terri Thomas**

**Date: 20 May 2015**

## EVALUATION PLAN

### Objectives and purpose

A statement of the objectives and purpose of the evaluation plan, based on ensuring that sufficient and appropriate evaluation activities are undertaken, in particular to provide information needed for programme steering, for the annual implementation reports in 2017 and 2019 and the ex-post evaluation, and to ensure that data needed for RDP evaluation are available.

The purpose of the Evaluation Plan is to ensure that appropriate evaluation activities are undertaken and that sufficient and appropriate resources are available when required. In particular the Evaluation Plan purpose is:

- To provide evidence and information needed for Programme steering;
- To address the evaluation requirements the enhanced AIRs in both 2017 and 2019;
- To provide an assessment of interim progress towards Programme and Priority objectives,
- To ensure that data required for evaluation purposes is available at the right time and in the appropriate format; and
- To fulfil the monitoring and evaluation requirements of the Ex Post Evaluation, to be submitted in 2024.

Monitoring is to assess the progress of the Programme, Priorities and schemes. This includes financial progress (such as commitment and spend) and physical progress (such as numbers of businesses and individuals assisted by Programme). Another purpose of monitoring is to provide accountability and give a good indication as to how Programme funds have been spent to date. Accurate and timely monitoring data is fundamental building block in contributing to high quality evaluation.

There are many reasons to carry out evaluation but principally to gain information about Programme efficiency and effectiveness, identifying areas for improvement, including their relevance and impact. Valuable information can come from learning a Programme achieved its objectives and equally from examining why it did not. Evaluation is also necessary to help administrators and planners identify barriers to successful implementation and delivery. Overall, the purpose of this Evaluation Plan is to outline how the Research, Monitoring and Evaluation (RME) Team, in compliance with EC Regulations, will monitor and evaluate the RDP to assist in its effective management and delivery. This plan will be presented to the Wales European Structural and Investment Funds Programme Monitoring Committee (PMC) for examination within one year of the adoption of the Programme and its progress will then be reviewed on an annual basis.

## Governance and coordination

Brief description of the monitoring and evaluation arrangements for the RDP, identifying the main bodies involved and their responsibilities. Explanation of how evaluation activities are linked with RDP implementation in terms of content and timing.

The Welsh Government is placing significant emphasis on the monitoring and evaluation of this Programme to deliver high quality and robust evaluations whilst ensuring full compliance with the Commission's CMES (Common Monitoring & Evaluation System) guidelines.

Monitoring and evaluation will involve the organisation and co-ordination of the data relating to the CMES indicators. The Welsh Government will conduct a review of indicators and data sources within a year of Programme approval. This review will determine which additional Programme-specific indicators it is appropriate to introduce to the Programme through the formal modification process.

To improve the Programme's overall quality and implementation, a system of ongoing evaluation will be used to examine the progress of the measures and activities against the objectives and outcomes. The Programme Monitoring Committee (PMC) will receive regular reports providing updates on ongoing evaluation activities. The PMC will also receive presentations on the key findings and recommendations arising from completed evaluations.

As far as possible, Strategic Environmental Assessment (SEA) monitoring of significant effects will be integrated into the monitoring of the implementation of the RDP and the reporting mechanisms.

### **The Research, Monitoring and Evaluation Team**

Based in the Welsh European Funding Office (WEFO) within Welsh Government, the Research, Monitoring and Evaluation (RME) Team is responsible for the monitoring and evaluation of the EU Structural Funds Programmes and the Rural Development Programme (RDP) for Wales. The RME Team will commission and manage all Programme and Scheme-level evaluations during the 2014-2020 Programming period.

Until 2012, separate teams were in place for monitoring and evaluating the RDP and Structural Funds. These teams merged in April 2012, to integrate approaches across the different Programmes. This Strategy is specific to the RDP, but a common approach will be taken to monitoring and evaluation of the European Structural and Investment (ESI) funds in Wales.

For the RDP, within the RME Team there is a dedicated unit responsible for designing and maintaining the monitoring system, producing monitoring reports, including the Annual Implementation Reports (AIRs), information for the Programme Monitoring Committee (PMC) and data for external briefings and requests.

The RME Team will commission Programme / scheme level evaluation, while also providing advice and guidance to Programme and scheme managers on evaluations, and compliance with monitoring requirements. The guidance covers indicator definitions, data

monitoring requirements and technical support for evaluation. This support is delivered through written guidance, to be published on the WEFO website, Programme / scheme review meetings and a variety of formal and informal training sessions.

The Structural Funds and RDP Teams regularly engage and share best practice with various research, monitoring and evaluation networks at European Commission (EC), UK and Welsh Government level. All social researchers in the teams are members of Government Social Research (GSR), the professional body for social researchers working across the UK government. Through GSR, the RME Team has access to research and evaluation guidance and training opportunities.

Whilst the RME Team has overall responsibility for monitoring and evaluation, the successful functioning of the monitoring and evaluation system depends on the co-operation of staff within the key bodies listed below. This is because the RME team manages the data that is supplied by these bodies.

The RME team is responsible for assessing the data needs for evaluations. Planning for all evaluations, particularly surveys of individuals and businesses assisted, will require scoping for monitoring data necessary to feed into them. This will include assessing whether sufficient data is held and the quality of data. The PPIMS and CAPIT systems are currently being modified by the CAP Planning Division to accommodate RDP-related data ready for the next Programming period. These systems will provide repository points to hold all monitoring data. This form of storage will assist the RME team in regularly reviewing monitoring data. Where there is need to adjust the monitoring system to obtain data on time, the RME team will liaise with Scheme Managers to ensure that the correct data is supplied in a timely way.

### **Managing Authority**

The RME Team on behalf of Welsh Government will be responsible for the functioning and governance of the Monitoring and Evaluation System. In terms of monitoring, RME will provide a secure electronic information system (through our IT suppliers), provide the EC with relevant indicator data, assemble the Annual Implementation Reports (AIR) and provide the PMC with the information and documents necessary to monitor progress.

RME is responsible for compiling the RDP Evaluation Plan and ensuring it is consistent with the Monitoring and Evaluation System. In the 2014-2020 programming period, the RDP contribution to each of the Priority objectives will be evaluated at least once. RME will ensure that the Ex-Ante and Ex-Post Evaluations will comply with the Rural Development Regulations (RDR).

RME will provide the secretariat for the Evaluation Advisory Group, manage evaluation tenders, coordinate evaluations, facilitate cooperation amongst stakeholders and ensure capacity building of stakeholders. The team will also take responsibility for communicating evaluation results to stakeholders and the wider public in an accessible format. The RME team is responsible for regular liaison with policy and delivery leads for the RDP in the Managing Authority to ensure that linkages between Programme implementation and evaluation are maintained. This will ensure that evaluation findings and recommendations are reviewed at a strategic Programme management level. The RME team will keep a log of all evaluation recommendations and the Managing Authority's responses to ensure that

there is a clear mechanism to follow up evaluation recommendations.

### **Paying Agency**

Rural Payments Wales (RPW) is responsible for administering all aspects of the EU's Common Agricultural Policy in Wales and will gather information regarding Programme applications, payments and controls. This information will be used to assist in RDP Programme implementation for monitoring and evaluation and will feed into the Annual Implementation Reports.

As RPW will hold data required by Programme evaluators, provisions and procedures will be established to integrate efficient and secure data flows between the paying agency and the Managing Authority.

### **Programme Monitoring Committee (PMC)**

To ensure complementarity from the outset the Welsh Government has developed its Programmes in parallel. To ensure this joined up approach continues throughout the duration of the Programmes a single Programme Management Committee (PMC), with responsibility for all ESI funds, has been established in Wales. This will promote high levels of co-operation and integration and provide for more consistent fund management processes thus reducing duplication and maximising the impact of ESI funds.

The single Wales Programme Monitoring Committee for the 2014-2020 European and Structural Investment (ESI) programmes has been established in shadow form and will be formally be adopted following approval of the programmes by the European Commission. The PMC will cover all three ESI funds managed by the Welsh Government (ERDF, ESF, EAFRD) and will be responsible for approving Structural Funds project selection criteria, examining the progress made in delivering agreed programme objectives, and any modifications to the programmes and agreeing the Evaluation Plan and any modifications to the programmes. In accordance with art. 110(1b), CPR the PMC will be informed of evaluation findings and recommendations on an ongoing basis to facilitate Programme management.

The membership of 27 (plus Chair), based on the principles of partnership and many of the best practices set out in the European Code of Conduct on Partnership, consists of 6 expert members appointed via a public appointments process and 21 members nominated on a sectoral basis. Members were drawn from across the private, public and third sectors (including economic and social partners, national, regional and local authorities; and representatives of civil society including environmental and equality bodies). The membership composition was also designed to deliver a broad gender balance and distribution across the two Welsh regions and the urban/rural dimension. Draft terms of reference will be prepared and agreed at the inaugural meeting. This will include detailed guidance on how potential conflicts of interests are addressed.

The establishment of a single PMC was supported by our partners on the basis of the feedback received during the public consultation and will facilitate a more holistic assessment of the impact and effectiveness of the funds in delivering the Europe 2020 agenda, set against the Economic Prioritisation Framework and supported by enhanced management and monitoring information.

## Evaluation Advisory Group (EAG)

The existing Evaluation Advisory Group will remain in operation for the duration of the 2014-2020 to continue to advise on monitoring and evaluation arrangements. This group has been in existence throughout the 2007-13 programming period and comprises of internal Welsh Government and external stakeholder

The Group will advise and assist in designing evaluation studies, quality controlling the research final reports and ensuring that findings are disseminated widely. The group will also monitor the implementation of the Monitoring and Evaluation Strategy for the Structural Funds programmes in Wales for the period 2014 – 2020.

Under the new RDP Programme provisions, the RME Team will continue to draw on the experience and resource of the Evaluation Advisory Group (EAG), set up to oversee the governance of its operations. The EAG will assist with PMC activities and additional members will be recruited for the 2014-20 Programme period to cover RDP specific issues.

### **Technical Sub-Group**

The Technical Sub-Group (TSG) of the EAG 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 economics, statistical and social research expertise drawn from within the Welsh Government.

### **Beneficiaries**

Beneficiaries of the RDP are directly involved in the monitoring and evaluation process as RDP stakeholders and through the provision of information pertinent to the Programme. The RME team will produce a 'citizens' summary' of the key findings and recommendations of each completed evaluation report, to ensure that the research is accessible to members of the general public.

### **Local Action Groups (LAGs)**

LAGs provide relevant information to the monitoring and evaluation of the Programme and interpret the requirement of Local Development Strategies (LDS).

### **Wales Rural Network (WRN)**

The Wales Rural Network aims to improve the implementation quality of rural Programmes through informing the public about funding opportunities offered under the RDP. The WRN plays an important role in fostering innovation in agriculture, food production, forestry and rural areas. The Network will provide support to the RME team in organising monitoring and evaluation capacity building activities with Local Action Groups and in assisting in the delivery of the RME team's Communications Plan by disseminating evaluation findings to beneficiaries and businesses. The Network also plays a role in collecting information from the public and beneficiaries that can be used to inform RME's work in communicating evaluation.

## **Evaluators**

RDP evaluators are functionally independent of the authorities responsible for Programme implementation. Evaluators help managing authorities improve RDP implementation and will continue to be appointed through competitive tendering processes.

## **Evaluation topics and activities**

Indicative description of evaluation topics and activities anticipated, including, but not limited to, fulfilment of evaluation requirements provided for in Regulation (EU) No 1303/2013 and Regulation (EU) No 1305/2013. It shall cover: (a) activities needed to evaluate the contribution of each RDP Union priority as referred to in Article 5 of Regulation (EU) No 1305/2013 to the rural development objectives laid down in Article 4 of that Regulation, assessment of result and impact indicator values, analysis of net effects, thematic issues, including sub-programmes, cross-cutting issues, national rural network, contribution of CLLD strategies; (b) planned support for evaluation at LAG level; (c) programme specific elements such as work needed to develop methodologies or to address specific policy areas.

### *3.1 Evaluation Activities*

Annual evaluation planning will take place to ensure the timely delivery of evaluation activity. It is vital to ensure that evaluation and research needs that arise during the Programme are addressed, along with planned evaluation activity. Annual evaluation plans will use retro planning to ensure that the underpinning data for evaluation is available and to fulfil evaluation requirements for the 2017 and 2019 AIRs. Annual planning will also include the time and resource for procurement procedures to externally appoint evaluators.

For all LAGs, the RME team will produce written guidance on compliance with monitoring requirements and on their local-level evaluations, and will provide training workshops to build their monitoring and evaluation capacity, in accordance with Art. 34(3g) Regulation (EU)1303/2013. The RME team will sit on the steering group for each LAG evaluation.

The RME Team will carry out a range of methodological development work to scope the potential to commission counterfactual impact evaluations at Programme level. This work will identify existing datasets that could be used to construct a virtual 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. Depending upon the methodologies developed as a result of this work, the RME team will work with scheme managers to undertake them at scheme level, *where appropriate*.

### *3.2 Evaluation topics*

Evaluation activity in the early stages of the Programme will be focused on the efficiency of implementation processes. ***An Evaluation of the Effectiveness of Programme Implementation*** will be commissioned to provide evidence to enable the Managing Authority to make improvements if required. Evaluation at both Programme and scheme level will assess the extent to which schemes are implemented in an efficient way. This will



include an assessment of the **implementation of Local Development Strategies**, the **LEADER approach** and Partnerships. This evaluation will also consider the arrangements put in place to integrate the Cross-Cutting Themes across the Programme. The evaluation will provide an early assessment of secondary effects where Measures contribute to a number of Focus Areas and/or Priorities.

The RME team will produce regular research briefings summarising evidence from published research to inform the ongoing management and development of the Programme.

Given the financial implications of failure to meet performance reserve targets, **An Evaluation of Performance Reserve Targets** will take place. This study will determine whether the RDP is on track to meet these targets, and if not, to identify the reasons for this and any remedial action that needs to be undertaken. These evaluation activities will report by 2017 to fulfil the requirements under art. 44(2 and 3), Regulation (EU) 1303/2013 for the **2017 AIR**.

At the mid-point of the Programme, evaluation activity will examine whether there are any issues affecting successful delivery. A **Mid-Term Evaluation** will focus on issues faced by the Programme and schemes in delivering their activities, with a view to identifying whether the Managing Authority and scheme managers need to take action to enable more successful delivery. This will include an assessment of ongoing Programme results and will begin once 40% of Programme funds have been spent, or to report by 2019 at the latest to ensure compliance with art. 44(4), Regulation (EU) 1303/2013 regulation). The Mid-Term Evaluation will also determine whether there is sufficient coverage of Programme objectives and whether the balance of interventions is appropriate. This evaluation will assess whether there is a need for the Managing Authority to refocus Programme activity. To complement the study's focus on enabling efficient Programme delivery, the study will assess the effectiveness of the Managing Authority's use of **Technical Assistance**. A **Cross Cutting Themes Evaluation** will be undertaken to evaluate whether the themes have been integrated and delivered against effectively across the Programme and schemes. In relation to Climate Change adaptation, the Glastir Monitoring and Evaluation Programme will continue into the next Programme and managed by the relevant scientific experts. However, the Cross Cutting Themes Evaluation will examine the integration of environmental sustainability into the Programme.

