

EVALUATION OF THE OPERATIONALISATION OF TERRITORIAL INSTRUMENTS

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Acronyms/Abbreviations

AD&C - Agency for Development and Cohesion
CLLD - Community-led Local Development (for simplification, the acronym CLLD is used for two situations: to refer to the "Local Community Based Development" approach and to refer to the contracts drawn up within the CLLD approach, in its rural, coastal and urban strands)
CRDC - Commission for Regional Development and Coordination
EAFRD - European Agricultural Fund for Rural Development
EMFF - European Maritime and Fisheries Fund
EQ - Evaluation Question
ERDF - European Regional Development Fund
ESIF - European Structural and Investment Funds
ESF - European Social Fund
ICC - Portugal 2020 Inter-ministerial Coordination Committee
IMC - Intermunicipal Communities
IP - Investment Priorities
ITDS - Integrated Territorial Development Strategies
ITI - Integrated Territorial Investments
LAG - Local Action Group
LDA - Local Development Associations
LDS - Local Development Strategies
MA - Management Authority
MAR2020 - Operational Programme of the European Maritime and Fisheries Fund
MC - Monitoring Group
MeA - Metropolitan Area
NPSP - National Production Support Programme
NSI - National Statistics Institute
NSRF - National Strategic Reference Framework
NUTS - Nomenclature of Territorial Units for Statistics
PDTC - Pacts for Development and Territorial Cohesion
POISE - Operational Programme Social Inclusion and Employment
POSEUR - Operational Programme Sustainability and Efficiency in the Use of Resources
PRODERAM 2020- Rural Development Programme for the Autonomous Region of Madeira. 2014-2020
PRORURAL + - Rural Development Programme for the Autonomous Region of the Azores
PROVERE - Programme for the Economic Enhancement of Endogenous Resources
PT2020 - Portugal 2020
RDP - Rural Development Programme
Regional OP - Regional Operational Programme
RLMP - Regional Land Management Plan
SUMAP - Sustainable Urban Mobility Action Plan
TSG - Technical Support Group
URAP - Urban Regeneration Action Plan



Objectives and Scope of the Evaluation

1. The Evaluation of the Operationalization of Territorial Instruments focuses on two territorial instruments (Pacts for Development and Territorial Cohesion - PDTC - and Community- Led Local Development - CLLD) implemented in the 2014-2020 programming period under the Cohesion Policy financed by the ESIF. The Evaluation thus focuses on the 22 PDTC and the 91 Local Development Strategies (LDS) implemented under the CLLD in their three strands (rural, coastal and urban), which are financed by the four European Structural and Investment Funds (EAFRD, EMFF, ERDF, ESF) mobilized through the seven Regional OPs, the three Rural Development Programmes, the Operational Programme of the European Maritime and Fisheries Fund (MAR2020) and two thematic OPs (POISE and POSEUR).
2. This evaluation is a process evaluation, especially oriented to analyse the quality of the operationalization of the territorial instruments aiming at contributing to improve the efficiency and effectiveness of this type of instrument. It also incorporates objectives related to the evaluation of the first outputs and results, to identify, describe and quantify the outputs and results achieved by the universe of PDTC and CLLD.

Framework and Context of the Evaluation


3. The 2014-2020 programming period is characterised by the strengthening of the territorial approach, through the definition of the Territorial Agenda 2020, under which the Regulations of the European Structural and Investment Funds (ESIF) sought to encourage the implementation of integrated territorial approaches. In this sense, the design of the Territorial Approach of Portugal 2020 was based on Integrated Territorial Development Strategies (ITDS)¹, prepared at the scale of the NUTS III (sub) regions, under the leadership of the Intermunicipal Communities and Metropolitan Areas (IMC/MeA), which had the mission to "translate a complete and clear sub-regional strategic framework, duly articulated with the regional strategy streamlined by Commission for Regional Development and Coordination (CRDC) , which ensures the coherence of interventions, regardless of how they are implemented (....), allowing for the integration of rural development strategies, urban development and development of coastal areas as an integral part of regional development". Thus, the ITDS aim to operationalize a set of policies from the territory and assume themselves as the reference of the instruments of integrated territorial-based policies, which include the two instruments that are the object of this evaluation - Pacts for Development and Territorial Cohesion (PDTC) and Community- Led Local Development (CLLD).
4. Understanding this framework is essential to understand that the PDTC and CLLD instruments do not correspond per se to an autonomous and complete regional development strategy, positioning themselves rather as specific instruments to support the operationalization and implementation of the Integrated Territorial Development Strategies (ITDS) recognized for that territory with support in the regulatory figure of the Integrated Territorial Investments [ITI; a list of Thematic Objectives and Investment Priorities covered in the ITI is presented in annex].

Pacts for Development and Territorial Cohesion

5. The PDTC are operationalized by IMC/MeA in all NUTS III of the Continent (with the exception of Algarve) and were designed as instruments that "cover the interventions of municipal and intermunicipal entities essential to the implementation of the ITDS acknowledged [previously as the result of a specific Call], with special emphasis on the reorganization of the supply of public and collective services, in the areas of inclusion, education or training, as well as increasing the quality of provision of these services or services provided directly by municipal and intermunicipal entities, including through measures that promote administrative modernization and the qualification of these services"². The PDTC also intended to value the idea that, "at the sub-regional level, the challenges posed, on the 2020 horizon, in areas such as the valorisation of the territory's strategic resources, energy sustainability, the promotion of a more inclusive society or the efficiency and rationalisation of inter-municipal collective services require the reinforcement of the territorial intervention scale, beyond the strictly municipal logic, and the increase of the partnership between local authorities and other development actors, for a more effective intervention in the key areas of development and territorial cohesion", mobilising a set of pre-defined IPs.

¹ Cf. 'Recognition of Integrated Territorial Development Strategies - Call for Applications No. 01/2014'.

² Cf. 'Pacts for Development and Territorial Cohesion - Call for Applications No 03/2015'.

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6. In September 2021, the 22 PDTC had a programmed allocation contracted of 1,303 M€, corresponding to a committed fund amount of 981 M€ and a validated expenditure (fund) of 457 M€, corresponding to a commitment rate of 75% and an execution rate of only 35%, observing quite different dynamics of approval and implementation between regions and between IMC/MeA.

Local Community Based Development (CLLD)

7. Local Community-Based Development (CLLD) is implemented through Local Development Strategies (LDS) which are designed and implemented by Local Action Groups (LAGs) and was conceived as a way to leverage the experience of previous programming periods in promoting integrated bottom-up approaches promoted by local communities, with special emphasis on the LEADER approach, and intended to play a specific and distinctive role on the territories to intervene. According to the Partnership Agreement, the mobilisation of this territorial instrument aims to promote strategic and operational coordination between partners in specific territories:
 - the integrated implementation of investments that ensure the production of noteworthy results in local development and the diversification of rural-based economies and of fishing and coastal areas, with special emphasis on contributing to job creation and, in a complementary manner, to initiatives promoting social innovation in response to problems of poverty and social exclusion, namely in economically fragile and/or sparsely populated territories;
 - the promotion of integrated initiatives to foster social inclusion, with an emphasis on social entrepreneurship, the fight against poverty and school dropout in disadvantaged urban territories in the two metropolitan areas of Lisbon and Oporto and in higher urban centres.
8. In Portugal, the option expressed in PT2020 includes three strands for CLLD - Urban, Fisheries and Rural - with a multi-fund financing model, although with different framework conditions between these three types of CLLD and between the Mainland and the Autonomous Regions (AR). The approach to CLLD was based on a definition of the areas of intervention/types of intervention likely to be funded.
9. The programmed allocation for the support to operations integrated in the 91 existing CLLD amounted to 345.5 M€, representing the committed allocation, at the end of September 2021, with an execution rate of 22%. The rural strand of the CLLD is the one with the largest number of CLLD with a higher financial volume, highlighting the weight of EAFRD support in this type of CLLD.


