



EVALUATION OF THE CONTRIBUTIONS OF ESI FUNDS FOR THE OBJECTIVES OF THE OPERATIONAL PROGRAM SUSTAINABILITY AND EFFICIENT USE OF RESOURCES

Executive Summary
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Authors:



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PROJECT INFORMATION

Project

Contract for the acquisition of services to carry out the evaluation of the contributions of ESI funds for the objectives of the Operational Program Sustainability and Efficient Use of Resources – Procedure no. 10/UMC/POSEUR/2022

Executive Summary

Promoter

General Secretariat for the Environment

Authors



3drivers – Engenharia, Inovação e Ambiente Lda.
Avenida Conde de Valbom, n.º 6, 6.º piso
1050-068 Lisboa



SystemicSphere, Lda.
Rua Heróis de Angola, n.º 9, Rexaldia
2350-078 Chancelaria, Torres Novas

Team

António Lorena (3drivers | Coordinator)
Catarina Silva (3drivers | Consultant)
Rita Pombo (3drivers | Consultant)
Mariana Aguiar (3drivers | Consultant)
Sofia Santos (Systemic | Consultant)
Andreia Marques (Systemic | Co-coordinator)
Diogo Almeida (Systemic | Consultant)
Ricardo Cunha (Systemic | Consultant)
Bjørn Bauer (External Expert)

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EXECUTIVE SUMMARY

1. In accordance with Regulation (EC) No. 1303/2013 of the European Parliament and of the Council of 17 December 2013, evaluations must be carried out with the aim of improving the quality of the development and implementation of programs and assessing their effectiveness and impact according to the mission of the Structural and Investment Funds, taking into account the goals of "Europe 2020 - A strategy for smart, sustainable and inclusive growth".
2. The Mid-Term Evaluation of PO SEUR, established in the Evaluation Plan of PO SEUR and the Global Evaluation Plan of Portugal 2020, is an Impact Evaluation, especially aimed at determining the effectiveness, efficiency and impact of the projects supported by PO SEUR, with a methodological approach differentiated by the Specific Objective (SO) of each Investment Priority (IP) mobilized in each Priority Axis.
3. After seven years of the Program's execution, and with the implementation of the measures financed under Axes I, II, III and IV, the conditions for evaluating the progress made by the supported interventions are set. Thus, in the context of the Evaluation Plan for the Operational Program for Sustainability and Efficiency in the Use of Resources (PO SEUR), the overall objective of the Mid-Term Evaluation of PO SEUR is to "determine the effectiveness, efficiency and impact" of its supported interventions.

Objectives and Scope

4. The evaluation of the support operations shall focus on the implementation of the interventions, namely regarding certain aspects that are crucial to the achievement of their objectives and consequent success. In accordance with the specifications, the aim of this evaluation exercise is to:
 - To assess the effectiveness and efficiency of the Program, identifying its contribution to the Specific Objectives pursued in each IP mobilized in each Priority Axis. Whenever relevant, considering the operational dimensions of the SO that explain the levels of progress observed.
 - Identify the expected and actual contribution of the Program to the objectives of the sectoral policies to which the interventions are subordinate and the achievement of the "Europe 2020" A strategy for smart, sustainable, and inclusive growth and territorial cohesion."
 - Identify the European Added Value associated with the implementation and results of PO SEUR.
 - Evaluate the relevance and coherence of the Program's configuration in relation to the needs of its main beneficiaries and the evolution of the context throughout the programming period, considering the effectiveness, efficiency and potential impact revealed by the Program.

5. The thematic and territorial scope, respectively, covers the four Priority Axes of PO SEUR and the five Portuguese NUTS II regions of the mainland and the two Autonomous Regions.
6. In accordance with in-depth analysis options set out, and taking into account the approach established and validated in the Initial Report, this evaluation exercise will include, for Axis I (OT4) and Axis II (OT5), a review of the results and conclusions obtained through the thematic evaluations, with the aim of identifying possible developments or gaps in the analysis carried out that may influence the results of the previous evaluation (option 1).¹
7. Considering that the Axis III IP are the main focus of this work for the analysis of the respective SO, a more detailed analysis will be carried out (option 3), using impact assessment methodologies, in particular using analysis and data collection tools (document analysis, indicator analysis, interviews, questionnaires, focus groups, case studies), which will make it possible to respond to the evaluation questions (EQ) and the respective dimensions of analysis proposed for this evaluation: Effectiveness, Efficiency, Impact and Sustainability, European Added Value and Relevance/Coherence.

