ToR and Methodology

The Evaluation Central Unit (ECU) of the Authority for the Coordination of Structural Instruments (ACIS), engaged a consortium of KPMG Romania, GEA S&C and Pluriconsult for the project *Conducting Evaluations for the Period 2009-10* under a contract with number 13/02.10.2009 and entitled *Carrying out Evaluations during the Implementation of the National Strategic Reference Framework (NSRF) and the Operational Programme Technical Assistance (OPTA)*. The contract period is 13 October 2009 – 12 April 2011.

The NSRF project has two main components: (i) a Formative Evaluation of Structural Instruments in Romania; and (ii) four other evaluations, including an interim evaluation (IE) of the OPTA, the preparation of a Synthesis Report of all IEs carried out in 2009-10, as well as two *ad hoc* evaluations on thematic or cross-cutting issues. The present report covers the IE of the OPTA under the second component.

The ToR for the IE state as its overall objective: *to contribute to the successful implementation of the OPTA.* To achieve this objective, the ToR require answers to 15 evaluation questions. These questions are grouped under five main categories: 'relevance', 'consistency', 'efficiency', 'effectiveness' and 'impact'. The ToR also expect answers to a seven further questions on particular key areas of interventions (KAI).

The project team used a wide variety of methods to formulate the required answers, such as desk research, use of diagrams, interviews, focus groups, in-depth assessment, and indicators analysis. OPTA stakeholders include ACIS, the beneficiaries (all ACIS Directorates, the Audit Authority, the Certifying and Paying Authority, and other MA and IBs), as well as service providers and individual beneficiaries of OPTA projects. The evaluation involved consultations with media and PR experts, and representatives of the evaluation community.

The interim evaluation was carried out in the period October 2009 and August 2010. The cut-off date for the evaluation is 31 December 2009, unless otherwise indicated.[2]

Conclusions and Recommendations

> **Q1**: The analysis in the OP is based on indicators related to 2004-07 period. What are the important changes that occurred between the programming phase and which are expected? **Q2**: To what extent do the changes in the context affect OPTA relevance? **Q3**: Are the operations under the Priority Axes and subsequent Key Areas of Intervention still relevant? **Q19**: Which are the long-term needs that must be addressed through OPTA in terms of SMIS development and functioning?

Relevance (Q1-Q3 + Q19)[3]

Main Conclusions

The economic recession has invalidated the macro-economic assumptions and indicators foreseen at the time of OPTA programming (2007). However, OPTA remains largely relevant for all beneficiaries and ample for addressing their current needs. It is therefore not necessary to adjust the OP for reason of uncovered needs.

The overhang of pre-accession assistance from the period 2007-08 diminished demand for OPTA resources. At the end of 2009, a series of problems that OPTA had been designed to address had already been partially solved through the deployment of pre-accession assistance and other external support. This applies *inter alia* to coordination issues, basic training related to SI, development of an evaluation culture, general information on SI, as well as the institutional capacity of, respectively, ACIS, the AA and the CPA.

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[2] *Where relevant, the data used in the report were updated to end-March 2010.*

[3] *Questions 15-21 are specific questions, with Q19 is related to 'relevance', and the remainder to effectiveness.*

Horizontal policies and regulations cannot be clarified and improved through OPTA without proper support by regulatory stakeholders. This implies that TA to improve public procurement or manage state aid schemes cannot be successful without validation by and the long-term involvement of institutions such as UCVPP, NARMPP and the Competition Council.

The support for Pole Coordinators seems a relevant way to push for horizontal coordination at local level. However, the coordination activity can only be implemented with the involvement and commitment of local structures managing integrated projects, such as Intercommunity Development Agencies.

Supporting staff wages through the 75% bonus is relevant for ensuring a critical level of expertise and motivation for efficient structural instruments implementation.

OPTA support for enhancing evaluation of publicly funded interventions remains relevant. The initial programming relied though on the implementation of the NES, which is lagging behind schedule because of insufficient action from national policy stakeholders, outside the control of ECU/ACIS. As a result, ECU/ACIS has remained the sole protagonist of developing an evaluation culture, focused on SI.

The training activities within OPTA, as originally conceived, were based on a thorough needs assessment. However, the gap between planning and the start of training sessions was considerable and a new assessment would be advisable. As the specialisation of the MA and IB staff increases and staff turnover remains low, the envisaged training is considered too basic. The change from basic to specific training will require the adoption of new training tools, tailored to smaller groups of experts. There has been virtually no training for beneficiaries, although most implementation problems are at beneficiary level.

