

## Interim Evaluation of ROP - Key Recommendations Table

Executive Summary Paragraph Reference	Finding / Conclusion	Rec Num	Recommendation	Effect of Recommendation
Paragraph 17	For PA 1, given the high number of projects per plan, and the experience of project evaluation for other PAs, the chances that all the feasibility studies and technical plans will be prepared and approved in due time to achieve the commitment target are quite low.	1	<p>The MAROP should adopt a medium term risk-countering management strategy for PA1.</p> <p>A detailed timetable, for the period up to the end of 2010, for the application, selection and contracting process for each of the sub-domains of PA 1 should be drawn up and discussed with the IBs and, where relevant, with the applicants expected to apply. Individual timetables for each growth pole and urban development pole should also be made.</p> <p>The progress made in preparing the project applications, selection and evaluation and preparation of technical plans should be regularly monitored and potential slippage detected. Corrective measures should be identified by the MAROP in co-operation with the IB.</p>	Increase the chances that the selection and contracting process for the whole of PA1 is finished according to the current prognosis, that is, the end of 2010.
Paragraph 19, 20, 45	Savings arising from public procurement in PA 2 are substantial and provide an opportunity to increase the overbooking rate.	2	1. The MAROP should increase the overbooking level from the current 110% to 130% for PA 2 as soon as practicable. The level	Ensure timely full absorption of ERDF for this priority and achieve the priority objectives.

	<p>The system for preparing the payment prognosis is not adjusted for savings which may give a misleading indication of the n+3/ n+2 position.</p>		<p>of potential savings from other KAIs and the potential for further overbooking should be monitored closely by the MAROP and included in the monthly management reports.</p> <p>2. The PA 2 has a potential to secure cost-effective supply of a pipeline of road infrastructure projects for other Government initiatives for infrastructure investments. This proposal and possibilities for its extension to other ROP Priority Axes should be discussed at the Government level.</p> <p>3. The selection of the remaining projects should prioritise the strategic objectives of the national programme now that the regional absorption of the allocations under PA 2 is almost assured. More use of strategic selection should be considered.</p>	
<p><b>Paragraph 24</b></p>	<p>The evaluation has identified several areas where a change to the allocations should be made. These are:</p> <ul style="list-style-type: none"> <li>a. re-allocation of KAI 4.1 funds in BI region</li> <li>b. Re-allocate the KAI 4.2 allocation to other KAIs (PA 1 and PA 5)</li> </ul>	<p><b>3</b></p>	<p>ROP Monitoring Committee based on the proposal formulated by MAROP in consultation with RDB of the BI Region, should decide on the re-allocation of funds in its next meeting.</p> <p>Two general decision rules for reallocation based on the strategic objectives of ROP should be established. We suggest that these should be:</p> <p><u>PA/ KAI perspective</u> - reallocation to other KAIs within the PA or to other PAs that complement the priority objective affected by the</p>	<p>Increase the early commitment of ROP funds while preserving a strategic focus on the priority objectives.</p>

			<p>reallocation.</p> <p><u>Regional reallocation</u> - in order to respect the regional disparity containment objective, a reallocation from a regions should be made to only to those regions that are more disadvantaged, and in the proportion of the original regional allocation percentages.</p> <p>For the two specific reallocations we recommend:</p> <p>Reallocate unused BI funds for KAI 4.1 to all other regions for KAI 4.1. This decision should be considered at the MCPOR meeting in Spring 2010.</p> <p>Reallocate the unused KAI 4.2 allocation to PA 1 and PA 5. The reason for this is that KAI 4.1 and KAI 4.3 have a full allocation and PA 1 and PA 5 are the other PAs in ROP that have a high job creation target. The reallocation should be in proportion to the job targets of the two potential benefiting PAs and follow the principle of the regional allocation percentages. This decision should be considered by the MCROP in October 2009.</p>	
<p><b>Paragraph 28</b></p>	<p>The IBs have experienced serious cashflow difficulties due to delays in payments for their services from the MAROP. This has affected their capacity to operate, specifically in the organization of information and publicity</p>	<p>4</p>	<p>A more efficient contracting method for the IBs (lump sum / or another type of contracts) should be found in order to speed up processing of the reimbursement claims from the IBs.</p>	<p>Payments to the IBs are made according to the deadlines set up in the procedure. IBs could focus efforts on the core ROP delegated activities and not on solving</p>

	events.		<p>When the financial control system of the documents is well established, the level of checking applied by the MAROP should be reduced to the minimum required in the regulations.</p> <p>A risk analysis should be performed, to identify where the most frequent errors occur and in which type of documents and transactions, as a basis for improving the efficiency of expenditure without increasing the risk that a material error is undetected.</p>	cashflow problems due to delays in payments.
Paragraph 4  12, 46	<p>Programme monitoring is severely affected by a lack of timely socio-economic data.</p> <p>The monitoring of results is proposed mainly through surveys but a survey plan has not been made. An arrangement to enter the survey data into SMIS has not been finalised.</p>	5	<ol style="list-style-type: none"> <li>1. MAROP needs more timely access to relevant statistical data to meet its commitment to monitor changes in the context regional indicators. A collaboration with the NIS at national and regional level and the National Commission for Prognosis should be reviewed to achieve this. If necessary, TA resources from KAI6.1 or from the OPTA or other sources should be used to improve the availability of monitoring information.</li> <li>2. A survey plan for 2010 to begin collecting data for results indicators should be made now and the requirements for funding under KAI 6.1 should be established.</li> <li>3. The MAROP should make an immediate review of the completeness and accuracy of the results information entered into the SMIS</li> </ol>	<p>A reliable source of socio economic data for programme monitoring and to support the policy research for the next programming period is provided for the MAROP.</p> <p>Improved monitoring data and analysis of results to support the reporting on the performance of the ROP.</p>