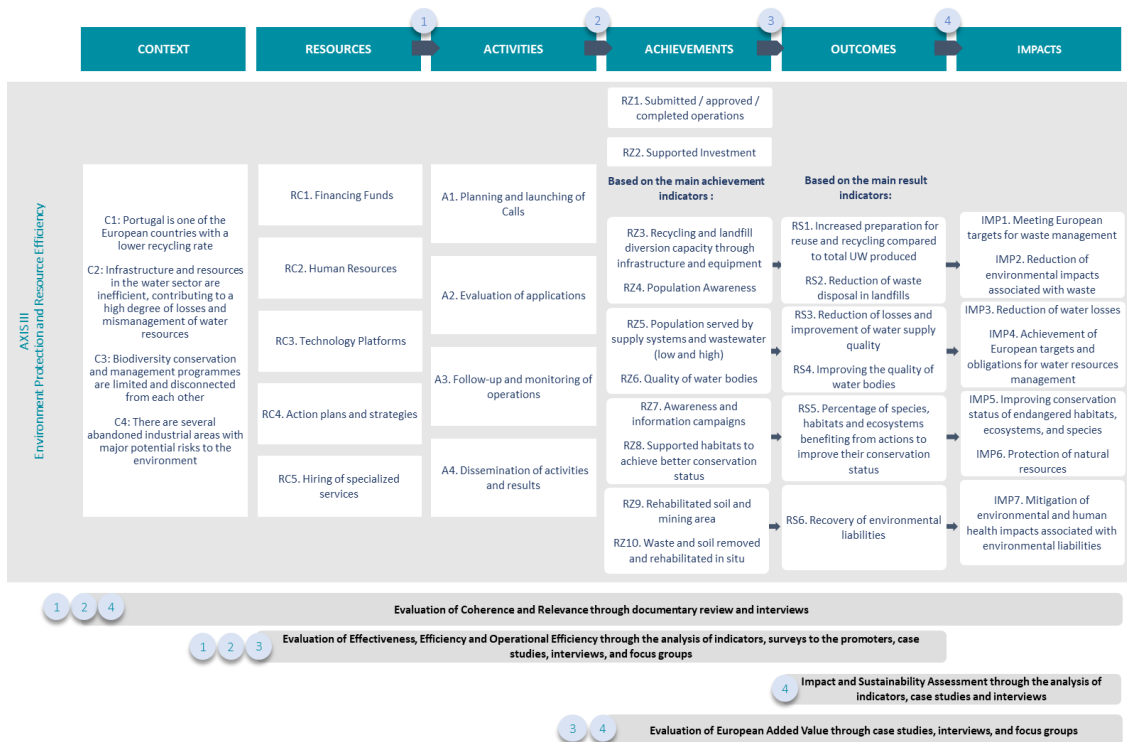
Methodological Approach

8. The evaluation exercise aims to answer the Evaluation Questions (EQ) based on the collection of documental evidence, data analysis and based on the consultation of the main stakeholders.
9. For the purposes of this evaluation, the analysis of all the Axis III IP was carried out in accordance with the principles underlying option 3 of the in-depth analysis provided in the Reference Terms, thus promoting a more complete analysis of all the EQs and their respective evaluation criteria.
10. Regarding Axis I and II IP, the evaluation considers the conclusions of the existing thematic evaluations, in accordance with the options for in-depth analysis set out in the Terms of Reference and the approach validated by the Initial Report. The considerations presented in the thematic evaluations were analysed and, whenever possible, updated by mobilizing the best information available at the time. Regarding Axis IV (Technical Assistance), the document aims to assess the efficiency of the Program's management, the financing of the development, management, control, monitoring, evaluation, information, and dissemination activities, as well as the strengthening of administrative and technical capacity.
11. The methodological framework for evaluation presented is based on the best European practices in this area, adapted to the scope and level of in-depth analysis deemed necessary. The methods for evaluating and collecting and analyzing information for the evaluation of PO SEUR include general consultation approaches, such as individual interviews, questionnaires, and focus groups, but also documental analysis, and analysis of indicators, numerical benchmarks, and case studies.