Methodology


10. The methodological framework designed prioritized the response to the objective of promoting a process of information collection from the universe of territorial units funded using as a support tool an information collection matrix whose operationalization uses three main sources of information: documentary analysis, information systems analysis and interviews (IMC/MeA, LAGs and MAs), complemented with a survey of beneficiary entities. Based on the triangulation of the information collected, individual reports were filled in for each PDTC and CLLD, and an integrated analysis of synthetic indicators defined to obtain an overall reading of the performance achieved in each TI.
11. With the ambition of having an overview of the operationalization of the Territorial Instruments under evaluation, an integrated analysis of the indicators is conducted to obtain an overall interpretation (national or sub-regional, for example) of the performance achieved in each of the assessment domains. In this sense, based on the indicators collected and systematized in each territorial unit, and from a perspective of an integrated analysis, a set of synthetic indicators has been prepared to guide the overall reading of the results collected for each of the PDTC and CLLD. Hence, the roadmap for answering each of the sub-questions is based on the systematisation of aggregated elements arising from the individual analyses of each PDTC/CLLD.

Key Evaluation Results (PDTC)

Coherence


12. **The articulation between the PDTC and the ITDS (external coherence level) is impoverished by the contracting strategy adopted.** The development strategies included in the latter are only partially constituted as guiding and driving references for the Plans. There are three reasons for this.
13. Firstly, **the assessment of the contribution of intervention typologies to the achievement of the ITDS** ranks at low levels for several of the intervention areas considered, and in two thirds of the cases the ITDS do not have their objectives sufficiently covered by the PDTC.

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14. Secondly, **the existence of intervention areas not contemplated by the PDTC, because they are not available in the typologies of intervention subject to contracting**, which are seen as relevant for the fulfilment of the ITDS, namely: i) the area of mobility, especially from the perspective of the contribution to energy efficiency; ii) the protection and enhancement of natural and cultural heritage in connection with the valorisation of endogenous resources and tourism, in some cases limited by the option to finance only interventions in national monuments and not contracting interventions in natural heritage, as happened in the Central Region; iii) the consolidation of regional knowledge and innovation systems; iv) the urban water cycle and vi) urban regeneration strategies.
 15. Thirdly, **the degree of coverage by the PDTC of the strategic objectives of the ITDS is, to a lesser or greater degree, always fragmentary**, with the IPs considered having an intermediate degree of adequacy to meet the challenges of the ITDS. The only areas of intervention that are unanimously evaluated as very appropriate are those that refer to education and training (IP 10.1 and 10.5). The IP globally considered the least adequate is the one that refers to investment in the waste sector (IP 6.1.). Also with low levels of adequacy are the IPs of investment in physical assets (M04; Collective infrastructures - traditional irrigation, drainage, and land structuring), IP 9.1 referring to active inclusion and IP 9.4 associated with investments in social and health services. The difficulty of adequacy is greater in more dynamic territories where the development factors are more diverse: the IMC/MeA and the beneficiaries of the coastal territories explain greater difficulty in making the PDTCs correspond to the objectives of the ITDSs, placing less value on the degree of suitability of the IPs made available for contracting.
 16. **The competitive application model with negotiation did not contribute to strengthening the link between the ITDS and the PDTC programming**, as this objective is strongly conditioned by the existing rigidity in the range of Intervention Priorities available for contracting. The model adopted is most valued for the contributions it has made to boosting partnership in the territory and the consistency of the strategy by stimulating and providing a context for the mobilisation of the territory's stakeholders in the planning exercise.
 17. **On the financial side, more than the finding of insufficient resources, the expression of some imbalance in the capacity to respond to needs stands out:** (i) in low density territories, the evaluation of the allocation of resources is more positive, with 42% of the IMC/MeA considering the financing to be adjusted and 14% considering that there was overfinancing; (ii) in medium and high density territories, 62% and 65% of the IMC/, respectively, consider that the PDTC was underfinanced.
 18. IP 2.3, 9.7 and 10.5 were those that were globally considered the most underfinanced. The IP with higher implementation and that suffered considerable reprogramming, as is the case of IP 10.5. and those with strong installed demand (social, health and educational infrastructures, support to job creation and conservation and protection of natural and cultural heritage) tend to be evaluated as underfinanced and those IPs where implementation difficulties were evident, as is the case of IP 4.3, or that concern new intervention areas, as is the case of IP 10.1, tend to be considered less underfinanced.
 19. In any case, the low level of implementation and the successive reprogramming that have been promoted show that the main problem is not the volume of resources but, especially, **the effectiveness of making the PDTC operational**.
 20. **The alignment between axes, objectives and priorities globally safeguards the internal coherence of the PDTC. In terms of internal coherence, it is at the level of the translation of objectives into indicators and targets that programming is weak.** Several intervention areas are not adequately translated into the scope of the indicators considered and complementary indicators were not always included to overcome the difficulty.
 21. **There are common patterns that must be pointed out:** no result indicators and targets were defined for IP M04; in the Alentejo region, no result indicators and targets were defined for IP 6.1 and in 1/3 of the PDTC no result indicators and targets were defined for IP 5.2; in the Centre region, no result indicators and targets were defined for IPs 4.3 and 6.3.
 22. **This weakness in programming is most evident in the common result indicators.** The inadequacy of the indicators led, whenever it was more flagrantly observed to some conservatism in the setting of targets. That was the case of IP 6.3. which had as common result indicator the increase in the number of overnight stays, an aspect difficult to relate to some of the interventions. Or IP 2.3. whose result indicator referred only to the availability and completion of online forms when many of the projects had other types of objectives. Also in IP 8.8, the goals related to jobs created were outlined in a cautious way, especially in the interventions oriented to business incubators, considering the nature of the operations and their dimension.

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23. **The complementarity of the PDTC with other programmes and funding sources is widely evidenced, the main driver of this complementarity being a reactive approach to the lack of funding available to implement the projects.** In some cases, complementarity of funding was foreseen a priori, but the deepening of this complementarity resulted in most IMC/MeA from the negotiation process regarding the allocation of the PDTC.
 24. This dynamic reinforces the view that **the role of ITDSs in the planning function (for PDTCs and their external articulation) is limited. Interaction with other instruments is widely mentioned and is most relevant with planning** and intervention instruments in the areas of mobility, urban requalification and regeneration, local community-based development, adaptation to climate change and the valorisation of endogenous resources. **The levels of complementarity evidenced with the CLLDs are less evident.** The dominant view is that there was not enough articulation between the regional and sub-regional levels, and complementarity here is understood more as the sum of resources than as the coordination of resources. Complementarity between these instruments will be, in fact, one of the biggest flaws of the territorialization strategy of PT 2020. PDTC and CLLD coincided as instruments without being strategically combined. Exception are the rare cases of IMC/MeA that also promote CLLD.
 25. **The intermunicipal dimension was progressively blurred from the moment of the application submission and throughout the implementation of the PDTCs.** We can therefore state that intermunicipality will have produced less than the desired result. The amount of funding applied in intermunicipal projects and the amount contracted had very substantial setbacks that the implementation came to magnify. The variation rates between the total amount of funding applied and the contracted amount in intermunicipal projects were negative in all regions analysed, apart from Central Alentejo (an aspect that the low implementation rate corrected). In some cases, there were drops of over 60%.
 26. If there is an area where the diversity of options of the territories is expressed, it is in the development of intermunicipal projects, either by the weight they assume in the PDTC proposals and, consequently, in the contracted PDTC, or by the areas of intervention that are privileged. The stakes are visibly differentiated between IMC/MeA, which reflects the diversity achieved with a relatively closed instrument.
 27. This intermunicipal dimension is welcomed, above all, in the projects managed by the IMC/MeA, which in some cases, from the implementation point of view, do not correspond to a true intermunicipal approach. This is the case of the entrepreneurship projects (SI2E) and the Employment Integration Contracts. These investments sometimes appear as a single operation whose promoter is the IMC/MeA, which induces their classification as intermunicipal, but it is a grant that has the IMC/MeA as beneficiary to support other final beneficiaries and a strong local expression. But there are also many cases where the PDTC contributed to boost this common work and leverage the role of the IMC/MeA. What we found is that there are starting conditions that favour this dimension and that are not always present in all IMC/MeA: (i) degree of maturity and structuring of the IMC/MeA; (ii) leadership and management dimensions that lead to that in the IMC/MeA where the executive capacity and the interlocution with municipalities is higher, the valorisation of intermunicipal operations is facilitated; (iii) the nature of the territories, with a greater capacity to present intermunicipal projects when IMC/MeA municipalities are balanced in terms of development levels; (iv) conditions associated with the way IMC/MeA see their intervention in the territory: more formal or more leading.
 28. **The picture of participation in the design of the strategies paints an almost common picture. Only the municipalities and the managing authorities of the operational programmes were intensively involved in the design of the strategies.** The assessment made of the contribution of the other entities is situated at an intermediate level. This participation tends to boil down to a merely formal level with no significant impact on the design of the strategies, even though there is some diversity in the established forms of participation: public debate sessions, participation in working groups, questionnaires of wide application, formal opinions.