An **Evaluation of LEADER** will be commissioned to assess the added value of the LEADER approach and the contribution of the Local Development Strategies at a Programme level. This evaluation will involve research to complement evaluations undertaken at a local level by the LAGs of achievements in their areas.

To examine the effectiveness of the Managing Authority's communication of the Programme, the RME team will undertake **an integrated evaluation covering the communication of all ESI Funds** in Wales after the first two years of Programme implementation. A further evaluation of the **Wales Rural Network** will be commissioned towards the end of the Programme period to assess the Network's outputs and results.

There is a continuing need to provide longitudinal evidence on rural communities. A series of **triennial surveys** have been undertaken into **households, businesses and services in rural Wales** during the 2007-2013 RDP as part of wider Welsh Government commitments to tracking these communities over time, each of these surveys will continue

on a triennial basis into the current Programme.

At a Programme level the RME team will undertake **surveys of individuals and businesses assisted** by the RDP. The first of these will take place in 2017. These surveys will enable evidence on the benefits delivered by the Programme beyond those captured by the monitoring system to be collected, particularly for some outcomes which are not easily measured by indicators. These surveys will be repeated during the Programme and the resulting datasets will offer large enough sample sizes when combined to enable a breakdown by scheme type for analysis which identifies which types of interventions are most effective at realising a given objective.

An **impact evaluation** will be undertaken for every Priority to evaluate the contribution of the Programme to any changes observed in the result indicators and to assess how the Programme has led to these changes to meet the requirements under Article 5 of Regulation (EU) No 1305/2013. To assess the impact of the Programme, it is envisaged that **Counterfactual Impact Evaluations** will be feasible for RDP business-level interventions aimed at business growth and productivity and those aimed at assisting people. In Programme areas where it is not feasible to undertake Counterfactual Impact Evaluations, the RME team will work with scheme managers to develop alternative methodologies such as **theory-based impact evaluations**. Theory-based evaluation designs will be valuable at scheme level as they enable an indepth focus on how an intervention is operating. The RME team will work with scheme managers to ensure that theory-based impact evaluations are undertaken at this level.

At the very end of the programming period an **Ex Post Evaluation** will be commissioned consisting of a synthesis of the evaluations above, a review of socio-economic data over the Programme period, a summary of progress against result and impact indicator values, and an analysis of net effects. This will comply with the requirement in Art. 57 Regulation (EU) 1303/2013 to submit a report to the European Commission, summarising the findings of all evaluations on the RDP by December 2024.

In the final years of the 2014-2020 programming period the RME Team will begin preparations for any post-2020 Programme in line with any EC requirements.

## Data and information

Brief description of the system to record, maintain, manage and report statistical information on RDP implementation and provision of monitoring data for evaluation. Identification of data sources to be used, data gaps, potential institutional issues related to data provision, and proposed solutions. This section should demonstrate that appropriate data management systems will be operational in due time.

### Data Collection

All data for the RDP will be collected through WEFO-online and stored in a computerised data capture system, ensuring all data in Annex 3 of Article 125(8) of Regulation (EU) No 1303/2013 is collected. Welsh European Funding Office (WEFO) Online / Programme and Project Information Management System (PPIMS) have been used by WEFO for the implementation of the 2007-13 programmes. The system is being developed to manage the Rural Development Programme (RDP) alongside the Structural Funds programmes for

the 2014-20 period. It allows sponsor organisations to interact with Welsh Government (WG) at a number of stages during their project's lifecycle. Since its introduction WEFO's sponsors have become more familiar with its use and the system is working well. The use of WEFO Online to submit documentation to WEFO ensures that documents are automatically stored in the system. The system ensures compliance with Art. 70 Regulation (EU) No 1305/2013 on the use of an electronic information system to hold beneficiary data.

All schemes will be required to collect data at the level of the individual and organisation that they assist and transfer this to WEFO. 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 include collection forms and consent statements to ensure data protection requirements are satisfied, for example, schemes must clearly explain to the individuals and organisations they support that their data will be shared with the Managing Authorities and research contractors appointed by the projects and Managing Authorities for evaluation purposes. These consent statements will cover relevant permissions for potential linking with external datasets for analytical purposes. The RME team will work with all schemes to embed these monitoring and evaluation requirements into the design of RDP activities from the outset of the Programme. This will ensure that data required for answering common evaluation questions and estimating result and impact indicators are collected across the Programme.

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 will be outlined in monitoring guidance for projects.

Access to these datasets will be strictly controlled to be in compliance with the UK Data Protection Act. Access to monitoring data will be restricted to key staff and an audit trail of their access to data will be maintained. Datasets consisting of data fields relevant for analytical purposes will be securely shared with evaluation contractors. Anonymised data will be shared with contractors where this is sufficient e.g. where beneficiary surveys are not taking place.

The RME Team will work with Programme and scheme managers to ensure the quality of the monitoring data. This will involve providing detailed monitoring guidance, including indicator definitions for Programme / scheme development. The RME Team will attend review meetings to discuss any queries Programme / scheme managers may have in relation to the monitoring data. Furthermore, when producing monitoring reports, the RME Team will check the data for any anomalies and audit teams will check the evidence supporting the indicators.

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

### **Reporting**

The RME Team will produce a number of monitoring reports to inform the Managing Authority and other stakeholders on the progress of the Programme. These reports will

meet the requirements of the Common Monitoring and Evaluation System (CMES).

The main group of stakeholders for the Programme will be the single Wales European Structural and Investment (ESI) Funds *Programme Monitoring Committee* (PMC). 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 will build on the reports used for the PMCs in the 2007-2013 period which outline progress based on data for the indicators, finance, project approval and pipeline and a qualitative account of issues in implementation.

The other major stakeholder for the Programme will be the 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. 101(1), CPR regulation).

The AIRs will report on the implementation of the Programme based on the indicators (including the result indicators) and financial data and will highlight any issues affecting the performance of the Programmes (art. 44(2), CPR regulation). In addition, the AIRs will contain a synthesis of the findings of all evaluations of the Programme completed during the previous financial year (art. 44(2), CPR regulation). Beginning with the report submitted in 2017, the AIRs will also contain information on progress against the milestones defined in the performance framework (art. 44(2), CPR regulation). The AIR submitted in 2017 will also assess progress towards achieving the objectives of the Programme, including the contribution of the Programme 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 Programme and report on support used for climate change targets (art. 44(3), CPR regulation). The AIR submitted in 2019 and the Final Implementation Report (FIR) will contain all the above as well as to an assessment of progress towards achieving the objectives of the Programme and their contribution the EU2020 Strategy (art. 44(4), CPR regulation).

The deadline for submitting the AIRs (apart from those submitted in 2017 and 2019) is 30 June (art. 75, EAFRD EU regulation 1305/2013). 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 produce monitoring reports to be used within the Managing Authority by groups that have been set up to review programme implementation.

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.

## Timeline

Evaluations are scheduled to take place throughout the lifetime of the programme period. The evaluation timeline highlights this timescale, however it is important to highlight some key dates from this. Evaluations of programme implementation, effectiveness of Managing Authority

Communications and the likelihood of meeting the performance reserve targets will all be undertaken in the early part of the programming period to inform the 2017 AIR. This early evaluation activity will provide the necessary focus on Programme steering, delivery and first achievement's for the 2017 AIR. Lessons from previous programming periods highlight the need to allow sufficient implementation to take place before launching evaluations. As such, we are planning a Mid Term Evaluation once 40% spend has been achieved or to report in 2019. This study will provide an assessment of the interim impact of the RDP, examine the Programme's net contribution to changes in CAP impact indicator values and will address relevant evaluation questions. It is vital that data is available for these evaluations and annual internal plans will utilise retro planning to ensure that the scoping of data availability and data collection take place. The annual evaluation plans will also retro plan to ensure that complementary result indicators will be assessed, based on samples, in 2016. Table 1 below provides an overview of how the requirements for RDP Monitoring and Evaluation will be met.

Table 1: Overview of European Commission deliverables & requirements for Monitoring and Evaluation

Key Deliverable	Date	EU Reporting Requirements
<b>Annual Implementation Report</b>	Annually 2014-2020	<ul style="list-style-type: none"> <li>▪ Assessment of Programme take up and efficiency of Programme outputs.</li> </ul>
<b>Enhanced Annual Implementation Report I *</b>	30th June 2017	<ul style="list-style-type: none"> <li>▪ Evaluation of the Effectiveness of Programme Implementation to assess the delivery mechanism.</li> <li>▪ Initial assessment of programme efficiency in terms of outputs, results and impacts.</li> <li>▪ Answers to relevant common and programme-specific evaluation questions if take up is sufficient.</li> </ul>
<b>Enhanced Annual Implementation Report II</b>	30th June 2019	<ul style="list-style-type: none"> <li>▪ Outcome / Result indicators &amp; Impact Indicators reported.</li> <li>▪ Counterfactual analysis carried out to identify net impact of Programme.</li> <li>▪ Develop answers to common and programme-specific evaluation questions.</li> <li>▪ Conclusions and recommendations to improve RDP design and implementation.</li> </ul>

<b>Ex - Post Evaluation Report</b>	31st December 2023	<ul style="list-style-type: none"> <li>▪ Full quantitative and qualitative evaluation of the Programme.</li> <li>▪ Assessment of RDP contribution to cross-cutting objectives, CAP objectives, the EU2020 strategy and headline targets and the CSF thematic objectives.</li> </ul>
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Alongside these evaluations, surveys of people, learning interventions and businesses assisted will take place on a regular basis throughout the programming period. In addition to this we will also undertake longitudinal studies of rural communities to provide useful background information to the implementation of the RDP. Expert evaluations will start, in accordance with the EC requirements but prior to this (once over 50% of the money has been spent) impact evaluations will take place to understand the effectiveness and results of the RDP. Further detail is provided in the Monitoring & Evaluation Strategy which is attached as an Annex.

## Communication

Description of how evaluation findings will be disseminated to target recipients, including a description of the mechanisms established to follow-up on the use of evaluation results.

### **Aims of Communications Plan**

The main aim of the Evaluation Communications Plan is to increase the visibility of the RDP evidence base and the impact of its research and publications among policy makers, rural communities and stakeholders. The secondary aim is to exploit the full range of data to deliver better evidenced policies and more relevant and robust outcomes for rural 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 events to promote research and build links with practitioners through direct engagement;
- Produce and publish literature to promote research within the rural community, working with the WRN to enhance their role in communicating evaluation findings;
- 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.

Table 1 below provides a summary of the research communication activities that are planned for the new Programme, along with target audiences, communication channels and when the information will be communicated in the Programme/evaluation cycle.

TABLE (see figures)

The RME team is responsible for the drafting, implementation and delivery of the Communication Plan, although we will be supported by the Wales Rural Network in organising key events with external stakeholders and practitioners. The RME team will work with the WRN to maximise the Network's role in communicating research findings. Together with the WRN, the RME team will review the potential to use new communication tools such as social media to share research with a wide audience. The Communication Strategy will be shared with members of the Evaluation Advisory group for their feedback.

Implementation of the Communications Strategy will be monitored on an annual basis, with annual planning for key communication activities. However, a flexible approach will be taken to contribute to events organised by external parties, where we can add value by presenting research findings.

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

### **Monitoring of the Evaluation Communication Plan**

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

- Number of RDP Website hits,
- Number of press articles,
- Number of media interviews(national and/or regional),
- Number of references and quotations from RDP in WG policy consultations, and
- Number of joint working and research activities with partners

Periodic reports on these measures will show how the profile of RDP evaluation is being maintained and improved within and outside Wales. These measures will be reviewed periodically.

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 Scheme Managers.

The Evaluation Communications Plan will be evaluated as part of a wider evaluation of the communication of the ESI Funds, and with the assistance of RDP communications officers where necessary. A log of communication activities will be maintained by the RME team and used in conjunction with the indicator reports to facilitate evaluation. Feedback forms will be circulated at every event involving RME staff participation. As part of the evaluation process annual 'Lessons Learnt' milestone reports will be produced.

### **Lessons Learnt**

In relation to communicating research findings, a key 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 have now been extended to cover the RDP.

The accessibility of the way in which evaluation findings are communicated is an important lesson learnt. A range of strategies have been used in the current Programmes, such as publishing short 'highlight reports' for the ESF Leavers Survey on the WEFO website in addition to the full report. Contractor presentations of key findings and recommendations have proved useful in engaging a variety of colleagues in evaluation. In particular, the interactive 'workshop' format of these presentations enables colleagues to ask evaluators questions over their findings and the implications that these have for the management of the Programmes. A range of colleagues have regularly received these presentations, including: Managing Authority staff, the Programme Monitoring Committee and the Evaluation Advisory Group. For the new Programme, Scheme Managers will also receive presentations of findings for relevant scheme / Programme evaluations.



Information Communicated	Target Recipients	How Communicated	When Communicated
Full and Highlight reports on key findings of each evaluation – at Programme, Priority and Scheme levels	Wider audience and key stakeholders.	<ul style="list-style-type: none"> <li>- All final reports published on WEFO website</li> <li>- 'Citizens summaries' published on WEFO website. Written in a widely accessible format.</li> </ul>	Throughout Programme, to provide information on effectiveness of implementation, ongoing delivery and impact.
Findings of existing research relevant to the RDP	MA staff, Scheme Managers, Evaluation Advisory Group, Programme Monitoring Committee	<ul style="list-style-type: none"> <li>- Divided by Priority area to direct recipients to relevant information. Short paragraph of relevant findings for each study included, along with link to access full reports;</li> <li>- Circulated through internal email list.</li> </ul>	Monthly basis. Ongoing through Programme to provide evidence for effective implementation, delivery and preparation of any post-2020 Programme.
Key findings and recommendations from evaluations	Targeted seminars with MA staff, Scheme Managers, Evaluation Advisory Group	<ul style="list-style-type: none"> <li>- Presentation on findings of each evaluation, conclusions and recommendations delivered by evaluators for each study to MA staff and relevant Scheme Managers. Interactive workshop format enables attendees to engage with evaluators by asking questions and for further information on findings;</li> <li>- Presentation to Evaluation Advisory Group on completed evaluation findings – same interactive format as MA staff and Scheme Manager presentations;</li> <li>- Presentations to PMC on findings of each key evaluation as completed – interactive format.</li> </ul>	Presentations will be scheduled evaluation-by-evaluation basis as each study is completed. Provide ongoing evidence during Programme cycle to address implementation delivery and impact.
Findings, recommendations and lessons learnt from evaluation and research evidence	<ul style="list-style-type: none"> <li>- Wales Rural Network (including Local Action Groups)</li> <li>- UK RDP Network</li> <li>- European Evaluation Network for Rural Development</li> </ul>	<ul style="list-style-type: none"> <li>- Seminars and workshops with the Wales Rural Network – thematic events on Programme areas to promote research and build links with practitioners (LAGs) through direct engagement</li> <li>- Presentations with question sessions delivered by RME staff and/or evaluators to contribute to themes of events/workshops organised by the UK RDP Network and the European Network. Relevant papers and links to full published reports will also be provided.</li> </ul>	<ul style="list-style-type: none"> <li>- Ongoing – WRN events to share recommendations for implementation evaluation relevant issues identified around delivery.</li> <li>- Dependent upon timings/content of wider networks, envisaged evaluation evidence will be communicated on an ongoing basis for duration of Programme.</li> </ul>
Key findings related to the achievements of the Programme and/or Schemes	General public, wider stakeholders	Media press releases. The RME team will assist Press Officers covering different Programme areas/Schemes to produce press releases on relevant evaluation content for various media channels.	Anticipated that evidence on achievements of Programme will be available in the later stages of the Programme when more robust measures of impact can be obtained.