¹ In accordance with the Terms of Reference, the results of the thematic evaluation of OT4 and OT5 were mobilized in this exercise, as they had already been covered by thematic evaluations.

Applying the Theory of Change

12. The Theory of Change (ToC) Logical Framework of this evaluation object was presented according to the sequential scheme of Context, Resources, Activities, Achievements, Results, and Impacts. Since Axes I and II already had a ToC associated with thematic evaluations, this evaluation only considered Axis III.
13. The context presented is based on the national objectives and the main variables that define the Portuguese landscape on which the Program's Specific Objectives act. The context of Axis III was supported by documents such as PERSU 2020, PNGR, PNUEA, PENSAAR, ENCNB 2030, among others.
14. Resources consider the means leveraged by the Program to support the defined Activities, namely financial, human, and technological resources (e.g., information systems), but also elements of strategic and planning nature and access to specialized services for specific activities.
15. Activities consist of the operations that make it possible to transform Resources into Achievements, ranging from the planning and opening of calls to the closing of operations and the reporting of information.
16. Achievements reflect what was implemented as a result of the Activities. These include achievements by the Managing Authority, such as the number of open calls, applications assessed and approved, support granted and dissemination actions carried out, but also the achievements associated with the operations carried out by the promoters, such as the acquisition of equipment or new infrastructure.
17. Results translate the achievements of the operations carried out into concrete benefits, measurable through indicators. For example, the effective increase in the amount of waste sent for recycling (result) resulting from the investment to increase recycling capacity (activity).
18. Finally, the translation of Results into Impacts assumes that the operations achieve the overall objectives for which the Program was designed and that the impact generated is sustainable over time.
19. The intermediate levels of analysis, defined between the different phases of the evaluation, make it possible to clarify whether the resources available are adequate for the development of the activities (1) and whether they have made it possible to achieve the desired achievements (2). It also makes it possible to assess whether the implementation of the achievements contributes to meeting the indicators (3), whether the progress made is sustainable and whether it is in line with the Program's objectives (4).



Picture 1 -Representation of the logical framework of the ToC applicable to Axis III of PO SEUR

Answers to the Evaluation Questions

- The mid-term evaluation presents an overall reflection on the operationalization of the Program by answering the evaluation questions, and by considering the thematic specificities of each of the Program’s Priority Axes.

Table 1 - Evaluation Criteria and Questions

Criteria	Evaluation Question
Effectiveness	EQ1. The objectives set out by the Program have been, or are likely to be, achieved? What is the Program's contribution and how do you explain the greater or lesser success in achieving these objectives?
Efficiency	EQ2. Given the objectives pursued by the Program, would it have been possible to achieve better results with the resources available?
Operational Efficiency	EQ3. How have the innovative mechanisms introduced in the governance model for the 2014-2020 programming period contributed to efficiency in the process of the Program's Implementation?
Impact and Sustainability	EQ4. How is the Program contributing to the objectives of the European Union Strategy for smart, sustainable, and inclusive growth? And to strengthening territorial cohesion?
European Added Value	EQ5. What is the European Added Value in the implementation of the Program and its results?

Relevance and Coherence

EQ6. The configuration of the Program is responding adequately and sufficiently to the priorities of national public policy, achieving the expected results and capable of promoting effective change?

21. The consolidation of the analysis of the different evaluation criteria - Effectiveness, Efficiency and Operational Efficiency, Impact and Sustainability, European Added Value, and Relevance and Coherence - contributed to the conclusive summary presented.

Main Conclusions and Recommendations

22. The mid-term evaluation generally concludes that the Program contributes to achieving national environmental objectives, despite significant delays in convergence with the program's objectives and priorities that had to be reprogrammed.