Operational Efficiency

29. The implementation of the PDTC is marked by the framework of competences delegated to the IMC/MeA and how they were exercised. Conceptually, the set of delegated competencies allows for an adequate exercise of governance and implementation of the PDTC and is thus valued by the different stakeholders: it is in the articulation between the delegated competencies and the competencies of the MeAs that dimensions liable to compromise the efficiency of this instrument emerge and are revealed in a perception on the part of the IMC/AM that there is a duplication of tasks.
30. The efficiency of the PDTC was marked by difficulties resulting from both the dragging out of processes associated with the analysis and decision making of applications, in many cases duplicated between



IMC/MeA and MAs, in an exercise that confused the operational function with the control function (very evident in the North Region), and the process of launching calls for proposals which, being centralized in the MAs and articulated at the national level, compromised the implementation of the PDTC and some of its intervention typologies. The main effects of the model and the way it was implemented are the delay in launching the calls for proposals and the excessive time taken to analyse applications in most IPs.


31. The management of the calls for proposals was the operationalization area that generated the most tension and presents significant dissatisfaction from the IOs. The evaluation reflects the inexistence or inconsistency of the participation of the IMC/MeA in the management of the processes of definition and opening of calls for proposals. Being understood as deficient overall, it is mainly in what concerns timing, definition of deadlines and definition of indicators that the level of participation is more limited and inconsistent.
32. **The implementation process also revealed different capacities in the territory and different understandings about the role of these IOs and the way they exercise their functions.** With differentiated background (IMC/MeA with some tradition in the exercise of intermunicipal coordination functions, such as OESTE, for example, and others with less experience, e.g., Tâmega e Sousa), technical structures more or less solid in size, experience and skills (the average number of internal technical resources of the IMC/MeA allocated to the PDTC is 6, with significant regional variations, with the lowest number of resources in Lisbon (3) and the highest in the North (10) where there are IMC/MeA very well equipped in terms of size and experience of the technical team, e.g. The IMC/MeA either assumed themselves in the implementation and governance of the PDTC as intermunicipal bodies with a directive orientation on the PDTC and its projects (Oeste, Lezíria Tejo, “Médio Tejo”) or they ended up predominantly assuming their administrative function more associated with the deconcentration of MA management functions (which can be measured, for example, by the greater weight of intermunicipal projects in the PDTC in the first case). This diversity of action orientation and the diversity of results achieved in terms of implementation opens possibilities for models of delegation of competences with different scope.
33. **Regardless of the vision on their role and how it is exercised, the implementation of the PDTC is valued on the ground by the IOs and the beneficiaries, not so much from the exercise of administrative and formal functions, in which the gains are not evident in terms of simplification and decision times, namely, but mainly for the gains that arise from the proximity to the territory and that are expressed in the role of these IOs in the adequacy of the projects to the territory, in the articulation of actors on the ground, in promoting the complementarity of the different interventions in the territory and in the proximity to the beneficiaries.** Municipalities make the same type of assessment: They value the process more regarding the dimensions associated to the proximity to the beneficiaries, the capacity to adjust to the needs of the territories, the articulation and creation of synergies between beneficiaries and the participation of local actors in local development, than the aspects related to the deconcentration of the management that had a neutral contribution to the reduction of the administrative burden. It is, therefore, in the perception of territorial proximity and interests that the model proves to be advantageous for the municipalities much more than in the aspects more related to management and procedures.
34. **The implementation ended up revealing a narrowing of the PDTC in relation to what was contracted and a change in the weight of the priorities. The management of reprogramming was a demanding exercise** and the fact that the IPs targeted at beneficiaries other than municipalities, namely in IPs 8.3 and 8.8, were more relevant, meant that the number of applications and operations increased considerably compared to the historical situation. Although the IMC/MeA made a positive balance of their response capacity, the fact is that the processes associated with these IPs overloaded the technical teams that were not dimensioned in number and skills for the analysis and monitoring of this type of operations. Added to this circumstance was the mentioned lack of stabilization of concepts and definition of eligibility in IP 8.3, and the difficulty in assessing eligibility in the case of IP 10.1. IP 4.3. also revealed a level of technicality and specialisation both in the preparation of applications and in their analysis that did not have an adequate response in most cases, unless the IMC/MeA team had someone specialised in the matter (which only happened in one IMC). **The dependence on technical advice from partner entities,** necessary for the application analysis process, was one of the aspects that also affected the response times and that greatly penalized the response to applications from IP 4.3. and 9.7. **The average time taken to analyse applications is thus one of the elements that hinder the good execution of the PDTC,** and it was 308 days (excluding applications to M04 of the RDP2020). The CF IPs performed better, with an average of 103 days and the IPs 9.7, 4.3, 8.3 and 8.8, due to the aforementioned dependence on technical opinions and the very high number of applications. The best overall performances are found in the Lisbon region, but with a much lower number of applications than in the North, for example. A little over a quarter of the number of applications compared to the North region results in about half the average decision time. An analysis by IMC/MeA reveals contexts where the difficulties seem to have

been greater, such as Beira Baixa, Viseu, Leiria and Aveiro. These would already be circumstances that would lead **to the need to improve the capacity building mechanisms of these IOs**, to which must be added a global recognition of the need to improve competences in some specific areas, namely those associated with the processes of analysis and selection of applications and public procurement.

35. **The monitoring mechanisms also show room for progress.** The results show that the PDTC with the highest execution rates were those that valued this function the most, which justifies investment in instruments, guidelines and capacity building for this area. The need for the IMC/MeA to use different information systems does not facilitate monitoring tasks. The more sophisticated monitoring attempts, such as the one referred to in the West IMC, which intended to have a system integrated with the ESIF information systems that would enable real time updating of the monitoring indicators, came up against the difficulties raised to the integration of systems.
36. **The monitoring and evaluation procedures** defined were differentiated and largely guided by the obligations established by the MAs of the Regional OPs, which were not standardised and which resulted in very different levels of depth and timeliness of information from region to region: the North MA established mechanisms for reporting and feedback of monitoring results between IMC/MeA and MA, on a quarterly basis; the formalisation of a mid-term evaluation moment was a practice implemented only in some PDTC (37. 5%), having been established as a rule in the Central Region and quite generalized in the Alentejo; the realization of more comprehensive and systematic exercises from the point of view of measuring the implementation framework at a given time and based on independent exercise has a minority expression, having happened only in the Alentejo, where the evaluation mechanisms were explicit in some PDTC, e.g., in CIMAC and CIMBAL.
37. **The mismatch between indicators and the nature of the projects** poses difficulties for monitoring based on IS reporting, to which must be added the recording of information in different information systems that results from the multi-fund approach, these difficulties are compounded by the reprogramming that took place in all the PDTCs, which substantially altered the projects and these alterations were not always accompanied by a review of indicators and targets: for example, in the Alentejo and Centre, the targets were not reassessed. The context was not conducive to the implementation of a monitoring and evaluation culture.