## Target Audiences for Evaluation Findings, and Techniques and Timings for Sharing Information

## Resources

Description of the resources needed and foreseen to implement the plan, including an indication of administrative capacity, data, financial resources, IT needs. Description of

capacity building activities foreseen to ensure that the evaluation plan can be fully implemented.

### **Staffing Resources**

At full complement, the RME team (both Structural Funds and RDP branches) has eighteen members of staff. It consists of a mix of social research, monitoring and administrative expertise spread over two locations in Merthyr Tydfil and Aberystwyth. The RDP Team is largely based in Aberystwyth and consists of three specialist administrative staff and two research officers. In addition, there is an RDP researcher based in Merthyr Tydfil.

In addition to these resources wider support is available from specialists throughout WG on a variety of subject areas. This includes agricultural economists and statisticians. This support may be required by the team to assist with the delivery of new Priority areas in the next RDP programme. Where appropriate, the RME Team will use external evaluators to achieve objective assessments at Programme / scheme level management in the new Plan.

The existing Welsh Government Research Procurement Framework has been effectively utilised to procure a number of evaluations in support of the current RDP Programme subsequent to the merger of the RME teams. Proposals are currently being considered to procure a new research Framework to meet the requirements of the RDP for the next Programme period, through a lot dedicated to rural research specialists. All other resource options will be considered in the delivery of the Monitoring and Evaluation supporting the RDP 2014-20 to ensure the accurate, timely and effective delivery of the Programme.

### **Financial Resources**

Table 2 below provides current estimates of the Technical Assistance costs necessary to implement this Evaluation Plan. This includes total costs for the daily management of Monitoring and Evaluation (although some posts will be funded through Welsh Government monies), all Programme and Scheme evaluations, and delivering the Communications Plan. Costs for evaluation are based upon the costs for this activity in the current RDP. All costs in the table below will be met through the Technical Assistance budget.

### **Table Costs of Implementing Evaluation Plan**

### **Capacity Building**

The specific capacity building needs of RME staff will be identified through annual and six-monthly progress management reviews. In these reviews training needs will be discussed and identified and yearly training plans will be produced to support the needs of each staff member. It is anticipated that training needs will cover (but will not be limited to) the following areas: research methods, evaluation techniques, project management, communicating research, and the policy-development cycle. This is based upon the training needs of RME research staff during the 2007-13 Programme, and the annual training plans, which will continue. It is however, important to take a flexible approach to staff capacity building and all needs will be considered on an ongoing and regular basis.

Capacity building of LAGs, Scheme Managers, and Managing Authority staff has been

addressed in Sections 2 and 3 on the ongoing guidance and support that the RME team will provide on Monitoring and Evaluation to these groups.

### **Lessons Learned from the 2007-2013 Programmes**

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, a 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 this work will be commissioned through a research Framework 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.

Whilst it is positive that a range of ongoing evaluation at both Programme and scheme-level has been carried out during the 2007-2013 RDP Programming period, it is vital that a dedicated evaluation team is in place for the new Programme to ensure a coordinated approach to evaluation activity. This will ensure the provision of a specialist research and evaluation resource to commission and manage all evaluation of the RDP. In particular, this will ensure a rigorous approach to managing quality assurance throughout all evaluation projects to further improve the strength and added value of the evidence base. A recent focus of the activities of the RME team has been developing linkages with policy and operational colleagues in the RDP to involve them in evaluation. For example, RDP policy and delivery leads have received presentations of research findings from external evaluators, and they have been consulted over draft specifications. The RME team will continue to engage RDP colleagues in monitoring and evaluation activities.

In the 2007-2013 period, the RME Team has 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.

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. This has contributed to the success of the RME Team in robustly evaluating the impact of ESF interventions on unemployed and economically inactive individuals as noted above. 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.

**Table 1: Costs of Implementing the Evaluation Plan**

<b>Activity</b>	<b>Description and Breakdown of Activity</b>	<b>Cost (EUR)</b>
Daily management of Monitoring and Evaluation	RDP M&E managed by the following TA-funded staff: 1 Senior Research Officer 2 Research Officers RDP M&E managed by the following non-TA funded staff (not included in costs column): 1 PTE Senior Executive Officer 1 Higher Executive Officer 1 Executive Officer	€680,000 (to include increases in staff salary over time)
Programme Monitoring IT System	MIS reporting (estimated £151,340 over the Programme period - includes the initial development and the estimate of ongoing costs – TA-funded but not through RME's TA budget).  Ad hoc IT Costs (e.g. license costs for Business Objects) (£4,000 per annum)	€20,400
Evaluation Costs – Programme Level (includes addressing evaluation/evidence requirements of Enhanced AIRs in 2017 and 2019)	Evaluation of Likelihood of Meeting Performance Reserve Targets – produced in house by Research Officers Following studies will be procured: Mid-Term Evaluation Cross Cutting Themes Evaluation Communications and WRN Evaluation Contribution of LDS and LEADER Evaluation X 3 Surveys of RDP Individuals Assisted X 3 Surveys of RDP Businesses Assisted impact Evaluations of Programme Activity Blocks Ex Post Evaluation	€1,020,000
Research Summaries	Monthly summaries of relevant published research – produced in house by Research Officers	-
Evaluation Costs – Scheme Level	Final Evaluations covering all four RDP activity blocks (will include focus areas and schemes)	€2,295,000
Rural Communities Longitudinal Research	X 2 Triennial Surveys of Rural Businesses, Services , and Households	€340,000
Research and Evaluation	Fund to cover ad hoc research and	€425,000

Contingency Fund	evaluation projects	
Communication Plan Costs	Full and Highlight Reports – covered in cost of all research contracts Publication of research reports online – covered by separate website TA costs Targeted seminars with WG staff – all research contracts include costs for presentations Contributions to WRN events - T&S costs covered by RME TA budget – delivered by either RME staff or research contractors Contributions to UK RDP Network and EENRD – delivered by RME staff, T&S costs to Brussels approx. £400 per staff member each meeting, UK RDP Network approx £300 per staff member each meeting £4,000 per annum	€23,800
RME staff training costs	£1,000 per year for each member of staff £5,000 per annum	€29,750
<b>Total</b>		<b>€4,153,950</b>

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

**Title: Synergies with Horizon 2020 and smart specialisation in Wales**

**Issue**

10. To provide the PMC with an overview on how the synergies between Horizon 2020 and the European Structural and Investment Funds (ESI) are being maximised in Wales within the context of smart specialisation.

**Recommendation**

11. Members are asked to note the contents of this paper.

**Background**

12. Horizon 2020 is the biggest EU research and innovation programme ever, worth around 79 billion Euros over a 7 year period (2014-2020). It is delivered directly by the European Commission with no pre-defined geographical distribution of funding, the emphasis being on research excellence. Funding is approved on a competitive basis, usually following specific calls for proposals with set deadlines. There is however an increased emphasis on innovation and closer to market actions in Horizon 2020 compared to previous funding programmes such as Framework Programme 7 (FP7); this therefore increases the potential for synergies with ESI activity and arguably increases the chances of success for Welsh organisations.
13. WPMC(14)23 gave members an overview of the potential synergies between Horizon 2020 and ESI; this paper sets out how those opportunities are being maximised in Wales.

**Smart specialisation in Wales**

14. 'Smart specialisation' involves identifying those niche areas in which Welsh businesses and research organisations have already established, and are beginning to establish, internationally significant expertise. Support can then be targeted at those developing areas and address their specific barriers to innovation and growth, rather than trying to create something from nothing. *Science for Wales* and *Innovation Wales* together form Wales' smart specialisation strategy and WEFO is working closely with the Chief Scientific Advisor for Wales and the Innovation Advisory Council for Wales to ensure that the emerging research and innovation portfolio and proposed operations are aligned with those strategies. WEFO is also seeking specialist technical advice where appropriate.

15. In Wales, as with all regions, these specialisms will change over time so our approach will incorporate the principle of 'entrepreneurial discovery', whereby new areas of specialisation are identified and targeted as and when they emerge. Previous strategic investments and backbone projects such as the Welsh Government's 'SMART' suite of integrated innovation support schemes will provide ongoing data and intelligence as a means for 'bottom up' discovery. WEFO therefore aims to manage the research and innovation portfolio in a way which allows space for emerging strategic and niche opportunities to be supported later in the programme period.

### Maximising synergies in Wales

16. It is expected that synergies will be demonstrated through ESI investments that support complementary activity to areas funded through Horizon 2020 ('downstream activity'), building capacity to improve, exploit and share excellence ('upstream activity') and addressing barriers to accessing Horizon 2020, such as access to expertise, funding or training. WEFO is in discussions with potential operations that can deliver in all of these areas.
17. With around £310m available, the Research & Innovation Priority of the ERDF programmes has a clear emphasis on integration and synergies with competitive research funding such as Horizon 2020. Potential beneficiaries need to demonstrate under the core criterion 'strategic fit' how they will integrate with such funding sources and, particularly in the case of capacity building activity, how they will increase their success or the success of others in attracting such funding to Wales, including the agreement of formal research income targets wherever appropriate. One of the key outcomes of the Priority is expected to be a long term 10% annual increase in competitive and private research funding coming to Wales.
18. WEFO has already invested through the Priority in 'upstream activity' with the £35m - £20m ERDF - Aberystwyth Innovation and Enterprise Campus which has already secured £12m from the Biotechnology and Biological Sciences Research Council. WEFO is also addressing barriers by investing almost £12m ERDF in the Welsh Government's SMART Innovation support scheme which includes specific one-to-one support for Welsh businesses on Horizon 2020.
19. These approved operations are part of an emerging research and innovation portfolio the structure of which reflects both smart specialisation and the synergies agenda; Annex A shows this structure in diagrammatic form. The structure is illustrative, for example there will be more than 4 centres of excellence, but it helps demonstrate how targeted interventions will work in an integrated way to deliver wider objectives. The portfolio will however be flexible, allowing new approaches and ideas to emerge later in the programme period ("entrepreneurial discovery").

It is also recognised that the range of research and innovation support available to Welsh organisations should align along a 'stairway to excellence' where being successful in competitive funding sources such as Horizon 2020 is a key goal. Annex B sets out this concept in diagrammatic form and includes examples of support that is

available or is expected to be available to Welsh organisations during this programme period, much of it supported by ESI funds.

- 20.** It can also be said that Wales is in a good position to build 'from excellence' with its Higher Education sector performing well in the recent Research Excellence Framework results. WEFO will use this evidence of excellence to help target its investments. WEFO has also been engaging closely with the Chief Scientific Advisor for Wales on proposals to address the evidence that increasing the number of researchers based in Wales is crucial to building on this existing excellence. A number of interventions are proposed under the banner of Ser Cymru 2, building on previous investments from the Welsh Government, and potentially accessing ERDF to do so. Collaboration also continues between the Welsh higher education sector and the Welsh Government on a Horizon 2020 Cofund bid which will complement the Ser Cymru 2 activity.
- 21.** Complementary leadership and higher skills investments from the European Social Fund (ESF) are also emerging alongside the ERDF research and innovation portfolio, with a similar approach to targeting on areas of smart specialisation. For example, there is the potential for an integrated ERDF and ESF investment in the advanced engineering and materials field.
- 22.** Discussions have also taken place about potential links to innovation activity supported under European Agricultural Fund for Rural Development (EAFRD) and European Maritime and Fisheries Fund (EMFF) with some interesting ideas emerging in the food and marine resources areas. Plans to engage with the European Innovation Partnership (EIP) for Agricultural Productivity and Sustainability should also help increase Wales' influence over the nature of relevant calls under Horizon 2020.
- 23.** The Ireland Wales Co-operation Programme and other European Territorial Co-operation (ETC) Programmes also have the potential to align to the 'stairway to excellence', through supporting collaborative activity between organisations in different Member States for example. Discussions are taking place about the potential links around marine energy given the strong links with the aims of the ERDF programmes and Horizon 2020.
- 24.** There are of course other directly managed EU funds such as Erasmus+ that Welsh organisations can access. The Welsh Government have therefore put in place a small panel of EU Funding Ambassadors to help promote and maximise opportunities presented by the EU's directly managed funding programmes. This includes Dr Grahame Guilford who with his focus on economic development and the Life Sciences is looking closely at the synergies between Horizon 2020, European Territorial Co-operation and European Research Council funding.