Table 2 Conclusions according to the respective Evaluation Criterion

Conclusions
Effectiveness
C1. The results evaluated suggest that a significant part of the program's objectives will be achieved
C2. There are program objectives that are overly ambitious and will not be achieved
C3. Several external factors contributed to the delay or non-achievement of the program's objectives
C4. Several internal factors contributed to the delay or non-achievement of the program's objective
C5. The analysis of the indicators reveals the difficulty of translating achievements into results during the programming period
Efficiency
C6: The inefficiencies identified can be linked to economies of scale and public policy options
C7: There is evidence of lower efficiency in operations focused exclusively on awareness, communication, or knowledge
C8: The use of instruments such as reference costs can lead to greater efficiency and comparability of operations
Operational Efficiency
C9. Beneficiaries rate the performance of the Program's Management Authority with a very positive assessment
C10: Beneficiaries point out opportunities for improvement in the simplification of administrative processes and in the management of call calendars
C11: The Program's Management Authority partnerships with other public administration entities have contributed to the success of the program
Impact and Sustainability
C12: The evidence supports that the Program has been decisive in achieving the objectives of European and national policy
C13. The Program has adequately translated the objective of territorial cohesion
European Added Value
C14. PO SEUR plays a key role in ensuring the financial viability of operations
C15: The level of contribution to sectoral objectives reflects the beneficiaries' high dependence on EU support
C16. European Added Value is also seen in the procedural dimension
Relevance and Coherence
C17. There is alignment and coherence of the Program with national policy priorities
C18. Complementarity and synergies between operations, between the Structural and Investment Funds and with other national instruments is low

23. The key focus of the recommendations presented is on future environment and sustainability programs, whether regional or national in scope. The difficulty of evaluating results and impacts, as described in conclusion C5, justifies the ex-post evaluation focused on Axis III areas, assuming that the others will be covered by thematic evaluations.

RE1	Promoting the maturity of operations at the application stage
Description	
<p>It is necessary to promote the maturity of operations when they reach the application stage, reducing the risks of the need for reprogramming and delays. To this end, both the Management Authority and the beneficiaries need to act.</p> <p>The Management Authority can promote the maturity of operations by making the calls for proposals more predictable, guaranteeing multi-annual timetables for the launch of calls for proposals, as Portugal2020 itself did during the first phase of the framework program. This effort will involve various entities, in particular the Management Authority itself and the Interministerial Commissions, which represent the relevant departments, but it is essential to guarantee the necessary preparation of the studies and projects required for the success of the operations and, consequently, the programs. The potential benefit of the notice plans should not be underestimated, as they could help overcome various difficulties identified by the beneficiaries and the public administration itself, such as budgeting the national counterpart, anticipating public procurement procedures, among others.</p> <p>It is also recommended that other instruments be used to listen to potential beneficiaries, such as formal channels for expressing interest, which would allow entities to express their intention to carry out certain operations within the scope of the thematic programs. This expression of interest would allow the Management Authority to adjust their notices to the needs of potential beneficiaries, without naturally compromising the objectives of the programs themselves. There have been identified management authority that have already used similar figures within the scope of Portugal2020 and that attest to the contribution of this type of instrument.</p> <p>Complementarity with other financing instruments is addressed in recommendation RE7, but this can be used as a way of boosting the maturity of operations by, for example, financing planning, preliminary projects/preliminary studies, as was done with the Environmental Fund's financing of municipal plans for bio-waste management. It is important to overcome the inclusion of operations that have not yet been approved in the budgets of public bodies, particularly those that are subject to budget management restrictions, by training beneficiaries and raising awareness among bodies responsible for budget approval. In view of the constraints arising from public procurement and litigation, pointed out by beneficiaries and the Management Authority itself as limiting the success of the program, it is recommended that expenditure on legal services be included as eligible expenditure, whenever necessary to mitigate the risks associated with public procurement.</p>	
Target: Management Authority of the Thematic and Regional Programs of PT 2030, Ministry of the Environment and Climate Action, Interministerial Coordination Commission and AD&C	
Connection with the conclusions: C4, C10	