Effectiveness

38. **Understood as the dynamics of demand**, the applied and approved expenditure of the PDTC shows a pattern of concentration in a relatively small number of IP (32% of the applied expenditure is in IP 8.8 and 28.6% in IP 10.5) and, to some extent, in territories with a more urban profile. There is a certain **regional concentration of the investment** rather than of the number of operations in the NUTS III that correspond to the large metropolitan areas (Porto and Lisbon) or to territories contiguous to these (Oeste, Lezíria do Tejo, Ave and Tâmega e Sousa) associated with the NUTS III of high population density corresponding to Coimbra and Alto Minho. Excluded from this pattern of investment concentration are the NUTS III of Douro and Trás-os-Montes. Beira Baixa appears as the NUTS III with the lowest prevalence in number of projects and investment (see Figures 9 and 10).
39. **The thematic concentration profile** was accentuated throughout the implementation cycle, constituting a refuge for the execution difficulties in several of the IPs contemplated. Looking at the total approved cost, it can be seen that the ERDF component in the field of education assumes a very high weight in all the PDTC and that, together with the ESF component, the concentration of the demand dynamics of the PDTC in the field of education is close to 50%, on average. As for IP 8.8 (micro-entrepreneurship), the second most executed IP, its weight substantially drops in relation to what was proposed in the application, which means that if the difficulties in the management of the measure and the slowness it generated in the different circuits had been overcome, the relevance of the support to enterprises would have been much higher (see Figure 11).
40. Despite the concentration of demand in a reduced nucleus of IPs (10.1, 10.5, 8.8), the analysis of the profile of the distribution of investments by PDTC shows some diversity - in the weight of the investment requested in each IP, but also in the way the various contracted IPs are mobilised -, reflecting differentiated strategic and investment dynamics. There is greater relevance of IP 6.3 (natural and cultural heritage) in Lisbon and Alentejo, IP 9.4 (social services and health) in Lisbon, IP 9.1 (active inclusion) and IP 9.7 (health infrastructures) in the North and IP 10.5 (education infrastructures) in the Lisbon region (see Table 45).
41. The **significantly differentiated way in which the IP contracted with the RDP2020** is mobilised is another example of distinction. In this IP, the demand anchored in the territories was limited to a small number of



IMC/MeA (Aveiro, Lezíria Tejo, for example), those that in their ITDS presented core projects in IP M04. These dimensions of specificity are also present in the dynamics of demand and implementation associated with IP 4.3 (Lezíria Tejo and Alto Tâmega), PI 9.1 (Trás-os-Montes, Tâmega e Sousa, Douro and Cávado). This diversity is built both from the options taken in the contracting of the IPs (the contracting of the CEIs in the North explains the importance of IP 9.1) and from the dynamics of demand/implementation in each IP. Even though with common features, the diversity of the investment profile that was induced either by the ITDS and/or by the management and implementation dynamics of the PDTC is thus visible (see Table 46).

42. With the exception of the Employment IP (more open from the promoters' point of view) and the Energy Efficiency IP, **the project approval rates are high** (in many cases close to 90%), evidencing the negotiated nature of the investments included in the pacts and the centrality of the expenditure eligibility criteria in the analysis processes (see Table 47). The lowest approval rates are presented by the IMC of Cávado and Ave, highly penalized by low approval rates in IP 8.3 and 8.8. On the other hand, the Alentejo IMCs show much better approval rates for IP 8.3 and 8.8 than most other regions. In fact, it is IP 8.3. and 8.8. due to the volume of applications that they represent that are crucial for the performance of these indicators, benefiting the IMC/MeA with lower demand or that had a greater capacity to support promoters in the capacity building for the submission of applications. **The admissibility rates** are a good indicator of the capacity of promoters. It can be seen that the IMC/MeA with the highest admissibility rates in IP 8.8 are also those with the highest overall admissibility rates: Alto Minho, Aveiro, Baixo Alentejo, Lezíria Tejo and Médio Tejo (see Table 48).
43. **The implementation rates** established in relation to the contracted and approved goals, both corresponding to about 54%, are low in relation to the moment of implementation (September 2021) and highlight the significant operational inefficiencies of the model (see Table 49). However, the concentration of investment in areas with greater implementation capacity and the greater stabilisation of technical teams and procedures allows us to expect a significant intensification of implementation in this final phase of Portugal 2020 and gives some expectation of overall compliance with the contracted targets.
44. As most of the PDTC **registered significant variations in the allocation of Funds between the contracted amount and the amount currently approved** in PDTC after reprogramming: some were reinforced compared to what was initially contracted (with strong expression in LMeA and PMeA, in AVE and in all the IMC of Alentejo, except in Alentejo Central), others saw their allocation reduced (Beira Baixa, Aveiro, Alto Tâmega) largely due to the weight that IP 4. 3. or IP 8.8 and the fact that they are the regions with the lowest allocation of investment to the area of education (see Figure 15). The execution rate of most of the PDTC is substantially different if calculated based on what was contracted or what is currently in force (see Figure 16 and 17). The data show that the execution capacity is very differentiated (considering the initially contracted PDTC, the highest execution rate is 91.5% in Alto Alentejo and the lowest is 32.7% in Alentejo Central). The IMC of Alentejo Central is one of those with one of the lowest rates, penalised by the difficulty in implementing intermunicipal projects that were the focus of the initially contracted PDTC, and will face greater challenges to recover execution levels.
45. **The registered implementation is globally low.** With the exception of the Alto Minho and Lezíria Tejo PDTC, IP 8.3 has the lowest commitment and implementation rates, reflecting the difficulty in implementing the measure. Overall, there are sharp drops between the commitment and implementation rates, with IP 5.1 and 5.2 being the most distant from this pattern. The ESF IPs (8.3, 9.1 and 10.1) show a common pattern of sharp decline in implementation compared to what was committed, except for the PDTC of Cávado region. IP 4.3, in this case ERDF, and 8.3 are those that show execution rates with higher risk of compromising the final expected execution. IP 10.5 (ERDF) shows higher average implementation rates and a relevant contribution to the recovery of the global implementation rates. The projects most anchored in areas with a tradition of municipal investment are those that enable the leverage of implementation rates (infrastructure, Cohesion Fund measures and IP 2.3) (see Table 50). **The implementation profile** ends up highlighting the contribution of the PDTC to the infrastructural provision of services of general interest (education and social services) and of the immaterial response to educational success, on the first level, and to business initiative, administrative modernisation, and promotion of heritage, on the second level.