There are four main needs in respect of long-term SMIS development: (i) ensuring full compatibility with third party applications; (ii) enhancing date security; (iii) enabling the customisation of system menus for final users; and (iv) providing training on a continuous basis.

The coordination network is critical for the functioning of SMIS and requires OPTA support. The same applies to the SMIS help-desk function. The recruitment of staff on a contract basis, although welcomed in principle, is hampered by existing regulations. SMIS-related training and user-friendly manual preparation are important for reducing the number of errors in the system and would benefit from OPTA support. Demand for SMIS-related equipment was overestimated at the time of programming, at least for the period 2007-11, because available pre-accession support was insufficiently taken into account.

Although three years after Romania's accession to the EU one would expect a reasonable level of public awareness of SI, available data still suggest a low level of awareness on the part of the public. The original programming, based on a 2007 needs assessment, remains valid in 2010. The IC for SI is the backbone of the OPTA Communication Plan and there remains a critical need for it to be set up. The lack of action to date in establishing the national information network demands immediate steps for soliciting the active involvement of stakeholders at local level.

Main Recommendations

OPTA MA should include as beneficiaries the public authorities managing the public procurement horizontal theme (NARMPP, UCVPP) in order to improve procedures in this field.

OPTA MA is recommended to support local structures managing integrated development plans, such as IDAs, by expanding eligibility for OPTA support to IDAs and their members. The immediate instrument for this action would be a set of additional provisions to projects for pole coordinators, allowing a top-up on existing content that may be used for customized support provided to IDAs and IDA members.

Coherence and Consistency (Q4-Q5)

> **Q4**: To what extent there is coherence between the other Operational Programmes' technical assistance priority axes and OPTA? **Q5**: Are the operations under the Priority Axes and subsequent KAIs consistent with the European and national developments in the field?

Main Conclusions

OPTA is well designed and equipped with proper mechanisms to ensure coherence with the other OPs and relevant European and national policies. Coherent principles and instruments guide the implementation of TA overall. There is nonetheless much difference between the TA activities conducted by each coordination structure and performance is variable. The coordination mechanism, guided by DTA/ACIS, provides a platform for sharing concerns and identifying adequate, agreed upon solutions for problems in efficient TA implementation.

CCTA influence on the decisions by TA units for other OPs is still limited and varies from one OP to another, mainly because of differences in institutional positioning of those units within their host entities. A number of thematic WGs may act inter alia as the CCTA's 'early-warning system' for overlap between OPTA and TA under other OPs. The WGs that are most important for TA coordination are those for, respectively, evaluation, training, communication and SMIS.

The thematic WGs are not only relevant for coordinating TA and avoiding overlap, they also contribute to increased consistency of TA with wider policies for improving public administration. This applies also to the way in which OPTA interventions are correlated with OP DAC objectives and implementation. OPTA and OP DAC both deal with horizontal issues such as public procurement, evaluation, ICT, training and communication.

Main Recommendations

ACIS and OPTA MA should improve the existing coordination by ensuring that the representatives of each OP within CCTA and WGs report directly to their respective MA Directors, so that their coordination mandate could not be circumvented (clear leadership assignment).

ACIS and its directorates in charge of WG should expand the membership of thematic WGs by allowing other relevant stakeholders as observers and should reactivate the Financial Management and Control WG to help solve the increasing amount of activity in this horizontal area.

ACIS, OPTA MA and DAC MA are advised to improve the coordination between OPTA and OP DAC through organising quarterly joint meetings on the topic of monitoring the development of the public administration capacity overall. One common topic should be in the field of evaluation, as OPTA should reinforce coordination with OP DAC in support of the evaluation culture in the rest of Romania's public administration and prevail upon the Government to reassume the agenda put forward by the National Evaluation Strategy.

Efficiency (Q6-Q7)

> **Q6**: Are the mechanisms and structures established for OPTA operating efficiently? **Q7**: Are the Priority Axes and subsequent KAIs implemented efficiently?

Main Conclusions

Its current organisational set up and procedures provide the basis for the proper functioning of the OPTA MA. An important factor hampering efficiency remains the lack of clear delineation between the DTA's OPTA-MA staff and its other, ACIS-related staff. Combined with understaffing, this mix and blurring of staff functions undermines DTA's capacity to manage the increasing number of projects to be selected, contracted and implemented in the remainder of the programme period.

There is a need for a more pro-active engagement of the OPTA MA with current and potential beneficiaries, to help them with problems in procurement and implementation and fill the project pipeline, for a more efficient and effective absorption of OPTA resources.

Efficient implementation of OPTA projects is affected by time-consuming approval and signing procedures at beneficiary level (especially in the case of ACIS, but also that of other OPTA beneficiaries). Much of the delay is due to the number of statutorily required approvals at State Secretary level.