RE2	Intensify the launch of calls for proposals at the start of the programs
Description	
<p>It was found that in all the axes of the Program, most operations require at least three years to implement, plus the period for the desired results to be seen. There are also several operations, such as those related to the extension of metro networks, which take significantly longer than this period.</p> <p>Analysis of the previous Program also shows that the results of operations are typically only seen during the following programming period. To reduce the risk of external and internal factors hampering program implementation, the Management Authority should densify the launch of calls for proposals and the contracting of operations in the initial phase of the programs, targeting the second half of the programming period for corrections and critical interventions.</p> <p>By launching the notices in the first phase of the programs, we would not only reduce the risk of non-execution, but also reduce the Management Authority teams' dedication to closing operations when the focus should be on launching the next program.</p> <p>To this end, it is necessary to focus on maintaining the teams and scope of action of the Management Authority, guaranteeing the necessary skills for a more productive start, and political coordination that is aware of this need. Strategic planning must be established or updated prior to programming, meaning that sectoral planning must precede and inform the program plan to increase coherence. This is considered to have been a success factor for IP 6.1 and 6.2 of the Program, but it was not achieved for the new programming period, since PERSU2030 and PENSAARP 2030 are after the definition of the Portugal2030 programs.</p>	
Target: Management Authority of the Thematic and Regional Programs of PT 2030, Ministry of the Environment and Climate Action, Interministerial Coordination Commission and AD&C	
Connection with the conclusions: C2, C3, C5	

RE3	Strengthen mechanisms to promote economic efficiency
Description	
<p>The evaluation suggests that the main inefficiencies stem from reduced economies of scale in various operations, but these are assumed to be political choices and in line with the principles of territorial cohesion. However, it is possible to reconcile the use of instruments to promote economic efficiency with the pursuit of the principles of territorial cohesion and quality of service throughout the country.</p> <p>It is recommended that more robust criteria be introduced to promote economic efficiency, such as the inclusion of reference costs for investment types, the launch of notices segmented by territorial scale or dedicated exclusively to low-density areas, as was done in IP 6.2, which allows the maximum eligible values to be adjusted to the size of the operations.</p> <p>The main risk in using these instruments, particularly reference costs, is reduced participation if they are underestimated, but this risk can be mitigated with preparatory studies within the scope of technical assistance and based on market monitoring.</p>	
Target: Management Authority of the Thematic and Regional Programs of PT 2030	
Connection with the conclusions: C6, C8	

RE4	Prioritize large-scale awareness-raising and education actions or those framed within operations with a broader scope
Description	
<p>The evaluation concluded that the types of operation focused exclusively on awareness-raising, education and knowledge show a significant variation in unit costs. The beneficiaries themselves recognize the limited impact and sustainability of small-scale operations, particularly when they are not associated with other activities or operations. Based on this conclusion, it is recommended that Management Authority (MA) favor large-scale awareness and education operations, with the potential to cover the entire territory or relevant regions and increase the weight of these components in more comprehensive operations. For example, several Programs calls set 15% of total eligible expenditure as the limit for investment in awareness-raising, but these limits should be extended and assessed on their own merits and applicable reference costs.</p>	
Target: Management Authority of the Thematic and Regional Programs of PT 2030	
Connection with the conclusions: C7	

RE5	Strengthen the mechanisms for involving and monitoring the program's beneficiaries
Description	
<p>The Program Management Authority (MA) maintained a close relationship with potential beneficiaries, promoting actions to raise awareness and prepare beneficiaries, which in turn made it possible to increase the number of applications and mitigate failure factors. The efforts of the Management Authority and partner entities to address critical points for the program, such as compliance with the criteria for covering expenditure under IP 6.2, are also noteworthy.</p> <p>These activities contributed to the success of the Program and should be taken as good practices to be adopted by the MA of the programs with environmental relevance. It is recommended that training actions related to public procurement be strengthened, which continues to be identified as a barrier by beneficiaries. It is also recommended that these actions be complemented with initiatives to involve potential beneficiaries and interest groups in the planning phase, realizing a vision of co-creation between the MA and these stakeholders, particularly in innovative areas and, consequently, those of greater uncertainty. These initiatives complement the contributions of the monitoring committees with a more pragmatic view of the potential beneficiaries and make it possible to disseminate the full potential of the Structural Investment Funds more effectively.</p> <p>The Program operations, particularly in IPs 6.4 and 6.5, benefit from on-site monitoring, where it is possible to observe results and impacts beyond what is captured by program indicators. In the specific case of IPs 6.4 and 6.5, the beneficiaries affirmed the importance of on-site monitoring as a way of verifying the impact of the interventions. The transfer of thematic objectives to the regional programs under Portugal2030 will boost this on-site monitoring, but it will be necessary to ensure that the teams in the MAs have the necessary availability for this purpose. This monitoring can be articulated in the context of partnerships between the MAs and other public administration bodies, which already carry out monitoring and auditing activities, increasing their presence in the field.</p>	
Target: Management Authority of the Thematic and Regional Programs of PT 2030	
Connection with the conclusions: C9, C10	