European Added Value

46. The convergence of evidence gathered throughout this evaluation makes it explicit that **the financing of the PDTC by European funds represented a very significant contribution to the institution of multi-level governance** and, in this context, to the consolidation of the path of decentralization of competencies in government action. This contribution is particularly relevant insofar as it has **contributed to affirming an**

intermediate level of governance that is not fully defined in the administrative organization of the State and that has been implemented through progressive decentralization of competences to the associations of municipalities. **The fragility of the municipal associations' own financial resources and the inherent difficulties in empowering them to occupy an intervention space that has only recently been materialised reinforce the importance of the ESIF contribution at this level.**


47. The allocation of financial resources to policy instruments whose implementation is contracted with the municipal associations and the formalisation of a model for the delegation of competences associated with the management of the PDTCs represent important advances for the institutionalisation of the IMC/MeA intervention space and its empowerment.
48. In line with the above-mentioned contribution, **the implementation of the PDTC has contributed to promote the intermunicipal dimension of action at the level of development and cohesion policies by creating contexts for the implementation of funds that complement the municipal and local scale that has predominated in the implementation of territorially based policies.** Although progressing less than projected, the intermunicipal approach mobilises several examples that constitute a field of practice in training and offer the expectation of renewal of territorialised policies. In a context of lack of EU funds, the municipalist tradition in local government and the process of decentralisation of competences to municipalities would probably have a weakening effect on the inter-municipal level of intervention.
49. **One of the main elements of innovation enhanced by the implementation of the PDTC** refers precisely to an area of intervention that assumed a relevant intermunicipal expression, the promotion of educational success (132 million Euros of total eligible cost). The intermunicipal based projects assumed a significant relevance in this IP (see Table 19) and constitute a space for innovation at the level of local education policies and fostered cooperation practices and diversification of action strategies. This will be a main area of innovation to be valued in the framework of the PDTC.
50. As it would be natural to expect, **the additionality principle has a strong expression in the financial dimension** and, thus, in the feasibility of projects that would not have been carried out in the absence of ESIF. This contribution is amply evidenced by the expression of funding associated with the PDTC and the assessment made by municipal beneficiaries (see Table 56) as to the possibility of carrying out projects in a scenario without funds and which, if carried out, would have been much more limited in almost half of the cases.
51. **It is at the level of process effects - largely related to efficiency in the implementation of the PDTC - that the impetus provided by the ESIF is most fragile.** The solutions adopted at the stage of contracting the PDTC and approving and implementing the investments did not produce the expected gains and penalize the contribution of the ESIF to the architecture of administration and management of the operationalization of the PDTC and this plan in the context of the intermunicipal scale of multilevel governance.

Key Evaluation Results – CLLD

Coherence

52. Based on the principles underlying the CLLD, as an integrated bottom-up approach promoted by local communities, the **LAGs drew up their LDS based on the existing needs for their territory, with reference to what was defined for this Territorial Instrument in the Partnership Agreement.** In the pre-selection and recognition phase, although the **IP/TO made available were considered adequate**, they revealed some **insufficiency in relation to some of the needs identified and the objectives contemplated in the LDS** because of an intervention restriction through the specification in the Call of the IP/TO mobilized by Fund and Region³. This mismatch was accentuated with the publication of the operationalization regulations, resulting in a narrowing and standardization (transversal to the whole territory) of the support contracted by the CLLD: This situation is more notorious in the Rural CLLDs of Mainland Portugal that expected to be able to continue the PRODER intervention (highlighting in the uncovered or insufficiently covered fields social inclusion, social area, associative, socio-cultural activities) and in the Urban CLLDs that, due to the nature of the needs of their territories, expected a greater intervention in the areas of social inclusion and combating school dropout and underachievement.
53. The **multifund model** adopted for the Rural and Coastal CLLD in mainland Portugal (combining the MAFRD or EMFF with the ERDF and ESF, through the Regional OPs) **is considered an essential approach for the existence of integrated development strategies with different strands of action,**

³ See Call of the - 1st Stage - Pre-qualification and in the CLLD Call 2nd stage - Selection of the LDS



especially in a context where the RDP2020 tends to focus on the more agricultural dimensions. However, the way this model was implemented, with several actors (MA RDP2020, MeAR2020 and the 5 Regional OPs), with different visions and expectations, with little articulation between them, made the process of selection and recognition of LAGs more time-consuming and bureaucratic, without an effective articulation and complementarity between funds and between MAs, which added difficulties in its efficient operationalization.

54. **The contracted funding is assessed as insufficient in light of the LDS priorities and the needs of the territories**, especially in the Rural and Urban CLLD, an assessment that is influenced by the reduction in the amounts allocated to the LDS compared to the past (in Mainland Portugal's Rural CLLD), by the reduction in the allocation compared to what was requested in the application, by the implementation dynamics of the IPs and by the constraints and limitations identified in their operationalisation.
55. The **two-phase model** adopted (a process common to all Mainland Portugal's LAGs) did not **contribute in any significant way to the relevance of the instrument, to the coherence between the instrument and the priorities for intervention in the territory, neither to increase the quality of the LDSs, nor for the attribution of the financial allocation according to the quality of the LDS**. It is even considered to have made a null and negative contribution to the efficiency of the selection process, which was considered to be not very fast or simple, and a consumer of time and resources for both the competing entities and the MAs.
56. The LDSs were drawn up with the concern to promote the **articulation of the local strategy with the European, national, and regional strategies, as well as with other strategies, projects and interventions developed in the territory**. The LAGs highlight the articulation with the ITDS (75% of the LAGs), CLDS (51.3%) and with the Social Development Plans/Social Network Strategic Reference Framework (42.5%).
57. **A wide range of stakeholders were involved in the preparation of the LDSs**, notably local government entities, namely municipalities (with a participation level assessed between 4.50 and 5.51 on a scale of 1 to 6), and non-profit entities from the economic and social sector (the former ranging between 3.87 and 5.33 and the latter between 3.60 and 5.13 on a participation scale of 1 to 6), including the partner entities that make up the LAG, but also other stakeholders. This involvement had results at the level of the definition of the LDS, namely as regards the identification of new actors to be introduced in the design and implementation of the Strategies, the broadening of their scope and the identification of priority projects for the territory. Most of the beneficiary entities surveyed, despite being aware of what the LDS is (83.1%), refer not to have participated in its definition (67.9%), which is explained by the nature of their support and their profile, and the fact that they are represented in partnerships and in the preparation of LDS by associations and organizations.

Operational Efficiency

58. **The model of delegation of competences and functional articulation between the LAGs and the MAs influenced the implementation of the CLLD, with the delegated competences being considered globally adequate in the framework of the Rural Development Programmes and MAR2020⁴** (average value of the degree of adequacy of the delegated competences between 4.2 and 6, on a scale from 1 to 6), but presenting some limitations in the framework of the Regional OPs (averages below 4 for many competences), a situation that derives from the non-uniformity of the delegated competences between both funding sources.
59. The assessment of the **functional articulation established between the LAGs and the MAs of the RDPs and MeAR2020 is positive** and marked by a relationship of trust and joint learning. **With regard to the Regional OPs' MAs, the assessment is more negative**, for most of the LAGs and the MAs of the North, Centre and Alentejo regions. The LAGs highlight the lower management powers assigned to them⁵, the lack of autonomy in implementing this component of the LDS, and the insufficient sharing of information

⁴ In the support integrated in the Rural Development Programmes and MAR2020, the range of skills covers the entire cycle of an application/project, especially the decision on the rate of launch, number of tenders, appropriations to be tendered, definition of the concrete calculation formula of the Global Value of the Operation, analysis by the technical team and approval by the Management Body, monitoring of beneficiaries, with analysis of reimbursement requests.

⁵ In the support integrated in the Regional OPs there is a functional articulation concerning the issuing of an opinion on the analysis of the admissibility and merit of the applications and the definition of the criteria for framing the project in the LDS, without formal responsibilities in the implementation phase of the projects.

and guidelines provided by the MADADAs necessary for greater stabilisation of concepts and procedures and standardisation of the application analysis process. The MAs countered and pointed out technical weaknesses of the LAGs, with a lack of robustness in the opinions they issued. In this sense, this model generated a perception of mistrust, and a loss of efficiency, with duplication of efforts, impaired decision times and a concentration of technicians on technical and bureaucratic procedures, to the detriment of dissemination, monitoring and animation of the territory, also pointing out the lack of articulation between the different Executive Authorities of the funding OPs.