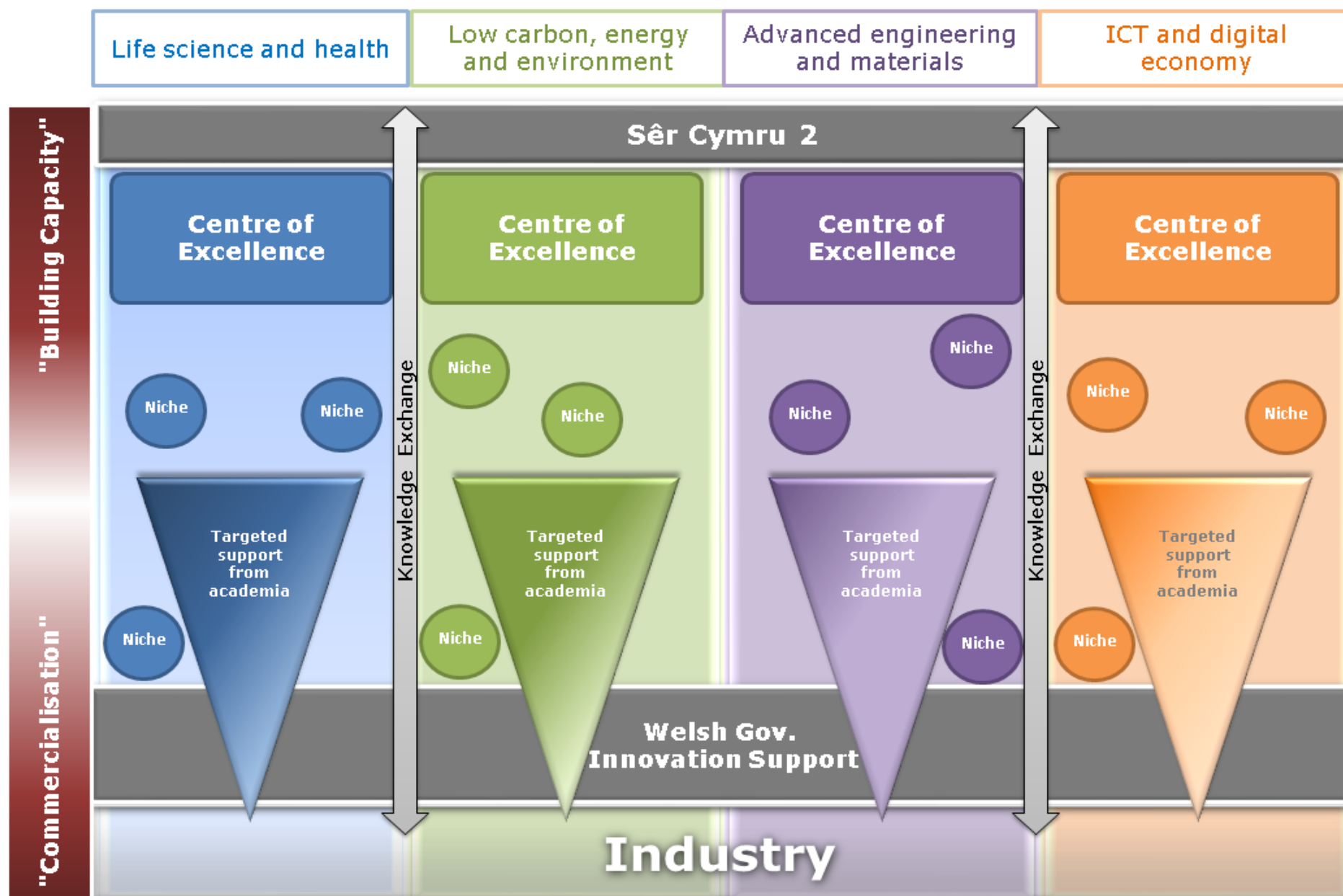
**WEFO's Horizon 2020 Unit**

25. The Horizon 2020 Unit was set up in January 2013 as part of the Research & Innovation Branch of WEFO's ERDF Division in anticipation of the increasing emphasis on synergies between the ESI funds and Horizon 2020. The Unit works closely with key stakeholders in Wales, the UK and Europe to co-ordinate and facilitate actions that will maximise the Horizon 2020 opportunities for Welsh organisations.
26. The Unit hosted Wales' first Annual Horizon 2020 Event in February 2015. With the theme of "Building a stairway to excellence in Wales – maximising the impact of EU funding for research and innovation", the event not only set the scene in terms of the strategic approach to research and innovation in Wales but also the practical support available for Welsh organisations to access Horizon 2020.
27. This support includes SCoRE Cymru (Supporting Collaborative Research and innovation in Europe), which as part of the 'stairway to excellence' has committed over £150,000 to support around 40 organisations with the travel and bid-writing costs involved in developing Horizon 2020 applications. 76% per cent of this funding has gone to Welsh SMEs.
28. The Unit is also directly involved where appropriate in the pre-planning discussions with potential beneficiaries seeking support from ESIF, ensuring that opportunities for synergies with Horizon 2020 are identified and maximised.
29. WEFO commissioned CM International to carry out a Scoping Study in 2014 into how best to support Welsh organisations to maximise their uptake of Horizon 2020. The Study's recommendations are being taken forward by the Unit under five key objectives:
- Build a 'stairway to excellence' - using ESIF to build capacity for accessing Horizon 2020;
  - Increase the engagement and success of businesses - targetted support mechanisms for businesses using ESIF (SMART Innovation);
  - Develop a Horizon 2020 culture and community in Wales - events and communication activity, including an annual Horizon 2020 event;
  - Maximise the impact of existing and emerging support - best practice network and other engagement; and
  - Support and develop our experts and evaluators - develop a community of practice for Welsh Horizon 2020 experts and evaluators.
30. It is expected that these objectives and associated actions will help increase both the number of Welsh organisations applying to Horizon 2020 and the success rate of those that do.

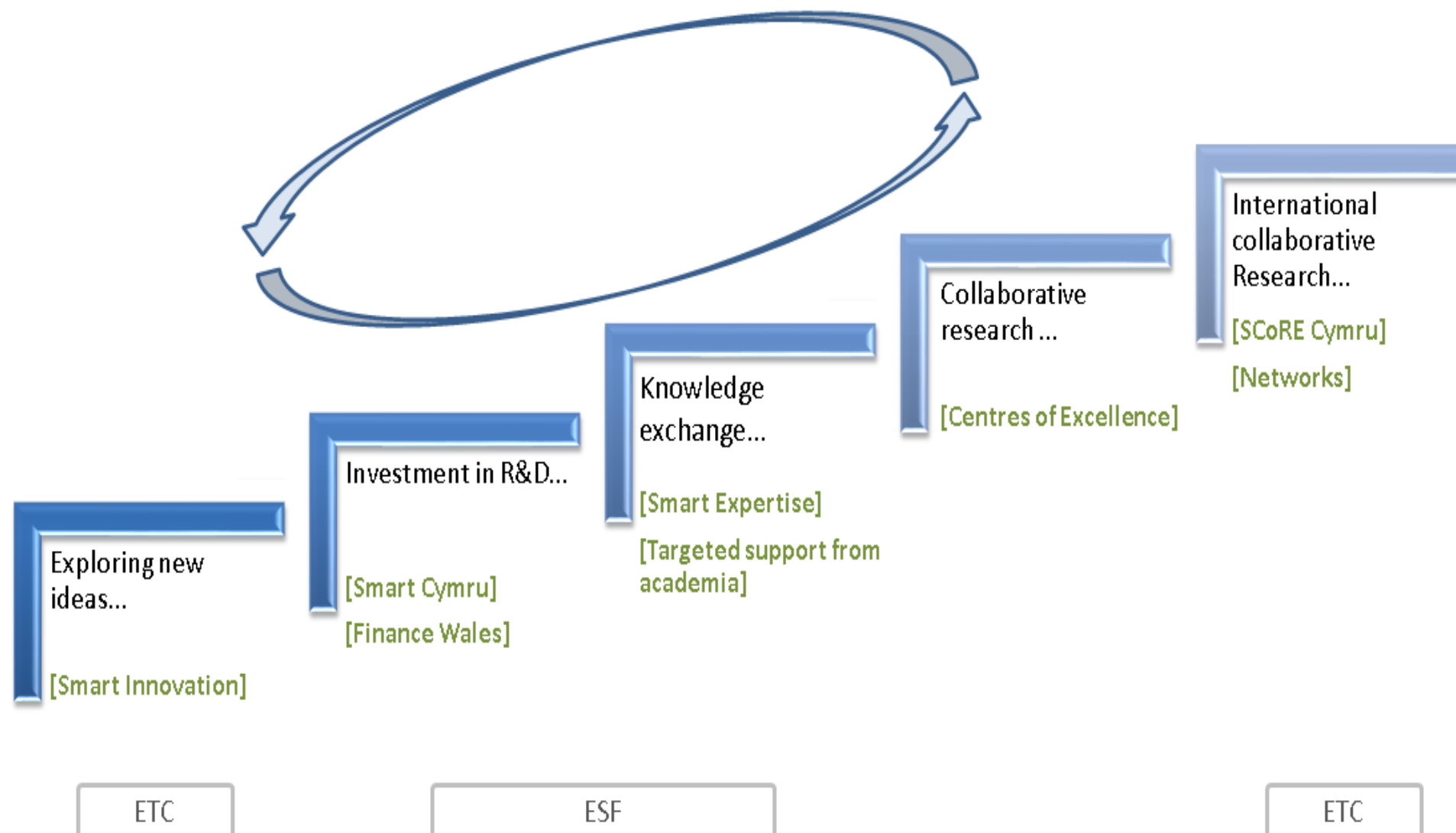
**WEFO Lead: Geraint Green****Approved by: Sue Price****Date: 15 May 2015**



## Annex A – Illustration of the structure of the ERDF research and innovation portfolio



## Annex B – How Wales is aligning support along a ‘stairway to excellence’







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

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

#### **Issue**

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

#### **Recommendation**

Members are 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.

#### **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 Draft Monitoring and Evaluation Strategy, which builds on an earlier version presented for consideration to the Shadow PMC meeting held in February 2014.
5. Given the European Commission's requirements for concentration and integration of the ESI funds, a consideration in developing this Draft Strategy has been the extent to which it should cover all of the 2014-2020 ESI Funds. In this context, the following material considerations apply:
  - c) The EC requires a separate evaluation plan for the RDP to be approved by DG Agri.
  - d) For the 2014-2020 Ireland-Wales Programme, a separate monitoring and evaluation strategy will need to be agreed with the Ireland-Wales PMC.
  - e) Wales has limited opportunity to monitor and evaluate the deployment of the European Maritime and Fisheries Fund: these functions are orchestrated at UK level.

In this context, whilst the draft strategy outlines a broad approach to monitoring and evaluating the ESI funds, the PMC is technically only able to approve the Strategy as it relates to the West

Wales and the Valleys and East Wales ERDF and ESF Programmes, , with the RDP evaluation plan included for PMC members as a paper for information.

It should also be noted that, at the time of producing the Draft Strategy, the RDP had not been formally approved by DG Agri, although this has very recently been achieved. Also, the PMC Measuring Success Sub Group is still to complete its final report and in this context, the next version of the Strategy will need to more fully reflect the Group's recommendations.

### **Next Steps**

A final version of the Strategy will be presented at the PMC meeting on 11 September 2015.

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: 21 May 2015**



## **DRAFT 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 in Wales and the Rural Development Programme (RDP) for Wales.

The overall purpose of this Strategy is to outline how the RME Team will undertake effective monitoring and evaluation to support the successful management and delivery of the Programmes and to build an evidence base to inform future programmes and projects, whether EU-funded or not. The Strategy also explains how the RME Team will comply with EC Regulations to monitor and evaluate the Programmes.

This Strategy has to be approved by the Wales European Structural and Investment (ESI) Funds Programme Monitoring Committee (PMC). Thereafter, the PMC will need to review progress against the Strategy at every meeting.

Given the European Commission's drive to concentrate and integrate ESI funding, the broad approach adopted in developing this Strategy has been to cover each of the 2014-2020 European Structural and Investment Fund (ESI) Programmes managed directly in Wales i.e. 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 not covered as this is managed at UK level.

It should be noted that it is not technically 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 the monitoring and evaluation of the new Ireland-Wales Programme, it is responsibility of the Ireland Wales PMC to approve the associated monitoring and evaluation arrangements.

### **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

The main audience for Programme monitoring and evaluation information will be the **PMC**. 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 take account of the recommendations of the PMC’s **Measuring Success Sub-Group** in developing new approaches that reflect wider measures of progress. It is envisaged that this may require the analysis of data at different spatial levels, particularly in the context of the greater regional emphasis being adopted in the implementation of the new programmes. Such monitoring and evaluation approaches 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. These databases also 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). There will also be a need to identify key outcomes as they relate to environmental sustainability, equality of opportunity and tackling poverty.

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 are 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.<sup>1</sup> 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
- 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.

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<sup>1</sup> 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.

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.

### 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.

<b>Evaluation Question</b>	<b>Evaluation Approach</b>	<b>Timing</b>
<b>Are the interventions funded by the Programmes having an impact?<sup>2</sup></b>	<ul style="list-style-type: none"> <li>• 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)</li> <li>• Regular surveys of individuals who have received ESF and RDP support</li> <li>• Regular surveys of businesses that have received ERDF and RDP support</li> <li>• Counterfactual Impact Evaluations (CIEs) at programme and project / scheme level</li> <li>• Theory Based Impact Evaluations (TBIEs) at programme and project / scheme level</li> <li>• Analysis of other outcomes that are too difficult to capture through the monitoring system, e.g. 'soft' skills and increased business spend on R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>• First surveys to take place in 2016, with analysis available in 2017</li> <li>• Evidence from CIEs and TBIEs available from 2018 onwards</li> </ul>
<b>What are the most effective types of projects and schemes, e.g. are some projects better at helping people into work than others?</b>	<ul style="list-style-type: none"> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis available from 2018 onwards</li> </ul>

<sup>2</sup> For a detailed discussion of impact evaluation, please see Annex B.



	<ul style="list-style-type: none"> <li>• Comparison of CIE evidence on impact of different projects / schemes</li> </ul>	
<b>What types of businesses are the Programmes supporting? In the areas of the Programmes targeted at 'growth' businesses, is this targeting being achieved?</b>	<ul style="list-style-type: none"> <li>• Analysis of programme monitoring data</li> <li>• Regular surveys of businesses that have received ERDF and RDP support</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis available from 2017 onwards</li> </ul>
<b>What types of jobs are being created in the businesses that we support?</b>	<ul style="list-style-type: none"> <li>• Analysis of programme monitoring data</li> <li>• Regular surveys of businesses that have received ERDF and RDP support</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis available from 2017 onwards</li> </ul>
<b>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?</b>	<ul style="list-style-type: none"> <li>• Analysis of programme monitoring data</li> <li>• Regular surveys of individuals who have received ESF and RDP support</li> <li>• Project level evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis available from 2017 onwards</li> </ul>
<b>Across projects and schemes is there sufficient coverage of the objectives of the Programmes and is the balance of interventions appropriate?</b>	<ul style="list-style-type: none"> <li>• Mid Term Evaluation</li> <li>• Qualitative research with project / scheme and Managing Authority staff and programme stakeholders (e.g. PMC)</li> <li>• Review of programme and project / scheme documents</li> <li>• Analysis of how the different ESI funds complement each other to achieve common aims, possibly in a TBIE design</li> <li>• Analysis of issues affecting successful implementation of the Programmes</li> </ul>	<p>Either:</p> <ul style="list-style-type: none"> <li>• Begin evaluation when 40% of Programme funds have been spent; or</li> <li>• Procure evaluation in 2017/2018 to report in 2019 (whichever is earliest)</li> </ul>
<b>Are the Cross Cutting Themes being integrated effectively across projects and schemes?</b>	<ul style="list-style-type: none"> <li>• Qualitative research with project / scheme and Managing Authority staff and programme</li> </ul>	<ul style="list-style-type: none"> <li>• Procure evaluation in 2018 to report in 2019</li> </ul>

	stakeholders (e.g. PMC) <ul style="list-style-type: none"> <li>• Review of project level evaluations</li> <li>• Review of actions taken in response to recommendations from Equality Impact Assessments and Strategic Environmental Assessments?</li> </ul>	
<b>What evidence is available (e.g. from other published research) to inform the ongoing management of the Programmes?</b>	<ul style="list-style-type: none"> <li>• Monthly summaries of research directly relevant to the ESI Programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Available from 2016 onwards</li> </ul>
<b>Are the Programmes on track to meet the performance reserve targets?</b>	<ul style="list-style-type: none"> <li>• Analysis of programme monitoring data and project progress reports</li> <li>• Qualitative research with project / scheme and Managing Authority staff</li> </ul>	<ul style="list-style-type: none"> <li>• In-house study to take place during 2017</li> </ul>
<b>Are the implementation processes put in place by the Managing Authorities effective for managing the Programmes?</b>	<ul style="list-style-type: none"> <li>• Quantitative survey of funding applicants on their views on the processes for applying for funding, and for managing and paying projects</li> <li>• Qualitative research with project / scheme and Managing Authority staff and programme stakeholders (e.g. PMC)</li> </ul>	<ul style="list-style-type: none"> <li>• Procure evaluation in 2017 to report in 2018</li> </ul>
<b>How effectively are the Managing Authorities communicating the Programmes?</b>	<ul style="list-style-type: none"> <li>• Questions asked in 'omnibus' surveys of the general public to test awareness of the Programmes</li> <li>• Qualitative research with project / scheme and Managing Authority staff and programme stakeholders (e.g. PMC)</li> <li>• Questions asked in participant and business surveys to test awareness of how their support was funded</li> </ul>	<ul style="list-style-type: none"> <li>• Procure evaluation in 2017 to report in 2018</li> </ul>

	<ul style="list-style-type: none"> <li>• Analysis of communications material (e.g. website, social media output, and press releases)</li> <li>• Analysis of relevant policy documents to establish whether there are references to the ESI Programmes</li> </ul>	
<b>Are there any over-arching achievements of the Programmes that can be summarised?</b>	<ul style="list-style-type: none"> <li>• Ex post evaluation at end of Programmes</li> <li>• Synthesis of all project / scheme and programme level evaluations</li> <li>• Review of socio-economic data over programming period</li> <li>• Summary of achievement against key indicators</li> </ul>	<ul style="list-style-type: none"> <li>• Procure evaluation in 2020 to report in 2021</li> </ul>

## 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.

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 £5 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.<sup>3</sup> 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.