RE6	Create a governance model that guarantees the sharing of knowledge and good practices between the MA and the MAs of Portugal2030 regional programs
Description	
<p>Most beneficiaries identified the technical and management capacity of the MA of the Program as an asset that compares favorably with the previous framework. The knowledge and experience accumulated by the MA team over the course of the program, which in some cases goes back to previous programs, was a success factor. With the transfer of several areas to the regional programs, there are significant risks associated with less technical expertise and the creation of regional asymmetries due to the definition of different priorities or approaches by the MAs of the regional programs.</p> <p>To reduce these risks, it is recommended that a specific governance model be created for the transfer of knowledge between the MAs of the regional programs, but with the participation of the Sustentável 2030 MA as well, where several relevant competencies in these areas are still concentrated. This knowledge transfer should be translated into similar approaches (e.g., call criteria) and standardized procedures and calls. It should be noted that several beneficiary entities cross the borders of the areas of influence of the regional programs, so this standardization ends up being fundamental for the smooth running of interventions with a regional dimension.</p> <p>This governance model should also ensure that the results and conclusions of mid-term evaluations are kept up to date. Considering the difficulty sometimes encountered when carrying out mid-term evaluations of Community support programs, particularly regarding determining the results and impacts resulting from them, ex-post evaluations should be carried out focusing on the various thematic areas of Community support, as suggested for the evaluation plan for PT 2030 by the PT 2020 Global Evaluation Plan.</p>	
Target: Management Authorities of Sustentável 2030, other Regional Programs of Portugal 2030, Interministerial Coordination Commission, Climate Action and Sustainability Network and AD&C	
Connection with the conclusions: C5, C9, C11, C16	

RE7	Strengthen planning to promote complementarity and synergies between the Structural Funds and national instruments
Description	
<p>The evaluation concluded that complementarity and synergies between operations, between the ESI Funds and national instruments are low. Most beneficiaries assumed that there were no other forms of funding for the same type of operations. The evaluation team did, however, identify complementary instruments that were used by national entities. For example, there are beneficiaries who have benefited from support from the LIFE and INTERREG programs to evaluate and set up pilots for the collection of bio-waste and specific flows, and who have then scaled up these initiatives based on support from the Program. However, these examples stem from the beneficiaries' own initiative, are small in scale and are not the result of a systematic approach to this complementarity.</p> <p>The link between the ESI Funds and the national environmental instruments must be coordinated at the level of the Ministry of the Environment since it is involved both in the Interministerial Commissions and in defining the allocation of these national instruments. This coordination should be manifested in formal processes involving the MAs and the General Secretariat for the Environment, as the services responsible for operationalizing the Environmental Fund and mechanisms such as the EEA Grants, and the Ministry itself. This model of involvement and cooperation will make it possible to overcome constraints that have been identified at various levels, including by the Interministerial Commissions themselves, such as</p>	

the difficulty of public administration entities assuming the national counterpart, or support for expenses that are not eligible under the programs but are relevant to the proper execution of operations.

Target: Management Authority of the Thematic and Regional Programs of PT 2030, AD&C and Ministry of the Environment and Climate Action

Connection with the conclusions: C18

RE8 Coordinate sectoral planning with ESI Funds planning

Description

The evaluation highlighted the important role of sectoral policy planning for the success of the program. Based on the most successful cases, it is recommended that strategic planning be established or updated prior to programming, meaning that sectoral planning should precede and inform the program plan to increase coherence. This is considered to have been a success factor for IP 6.1 and 6.2 of the Program, but it has not been achieved for the new programming period, since PERSU2030 and PENSAARP 2030 (not yet approved at the time of this report) are after the definition of the Portugal2030 programs. The plans themselves will have to provide for the existence of the ESI Funds and how they can be operationalized, focusing on aspects such as the result indicators and the objectives of the programs. In practice, to ensure alignment between sectoral policies and the programs, reprogramming may be necessary, which will contribute to the delay in their implementation.

Target:

Ministry of the Environment and Climate Action, Management Authority of the Thematic and Regional Programs of PT 2030 and AD&C

Connection with the conclusions: C17