60. **Compared with a model with administrative management centralized in the MAs**, the evidence gathered indicates that this model has an important contribution to the **proximity with the beneficiaries** (87.7% of the LAGs and 72.5% of the beneficiaries), to the participation of local actors in defining the local development process (85.2% of the LAGs), to the promotion of articulation and creation of synergies between beneficiaries (77.8% of the LAGs), to the capacity to adjust to the needs of the territory (69.6% of the beneficiaries). The dimensions **related to the reduction of the administrative burden** (45.8%) and the **celerity of procedures** (51.3%) are those where the LAGs and the beneficiary entities make a **more negative assessment**.
61. **The financial allocation to management functions** was considered to be moderately adequate (averages above 3), with Mainland Portugal's Rural LAGs showing the most critical appreciation with an average of 3.04, which derives from a reduction of more than 20% compared to the PRODER in their average allocation of Funds for operation and animation, with the aggravating factor that they relate to various Funds and Management Authorities, with different rules, procedures and platforms.
62. In the tender launching processes there is a **positive assessment** of the different **types of operation** (averages higher than 4 in the LAGs, except for Urban CLLD; average 5 beneficiary entities), with the main levels of inadequacy related to the way they were made operational and the specific regulations of some IPs/TOs. The most critical dimension pointed out by the LAGs is the pace at which tenders are launched (average 3.5), with the Regional OPs standing out due to the unpredictability and intermittency of the tenders that depend on the respective MAs. In the procedures for **analysing applications**, the bureaucratic burden is the dimension most negatively evaluated by the LAGs (averages below 3) and by the beneficiary entities, which also highlight the time taken to analyse and approve applications (averages below 4), which are recognised by the LAGs.
63. In **the preparation and approval of applications**, the beneficiary entities highlight the difficulties associated with the formal requirements and the bureaucracy to prepare the application (36.7%), the decision deadlines (28.4%), the interpretation of legislation (18.7%) and the fulfilment of technical and administrative requirements (18.5%), to which must be added the complexity of the application submission platform.
64. **Project monitoring** was formalized in monitoring and evaluation plans, carried out by the LAG's technical teams, management bodies and partners and centred on direct contact, mainly through meetings and regular contacts with beneficiary entities. These monitoring mechanisms were considered globally adequate by the LAGs (with average values between 4.4 and 5 on a scale from 1 to 6). The diversity and complexity of the interventions (59.2% of the LAGs) and the difficulty in obtaining information to measure the defined indicators (43.4% of the LAGs) are the main constraints to an efficient monitoring and evaluation of the CLLDs, resulting from a very generic system of indicators (roughly limited to the number of projects and jobs created) that was not strengthened by complementary indicators defined by the LAGs, not capturing the specificities of the supported interventions or the economic activities covered, being insufficient especially from the perspective of assessing the results and contributions to the LDS.

Effectiveness

65. The support integrated in the CLLD recorded **very significant levels of demand**, with around 22,000 applications received in the various LAGs. The Rural LAGs in Mainland Portugal absorbed the highest number of applications (85.8%), with an average of 353.4 applications per LAG, which contrasts with the average number of applications received by the Coastal and Urban LAGs (88 and 50 respectively).
66. **The distribution of applications by IP/TO** shows a concentration on support for enterprises and job creation (PI8.3. and 8.8. operationalised through SI2E and *+Coeso* corresponding to 48.6% of applications from Mainland Rural CLLD, 52.8% of applications from Coastal and 86.9% from Mainland Urban), small investments in agricultural holdings (10. 2.1.1 equivalent to 35% of Mainland Rural CLLD applications) and to tourism activities in aquatic areas (16.2% of Coastal CLLD applications), reflecting the initial expectations of the LAGs and the contracted allocations per IP/TO. The main factors that conditioned the adherence of promoters, from the LAGs' perspective, were the eligibility conditions of the

promoters or the operations (67.5% and 61.3% respectively). However, **the levels of rejection and/or withdrawal and revocation are high** (rate of applications in execution of 54.9% of the total applications submitted). The main reason for rejection is compliance with the eligibility criteria of the beneficiaries and projects (applications that do not belong to their territory of intervention, with an investment volume higher than the eligible one), as well as the lack of financial allocation and the lack of documents necessary for the instruction of the application. The beneficiaries consider the application submission process to be complex, with dispersed information that is difficult to understand, which leads to the submission of applications that are poorly completed (e.g., with missing documentation) and the need to use contracted consultants.

67. The **commitment levels are high** and above the contracted allocation (except for the Rural CLLD of the Autonomous Regions), but **with low levels of implementation** (below 35%, except for the Azores Rural CLLD, highlighting the Urban CLLD with an implementation rate of only 7.6%). The delays in implementation, the poor adequacy of some measures, along with the difficulties that some promoters have in executing their projects, are the main reasons given for this situation. From the perspective of the surveyed beneficiary entities, the main constraint to the implementation of projects is the compliance with formal requirements and the bureaucracy to instruct payment requests (around 40% of respondents), while also mentioning the decision deadlines (25.4%), the interpretation of legislation (22.6%) and the formal requirements and bureaucracy to instruct change requests (22.2%). It should be noted that only 28.7% of respondents said they had no difficulties in implementing their projects.
68. There is some optimism among the LAGs as to their capacity to meet the contracted goals, which should be tempered by the existing levels of execution and some difficulties in the implementation of projects by the beneficiary entities.
69. Reflecting the implementation profile, the contribution of the CLLDs to the development of the territories focuses mainly on stimulating their economic fabric and supporting job creation, modernising agricultural holdings, and developing tourism in aquatic areas.

European Added Value

70. The analysis shows that the **community financing resources of PT2020 were decisive in materializing the set of investments and projects in the territories covered by the LAGs**. The CLLD approach supported by the ESIF has played a central role in making the intervention territories more dynamic and has built a heritage of critical mass and facilitated access by the population and entities in these territories to the Cohesion Policy instruments.
71. On the other hand, according to the LAGs and beneficiary entities, this territorialisation of funding has a very positive contribution to the promotion of proximity with the local community and potential promoters, to a more direct response to the needs of the territories and to the establishment of relationships of mutual trust between the LAG technical teams, the partners, and the beneficiaries/potential beneficiaries. A scenario of absence of the CLLDs would constitute, with high probability, a greater difficulty of access to Cohesion Policy funding instruments for smaller potential beneficiaries (especially in low density territories where access to decision centres, information and consultancy networks is lower), the end of the critical mass created in the territories, the deactivation of the set of already consolidated partnerships and the destruction of the employment of qualified technicians associated with the Local Development Associations (LDA) in these territories, who without employment alternatives would probably have to go to other more dynamic territories.
72. **The contribution of the ESIF** was also at the level of the so-called **volume effects**, and it was practically unanimous among the various beneficiaries interviewed that without the support of the ESIF the projects would have been much more limited and in almost half of the cases not feasible. Even so, the notions of under-funding of the LDS are striking in the case of the Rural and Coastal CLLD, especially in the context of territorial animation, traditionally expressive in the work of the LAGs.
73. **It can also be seen that the ESIF have leveraged effects of scope**: those effects are especially evident in the creation of the Urban CLLD model, the increase in the territories covered by the Rural and Coastal CLLD and the integration of direct support to farmers and small agriculture. However, the initial configuration of the ESIF did not contemplate some of the areas traditionally supported by the LEADER, and with difficult framing in other financing instruments, namely within the scope of support to the social and associative sector in the cultural and sports area and of recovery and valorisation of the local heritage.
74. On the other hand, it may be concluded that it was **at the level of process effects that the contribution of the ESIF was less successful** in improving the governance system and the capacity to interact/discuss

and negotiate at the various levels of the governance system (e.g., coordination between local and regional governance levels) and the lower effectiveness observed from the strong bureaucratic burden associated with their use, which does not take into account the low eligible amounts and the typical promoters of these instruments, with levels of demand for compliance with formal and technical requirements identical to those of large investment projects.