The TAF project, intended to be the centrepiece of a new way to handle procurement (by means of framework contracts), was vaguely defined and significantly delayed.

Since the start of the programme period, it is noticeable that the entire coordination mechanism for training activities – i.e. TDCU and TWG – has matured. But the institutional system is not yet sufficiently structured to face current needs, leading to slow progress of KAI 1.3 and with likely negative impact on future training activities.

ACIS and the CPA have been active, providing it with a good and apposite range of projects. The AA has so far been less efficient in putting forward projects, as it is still at an early stage of establishing a PIU.

At the start of the programming period, the SMIS application was not fully able to accommodate the functionalities required by SI management and implementation. This has led to substantial delay in data upload and caused input of erroneous and incomplete data. The system is now functional and operational, although it cannot yet respond to all data management and reporting needs of all MAs and IBs, partly because those entities' relevant procedures have changed since the start of the SI.

The communication and information tools already developed have either not been used at all (media spots) or were not used to maximum efficiency (websites *www.fonduri-ue.ro* and *www.poat.ro*).

Main Recommendations

ACIS should ensure that DTA's functions related to the OPTA MA role are clearly separated from its ACIS-related functions, by reorganising the subordinated services (SS, IS, FMS), as follows:

- ❖ creating a separate OPTA Bureau within the FMS, dealing exclusively with MA-related functions;
- ❖ extracting the training coordination function from the IS, and create a proper positioning of TDCU in a separate HR Bureau under the direct supervision of the ACIS Director;
- ❖ moving the help-desk function from the IS to the SS.

OPTA MA is recommended to issue, as soon as possible, an Implementation Manual, detailing all obligations on the part of beneficiaries, as well as the steps included in every phase of project implementation. The manual should clarify the respective roles of beneficiaries and the IS within DAT in managing public procurement procedures and provide templates for all documents beneficiaries must submit.

ACIS should improve the targeting of framework agreements (such as the TAF) for implementing OPTA projects, through better focus, clearer prioritisation and judicious separation into lots. ACIS, as main OPTA beneficiary, should increase the efficiency of project approval by simplifying procedures or limiting delays at all stages of OPTA project implementation.

ACIS and OPTA MA are recommended to strengthen their cooperation with CPA and AA by supporting the institutional capacity for project implementation within these beneficiary entities.

ACIS and SMIS CU should improve the procedures for error correction by optimising the security system and access rights, through lowering the level of authority for sending and receiving correction requests, thus allowing SMIS coordinators to correct directly a series of common mistakes. As an alternative, ACIS could externalise error correction to a contractor, in parallel with the further development of SMIS.

ACIS should use the communication tools already developed broadcasting publicity spots without delay, building a user-friendly interface for www.fonduri-ue.ro for all target groups, including the general public, improving the www.poat.ro website to enhance transparency, by providing for each approved and contracted project a short description of objectives and planned results.

Effectiveness (Q8-Q11, Q15-Q18, Q20-Q21)

> **Q8**: What is the actual implementation progress? **Q9**: What is the difference between the planned and actual performance? **Q10**: Which are the factors contributing to the difference between the planned and real performance? **Q11**: To what extend each Priority Axis and subsequent KAI is implemented effectively (is contributing to reaching OPTA objectives)? **Q15**: To what extent OPTA ensures common standards, instruments and the necessary information? **Q16**: To what extent OPTA contributes to develop a common evaluation culture within the administrative system for SI? **Q17**: To what extent training supported by OPTA is contributing to ensuring highly qualified personnel in the relevant structures? **Q18**: How good is the functioning of the relevant structures being ensured through OPTA support? **Q20**: To what extent training, communication and support activities provided through OPTA are contributing to a better use of the SMIS? **Q21**: How well are the general messages regarding the Structural Instruments disseminated at national level with OPTA support? Are there alternatives for reaching the objectives of PA3?

Main Conclusions

At the end of 2009, progress on OPTA implementation was still very weak. Although the institutional setting for managing the programme is in place, most of OPTA interventions still had not been launched, or had been stopped. Judging by the degree of attainment of output indicators, programme performance at the end of 2009 fell short of expectations, with the exception of the number coordination meetings at all levels and the training events provided. For several output indicators, there was no performance to monitor, as the planned activities had either been postponed or were still under implementation.