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<sup>3</sup> 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.

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.<sup>4</sup> 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.

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.

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<sup>4</sup> 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/programmeevaluations/9615751/?lang=en>

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 both business start-up and for business expansion	Amount invested in Venture Capital and Expansion Capital	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
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 Welsh coast, including multi-device array deployments, thereby establishing Wales as a centre for marine energy production	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 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 sites	Direct monitoring of number of

number of small scale renewable energy schemes established	generating electricity from renewable sources (excluding PV)	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	<p>West Wales and the Valleys: The number of people within 15, 30, 45 and 60 minute travel 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</p>	<p>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 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</p>

	public transport between key urban links	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.
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	Proportion of premises that are in postcodes served by NGA networks	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
4.4: To increase employment through investments in prioritised local or regional infrastructure supporting a regional or urban economic strategy	Claimant Count rate in Travel to Work Areas	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

### **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 aged 25 and over, who have complex barriers to employment	Economically inactive (aged 25 and over), not in education or training, who have complex barriers to employment in employment including self employment 6 months after leaving	ESF Leavers Survey; data linking; CIE
	Long-term unemployed (aged 25 and over) who have complex barriers	

	to employment in employment including self employment 6 months after leaving	
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**Table A3 - Evaluation approach to assessing progress against the ESF longer-term result indicators**

<b>Result Indicator</b>	<b>Evaluation Approach</b>
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.<sup>5</sup>

### 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.<sup>6</sup> 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.<sup>7</sup>

At the time of writing, on the ERDF side, the RME Team has commissioned one CIE of ERDF support for businesses.<sup>8</sup> 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.<sup>9</sup> The RME Team is currently managing a second study

<sup>5</sup> “Concepts and Recommendations”, DG Regio, March 2014; and “Monitoring and Evaluation of European Cohesion Policy – European Social Fund”, DG Employ, September 2014

<sup>6</sup> 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>.

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

<sup>8</sup> 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>.

<sup>9</sup> 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*.



now that more data are 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.<sup>10</sup> 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.<sup>11</sup> The DG Employ CIE guidance also states that RCTs “are often best implemented in evaluating new pilot interventions rather than existing ones”.<sup>12</sup> 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,

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

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

<sup>12</sup> *Ibid.*, p.14

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".<sup>13</sup> 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 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.

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<sup>13</sup> "Concepts and Recommendations", DG Regio, March 2014, p.7

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 programmes<sup>14</sup>

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.

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

**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.
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.

### **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**

## **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 supply chains
- Operations integrating Green and Blue infrastructure
- Activity which is supporting bio-diversity on a site funded through SF's
- Development of an organisational Travel Plan
- Resource efficiency measures integrated into activity

**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**

### **Eligibility of activities taking place outside of the programming area**

#### **Issue**

31. 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').
32. 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.
33. This paper sets out the regulatory requirements for supporting activity outside of the programming area and explains the role of the PMC in agreeing such proposals.
34. Paper **WPMC(15)51-B** seeks the agreement of the PMC to use this option for certain types of ERDF-funded marine energy activity.

#### **Recommendation**

5. Paper to note.

#### **Background**

6. Before explaining the rules, two phrases need to be further explained – 'location of an operation' and 'benefit to the programming area'.
7. The 'location' of an operation, project or activity means where it is implemented or takes place. So for investments in infrastructure and physical assets, the location is simply the place where those items are located. For investments in people or intangible investments such as research activity, the location is where the activity (the 'intervention') actually takes place. An operation – potentially comprising many projects and activities – could therefore be 'located' in many different places.

8. Activity that takes place in another region/ country may still be 'for the benefit of the programming area' that funds it. When considering whether to support such 'out-of-area' activity, an assessment of the anticipated benefits must be undertaken by the programme managing authority to ensure a suitably justified case can be put to the PMC for agreement (see points 13 to 15 below). This assessment will consider:
- **Who** will use/ utilise/ benefit from the outputs or outcomes of the activities taking place in another region/ country?
  - Will the activity benefit the programming area **in full or only in part**, with some benefits of the activity being delivered to other regions? If other regions will benefit, only a pro-rata share of eligible costs must be charged to the programming area (quantitative analysis needed).
  - Will undertaking the activity in another region still support the programme priority **specific objectives** or weaken the investment **intervention logic**?
9. The general rule is that all operations, and their component projects and activities, must be located within the programming area that funds it. Limited exceptions to this rule are possible, subject to fund-specific rules set out in points 13 to 15 below.
10. Where the fund-specific rules require the agreement of the PMC, the programme managing authority will provide members with sufficient information to be able to make an informed decision. This information will include the business case for supporting the out-of-area activity, including a qualitative analysis of how the benefits will be attributable to the programming area. Where relevant, a quantitative analysis will also be presented if benefits will also accrue to other regions and a pro-rata methodology is being proposed.
11. The PMC may be asked to agree out-of-area activity for either:
- A specific operation, or certain parts of that operation; or
  - Types of operations, or certain parts of such operations.
12. In addition to PMC agreement, the programme authorities must also consider practical issues such as arrangements for audit and verifications.

### **Fund-specific rules**

#### **13. ERDF**

- All out-of-area activity must be **agreed by the PMC**.

- WEFO must ensure that the ERDF allocated to such activities does not exceed 15% at the level of each programme priority (priority axis).

14. EAFRD (RDP)

- All out-of-area activity must be **agreed by the PMC**.
- WG Agriculture, Food & Marine must ensure that the EAFRD allocated to such activities does not exceed 5% at the level of programme.
- PMC members should note that it is envisaged that no RDP activity will need to take place outside of Wales (the programming area) and so it is highly unlikely that this regulatory provision will be used in practice.

15. ESF

- An activity can be located in any region within the EU, without agreement of the PMC, if it benefits individuals from the programming area. There is no ceiling on how much out-of-area can be supported by each Programme. The WEFO eligibility rules explain how individuals ('participants') are deemed to be from a programming area depending on where they live, work or study and the nature of the ESF support.
- Activities could also be located outside of the EU but this must be **agreed by the PMC**. This arises where costs are generated outside of the EU. Travel and subsistence costs for trips outside the EU are therefore not affected by this rule if the items are booked through an EU-based firm. WEFO must ensure that such activity does not exceed 3% of the ESF programme value (EU contribution and national match-funding).

16. Frequently Asked Questions:

***Q1. What if the out-of-area activity has some inconsequential/ immaterial benefits to the region where the activity is carried out?***

Where such 'spill-over' effects are not anticipated to account for more than 5% of the expected benefits, they can be disregarded and the full costs can be considered eligible.

***Q2. At what point does the PMC need to provide its agreement?***

Before the programme managing authority (WEFO or WG Agriculture, Food & Marine) takes a decision to support the out-of-area part of the operation. Until the PMC provides its agreement, the applicant/ beneficiary cannot receive any assurance that the out-of-area activity will be eligible for EU support.

***Q3. Does the PMC need to audit or validate the business case presented by the programme managing authority?***

No, the PMC's role is to examine and scrutinise the case presented by the programme managing authority – including making requests for clarification or additional information if needed – but does not need to independently validate information presented by the programme authorities. European and national auditors may decide to audit the programme authorities to ensure that the PMC was provided with complete, timely and accurate information.

***Q4. How does this approach compare to 2007-2013 rules?***

The main change is that the 2007-2013 approach did not require PMC agreement, which meant that auditors made case-by-case judgements on whether any out-of-area activity was justified. The 2014-2020 approach means that auditors will not second-guess the business case for out-of-area activity provided that the PMC was satisfied that the anticipated benefits would flow to the programming area.

***Q5. Does the ESF fund-specific rules mean that ESF activities can take place anywhere within the EU?***

Activity outside of Wales requires WEFO approval in advance so that other relevant factors can be considered such as value for money and the ability to carry out audits and verifications.

**Author:** Dean Langley, Regulations & Compliance Branch, WEFO

**Approved by:** Rob Halford

**Date:** 15 May 2015

<p><b>Regulatory/ EC references:</b> Regulation EU 1303/2013 article 70; Regulation EU 1304/2013 article 13(2); and draft Commission guidance note EGESIF 15-0009-00.</p>
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**WALES PROGRAMME MONITORING COMMITTEE, EUROPEAN  
STRUCTURAL AND INVESTMENT FUNDS 2014 – 2020**

**PMC agreement for out-of-area activity in certain ERDF marine energy  
operations**

**Issue**

- 35.** As described in paper **WPMC(15)51-A**, the PMC must agree with WEFO's proposed support of ERDF activities that are not located within the programming area that provides the funding. The role of the PMC is to be satisfied that the planned activities will deliver benefits to the programming area.
- 36.** WEFO proposes to support out-of-area activities in a certain type of operation (see annex A) and the PMC is therefore asked to provide its agreement. Without agreement, such out-of-area activity will not be supported and will limit, for a period of time, certain parts of the programme in the level of support it can provide to developers.
- 37.** The decision on whether to select and approve funding for ERDF operations remains the responsibility of WEFO, subject to the selection and appraisal criteria previously approved by the PMC. PMC agreement of potential out-of-area activity is therefore without prejudice to WEFO's usual funding assessment and selection procedures.

**Recommendation**

3. Members are asked to agree that WEFO can support out-of-area activity in the circumstances set out in **annex A**.

**Author:** Dean Langley, Regulations & Compliance Branch, WEFO

**Approved by:** Sue Price

**Date:** 15 May 2015

## ANNEX A

Criteria/ considerations	WEFO response
<b>Agreement requested for a specific operation or types of operation?</b>	<p><b>Types of operation</b>, being marine energy operations supported by priority 3, specific objective 3.1.</p> <p>More specifically, actions to support the <u>deployment of marine energy technology</u> (tidal, wave, wind) as part of helping to establish Wales as a centre for marine energy production.</p>
<b>Description of the out-of-area activity</b>	<p><u>Sea-based testing</u> of marine energy devices.</p> <p>Testing in sea conditions will only be one element of the operation's activities – all other activities (design, manufacture, deployment) will take place within the programming area.</p> <p>The testing phase typically lasts for 12 months.</p>
<b>Applicable fund/ programmes?</b>	ERDF, West Wales and the Valleys Operational Programme.
<b>Could the activity be undertaken within the programming area?</b>	<p>No. The necessary marine licences, Crown Estate consents and environmental impact assessments required to perform sea-based testing in the two Demonstration Zones in Welsh waters – unlikely to be in place until 2018 at the earliest. Therefore, until the Demonstration Zones are established, developers could only carry out testing in Welsh waters if they were able to obtain all the relevant licences themselves, which would be a costly and time consuming process. The only short-term alternative is to carry out the testing in other regions/ countries where the consents are already in place.</p> <p>When the necessary licences and consents are available for the Demonstration Zones, WEFO will require testing to take place in Welsh Waters. Until then – and to ensure Wales is 'open for business' – access to facilities outside of the programme area is required.</p>
<b>Where is the activity likely to take place?</b>	UK waters (probably Cornwall) where the necessary facilities, licences and consents are already in place.
<b>Assessment of how benefits will flow to the programming area – <u>qualitative</u></b>	<p>The results of the sea-based testing will be used exclusively by the project developer to inform the next stage of progress towards deploying the marine energy devices.</p> <p>Sea-based testing is a necessary and unavoidable</p>

	<p>intermediate step towards the ultimate objective - the successful deployment of the devices in Welsh waters.</p> <p>WEFO will require full access to the testing results data, both environmental and performance-based.</p>
<b>Assessment of how benefits will flow to the programming area – <u>quantitative</u></b>	No quantitative assessment needed. The full benefits will flow solely to the WEFO operation and so there is no need to calculate a pro-rata share of costs and benefits.
<b>Will any benefits flow to other regions/ countries (other than marginal spill-over benefits =&lt;5%)?</b>	No. The out-of-area activity will comprise of paying for services and facilities in another UK region but the benefits of the testing results will be wholly retained by the developer and utilised in later stages of the operation.
<b>Amounts allocated less than 15% at the level of programme priority?</b>	Yes. To be monitored by WEFO and confirmed in annual implementation reports (AIRs).
<b>Suitable arrangements in place for audits and verifications?</b>	Yes. Welsh Government staff (WEFO or European Funds Audit Team) would undertake any necessary site visits.



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

### Ireland Wales 2014-2020 Programme Update

#### Issue

38. To provide the Wales PMC with an update on the Ireland/Wales Co-operation Programme 2014-2020

#### Recommendation

2. The Wales PMC is asked to note this paper which sets out the state of play with the Ireland/Wales Programme

#### Background

6. The Ireland/Wales Co-operation programme is one of 60 cross-border programmes across the EU which engineer co-operation between adjacent regions across land and maritime borders, in this case the sea border between Ireland and Wales. The eligible programme area is set out at annex A. Cross-border co-operation is one of three strands (including transnational and inter-regional co-operation) of European Territorial Co-operation (ETC) programmes which provide the opportunity for Welsh partners to look outwards and work with other regions of the EU to share best practice, innovate and find solutions to common challenges.
7. The 2014-2020 Ireland/Wales programme follows closely on the heels of the successful 2007-2013 programme which has supported 41 partnership projects linking both countries across the Irish Sea and worth €50,630,291 in ERDF grant. WEFO will lead delivery of the programme as Managing Authority, working jointly with its operational partners, the Southern Regional Assembly in Waterford and its government partners the Department for Public Expenditure and Reform in Dublin. The programme budget was set at €99m, with €79m from the ERDF and a grant intervention rate of up to 80% of eligible costs.