Key Recommendations

➤ Decentralisation and Accountability

Recommendation 1	With regard to the sub-regional level, the path to be favoured must make room for a greater protagonism of the IMC/MeA in the design of policies, in a perspective of continuity in the construction of the institutional model underway that gives community funds an opportunity to encourage administrative decentralisation and territorialisation of the interventions supported.
Operationalisation	<ul style="list-style-type: none"> • To clarify, within the scope of the multi-level governance model, the ambition pursued in the management deconcentration and efficiency domains and in the policy territorialisation domain. • Clarify the strategic dimensions implicit in the multi-level governance model, giving adequate relevance to the policy territorialization objectives. • To situate the mechanisms that contribute to administrative efficiency and those that contribute to policy adequacy (e.g., the mechanisms of delegation of administrative competences vs. the mechanisms that enable a greater programmatic initiative). • To reinforce the autonomy of the IMC/MeA in the selection of domains of intervention and design of projects in the areas of competence privileged by the process of decentralization of competences (training, education, employment, inclusion, health, ...). • To confer greater autonomy in the design of intervention instruments, allowing the configuration of specific intervention instruments and projects. • To accompany this reinforcement of autonomy with instruments that enable the monitoring and evaluation of the results achieved by the IMC/MeA that substantiate dimensions of autonomy of variable geometry.
Recommendation 2	Giving greater autonomy and initiative to the RCDC in planning, definition and coordination of policies, promoting their role as interlocutor with central and sectoral plans
Operationalisation	<ul style="list-style-type: none"> • To open space for the regional programming of sectorial policy instruments specified to the territories sanctioned by the RCDC in articulation with the sectorial actors. • Expanding the sectoral programming spaces open to regional initiatives (as is the case, for example, in the area of education). • Reinforcing the role of RCDC in negotiating sub-regional action plans, coordinating them with regional strategies. • Promoting the role of RCDC in the follow-up and monitoring of sub-regional action plans.
Recommendation 3	To broaden the range of investment priorities available in the context of territorial interventions and subject their mobilisation to the negotiation of an Action Plan that defines the scope, objectives and targets of the contribution targeted for the implementation of sub-regional and local level strategies.

Operationalisation	<ul style="list-style-type: none"> • To broaden the range of intervention priorities available for contracting in the context of the TI. • To negotiate programming frameworks that enable a greater link between the Action Plans and the territorial strategies and to submit the regulation of funding from the initial allocation to performance frameworks assessed in a mid-term review. • To promote the elaboration of Action Plans that clearly identify the targeted response domains and the instruments to be mobilized, allowing a greater specification to the regional and local contexts. • To negotiate the IPs to be mobilised, the objectives and targets of each Action Plan and to contract a clear framework of results allowing for the strengthening of the monitoring and evaluation dimensions: <ul style="list-style-type: none"> – Identification of the strategic domains and main results expected in each Plan; – Identification of the objectives considered and expected results; – Contractualisation of indicators and targets; – Performance monitoring and evaluation; – Mapping of articulations with other territorial-based funding instruments; – Interim management of funding based on the performance framework; – Mobilisation of historic performance to decide on the levels of deepening the autonomy of the IMC/MeA.
Recommendation 4	<p>To combine the models of contractualisation and decentralisation of competencies applied to territorial development with financing strategies that are based on the clear negotiation of objectives (capable of reflecting the targeted strategic gains), on accountability for implementation and on the management of financing according to performance criteria.</p> <p>Greater accountability for implementation would require,</p>
Operationalisation	<ul style="list-style-type: none"> • To support the contractualisation model in goals assumed in territorially negotiated Action Plans with the establishment of financial envelopes "upfront". • In a mitigated version, it comprises a wider range of options at the level of interventions and flexibility in their mobilisation, in a maximised version, the ability to propose own policies and instruments. • Performance management as a funding criterion requires the adoption of monitoring mechanisms based on performance frameworks with contractualisation of indicators and goals. • A contractualisation model focused on results requires a significant qualitative leap regarding the formulation and mapping of indicators.
Recommendation 5	<p>Reform the approach to urban local development by creating differentiated instruments or allowing a high flexibility in the operationalisation strategy of the CLLDs</p> <p>(Concretising and empowering sub-municipal policy coordination spaces that mitigate the pulverisation of small-scale projects and ensure the implementation of integrated approaches similar to the Integrated Operations for Disadvantaged Communities)</p>
Operationalisation	<ul style="list-style-type: none"> • Mapping the areas of intervention that are best attuned to the problems of urban territories. • Delimit differentiated action benchmarks liable to be contracted. • To build the capacity of local actors (LAGs or not).

➤ **Programming and Monitoring**

Recommendation 6	To dissociate the moments of elaboration of the TI action plans (of sub-regional and local scope) from those of elaboration of the Strategies, promoting their affirmation as integrating references of regional and local development options. To keep the territorial approach linked to the strategic reference through the negotiation of an action plan aligned with the strategy. (This recommendation is implemented together with the following recommendation)
Operationalisation	<ul style="list-style-type: none"> • To promote the preparation/renewal and approval of development strategies in participatory forums which ensure the endorsement of local and regional stakeholders. • To promote the elaboration of matrixes of relationship between the territorial strategies and strategic referentials of sectorial and thematic scope. • To promote the mapping of articulation matrixes between the intervention areas included in the strategy and the available funding programmes/instruments/measures and the actors responsible for their implementation in order to ensure greater visibility and planning for the funding strategy. • To stimulate from the IMC/MeA a more integrated function of procurement of funding instruments and opportunities for the realization of regional strategies.

Recommendation 7	To reinforce the role of bottom-up promotion of local action and to diversify the contractualisation strategies of animation and management functions.
Operationalisation	<ul style="list-style-type: none"> • To adopt a diversified contractualisation strategy with the local partnerships (LAGs) and Local Development Associations (LDA) that is harmonised with their intervention profile in the territory, allowing them to take on differentiated roles within the context of the local governance model and understanding the possibility of taking on and combining different intervention plans, with differentiated levels of functional articulation and delegation of competences: <ul style="list-style-type: none"> – dynamization and animation of the territory, stimulating local initiative, structuring projects and aligning interventions with the Local Development Strategies; – technical management support to MAs in analysing the admissibility and merit of applications; – delegation of competences associated to the analysis and decision of applications and to the execution of projects, having underneath the implementation of the Local Development Strategy, including analysis of reimbursement requests, being the local partnerships (LAGs) recognised as Intermediate Bodies. • To create a pre-qualification mechanism that explains and evaluates the necessary requirements to intervene in each of the plans considered. • To create capacity-building opportunities for the LDAs and LAGs that want to strengthen their intervention in these areas. • To define a funding model that considers standard cost units that facilitate the adequacy of funding to the contracted effort rate and ensure funding predictability.
Recommendation 8	To condition the integration of policy instruments considered in sector-based public policy to the clear demonstration of mechanisms for their territorialisation (target-publics, support format, regional specialisation criteria, support intensity, ...)
Operationalisation	<ul style="list-style-type: none"> • Make the integration of sector-based instruments conditional on joint validation of their suitability by regional and sectoral coordination levels. • To clearly map the differentiation criteria assumed in the context of the territorial approach. • Contractualisation of indicators and targets. • Performance monitoring and evaluation. • Interim management of funding based on the performance framework.

➤ **Empowering**

Recommendation 9	Improve the capacity building conditions of IMC/MeA and LAGs within the scope of the PDTC and CLLD coordination functions and the portfolio of delegable functions, including at the level of financing
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Operationalisation

- To identify capacity-building priorities in line with the implementation cycle of the Partnership Agreement.
- To create benchmarks for skills and for the dimension of technical teams according to the implicit requirements of the negotiated Plans.
- To define funding ratios for operation and management teams adjusted to the demands implicit in the negotiated Plans.
- Dynamize, in coordination with the IMC/MeA/GAL and in the context of the more transversal plan of capacity building for fund management, the technical capacity building of management teams.
- To create mechanisms and spaces for reflection and sharing of experiences and good practices.