			<p>and the information which is missing. A collaboration with the SMIS team at ACIS should be made to clarify the system for capturing the results indicators in SMIS. Alternative arrangements for recording and maintaining relevant indicators that will not be entered into SMIS need to be established before the end of 2009.</p>	
<p><b>Paragraph 40</b></p>	<p>Significant delays were recorded in the deployment of independent evaluators in the regions, for several of the KAIs.</p> <p>Aspects of the project evaluation, selection and commitment process under the direct control of the MAROP should be accelerated.</p>	<p><b>6</b></p>	<p>The MAROP should seek solutions to speed up those phases of the selection and commitment process which are under its direct responsibility, namely:</p> <p><b>Deploying independent evaluators;</b> There are a number of alternative methods for the provision of independent expertise for project evaluation. It is important that this expertise should be developed in the regions and that the role of the MAROP in supplying evaluators should be phased out. Ideally, there should be a small cadre of internal expertise in the IBs to manage the project selection process. There will always be a need to partially outsource this function but a more efficient supply could be arranged, for example through the use of multiple contractors.</p> <p><b>Approving evaluation and selection reports; Final processing of contracting documents.</b></p>	<p>The selection and contracting process is more efficient (reduced delays) contributing to meeting the n+3/n+2 deadlines for absorption of the funds.</p> <p>Regional evaluation capacity is developed, and due to better knowledge of the regional needs, there are increased chances that the most relevant projects are selected.</p>

			To this end, a potentially useful measure would be setting up targets on the number of contracts to be concluded per month, for each KAI. The target can be calculated based on the values of the commitment prognosis (e.g. between now and the end of 2010), taking into account the average project values and should reflect the minimum number of contracts required to meet the commitment targets.	
Paragraph 42	Duplication of procedures between project monitoring and verification is non-productive and contributes to delays in the MAROP inputs to the project acceptance and commitment processes.	7	When the monitoring system is firmly implemented (earliest - second half of 2010) an internal review should be made to consider the elimination of duplication of procedures between project monitoring and expenditure and operational verification. A common procedure could be drafted where current overlaps of the two activities are merged.	Saving time and operational costs both on the side of the IB and of the beneficiaries.
48	The current levels of expenditure verification at MAROP level, is leading to a serious work overload for key MAROP staff and consequently to delays in processing the reimbursement claims from beneficiaries.		Based on the findings, measures should be taken to avoid bottlenecks in processing the reimbursement claims and payments to beneficiaries, by simplification of procedures to avoid overlapping that can influence the administrative capacity of the MAROP and IBs	Improved efficiency and timely management of the verification and payment processes, reducing the risks for cashflow problems at the level of the beneficiaries.
Paragraph 43	The decision support capabilities of the SMIS system are not yet fully developed. Little use is made by the MAROP of the data held in SMIS.  The MAROP relies heavily on the use of excel	8	The MAROP should elaborate its information systems needs to support routine management reporting and decision making. Practical solutions to the current over-dependence on excel spreadsheets for programme analysis	Improvement in the quality and reliability of management information in the MAROP and the IBs. Improved sharing of information.

<p>44</p>	<p>files for the transfer of data from IBs to the Directorates and within the Directorates. So far, the systems are working but there is a high risk to data loss and to overdependence on the expertise of a small group of officers in the MAROP.</p>	<p>should be identified and implemented as soon as possible but no later than the middle of 2010.</p> <p>There are three options (not mutually exclusive):</p> <ol style="list-style-type: none"> <li>1. Seek enhanced access to SMIS data for analysis purposes by negotiating with the SMIS team for regular downloads of the required parts of the database.</li> <li>2. Wait for the promised enhanced SMIS reporting modules (using the Oracle discovery analysis tool).</li> <li>3. Investigate the feasibility of investing in tools, including business intelligence and workgroup applications complementary to SMIS in order to respond to the specific procedures and reporting needs of the MAROP and IBROP that go beyond the objective and coverage of SMIS.</li> </ol>	<p>Lower risks to data integrity.</p>
<p>Paragraph 57</p>	<p>The BI region has consistently underperformed to date. This is due to a number of unique factors, both internal and external, including the delay in funding the RDABI, the allocation in PA 1 of the entire regional allocation to Urban Centres, the possibility of deadweight in KAI 4.1, the reluctance of potential beneficiaries to avail of the opportunities presented by the ROP, the potential</p>	<p>9</p> <p>The MAROP should make an urgent joint review with the RDABI of the current project portfolio for the BI Region with a cut-off date of the end of 2009. The potential for a reallocation of the funds to the region towards the areas of greatest need should be examined and a proposal for reallocation should be brought forward to the next MCROP in the Spring of 2010. An immediate set of information and</p>	<p>Improved impact of the ROP fund absorption in the BI Region</p>

	<p>ineeligibility of some targeted beneficiaries.</p> <p>The RDABI cannot solve these problems on its own and needs more support from the MAROP, the MDRL and at the level of Government to resolve the issues that are preventing the BI region from deriving the intended benefits from the ROP.</p>		<p>publicity activities, targeted at the potential beneficiaries, should be implemented. These activities should be supported by the MDRL and the Government. The issue of the uncertain eligibility of some potential applicants should be clarified formally to the RDABI by the MAROP.</p>	
--	--	--	---	--