Both internal (understaffing, heavy workloads) and external (economic crisis, public procurement problems, public finances legislation, beneficiary capacity and approval procedures) factors prevented more effective OPTA implementation. Most of these factors were only partially foreseen at the programming stage. The OPTA MA has limited control over internal factors, as its institutional context does not provide many degrees of freedom. The OPTA MA does not have the competence to find solutions for many of the external factors. Some institutional problems can be solved at ACIS management level, while only the highest echelons of the MoPF can deal with most of the others (e.g. rescinding the need for approvals at State Secretary level).

At the end of 2009, OPTA had not significantly contributed to support on horizontal issues, especially in fields such as public procurement and state aid. This is a significant vulnerability, as public procurement issues are generally considered bottlenecks, not only for the implementation of OPTA, but also that of the other OPs. All MAs and IBs look to ACIS for solutions to arrive at an efficient public procurement process. The issue of state aid also requires horizontal support, but beneficiaries see this need as less acute.

The decision to finance the 75% bonus for staff with functions related to SI implementation was made in 2004, at the suggestion of the EC. In 2009, the Government agreed with the EC to reimburse the staff bonus through OPTA. The bonus is a useful instrument for motivating MA/IB staff to keep absorption of the EU funds at optimum levels. Nevertheless, the bonus may lead to decreasing the motivation of staff outside the formal MA/IB structures, which are not eligible for

receiving the bonus, while arguably having their own direct or indirect contribution to smooth SI absorption.

A key OPTA objective is to achieve a common evaluation culture in Romania within the Structural Instruments system, but the evaluation culture concept existing in Romania is not tailored for the field of Structural Instruments. There is no mechanism to monitor how OPTA contributes towards the achievement of this objective. There is a need for a monitoring mechanism that can assess the development of evaluation culture for Structural Instruments both qualitatively and quantitatively, and report periodically on the role played by OPTA support in reaching this objective.

The training mechanism, the TDCU and the TWG required improvement to provide a coherent framework and common tools for training needs in the field of SI. Their activity is known by all stakeholders involved, but the mechanisms to identify and prioritise training needs are still not updated, creating difficulties in collecting and consolidating the information, and risking reducing the activity efficiency of all structures involved.

The late start of the training courses for SMIS users caused operational delays and errors. The training sessions have been adjusted and now use real data sets, taken from the production system tests and demo runs, for greater practical relevance. Users have been regrouped, based on common areas and interest domains, improving targeting and impact.

The existing infrastructure at central and regional level ensures SMIS functioning within normal parameters. In the short to medium term, the number of supply contracts for equipment is likely to rise, because most SMIS equipment is nearing the end of its economic or technical lifespan.

The parallel database application operated by the SOP HRD MA (i.e. ActionWeb) cannot be easily linked to SMIS, as differences exist between the data required by SMIS and ActionWeb. A single integrated information management system is bound to enhance for SI management and implementation. It is expected that further development of SMIS, funded by OPTA, will create that integrated system.

Communication and information objectives are far from being accomplished, with implementation progress very poor at the evaluation cut-off date. The reasons for not achieving the goals are related to internal issues (DSC functioning) and to external issues (inadequate staffing and complicate procurement procedures).

Even though the IC should be considered the key actor in the communication process related to SI, up to end-2009 no steps had been taken to create the Centre.

Main Recommendations

OPTA MA is recommended to develop monitoring criteria and tools (regular thematic evaluations) for the interventions that are hard to quantify, including support for the activities of pole coordinators and for estimating progress in achieving the 'evaluation culture'. On the latter topic, ECU is advised to design and implement, with OPTA support, an annual assessment concerning the development of the evaluation culture for structural instruments.

Regarding the bonus of 75% to staff involved in the management of SI, MoPF, ACIS and the OPTA MA should clarify the difference between potential beneficiaries under GD № 595/2009 and OPTA eligible beneficiaries (e.g. legal staff outside MA/IB). In order to avoid staff tensions regarding the 75% bonus, a solution would be to create an equivalent bonus system from national resources.

ACIS is advised to increase the quality of expertise regarding public procurement within the OPTA MA and beneficiary entities, through:

❖ more specific training on public procurement for staff of the OPTA MA, ACIS, CPA, AA and other beneficiaries in respect of writing the technical part of ToR, drawing up

budget estimates and drafting descriptions of specific requirements without restricting competition;

❖ enhancing IS/DTA capacity to deal with public procurement issues by enhancing the capacity of the Bureau for Project and Public Procurement Assistance in respect of full support for the elaboration of the administrative part of ToR, the evaluation procedure and grid, the adaptation of contract templates, and contracting and selection procedures; and

❖ engaging external expertise through the TAF.