It is considered that to a large extent these lines of action are welcomed in the implementation of the Roadmap for Capacity Building of the Funds

Recommendation10

To develop, in the context of the capacity-building strategy, a reference tool directed to the network of entities that support the design and conception of projects, implementation and monitoring, namely of beneficiaries, and to disseminate training opportunities aligned with that reference tool. To focus this capacity building dimension on the strategic and planning domains of the projects, promoting the integration of programming priorities in the dissemination channels (currently focused mainly on funding and eligibility rules) for beneficiaries and in project design.

Consider the creation of an optional certification associated to the benchmark developed that allows promoting the recognition of the entities that adhered to the capacity building process.

Operationalisation

- To create a training framework for consulting entities which support the design of local development projects.
- To design and organise training modules aligned with the benchmark developed.
- To define the network of training offers.
- Associate the attribution of a recognition stamp to the network of entities that complete the training process.

➤ Simplify

Recommendation11

To speed up the control and verification mechanisms of the application analysis, selection, and approval procedures

Operationalisation

- Definition of a control and verification mechanism of the analysis, selection and approval procedures based on a sampling system for quality control.
- If high error rates and systemic errors are detected adoption of corrective measures.
- Reinforcement of technical guidelines, checklists, and training actions in order to clarify and standardise procedures in analysis, selection and approval.
- Translate the results of verification and control actions, in conjunction with the results of monitoring and evaluation, into the attribution of greater or lesser autonomy and flexibility in the management and programming of TI, converging greater effectiveness, efficiency and formal correction of procedures to greater margins of freedom and accountability and, conversely, to greater tutelage actions under the action of the IOs.

Recommendation12	Ensure greater flexibility and autonomy in the implementation of the contracted instruments, namely in the definition and management of the Calls
Operationalisation	<ul style="list-style-type: none"> • To define general mandatory guidelines (drafts) to be adopted in each Call integrating the possibility of their adaptation to the sub-regional and local strategy. • Allowing pre-established margins for manoeuvre for adapting the selection criteria, bonuses, eligibility restrictions (e.g., typology of beneficiaries, thresholds of eligible amounts, number of applicants per beneficiary). • Granting autonomy in managing the timing of the Calls for Proposals, the number of calls for proposals per instrument and the appropriations to be applied for, keeping in mind the implicit limits of the negotiated programming frameworks. • To remit the establishment of specific indicators to the negotiated programming frameworks.
Recommendation13	Simplifying access to funding instruments for beneficiaries
Operationalisation	<ul style="list-style-type: none"> • To reinforce the adoption of simplified cost methodologies, especially in investment typologies of reduced financial dimension. • To consider the effective need of the different administrative and technical requirements requested in the application. • To promote the articulation with the competent entities in order to speed up the issuing of opinions and licenses necessary for the instruction of applications and implementation of projects, in a fast-track logic justified by the requirements of ESIF implementation. • To strengthen the capacity building of consultants and beneficiary entities to access financing instruments.

➤ **Communicate**

Recommendation14	Require the formalisation in the Action Plan of communication plans for the different TIs
Operationalisation	<ul style="list-style-type: none"> • Promoting the development of communication plans for the PDTs and CLLDs. • Elaborate a guide for the communication strategy and the methodologies and instruments for measuring its impact. • Promoting the monitoring of communication strategies at a regional level (NUTS II). • To create a clear rationale for the funding of communication plans.

Annex - Thematic Objectives and Intervention Priorities covered in the ITI

PDTIC

TO 2 (Improving access to, use and quality of ICTs): supporting the modernization of local administration (within IP 2.3)

TO 4 (Supporting the transition to a low-carbon economy in all sectors): supporting the use of energy efficiency and renewable energy in public infrastructure, including in public buildings in local government (excluding the housing sector) (within IP 4.3)

TO 5 (Promoting climate change adaptation and risk prevention and management): supporting investment to adapt to climate change (IP 5.1); promoting investments to address specific risks, ensure disaster resilience and develop disaster management systems (measures identified in the respective emergency and civil protection plans) (IP 5.2)

TO 6 (Preserve and protect the environment and promote the efficient use of resources): support to municipal investments, or multi-municipal in this case when the geography of the intervention coincides with the ITI, in waste (IP 6.1) and support to investment in the protection, promotion and development of the natural heritage (IP 6.3)

TO 8 (Promote sustainability and quality in employment and support workers mobility): support to self-employment, micro-entrepreneurship, and business creation (under IP 8.3 and 8.8)

TO 9 (Promote social inclusion and combat poverty and discrimination): measures for active inclusion of marginalized communities and groups at risk (under IP 9.1) and investments in social infrastructure and equipment (IP 9.7)

TO10 (Investing in education, training and vocational training for skills acquisition and lifelong learning): interventions for reducing and preventing school dropout and promoting equal access to education (IP 10.1) and investments in educational infrastructure for pre-school and primary education (under IP 10.5)


Measure 4 Investments in assets (EAFRD) - Collective infrastructures (traditional irrigation, drainage and land structuring)

CLLD

TO 3 Strengthening the competitiveness of small and medium-sized enterprises in the agricultural, fisheries and aquaculture sectors: 10.2.1.1. Small investments in agricultural holdings (EAFRD); 10.2.1.2. Small investments in processing and marketing (EAFRD); 10.2.1.3. Diversification of on-farm activities (EAFRD); 10.2.1.4. short chains and local markets (EAFRD); 10.2.1.5. promotion of local quality products (EAFRD); 10.2.1.6. Village renewal (rural territories) (EAFRD); 6.4 - Investment in the creation and development of non-agricultural activities (EAFRD); 7.2 - Investment in small scale infrastructure including renewable energy and energy saving (EAFRD); 7.4 - Investment in basic local services (EAFRD); 7.5 - Investments in leisure and tourism infrastructure and tourist information (EAFRD); 7.6 - Investments associated with cultural and natural heritage and environmental awareness actions (EAFRD); 19.2. 1- Non-agricultural activities in rural areas (EAFRD); 19.2.2- Basic Services for the Rural Population (EAFRD); 1- Innovation in the maritime area (EMFF); 2- School and professional qualification (EMFF); 3- Promotion of Sea Plans (EMFF); 4. Strengthening the competitiveness of fisheries (EMFF); 5. Development of aquatic tourism (EMFF); 6. Promotion of local products and their quality (EMFF); 7. Short food circuits and local markets (EMFF); 8. Preservation, conservation and enhancement of heritage features, natural resources and landscapes (EMFF)

TO 6 Preserving and protecting the environment and promoting the efficient use of resources, including the conservation, protection, promotion, and development of natural and cultural heritage: 6.3. Conservation, protection, promotion, and development of natural and cultural heritage (ERDF)

TO 8 Promote the sustainability and quality of employment and support the mobility of workers, particularly regarding self-employment and entrepreneurship and business creation; 8.8 Supporting the development of business incubators and self-employment, micro-enterprises and business creation and micro-enterprises



(ERDF); 8.3. Self-employment, entrepreneurship and business creation, including innovative micro, small and medium-sized enterprises (ESF)

TO 9 Promoting social inclusion and combating poverty and discrimination, including support to promote equal opportunities and active participation and improve employability; 9.1. Active inclusion, including with a view to promoting equal opportunities and active participation and improving employability (ESF)

TO 10 Investing in education, training and vocational training for skills and lifelong learning, including through initiatives aiming at reducing and preventing early school leaving; 10.1 Reducing and preventing early school leaving and promoting equal access to good quality early childhood, primary and secondary education, including formal, non-formal and informal learning pathways for reintegration into education and training (ESF)