#### Programme architecture and content]

8. The Programme was designed on the basis that it should focus on those shared priorities where the greatest added value could be provided through co-operation. Six main challenges were identified:-

- Utilising the potential of the Irish Sea
  - Improving knowledge flow
  - Improving SME's innovative capabilities
  - Vulnerability to the impacts of climate change
  - Using natural and cultural heritage and resources to drive economic growth
  - Economic and social cohesion
6. The vision for the programme is “to provide the framework for organisations in the cross-border area to actively co-operate - to address challenges and shared priorities of common interest on both sides of the Irish Sea – thereby contributing and adding value to the economic and sustainable development priorities of Ireland and Wales”.
7. Three Priority Axes and Specific Objectives were agreed:-
- **Priority 1 - Cross-border Innovation** (ERDF - €31m) – To increase the intensity of knowledge transfer collaborations involving research organisations and SMEs in line with the shared priorities of the smart specialisation strategies. This includes a focus on Marine and Environmental Sciences (including renewable energy), food and drink and life sciences.
  - **Priority 2 – Adaptation of the Irish Sea and Coastal Communities to Climate Change** (€28m) - To increase capacity and knowledge of climate change adaptation for the Irish Sea and coastal communities.
  - **Priority 3 – Cultural and Natural Resources and Heritage** (€15m) To sustainably realise the potential of natural and cultural assets in increasing visitor numbers to coastal communities in the programme area.
8. All three Priority Axes will be expected to focus on results orientation with cross-border projects expected to produce tangible and visible results.
9. A map of the eligible programme area is provided at Annex 1.

## Programme Management and Governance

10. The new programme was approved by the European Commission on 12 February and was formally launched in Swansea on 26<sup>th</sup> March. ETC Programmes including Ireland/Wales are required by EU Regulations to appoint their own PMCs. The Ireland/Wales PMC, comprising cross-sector representatives from both sides of the Irish Sea met for the first time in Dublin on 30<sup>th</sup> April to agree its rules of procedure and the project selection

criteria for 2014-2020. Decisions on cross-border operations will be the responsibility of a Programme Steering Committee, membership of which will be firmed up in the coming weeks, with the first meeting scheduled for late June.

11. A dedicated Joint Secretariat located in and led from WEFO's Carmarthen office will operate in partnership with Irish colleagues based in Waterford and report to the Managing Authority in Merthyr Tydfil. Four Ireland Wales Operations Officers are responsible for working with beneficiaries to develop cross-border operations. The programme is open for business and they are working closely with partners on both sides of the water to develop pipeline projects with a view to realising the first approvals in Autumn 2015.

#### **Programme co-ordination**

12. The Ireland/Wales Co-operation programme document sets out the intention to co-ordinate its activities where appropriate with other programmes operating in the cross-border area. As such the Programme will take account of developments with the Regional programmes in both Ireland and Wales and other European programmes which are operating in the cross-border area including the Atlantic area and North-West Europe transnational ETC programmes.

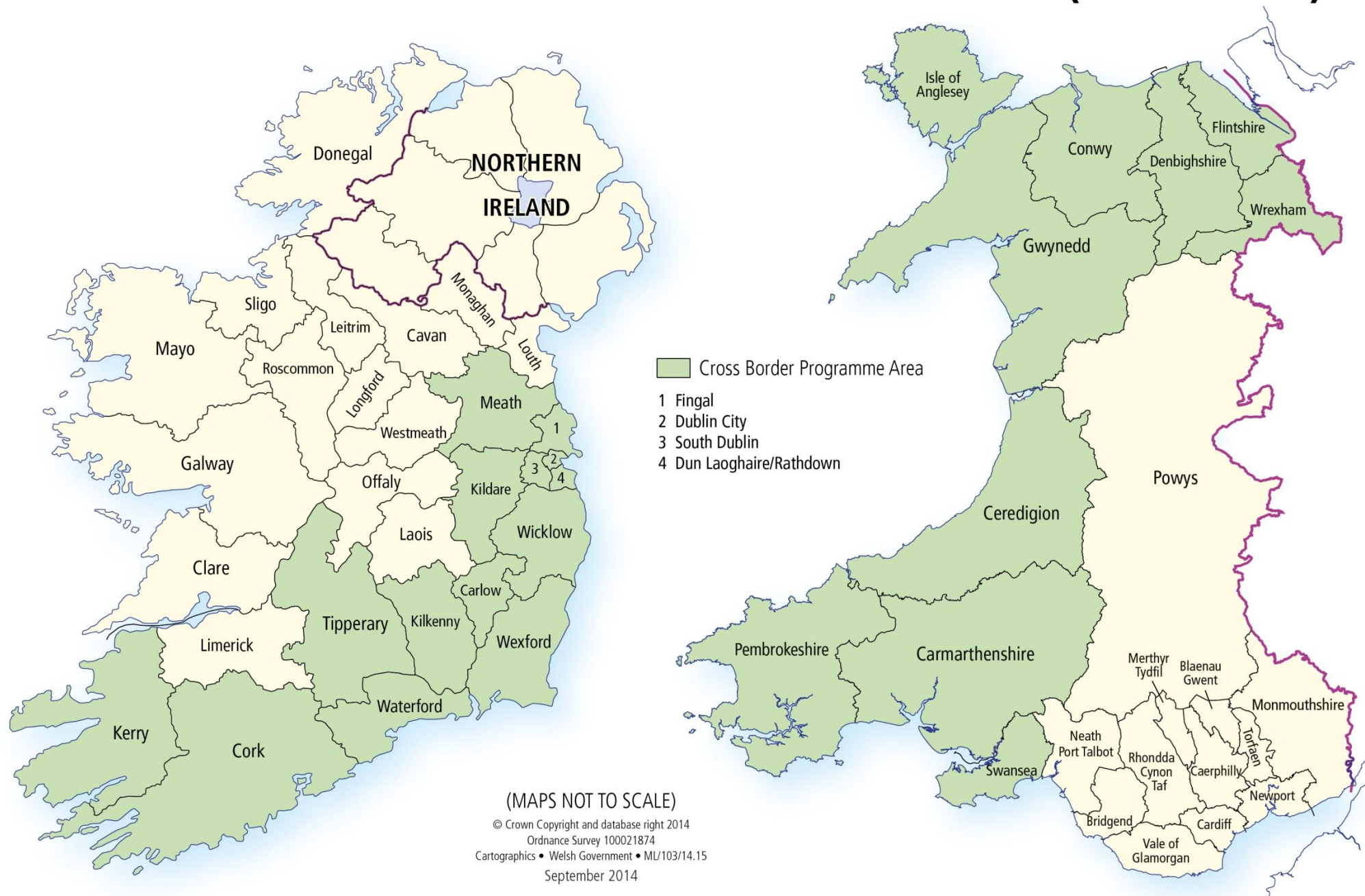
**ETC Unit, WEFO    Lead: Mike Pollard**

**Approved by: Jane McMillan**

**15 May 2015**



# IRELAND/WALES CROSS BORDER PROGRAMME (2014-2020)





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

**RULES OF PROCEDURE**

**Background and legal basis**

1. The Welsh Government has established a single Programme Monitoring Committee ('PMC') for Wales European Structural and Investment fund programmes, respecting the legal and administrative provisions set out in:
  - Regulation EU 1303/2013 of the Parliament and the Council ('Common Provisions Regulation' or 'CPR'), in particular articles 47, 48, 49 and 110;
  - Regulation EU 1305/2013 of the Parliament and the Council ('EAFRD Regulation'), in particular article 74;
  - Regulation EU 1304/2013 of the Parliament and the Council ('ESF Regulation'), in particular article 13(3) and 19;
  - The institutional, legal and financial framework of the United Kingdom and in particular, the Member State programme management responsibilities delegated to Welsh Ministers; and
  - In conformance with the arrangements outlined in the **United Kingdom Partnership Agreement** adopted by the European Commission on 29 October 2014.

The PMC is established to monitor the following programmes:

- European Regional Development Fund, East Wales, Operational Programme adopted 18 November 2014, Commission Decision C(2014)8777.
- European Regional Development Fund, West Wales and the Valleys, Operational Programme adopted 18 November 2014, Commission Decision C(2014)8779.
- European Social Fund, East Wales, Operational Programme adopted 4 December 2014, Commission Decision C(2014)9438.
- European Social Fund, West Wales and the Valleys, Operational Programme adopted 4 December 2014, Commission Decision C(2014)9365.
- Wales Rural Development Programme funded by the European Agricultural Fund for Rural Development adopted 26 June 2015, Commission Decision C(2015)3488.

## Functions and tasks

2. In accordance with articles 47, 48, 49 and 110 of the CPR and article 74 of the EAFRD regulation, the PMC:
  - Must **review** implementation of the programmes and their progress towards achieving the objectives agreed with the EC. In doing so, it must consider financial data; common and programme-specific output and result indicators; and the performance framework milestones agreed with the EC.
  - Must be **consulted and issue an opinion** (for or against) on any modification of a Programme put forward by the managing authority, before submission to the EC.
  - Must be **consulted and issue an opinion** (for or against) on the criteria to be used to select operations to be financed by the EAFRD, within four months of the EC approving the programme. In Wales, this requirement has been extended to include **approval** of the criteria and is therefore harmonised with the approach required for ERDF and ESF.
  - May issue **observations** to the programme managing authorities regarding implementation of the programmes and their evaluation. It must then monitor actions taken as a result of such observations.
  - Must **examine**:
    - (a) progress in implementation of the evaluation plan and the follow-up given to the findings of evaluations;
    - (b) implementation of the communication strategy;
    - (c) implementation of ERDF major projects (if applicable);
    - (d) results of audits and error rates of the programmes;
    - (e) actions taken to promote equality between men and women, equal opportunities, and non-discrimination, including accessibility for disabled persons;
    - (f) actions to promote sustainable development;
    - (g) actions to achieve any unfulfilled programme ex-ante conditionalities if within the responsibility of the programme managing authority. The PMC must also be informed of ex-ante conditionalities that are outside the responsibility of the managing authorities; and
    - (h) implementation of Financial Instruments, including the ex-ante assessments; the strategy document; the methodology for management costs and fees; and annual reports on the management costs and fees effectively paid;
    - (i) any other issues that affect the performance of the operational programme.
  - The PMC must provide its **agreement** if the managing authorities want to support ERDF or EAFRD operations implemented outside of the programming area but delivering benefits to the programme area. In relation to ESF operations, the PMC



must give its **agreement** if WEFO want to support ESF operations that will incur expenditure outside of the European Union in relation to the programme thematic objectives of 'promoting sustainability and quality employment and supporting labour mobility' or 'investing in education, training and vocational training for skills and lifelong learning'. In all cases, agreement may be sought either for individual operations or for specified types of operation.

- The PMC will **examine and approve**:
  - (a) the assessment methodology and selection criteria for operations to be supported by the ERDF, ESF and EAFRD. Application of the approved criteria and selection of operations/ projects is the task of the managing authority and not the PMC. The assessment and selection criteria must be designed to:
    - contribute to the achievement of the objectives and results of the agreed programme priorities
    - be transparent
    - Integrate of programme cross-cutting themes:
      - non-discrimination and gender equality
      - sustainable development
      - tackling poverty and social inclusion
  - (b) annual and final implementation reports;
  - (c) evaluation plans and any changes to the plan; and
  - (d) programme communication strategies and any changes to those strategies.
- The PMC will **examine** the Welsh Government's 'Economic Prioritisation Framework' (EPF) that will be used by funding applicants and the managing authorities to help consider strategic fit and avoid duplication with existing and planned public investment and policy initiatives in Wales. Revisions to the EPF will also be examined by the PMC.
- In relation to the implementation of the rural development programme, the PMC must consider suitable arrangements to **participate and exchange information** with the National Rural Network to exchange information.

## Committee Membership

3. The size and membership of the PMC is determined by the Welsh Government, respecting the relevant EU legislation and advice of European Commission officials. The Welsh Government also takes full account of the recommendations and best practices described in the **European Code of Conduct on Partnership** (Commission Delegated Regulation (EU) No 240/ 2014).
4. The list of members, advisors and officials is provided in **ANNEX A**.
5. If a Member is unable to attend a meeting, the Chair can agree in exceptional circumstances to allow an alternate to attend. Requests for attendance of a nominated deputy/ alternate must be submitted to the PMC secretariat no later than the day before the next meeting. The Chair will then decide whether the alternate can attend the meeting and this will be an exceptional basis only. If an alternate is permitted they will be entitled to participate in full, including any decision-making powers.

## Chair

6. The PMC is chaired by a representative of the Welsh Government. The First Minister of Wales appoints an Assembly Member to undertake the role of Chair. The Chair is responsible for the proper functioning of the PMC so that it is effective in monitoring programme implementation and progress towards achieving programme objectives.
7. The Chair will agree the meeting agenda in cooperation with the PMC secretariat. The agenda will be sent, together with the invitation and meeting documents, to members at least 10 working days before each meeting.
8. The Chair will convene all meetings, direct discussions, accord the right to speak, put questions to members, summarise and confirm decisions. The Chair has control on proceedings of the meetings and the correct application of these rules of procedure.
9. The Chair will inform Welsh Ministers of the work, decisions and opinions of the Committee.
10. The Chair may invite guests and experts to PMC meetings and will inform PMC members of this before the meeting.

## Meetings

11. The PMC must meet at least annually but, as a general rule, 3 to 4 times a year. Members will be usually be given at least 20 working days' notice of each meeting other than in duly justified exceptional cases. To help members plan ahead, indicative meeting dates for 12 months ahead will be provided at each meeting.
12. Meetings will be held on Welsh Government premises, usually at the Merthyr Tydfil office.

13. Meetings are convened by the Chair, either at their own initiative or in response to a request from at least one-third of members.
14. Meeting invitations and documents will be issued by the Secretariat at least 10 working days before the meeting. Requests for additional items to be added to the agenda will be considered by the Chair but must be submitted to the Secretariat in writing at least three working days before the meeting.
15. Meeting papers will also be published on the WEFO/ Welsh Government websites at least 2 working days before each meeting.
16. The summary minutes will be drafted by the Secretariat and will be sent to members on behalf of the Chair, no later than 10 working days after each meeting. Members may formulate observations or proposal amendments no later than 10 working days after receipt of the document. If no objections are raised, the minutes are considered as approved. In case of objections by one or more members, the Secretariat will revise the minutes accordingly, agree on a final version with the Chair and send the final minutes to the PMC members. Alternatively, if this procedure leads to contradictory objections, the Chair will inform members and seek clarifications before finalisation.
17. Summary minutes will not normally attribute contributions to named individuals but members can request this if considered important.
18. Meetings will normally be open to the general public to observe if agreed in advance with the Secretariat but the Chair may agree to items being discussed in private/ restricted basis if justified.
19. Meetings will be quorate for decision-making and formal opinions only if attended by the Chair and more than 50% of members entitled to vote. For clarity, managing authority officials, although technically 'members' of the PMC, will not normally participate in votes, decisions or formal opinions related to papers and proposals initiated by the managing authorities. The exception is where votes, decisions or opinions take place at the initiative of members and/or the Chair. In such exceptions, the two lead managing authority officials may choose to exercise their membership voting rights.