ACIS is recommended to initiate regular discussions with NARMPP and UCVPP to find solutions for the blockages in the course of contracting and to promote and pursue more flexibility in public procurement; including the possibility to split up interventions, the use of swifter procurement methods (such as calls for offers, direct negotiation and direct contracting), and strategic measures such as the adoption of framework contracts.

ACIS is recommended to enhance cooperation in the field of public procurement by facilitating closer collaboration between ACIS, the MAs and IBs, as well as the national institutions in the field of public procurement.

OPTA MA and ACIS are recommended to improve operational arrangements by expanding TWG membership, so as to involve IBs in the process of training needs identification, as observers, by increasing TDCU/TWG transparency, through activating as soon as possible the official ACIS web page dedicated to training activities: *www.formarestructurale.ro*.

ACIS and SCD are recommended that SMIS coordination be improved and the roles of the SMIS CU and SMIS coordinators be strengthened, through:

❖ integrating as much as possible the functionalities for SOP HRD's ActionWeb into future versions of the SMIS application. As an interim solution, and without prejudice to the development of a single ICT system for SI management and implementation, it is advisable to create an interface that will automatically feed ActionWeb data into SMIS. This should be a two-way process. SMIS development should allow feeding data from ActionWeb, and the MA for SOP HRD should ensure that all data required by SMIS is duly provided;

❖ continuing the development of SMIS add-ons, including the prioritised implementation of the MySMIS application;

❖ translating manuals into Romanian, in parallel with the translation of the labels of SMIS application fields;

❖ organising on-line conference sessions or systematic meetings between the SMIS CU with the SMIS regional coordinators, assisted by procedures manuals in Romanian language, e-learning sessions, video tutorials, procedures for correlating SMIS with the format of application forms, reimbursements documents and technical progress reports.

ACIS and SCD should integrate the SMIS help-desk function in a larger framework for the organisation of the community of users. It is recommended that a portal be created containing all the necessary information connected to the SMIS application: procedures, manuals, instructions, newsletters, a forum for SMIS users community; and a de-centralised help desk on at least 2 levels: one for all users, and another for OP-related questions.

ACIS, OPTA MA and SMIS CU should encourage SMIS users at all levels to acquire/update their ICT equipment through OPTA, by accessing the dedicated funds available for this purpose. If demand would still be low, then resources may be reallocated to more active KAIs.

ACIS and OPTA MA should establish the IC by using the current information centre managed by the DEA. To this end, ACIS management might well open discussions with DEA management with a view to concluding an inter-institutional agreement to transform the existing *Infoeuropa*

Centre into the IC for SI. Related initiatives should involve a branding strategy, in order to find the best solution for the visual identity of the Centre (logo, message, name) and the development of instruments to support the IC including:

❖ the transformation of the *www.fonduri-ue.ro* portal into a platform that can be used by all targets groups;

❖ the establishment of a call centre to record specific information requests that need a longer period of time to be answered by IC staff;

❖ the set-up of a network of regional points of information, by developing relations with reliable partners recognised at regional or local level as promoters of local initiatives.

Impact (Q12-Q14)

> **Q12**: What contribution has OPTA made to date towards: implementing the objectives of cohesion policy as established by the Treaty; fulfilling the tasks of the funds as set out in the Council Regulation (EC) № 1083/2006; implementing the priorities detailed in the Community strategic guidelines on cohesion and specified in the priorities set by the National Strategic Reference Framework; achieving the objective of promoting competitiveness and job creation and working towards meeting the objectives of the Integrated Guidelines for Growth and Jobs (2005 to 2008). **Q13**: What are the achievements, challenges and future prospects in relation to implementation of the OPTA strategy? **Q14**: Could examples of good practice be identified? Which are they and their added value?

Main Conclusions

Starting from the key aims of the NSRF 2007-13, namely to strengthen the strategic focus of Romania's Economic and Social Cohesion Policies and make appropriate linkages to the EU policy, OPTA indirectly contributes to the achievement of Cohesion Policy by assisting efficient implementation of SI interventions.

Increasing the capacity of public and central authorities in relation to the management and control of SI is a priority identified in the NSRF. This priority is being addressed in the present programming period and is likely to have positive impact on job creation and fostering economic growth, thus contributing to the objectives of the Lisbon Agenda.

OPTA supports multi-level participative coordination, encompassing a large number of entities involved in SI implementation. This provides the necessary conditions for an effective, efficient and transparent implementation of SI, as well as the resources for the permanent monitoring, coordination, best practice exchange and improvement of the general impact of TA under OPTA and the TA axes in the other OPs.

Main Recommendations

ACIS and OPTA MA should continue to support the development of its complex coordination institutional architecture composed of several Committees and WGs, in order to ensure even better hierarchical and thematic coordination of SI.