### **Decision-making**

20. Approval, agreement, or 'positive opinion' decisions will be taken by a simple majority of voting members – at least 50% of those voting members who are present in the meeting, excluding the Chair. In the event of a tie, the Chair has the casting vote.
21. In practice, the Committee will make decisions and deliver opinions by consensus and the Chair will assess whether there is consensus majority support for a proposal or, if deemed necessary, request individual votes from members. Where a vote takes place, the meeting minutes will record the voting numbers but not name members' individual votes.
22. In the absence of a simple majority, the Chair will decide to adjourn the matter to the next meeting or to organise a written procedure (this will include those members who were not present at the meeting when the vote took place).

23. Unless a member of the committee objects, the Chair may, without proceeding to a formal vote, establish that the committee has delivered a positive opinion by consensus.
24. Decisions and opinions of the Committee will be made public upon validation of the minutes.
25. A written procedure may be initiated by the Chair upon request of a member or upon justification of the need to for a quick decision. The Chair will send a draft decision to all members who will then have 10 working days to respond. If a written objection is raised, the matter will be clarified and consensus between the members will be sought by the Chair. If a simple majority of members object to the use of a written procedure, then the matter will be put on the agenda of the next meeting. Members can withdraw objections any time. If no objections are raised, the decision is deemed as taken with the necessary support of members and the Secretariat will inform all members.
26. If managing authority officials have doubts about the legality of a decision or action taken by the PMC, the decision will be taken with reservation until the necessary clarification has been brought. If the decision was not legal, the decision becomes null and void. Otherwise the decision will be deemed as valid and PMC secretariat will inform members.

### **Working arrangements and code of conduct**

27. Members of the Committee are bound to observe following rules of conduct:
- To participate in all meetings as well as in written procedures, when necessary.
  - To act in the interest of an efficient implementation and effectiveness of the Programmes, in accordance with the scope and objectives of the Programmes.
  - To take decisions in the wider public interest and not to act in the purpose of obtaining financial advantages or other benefits for themselves or for others.
  - To declare to the Chair, at the beginning or during any meeting, any situation of actual or perceived conflicts of interest. In this case, the Chair will determine whether the member will be excluded from discussion on the particular subject and any participating in any related Committee decisions. The Chair reserves the right to request that the member leaves the meeting room until a decision has been taken on the matter. These principles equally apply to decisions and opinions via written procedure. Conflicts of interest may arise if a member has a direct interest in specific operations or projects being discussed at the meeting. This includes:
    - Personal financial interests;
    - Being employed by the organisation managing and/or implementing the operation or project, or providing funding to it;
    - Other direct interests, such as being a member of an organisation's management, governance, or advisory board.
  - To inform their organisation, and/or constituent group being represented, after each meeting or written procedure, of the discussions, outcomes and decisions taken by the Committee.

- All members must participate in establishing, maintaining, and enforcing high standards of conduct of the Committee and must personally observe those standards so that the integrity of the PMC is preserved.
  - Members must notify the PMC secretariat to provide their apologies as soon as possible if unable to attend a scheduled meeting. If a Member fails to attend meetings on three consecutive occasions, they will be invited to resign from the PMC and a replacement member will be sought.
28. Committee discussions and papers are sometimes, by necessity, confidential in nature and when this applies, members are bound to confidentiality. The Chair, officials or PMC papers will inform members when these confidentiality rules apply and the reason will be clearly explained. This obligation must also continue after the end of their time as a member of the Committee. To clarify, unless members are specifically advised that the rules on confidentiality are being invoked, all discussions and papers can be disseminated to others and papers and summary minutes of discussions will be published on our websites.
29. In cases where these provisions are not respected by a member, the individual's membership may be revoked by the Chair.
30. These provisions equally apply to members, the Chair, deputies/ alternates attending on behalf of the member, as well as meeting observers and any other experts or advisors invited to the meeting.

### **Advisory, expert and/or other sub-groups**

31. The Committee, upon initiative of the Chair, may set up advisory, expert, or sub-groups to support members in monitoring the effectiveness of programme implementation. Their composition will be decided by the PMC according to the expertise and thematic needs of each group. The Chair may include ad hoc experts from outside the PMC membership to participate in sub-group meetings. The Chair shall disband such groups when their mandate is fulfilled.
32. Unless otherwise specified, such groups are bound to the same rules as the PMC. The PMC must be informed about the work, observations and recommendations of such groups. The groups can make proposals to the PMC on issues related to programme implementation. The groups have no PMC decision-making powers.

### **Secretariat**

33. The Committee will be supported in the effective performance of its functions by the PMC Secretariat. In particular, the Secretariat is responsible for drawing up a draft meeting agenda for review by the Chair; the commissioning, dispatch and publication of all documents relating to PMC; and drafting summary minutes in coordination with the Chair.
34. Meetings will be conducted in Welsh or English depending on the preference of the speaker, with simultaneous translation available for attendees. Documents will be prepared in English with Welsh versions available upon request.

**Fees and expenses**

35. The Chair and Members, other than those employed by public sector bodies, may claim travel and subsistence costs in respect of additional costs incurred in attending PMC meetings. For the purposes of this rule, 'public sector bodies' also includes Higher Education and Further Education institutions.
36. The Chair and any members recruited through a public appointments process are also entitled to claim the daily fees if set out in the appointment terms and conditions.
37. These fees and expenses will be funded by the Technical Assistance funding allocation to each programme, proportionate to the respective size (value of EU support) of the five EC programmes monitored by the Committee. Full details of Technical Assistance eligibility rules are set out in programme eligibility rules document.

**Revision**

38. The rules of procedure may be revised by the PMC, subject to the consensus support of members, or when necessary in order to comply with new or amended EC regulations and guidance.

**Validity**

39. These rules of procedure were first adopted at the first formal meeting of the PMC on 5 December 2014, as noted in the meeting minutes.

**PMC Secretariat**

**Welsh European Funding Office**

**[PMCsecretariatWEFO@wales.gsi.gov.uk](mailto:PMCsecretariatWEFO@wales.gsi.gov.uk)**

## ANNEX A

At inception, the PMC comprises 27 members and the Chair, supported by officials from the programme management and control authorities and advisors:

<b>Chair</b>	
Assembly Member, appointed by the First Minister	<b>Jenny Rathbone AM</b>
<b>National, regional, urban /city-region/ local authorities and groups</b>	
<b>Local Government</b> <i>Nominations from the Welsh Local Government Association.</i>	<b>Lowri Gwilym</b> <b>Cllr Ronnie Hughes</b>
<b>Welsh Government</b> <i>Main WG recipients of EU funds</i>	<b>Cath Jenkins (Education &amp; Skills)</b> <b>Rob Hunter (Economy, Science &amp; Transport)</b> <b>Matthew Quinn (Natural Resources)</b>
<b>Local Action Groups</b> <i>LEADER/ Community-Led Local Development</i>	<b>[Vacancy]</b> <b>To be nominated once the 2014-2020 RDP LEADER application and designation process is complete.</b>
<b>UK Government (public employment services)</b> <i>Department for Work and Pensions, JobCentre Plus</i>	<b>Jocelyn Llewelyn</b>
<b>Economic and Social Partners</b>	
<b>BUSINESS AND ENTERPRISE</b>	
<b>Representatives of business and enterprise</b> <i>Trade Unions, professional or trade</i>	<b>Ann Beynon <sup>1</sup></b>

<p><i>associations: representing Commercial private enterprise</i></p> <p><sup>1</sup> Nominations from Wales Social Partners Unit/ Commerce Cymru</p> <p><sup>2</sup> Nominations from TUC Cymru</p> <p><sup>3</sup> Nomination from Industry Wales</p>	<p><b>Iestyn Davies</b> <sup>1</sup></p> <p><b>Julie Cook</b> <sup>2</sup></p> <p><b>Peter Crews</b> <sup>2</sup></p> <p><b>Tom Whyatt</b> <sup>3</sup></p>
<p><b>Representatives of farming and rural businesses</b></p> <p><i>Farming Unions, professional or trade associations: representing Rural, farming, food enterprises</i></p> <p><sup>1</sup> Joint nomination from NFU Cymru &amp; FUW.</p> <p><sup>2</sup> Nomination from CLA Wales, representing the rural economy</p>	<p><b>Rhian Nowell-Phillips / Rachel Lewis-Davies</b></p> <p><i>(to alternate during the programme period)</i> <sup>1</sup></p> <p><b>Karen Anthony</b> <sup>2</sup></p>
<p><b>Third sector business and enterprise</b></p> <p><i>Social economy, social enterprises, mutuals, co-operatives, credit unions etc.</i></p>	<p><b>Derek Walker</b></p> <p>Nomination from Wales Cooperative Centre</p>
<b>EDUCATIONAL INSTITUTIONS</b>	
<b>Further Education</b>	<p><b>Greg Walker</b></p> <p>Nominated by Colleges Wales</p>
<p><b>Higher Education</b></p> <p><sup>1</sup> Nomination from Higher Education Funding Council for Wales</p> <p><sup>2</sup> Nomination from Higher Education Wales</p>	<p><b>Dr David Blaney</b> <sup>1</sup></p> <p><b>Prof. April McMahon</b> <sup>2</sup></p>
<b>THIRD SECTOR</b>	
<b>Third Sector</b>	<b>Phil Fiander</b>



Other than social enterprises	
Nomination from Wales Council for Voluntary Action	
<b>Representatives of civil society, environmental and equality bodies</b>	
<b>Public Appointments</b> <i>Experts appointed via open competition, appointed on merit (individual expertise – not representing a sector or organisation)</i>	<b>David Davies</b> <b>Prof. Richard B Davies</b> <b>Dr Grahame Guilford</b> <b>Joy Kent</b> <b>Sian Price</b> <b>Beth Winkley</b>
<b>Environmental sustainability</b> <i>Statutory bodies</i>	<b>Rhian Jardine</b> Nomination from Natural Resources Wales
<b>Environmental NGOs</b> Focus, although not necessarily exclusively, on RDP agri-environment-climate measures	<b>Arfon Williams</b> Joint nomination from RSPB Cymru and Wales Environment Link

#### Programme managing authorities

- Officials from the managing authority for the Structural Funds (Welsh Government, WEFO).
- Officials from the managing authority for the Rural Development Programme (Welsh Government, Department for Natural Resources).

#### Advisors

- European Commission:
  - DG Agriculture and Rural Development
  - DG Employment, Social Affairs and Inclusion
  - DG Regional and Urban Policy
- Welsh Government - Rural Payments Wales, being the accredited paying agency for EAFRD funds in Wales.
- The European Investment Bank will be invited to become an advisor if/ when Welsh programmes contribute to Financial Instruments.
- Advisors if relevant to the meeting agenda:
  - Welsh Government - Value Wales
  - Welsh Government - State Aid unit
  - Welsh Government - Legal Services

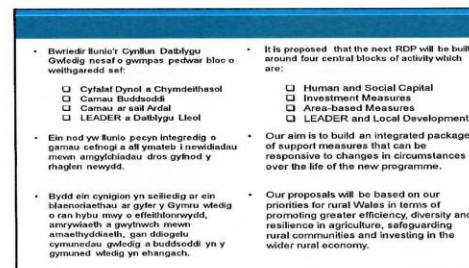
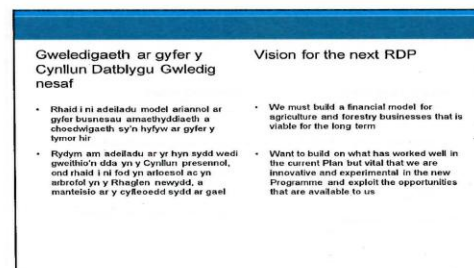
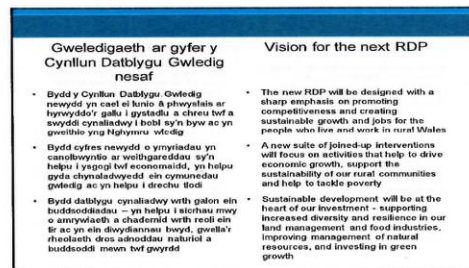
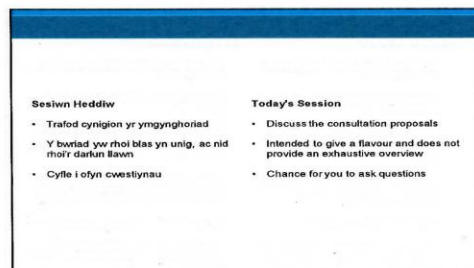
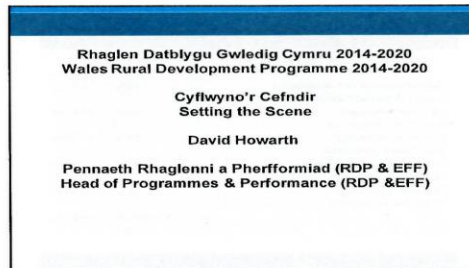
**ANNEX B****Membership Register**

<b>Name</b>	<b>Type of appointment</b>	<b>Date appointed</b>	<b>Date resigned/ replaced</b>	<b>Sector</b>	<b>Organisation/ Umbrella Organisation</b>
Chair: Jenny Rathbone AM	Appointed by the First Minister	July 2013		n/a	National Assembly for Wales
Professor Richard B Davies	Appointed	October 2013		n/a	Vice Chancellor, Swansea University
Joy Kent	Appointed	October 2013		n/a	Chief Executive, Chwarae Teg
Beth Winkley	Appointed	October 2013		n/a	Head of WRAP Cymru
Sian Price	Appointed	October 2013		n/a	Senior Strategy Manager, Finance Wales
Dr Grahame Guildford	Appointed	October 2013		n/a	Self – employed consultant
David (Dai) Davies	Appointed	October 2013		n/a	Wales Board NFU Mutual Insurance
Ann Beynon	Nominated	November 2013		Business and enterprise: general private sector	Wales Social Partners Unit/ Commerce Cymru
Iestyn Davies	Nominated	November 2013		Business and enterprise: general private sector	Wales Social Partners Unit/ Commerce Cymru

<i>Martin Mansfield</i>	<i>Nominated</i>	<i>November 2013</i>	<i>March 2015 (replaced by Julie Cook)</i>	<i>Business and enterprise: Trade Unions</i>	<i>Wales TUC Cymru</i>
<i>Margaret Thomas</i>	<i>Nominated</i>	<i>November 2013</i>	<i>March 2015 (Replaced by Peter Crews)</i>	<i>Business and enterprise: Trade Unions</i>	<i>Wales TUC Cymru</i>
Julie Cook	Nominated	March 2015		Business and enterprise: Trade Unions	Wales TUC Cymru
Peter Crews	Nominated	March 2015		Business and enterprise: Trade Unions	Wales TUC Cymru
Tom Whyatt	Nominated	November 2013		Business and enterprise	Industry Wales
Karen Anthony	Nominated	December 2013		Farming and rural businesses	Country and Land Association
Rhian Nowell - Phillips	Nominated	December 2013		Farming and rural businesses: Farming Unions	Farming Union of Wales
Derek Walker	Nominated	November 2013		Third Sector Business and Enterprise	Wales Cooperative Centre
Dr Greg Walker	Nominated	November 2013		Further Education	Colleges Wales
Professor April McMahon	Nominated	November 2013		Higher Education	Higher Education Wales
Dr David Blaney	Nominated	November 2013		Higher Education	Higher Education

					Funding Council for Wales
Phil Fiander	Nominated	November 2013		Third Sector	Wales Council for Voluntary Action
Councillor Ronnie Hughes	Nominated	November 2013		Local Government	Welsh Local Government Association
Lowri Gwilym	Nominated	March 2014		Local Government	Welsh Local Government Association
<i>Councillor Bob Wellington</i>	<i>Nominated</i>	<i>November 2013</i>	<i>March 2014 (replaced by Lowri Gwilym)</i>	<i>Local Government</i>	<i>Welsh Local Government Association</i>
Matthew Quinn	Nominated	November 2013		Welsh Government	Department for Natural Resources (Environment)
Cath Jenkins	Nominated	November 2013  (Temporarily replaced for 6 month by Melanie Godfrey August 2014)  Returned: January 2015		Welsh Government	Department for Education and Skills
<i>Melanie Godfrey</i>	<i>Nominated</i>	<i>August 2014</i>	<i>January 2015</i>	<i>Welsh Government</i>	<i>Department for Education and Skills</i>
<i>Marcella Maxwell</i>	<i>Nominated</i>	<i>November 2013</i>	<i>December 2014 (replaced by Rob</i>	<i>Welsh Government</i>	<i>Department for Economy, Science and</i>

			<i>Hunter)</i>		<i>Transport</i>
Rob Hunter	Nominated	December 2014		Welsh Government	Department for Economy, Science and Transport
Jocelyn Llewellyn	Nominated	November 2013		UK Government: Employment Services	JobCentre Plus
Rhian Jardine	Nominated	November 2013		Environmental Sustainability (Statutory body)	Natural Resources Wales
Arfon Williams	Nominated	November 2013		Environmental NGO's	RSPB Cymru/ Wales Environment Link
<i>TBC once 2014-2020 RDP LEADER application and designation process is complete</i>	<i>Nominated</i>			<i>Local Action Groups</i>	<i>LEADER/ Community-Led Local Development</i>



Dyrnallad Rhaglen Tebygol Cynllun Datblygu Gwledig 2014-2015 Projected RDP 2014-2020 Programme Allocation		
Cyfalaf Dynol a Chymdeithasol Human & Social Capital Measures	14%	£135m
Camau Buddsoddi Investment Measures	16%	£147m
Camau ar sail Ardaloedd Area Based Measures	55%	£530m
LEADER a Datblygu Lleol LEADER & Local Development	11%	£107m
Cymorth Technegol Technical Assistance	4%	£38m
	<b>CYFANSWM</b>	<b>£957m</b>
	<b>TOTAL</b>	

Cyfalaf Dynol a Chymdeithasol	Human and Social Capital
<ul style="list-style-type: none"> <li>Treiglwyddo Oryddodath a Blangarodd - Bydd hyn yn cynnwys gweithgareddau fel datblygu profesiynol a hyfforddiant, gweithdai, digwyddiadau arbennig ac ymweliadau cyfnewidiadau fferm.</li> <li>Gwasanaethau Cynghori - Bydd y gwasanaeth personol yn cael ei ehangu i ymledu a dargysu gwasanaeth rhwngach tu hant i ddiwydiolffurfio. Dylai'r gwasanaethau hyn gynnwys pwynt mynediad i'r buddsoddi.</li> <li>Cyfeirweddau - Cefnogi cydwethredau ymhlith busnesau ac i gynorthwyo cadwynau cyffwrdd byr a marchnadoedd lleol.</li> <li>Partneriaeth Blangarodd Ewropeidd i Gynhybiant a Chymdeithyddol Arolyddol - Bydd i hysbysu'r broses o sefydlu grwpiau gweithdai i fanteisio ar gyfnewidiadau gan Barneriaethau Blangarodd Ewropeidd.</li> </ul>	<ul style="list-style-type: none"> <li>Knowledge Transfer and Innovation - This will include activities such as professional development and training, workshops, specialist events and farm exchange/study visits.</li> <li>Advisory Services - Current service will be expanded to cover wider service provision beyond cross compliance. These services should provide an entry point for beneficiaries.</li> <li>Co-operation - Support cooperation amongst businesses and to aid short supply chains and local markets.</li> <li>European Innovation Partnership for Agricultural Productivity and Sustainability (EIP) - Propose to facilitate the process of establishing operational groups to access opportunities offered by EIP.</li> </ul>

Camau Buddsoddi	Investment Measures
<ul style="list-style-type: none"> <li>Buddsoddiadau newn Asedau Ffisegol - bwrdd i ddwyddio un cynllun buddsoddi hysbys i Gymru a fydd yn rhoi grantiau, benthyciadau ac offerynnau ariannol blangar erall.</li> <li>Datblygu Ffermydd a Busnes - byddwn yn ariannu'r alydd i gyflenw y Newydd Ddyddiedd gan gynnwys cymorth i ffermydd fferm newydd a ffermydd fferm sy'n ymrodd i ddarparu'r ydaliad. Byddwn hefyd yn cefnogi seilwadau o'r teulu amethyddol sydd am arallgyfeirio i weithgareddau nad ydynt yn amethyddol.</li> <li>Adfer Potensial Coodwigaeth - bwrdd i gynnwys cefnogaeth i adfer coodwigaeth a chynhyf i hysbysu trychinebau naturiol.</li> </ul>	<ul style="list-style-type: none"> <li>Investments in Physical Assets - intending to use one flexible investment scheme for Wales that would provide grants, loans and other innovative financial instruments.</li> <li>Farm and Business Development - we will fund the successor to the Young Entrants Support scheme offering start-up aid for new entrant young farmers and young farmers succeeding as head of holding. We will also support members of the farm household who want to diversify into non-agricultural activities.</li> <li>Restoration of Forestry Potential - propose to offer support for woodland and habitat restoration to mitigate natural disasters.</li> </ul>

Camau ar sail Ardaloedd	Area based Measures
<ul style="list-style-type: none"> <li>Bydd Glasir yn parhau yn brif beirniwrth ar gyfer cyflawni ein hamcanion amgylcheddol dan y rhaglen nesaf.</li> <li>Yr elfen hon o'r Cynllun Datblygu Gwledig fydd yn cynnwys y gyfnewidiadau o'r gyliddeleto yn ystod y cyfnewidiadau.</li> <li>Noder mwyon y cynhyddion yn y ddogfen ymgynghori "Cynghori ar gyfer Cynllun Glasir" a geir ei gynnwys ar dudalenau ymgynghori gwefan Llywodraeth Cymru. Dyddiad 28 Mawrth.</li> <li>Coodwigaeth - Dan Glasir bydd cynllun rheoli coed a chreu coed i integreiddio yng nghorff deiniadau i gelfnogi planio a rheoli.</li> <li>Cynllun Ffermio Organig - Bydd i ariannu cynllun brosi a chymorth organig.</li> <li>Cyflwynydd Hysbys 2008 o'r Ffermydd Ddi - Pethauwath cyfalaf a referer cynhyddwedd ei delwio o gampas cyflawni cyflwynyddau ffermydd ddi a chynhyddwedd.</li> </ul>	<ul style="list-style-type: none"> <li>Glasir will remain the primary mechanism for delivery of our environmental objectives under the next programme.</li> <li>This element of the RDP will take the largest share of the budget once again during the next period.</li> <li>Details of the proposals are laid out in the consultation document "Proposals for the Glasir Scheme" and can be found on the consultation pages of the Welsh Government website. Closing date 28 March.</li> <li>Forestry - Under Glasir there will be an integrated woodland management and woodland creation scheme incorporating options to support commercial forest planting and management.</li> <li>Organic Farming Scheme - Propose to fund an organic conversion and maintenance scheme.</li> <li>Nabre 2008 and Water Framework directive - A mixed capital and revenue mechanism tailored around the delivery of the water framework and habitats directives.</li> </ul>

LEADER a Datblygu Lleol	LEADER and Local Development
<ul style="list-style-type: none"> <li>Bydd hyn yn cefnogi arbrot, teulu cyn rymd yn fasnachol a chynhyddw pedit ar ddolau newydd, prosesau newydd a chynhyddw newydd. Mae hwyf yn cynnwys cyfle ar gyfer gweithgareddau i gydwethredau rhwng gwledydd a rhwng ffermyddau.</li> <li>Cronfa Datblygu Gymunedol Wledig</li> <li>Bwrdd cynnwys cronfa grant y gall Grwpiau Gweithdai Lleol LEADER a sefydladau cymunedol eraill ymgaisio iidd. Ddyl y prosiectau dan arweiniad y gymuned a gheirio yn chwarae rhan bwysig wrth wella ansawdd bywyd meon andaloedd gwledig gan gynnwys helpu i ymddir i lloidi troy wellgareddau, anwyl.</li> <li>Bydd mwy o bwyntys ar integreiddio, datblygu gallu pobl, rhannu gwybodaeth a chynhyddw effeithlonrwydd yn ystod y rhaglen nesaf.</li> </ul>	<ul style="list-style-type: none"> <li>This will support the experimentation, the pre-commercial trialing and piloting of new approaches, new processes and new products. Also offers the opportunity for transnational and inter-territorial co-operation activities.</li> <li>Rural Community Development Fund</li> <li>Propose to offer a grant fund to which LEADER Local Action Groups and other community-based organisations can apply. The community-led projects supported will play an important role in improving the quality of life in rural areas including helping to tackle poverty through various activities.</li> <li>There will be greater emphasis on integration, developing human capacity, sharing knowledge and building efficiency during the next programme.</li> </ul>

Materion Allweddol	Some Key Issues
<ul style="list-style-type: none"> <li>Cyfeirwedd / ffiniau</li> <li>Integreiddio - sut i hyddio i gydwethio</li> <li>Sut i ddwyddio LEADER i gynyddu effaith conleidd yr UE i gyd</li> <li>Sut i fesur llywyddiant</li> </ul>	<ul style="list-style-type: none"> <li>Complementarity &amp; demarcation</li> <li>Integration - how do we make it work</li> <li>How can we use LEADER to optimise the impact of all the ESI funds</li> <li>How do we measure success</li> </ul>

Diolch / Thank You

Glastir

Betsan John

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Agriculture & Rural Affairs

Glastir: Cynigion ar gyfer y Cynllun  
Datblygu Gwledig nesaf

- Nodau'r cynllun
- Cynigion ar gyfer Glastir
- Y camau nesaf

Glastir: Proposals for the next RDP

- Aims of the scheme
- Proposals for Glastir
- Next steps

Nodau:

- Lleihau allyriadau mwyon i'w gwyd a charbon o sector diwydiannau'r tir
- Addasu i'r newid yn yr hinsawdd, gan gryfhau busnesau fform a busnesau coedwigaeth
- Rheoli ein hadnoddau dŵr er mwyn gwella ansawdd dŵr a llochau peryglon fflogydd
- Cyflannu at gynnalwedd economaidd ffermydd, coedwigaeth a'r gymuned wledig ehangach
- Diogelu trwyddau a'r amgylchedd hanesyddol a helyd-wella mynediad
- Cyflannu at wrthol'r dryswad ym mesurwydd cyhoeddus Cymru

Aims:

- Reduce Carbon and Green House Gas emissions from the land-based sector
- Adapt to climate change, building greater resilience into farm and forest businesses
- Manage our water resources to improve water quality and reduce flood risks
- Contribute to economic sustainability of farms, forestry and the wider rural community
- Protecting landscape and the historic environment while improving access
- Contribute towards a reversal in the decline of Wales's native biodiversity

Symleiddio Framwaith y Cynllun

- Sicrhau bod holl elfennau'r cynllun ar gael yn haws
- Cynllun unigol ar gyfer Tir Comin
- Cynhyrchu cynaliadwy a chymorth ag arallgyfeirio
- Cynllun Grantiau Bach
- Cynllun Rhwydwaith Cynfynedd

Rationalising Scheme Framework

- Increasing accessibility to all components of the scheme
- A single scheme for Common Land
- Sustainable production and diversification support
- Small Grants scheme
- Habitat Network scheme

Ymwneud Effeithiol a Rheolwyr Tir

- Sicrhau bod cyngor, hyfforddiant a mentora ar gael
- Cyflwyno nodau a gofynion ein cynlluniau i ffermyr
- Ceisiadau ar-lein
- Gwella treftadau cydwelldredu a chreu rhagor a gapasiti ar lawr gofod

Effective Engagement with Land Managers

- Access to advice, training and mentoring
- Communicating the aims and requirements of our schemes to farmers
- Online applications
- Improving co-operation and capacity building on the ground



#### Dyfodol Cymorth ar Lefel Sylfaenol

- A oes angen Glasir Sylfaenol?
- Newidiadau i'r cynllun Sylfaenol
- Blaenoriaethu ceisiadau a/neu estyniadau i Lefel Sylfaenol

#### The Future of Entry Level Support

- Is there a need for Glasir Entry?
- Changes to the Entry scheme
- Prioritising applications and/or extensions to Entry Level

#### Ymriadau wedi'u targedu

- Safon cynlluniau a chanllawiau ar gyfer rheolwyr contract
- Lleihau haenau'r amcanion
- Buddsoddiad ychwanegol wedi'i dargedu
- Ategu cyllidebau'r Cynllun Datblygu Gwledig gyda buddsoddiad ychwanegol

#### Targeted Interventions

- Quality of agreements and guidance to contract managers
- Reducing the objective layers
- Additional targeted investment
- Supplementing RDP budgets with additional investment

#### Gwellia Gwydnwch yr Ucheldir

- Atal achosion o danbori a gadael i dir fynd yn segur
- Annog pori cymysg yn yr ucheldir
- Mynd i'r afael â standiau rhedyn cryt

#### Supporting Upland Resilience

- Preventing land abandonment and undergrazing
- Encouraging mixed grazing in the uplands
- Tackling dominant bracken stands

#### Glasir Organig

- Cynllun arddynol sydd hysod yn gymysg ar gyfer rhannau eraill o Glasir
- Cyfraddau wedi'u hadolygu ar gyfer y cynllun organig
- Datblygu hyfforddiant a sgiliau
- Yr angen i lunio cynllun busnes priodol
- Bydd modd i ffermyr organig fanteisio ar gymorth cyfalaif

#### Glasir Organic

- Stand alone scheme while remaining eligible for other parts of Glasir
- reviewed rates for the organic scheme
- training and skills development
- Need to have an appropriate business plan
- Organic farmers will access to capital support

#### Y Camau Nesaf

- Daw'r ymgynghoriad ar gynigion Glasir i ben ar 28 Mawrth 2014
- Dadansoddiad o ymatebion i'r ymgynghoriad yn mynd rhagddo
- Drafftio'r Cynllun Datblygu Gwledig ar gyfer Cymru
- Cyflwyno'r Cynllun Datblygu Gwledig i'r Comisiwn Ewropeaidd ar ddiwedd mis Mai 2014

#### Next Steps

- Glasir proposals consultation closes 28 March 2014
- Analysis of consultation responses currently underway
- Draft the Rural Development Plan for Wales
- Submit the Rural Development Plan to the European Commission end of May 2014

Cwestiynnau? Questions?

03/06/2015

